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INTRODUCTION

SURVEY OF STATE FUNDING OF LANDSIDE PORT FACILITIES AND CARGO TERMINALS, 1983

A. Survey Participants

Members of the Standing Committee on Water Transportation of the American Association of State Highway and Transportation Officials, who include representatives of state departments of transportation (DCT's), departments of highways, and port authorities, provided the data included in this survey report. The report is based upon a 1982 report by the same name, updated with information gathered in early 1983.

Of the 41 states located on commercially navigable waterways, 22 states have programs to fund the construction of landside port facilities and cargo terminals. In addition, with the exception of Vermont, all 41 of the states on navigable waterways have either state port authorities or local port authorities, port districts or dock boards responsible for port and terminal development. All 41 states on the navigable waterway system, along with a response from Puerto Rico, are included in this report.

B. AASHTO Survey Activities

Objectives of the Standing Committee on Water Transportation are to develop an understanding of port development programs by each of the states and to distribute information on port programs to the member states in the interests of encouraging the development of a strong national waterway system. The Survey of State Funding of Landside Port Facilities and Cargo Terminals represents an in-depth analysis of one of the major state

responsibilities identified in the AASHTO "Survey on State Involvement in Water Transportation and Port Development"* which was published in October, 1981. That first survey by the Standing Committee on Water Transportation provided an overview on state responsibilities in the planning, funding, operation and promotion of cargo ports and ferry service.

C. Report Format

A narrative discussion of each question in the survey is presented in this report, followed by a table which presents the responses for each of the individual states.

An Appendix at the end of the report indicates projects which have been funded by states, primary commodities handled and the amount of state funding at individual ports.

*Copies are available from AASHTO, 444 N. Capitol Street, N.W., Suite 225, Washington, D.C. 20001

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PURPOSE OF THE SURVEY

A number of respondents to the AASHTO "Survey on State Involvement in Water Transportation and Port Development" expressed concerns over the sharp increase in costs for all modes of transportation including port and terminal facilities, the movement in Congress to limit the use of tax-exempt industrial revenue bonds by local units of government including port authorities, and the strong likelihood for changes in the traditional division of responsibility between the federal government and the states, local port authorities and private sector in the development of the Nation's water transportation system. Throughout the 200-year development period of the water transportation system, which now comprises 189 deep-draft ports and 25,000 miles of navigable inland and intracoastal waterways, the federal government has been responsible for construction, maintenance and operation of the navigation channels, harbors and locks for the waterway system, and the states, local agencies and the private sector have developed the landside port and terminal facilities which handle the loading and unloading of vessels and the storage and inter-modal transfer of the cargoes.

Changes are now being proposed to this historic division of responsibility, with the likelihood that there will be a significant reduction in the federal role and federal financial support for both the deep-draft and inland waterway water transportation systems. The states should be aware of the changes that are being proposed, and may desire to assume the additional responsibilities that could come if some of the bills pending before Congress or cost sharing approaches being considered by the Corps of Engineers are passed or implemented. While payment of part of the costs of the waterway system may be imposed on the shippers and vessels using the ports and waterways, the states and other local interests may find it necessary to assume part of the costs if projects are to go forward, or perhaps to provide upfront financing for needed waterway projects with the option of collecting the costs of the project from the users.

To provide information on how state governments can conduct needed waterway, port and terminal development in light of increasing costs, pending restrictions on present sources of financing and changed federal/state responsibilities, the members of the Standing Committee on Water Transportation requested that AASHTO conduct a survey of methods used by states to fund landside port and terminal facilities and amounts of funds invested in such facilities. This report on the landside port and terminal funding programs used by states throughout the country over the last six years should be a valuable resource for states and port authorities in developing new and expanded means of obtaining funds for future port development projects and in preserving existing funding tools such as industrial revenue bonds.

SIGNIFICANT FINDINGS

Some of the significant findings of the AASHTO Survey of State Funding of Landside Port Facilities and Cargo Terminals are as follows:

- Nationally, of the 41 states located on navigable waterways, 22 have funding programs for landside port facilities and cargo terminals.
- States invested \$733.5 million in port facilities and terminals during the six-year period, 1977-1982.
- \$603.5 million was expended by states on tidewater landside port and terminal facilities, \$52.1 million at Great Lakes ports and \$77.9 million for inland waterway terminals.
- East Coast states invested \$303.1 million in port and terminal development, the Gulf Coast states invested \$255.4 million, the Midwest states invested \$101.1 million and the West Coast/Pacific states invested \$73.9 million in port projects.
- State port and terminal construction funds are administered by nine state departments of transportation, eight state port authorities, four state economic development agencies and one capital development agency.
- In terms of the state agencies responsible for administering state funds for port and terminal projects, \$342.8 million was administered by state departments of transportation, \$329.7 million by state port authorities and \$54.7 million by state departments of commerce or other state agencies.
- Twelve states authorize a state agency to fund projects at the discretion of the state agency, while 10 states report that the state legislature provides funds for port projects on the basis of recommendations by a state agency, and in five states the legislature authorizes funds on a project-by-project basis without regard for the recommendations of a state agency.
- The sources of state funds invested in landside port facilities and terminals included general obligation bonds, \$324.5 million; general revenue funds, \$163.4 million; revenue bonds, \$143.2 million; charges on users, \$49.4 million; and excise taxes, \$34.4 million.
- Besides the eight state port authorities, states and local units of government have created 239 local port authorities, port departments, dock boards or port commissions to develop port facilities.

USE OF GEOGRAPHIC REGIONS

To assist in the analysis of survey responses, the United States was divided into five regions: East Coast, Gulf Coast, Mississippi Valley/Midwest, West Coast/Pacific and West Region (which includes the nine states which have no navigable waterways). Responses were grouped according to these regions, which correspond roughly to U.S. coastal areas, to identify any patterns in the port and terminal funding programs of the various waterway states. The states in each of these regions are presented below and on the figure on the following page.

East Coast

Connecticut, Delaware, Georgia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, Vermont, Virginia

Gulf Coast

Alabama, Florida, Louisiana, Mississippi, Texas

Mississippi Valley/Midwest

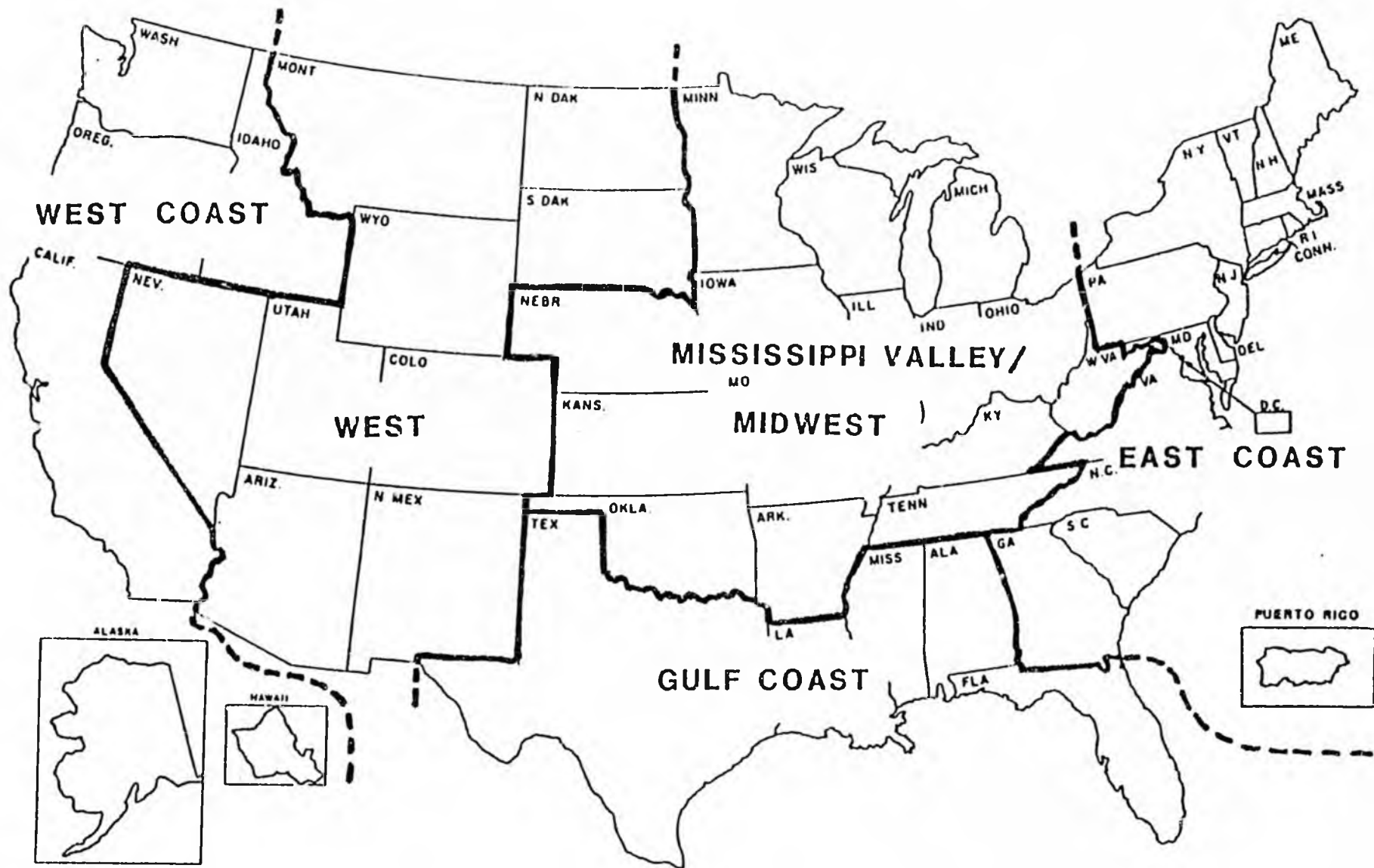
Arkansas, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, Ohio, Oklahoma, Tennessee, West Virginia, Wisconsin

West Coast/Pacific

Alaska, California, Hawaii, Idaho, Oregon, Washington

West Region (no commercially navigable waterways)

Arizona, Colorado, Montana, Nevada, New Mexico, North Dakota, South Dakota, Utah, Wyoming



REGIONS USED IN ANALYZING DATA-SURVEY OF STATE FUNDING OF LANDSIDE PORT FACILITIES AND CARGO TERMINALS AASHTO

NATIONAL SUMMARY

1. Construction Funding

Does the state or any state agency fund the construction of landside port facilities and water cargo terminals or collect funds or charges which are used for terminal construction?

Nationally, of the 41 states located on navigable waterways, 22 states have programs to fund the construction of landside port facilities and water cargo terminals. In addition, Puerto Rico funds terminal construction. A water cargo terminal is a cargo handling facility, within a deep-draft port or on an inland river, which includes the dock, transfer equipment, storage area and buildings, landside access and other related cargo handling facilities.

Eleven of the states that fund terminals are located on the East Coast, including Connecticut, Delaware, Georgia, Maine, Maryland, New Hampshire, New York, North Carolina, Rhode Island, South Carolina and Virginia. Five states in the Mississippi Valley/Midwest region, including Illinois, Indiana, Kentucky, Missouri and Wisconsin, have port funding programs. On the Gulf Coast, the states of Alabama, Louisiana and Mississippi fund water terminals. In the West Coast/Pacific region, Alaska and Hawaii have funding programs, and Oregon is the only mainland state which funds ports. Table 1 indicates the states that have or do not have funding programs, grouped by region.

Table 1

State Funding of Landside Port Facilities and Cargo Terminals

<u>East Coast</u>	<u>Does State Fund Ports and Terminals?</u>	
Connecticut	Yes	
Delaware	Yes	
Georgia	Yes	
Maine	Yes	
Maryland	Yes	
Massachusetts		No
New Hampshire	Yes	
New Jersey		No
New York	Yes	
North Carolina	Yes	
Pennsylvania		No
Puerto Rico	Yes	
Rhode Island	Yes	
South Carolina	Yes	
Vermont		No
Virginia	Yes	
<u>Gulf Coast</u>		
Alabama	Yes	
Florida		No
Louisiana	Yes	
Mississippi	Yes	
Texas		No
<u>Mississippi Valley/Midwest</u>		
Arkansas		No
Illinois	Yes	
Indiana	Yes	
Iowa		No
Kansas		No
Kentucky ^a	Yes	
Michigan		No
Minnesota		No
Missouri ^b	Yes	
Nebraska		No
Ohio		No
Oklahoma		No
Tennessee		No
West Virginia		No
Wisconsin	Yes	
<u>West Coast/Pacific</u>		
Alaska	Yes	
California		No
Hawaii	Yes	
Idaho		No
Oregon	Yes	
Washington		No
<u>West Region ^c</u>		
Arizona		No
Colorado		No
Montana		No
Nevada		No
New Mexico		No
North Dakota		No
South Dakota		No
Utah		No
Wyoming		No

a. Kentucky funded cargo terminal projects during the period through 1981, but there are presently no plans to continue the program.

b. The Missouri legislature has authorized the Highway and Transportation Commission to provide funds to port authorities for capital projects, and a voter referendum in June 1982 approved a bond issue for transportation improvements including highways and non-highway projects such as ports, railroads and airports.

c. States which do not have commercially navigable waterways.

2. Agencies Handling Funding Programs

What state agency administers the state's port and terminal funding program?

In the 22 states that fund port and terminal development, the administration of the programs are the responsibility of nine state departments of transportation, eight state port authorities or commissions, four state economic development agencies and one state project construction agency. In Puerto Rico, a single port authority, which is part of the Puerto Rico Department of Transportation and Public Works, administers the program. The various state agencies are indicated in Table 2.

State port authorities which administer state funds for landside port and terminal projects include the Georgia Ports Authority, New Hampshire State Port Authority, North Carolina State Port Authority, Rhode Island Port Authority, South Carolina State Ports Authority and Virginia Port Authority. The Alabama State Docks Department and the Indiana Port Commission are the other two administrative bodies for port funds. Only the Massachusetts Port Authority receives no state funds for port projects.

State DOT's which administer state port funding programs include Alaska, Connecticut, Hawaii, Louisiana, Maine, Maryland (the Maryland Port Administration was consolidated into Maryland DOT in 1971), Missouri, New York and Wisconsin. State economic development departments administer port funding in Delaware, Kentucky, Mississippi and Oregon, while the Capital Development Board in Illinois directs the construction of state funded port projects.

Table 2

State Agencies That Administer
Port and Terminal Funding Programs

East Coast

State Agency

Connecticut	Department of Transportation
Delaware	Economic Development Division
Georgia	Georgia Ports Authority
Maine	Department of Transportation
Maryland	Maryland Port Administration (DOT)
New Hampshire	New Hampshire State Port Authority
New York	Department of Transportation
North Carolina	North Carolina State Port Authority
Puerto Rico	Puerto Rico Ports Authority (DOT)
Rhode Island	Rhode Island Port Authority
South Carolina	South Carolina State Ports Authority
Virginia	Virginia Port Authority

Gulf Coast

Alabama	Alabama State Docks Department
Louisiana	Department of Transportation
Mississippi	Department of Economic Development

Mississippi Valley/Midwest

Illinois	Capital Development Board
Indiana	Indiana Port Commission
Kentucky	Commerce Cabinet
Missouri	Highway and Transportation Department
Wisconsin	Department of Transportation

West Coast/Pacific

Alaska	Department of Transportation
Hawaii	Department of Transportation
Oregon	Department of Economic Development

3. Funding Levels, 1977-1982

What is the amount of state funds used to finance landside port facilities and cargo terminals during each of the past six calendar years?

The amount of state funds invested in landside port facilities and terminal development was reported by 25 states. These 25 states invested a total of \$733.5 million in state funds during the six-year period 1977-1982. Because for some projects, state funds were used to match federal and local funds, the total project costs and the actual dollar investment in port facilities generated by this investment of state funds was somewhat greater than the totals presented in this report.

Table 3A indicates the yearly investment of states in landside port facilities and terminal development during the six-year period. The twelve East Coast states invested \$303.1 million in port development, while the Gulf Coast states invested \$255.4 million, the Midwest states invested \$101.1 million and the West Coast/Pacific states invested \$73.9 million in port projects. Leading the states in the funding of ports and terminals were Louisiana, \$199 million; South Carolina, \$88.3 million; Georgia, \$78.6 million; Indiana, \$57.7 million; Alabama, 46.5 million.

A comparison of the amounts of state funds in deep-draft and shallow-draft (inland waterway) port and terminal facilities, presented in Table 3B, indicates that most state funds are used for deep-draft projects. During the six-year period 1977-1982, a total of \$655.5 million was expended on deep-draft ports, whereas only \$77.9 million in state funds were expended for inland waterway port projects. The deep-draft funding can be separated into tidewater and Great Lakes projects. The tidewater state investment was \$603.5 million during the six-year period, while \$52.1 million in state funds were invested in Great Lakes ports.

In terms of the state agencies (where identified) responsible for administering state funds for port and terminal projects, \$342.8 million was administered by state departments of transportation, \$329.7 million by state port authorities and \$54.7 million by state departments of commerce or other state agencies.

Table 3a

State Funding of Port and Terminal Projects
Calendar Years 1977 - 1982

	1977	1978	1979	1980	1981	1982	Six Year Total
East Coast							
Connecticut			\$ 500,000	\$ 500,000	\$ 500,000	\$ 30,000	\$ 1,530,000
Delaware				\$ 1,250,000	\$ 800,000		\$ 2,050,000
Georgia	\$ 21,646,000	\$ 16,404,000	\$ 10,065,000	\$ 4,715,000	\$ 12,144,000	\$ 12,900,000	\$ 78,874,000
Maine	\$ 595,000	\$ 393,000	\$ 613,000	\$ 619,000	\$ 676,000	\$ 141,000	\$ 3,027,000
Maryland	\$ 13,276,000	\$ 11,629,000	\$ 2,739,000	\$ 4,882,000	\$ 1,847,000		\$ 34,373,000
New Hampshire	\$ 1,700,000		\$ 90,000	\$ 25,000			\$ 1,815,000
New York	\$ 1,400,000	\$ 5,700,000	\$ 7,800,000	\$ 8,500,000	\$ 7,600,000		\$ 31,000,000
North Carolina	\$ 5,306,000	\$ 1,645,000	\$ 2,646,000	\$ 2,000,000	\$ 2,448,000	\$ 2,524,000	\$ 16,569,000
Pennsylvania				\$ 50,000		\$ 5,571,000	\$ 5,621,000
Puerto Rico ^b							
Rhode Island				\$ 12,000,000			\$ 12,000,000
South Carolina				\$ 41,000,000	\$ 40,000,000	\$ 7,325,000	\$ 88,325,000
Virginia	\$ 1,184,000	\$ 1,717,000	\$ 12,058,000	\$ 6,275,000	\$ 4,822,000	\$ 2,109,000	\$ 28,225,000
Sub-Total							\$303,109,000
Gulf Coast							
Alabama	\$ 6,762,000	\$ 3,545,000	\$ 15,847,000	\$ 10,690,000	\$ 9,656,000	\$ 0	\$ 46,500,000
Louisiana	\$ 27,514,000	\$ 31,365,000	\$ 46,770,000	\$ 39,115,000	\$ 45,255,000	\$ 9,500,000	\$199,519,000
Mississippi	\$ 7,400,000	\$ 2,000,000					\$ 9,400,000
Sub-Total							\$255,419,000
Mississippi Valley							
Illinois		\$ 1,776,000	\$ 12,750,000	\$ 5,000,000		\$ 0	\$ 19,526,000
Indiana	\$ 12,627,000	\$ 5,756,000	\$ 8,103,000	\$ 15,354,000	\$ 31,183,000		\$ 57,669,000
Kentucky	\$ 3,429,000	\$ 3,430,000	\$ 3,568,000	\$ 3,568,000	\$ 1,669,000		\$ 15,664,000
Missouri						\$ 766,000	\$ 766,000
Ohio ^c				\$ 4,000,000		\$ 0	\$ 4,000,000
Tennessee						\$ 775,000	\$ 775,000
Wisconsin ^d					\$ 1,500,000	\$ 1,186,000	\$ 2,686,000
Sub-Total							\$101,086,000
West Coast/Pacific							
Alaska	\$ 1,500,000	\$ 880,000	\$ 1,000,000	\$ 3,000,000	\$ 12,150,000		\$ 18,530,000
Hawaii	\$ 2,970,000	\$ 10,670,000	\$ 3,145,000	\$ 10,459,000	\$ 8,128,000	\$ 16,010,000	\$ 51,382,000
Oregon ^e						\$ 0	\$ 4,000,000
Sub-Total							\$ 73,912,000
Total	\$107,299,000	\$96,910,000	\$127,694,000	\$173,002,000	\$165,784,000	\$ 58,837,000	\$733,528,000

- a. One-time grant from the State Bureau of Appalachian Development for railroad rehabilitation in the Port of Philadelphia - 1980.
- b. Port projects are funded by the Puerto Rico Ports Authority, but the amount of funds was not indicated in the survey.
- c. One-time appropriation to DOT for land acquisition for a port authority on the Ohio River - 1980.
- d. New program initiated in 1981. Projects in the first year involved harbor dredging, not landside port development. Funds were committed but not spent.
- e. State has a revolving loan fund which has been used for a wide range of small-scale projects.
- f. The sum of each of the five years is \$4 million less than the five-year total, as the Oregon funds are not allocated by year.

Table 3B

State Funding of Ports and Terminals
By Deep and Shallow Draft Waterways

<u>Deep-Draft Tidewater States</u>	<u>State Funding 1977 - 1982</u>
Alabama	\$ 46,500,000
Alaska	\$ 18,530,000
Connecticut	\$ 1,530,000
Delaware	\$ 2,050,000
Georgia	\$ 78,574,000
Hawaii	\$ 51,382,000
Louisiana	\$173,534,000
Maine	\$ 3,027,000
Maryland	\$ 34,373,000
Mississippi	\$ 9,400,000
New Hampshire	\$ 1,815,000
New York	\$ 28,000,000
North Carolina	\$ 16,569,000
Oregon	\$ 4,000,000
Pennsylvania	\$ 5,621,000
Rhode Island	\$ 12,000,000
South Carolina	\$ 88,325,000
Virginia	\$ 28,225,000
Sub-Total	<u>\$603,455,000</u>
<u>Deep-Draft Great Lakes States</u>	<u>State Funding 1977 - 1982</u>
Illinois	\$ 15,000,000
Indiana	\$ 31,441,000
New York	\$ 3,000,000
Wisconsin	\$ 2,686,000
Sub-Total	<u>\$ 52,127,000</u>
<u>Inland Waterway States</u>	<u>State Funding 1977 - 1982</u>
Illinois	\$ 4,526,000
Indiana	\$ 26,228,000
Kentucky	\$ 15,664,000
Louisiana	\$ 25,985,000
Missouri	\$ 766,000
Ohio	\$ 4,000,000
Tennessee	\$ 775,000
Sub-Total	<u>\$ 77,944,000</u>
<u>Total</u>	\$733,526,000

4. Funding Sources

Indicate the sources and amounts of funds used by the state for landside port and terminal development projects during the six-year period 1977-1982.

There are five primary sources of funds which were used by the states to fund port development during the years 1977-1982. These funding sources included state general revenue funds, general obligation bonds, revenue bonds, excise taxes and charges on users. Table 4 indicates the sources of funding by state, and each funding source is discussed below.

General Revenue Fund - The GRF, in most states, is the primary source of funds for government expenditures. Various state taxes and other revenues are deposited in the GRF, and the state legislature appropriates the funds for specific purposes. GRF expenditures of \$163.4 million by 14 states represented the second most important source of state funds for port development, after general obligation bonds, during the years 1977-1982. Indiana used \$38.6 million and New York used \$31 million for port development from the GRF, which represents 40 percent of the total used by the states.

General Obligation Bonds - G.O. bonds were the leading source of state funding for port and terminal development during the years 1977-1982, as 15 states issued a total of \$324.5 million in G.O. bonds. These bonds are backed by the full faith and credit of the state.

Revenue Bonds - Unlike G.O. bonds which are backed by the credit of the state, revenue bonds are generally payable solely from the revenue or income to be derived from the operation of the financed port and terminal facilities. For this reason, interest rates on revenue bonds generally exceed the rate on G.O. bonds. Seven states issued a total of \$143.2

million in revenue bonds to finance port facilities in the years 1977-1982, including Alabama, Georgia, Hawaii, Indiana, Louisiana, South Carolina and Virginia. Louisiana accounted for over 40 percent of the total, having issued \$75 million in revenue bonds.

Excise Taxes - Excise taxes provide funds for selected government purposes by taxing the purchase or use of specified items or services. Maryland and Alabama are the only states that levied excise taxes for port development.

Maryland has a transportation trust fund which is the primary source of funding for all modes of transportation. The main sources of funds for the trust fund include a 9-cent per gallon tax on gasoline sales, vehicle license fees, port revenues and the sale of consolidated transportation (revenue) bonds. A total of \$34.4 million was appropriated from the trust fund during the years 1977-1981 to finance projects in the Port of Baltimore.

In Alabama, export coal mined in the state is charged 13.5 cents per ton, and these revenues are used for payment of the debt service on \$5.5 million in revenue bonds which were issued by the Alabama State Docks Department to finance the McDuffie Coal Terminal in the Port of Mobile. The charge is collected annually up to the amount of the debt service on the bonds. Only the revenue bonds issued to construct the coal terminal are included in Table 4.

Charges on Users - During the years 1977-1982, four states funded \$49.4 million in port projects from charges on users of the state-owned facilities. The states included Alabama, \$31.2 million; South Carolina, \$11.7 million; Hawaii, \$5.7 million; Maine, \$.8 million.

Table 4

Sources of State Funds for Port and Terminal Development
Calendar Years 1977 - 1982

	<u>General Revenue Fund</u>	<u>General Obligation Bonds</u>	<u>Revenue Bonds</u>	<u>Excise Taxes</u>	<u>Charges on Users</u>
<u>East Coast</u>					
Connecticut	\$ 1,500,000				
Delaware		\$ 2,050,000			
Georgia	\$ 12,806,000	\$ 64,243,000	\$ 1,525,000		
Maine	\$ 1,098,000	\$ 950,000			\$ 838,000
Maryland	\$			\$34,373,000	
New Hampshire		\$ 1,815,000			
New York	\$ 31,000,000				
North Carolina	\$ 16,569,000				
Pennsylvania	\$ 5,571,000				
Rhode Island		\$ 12,000,000			
South Carolina		\$ 60,116,000	\$ 16,526,000		\$11,683,000
Virginia	\$ 8,392,000	\$ 8,508,000	\$ 9,565,000		
<u>Gulf Coast</u>					
Alabama		\$ 9,834,000	\$ 5,499,000		\$31,166,000
Louisiana	\$ 9,500,000	\$115,019,000	\$ 75,000,000		
Mississippi		\$ 9,400,000			
<u>Mississippi Valley/Midwest</u>					
Illinois		\$ 19,526,000			
Indiana	\$ 38,640,000		\$ 19,029,000		
Kentucky	\$ 15,664,000				
Missouri		\$ 766,000			
Ohio	\$ 4,000,000				
Wisconsin a		\$ 2,686,000			
<u>West Coast/Pacific</u>					
Alaska	\$ 14,650,000	\$ 3,880,000			
Hawaii		\$ 13,736,000	\$ 16,044,000		\$ 5,715,000
Oregon	\$ 4,000,000				
<u>Total</u>	\$163,390,000	\$324,529,000	\$143,188,000	\$34,373,000	\$49,402,000

a. Funds were committed but not spent.

5. Funding Authorization Procedures

Which of the following procedures are used by the state to authorize the funding of landside port facilities and cargo terminal development projects?

1. State legislature authorizes the funding of port and terminal facilities on a project-by-project basis without regard for state port plans.
2. State legislature authorizes funding to local port authorities for individual projects recommended by the DOT or other state agency.
3. State legislature authorizes funding for individual projects recommended by the state port authority.
4. State legislature authorizes the DOT or other state agency to fund projects at the discretion of the agency.
5. State legislature authorizes the state port authority to fund projects at the discretion of the authority.

While 22 states and Puerto Rico have cargo terminal development funding programs, three of the 22 states report that the legislature may authorize port funds using more than one method. The procedures used in each state are indicated in Table 5. For analysis purposes, the above five questions pertaining to the state authorization process for port project funding can be grouped into three categories:

Question 1 - The state legislature maintains control over the port funding program. Generally, projects are authorized by the state legislatures on the basis of political trade-offs without formal

requirements for objective evaluation or analysis of all proposed projects. In these states, because there is no reliance upon a state port plan, there are apparently no assurances that the port development program will be funded on a continuing annual basis.

This funding method, which can contribute to uncertainty among shippers of the ability of the state to accommodate future demands for waterborne facilities, is used by five states, including Alabama (for inland river ports only), Alaska, Delaware, Illinois and New York. During the period 1977-1981, a total of \$71.1 million was expended by these states without regard for state port plans.

Questions 2 and 3 - In some states, the appropriate state agency, such as the DOT, state port authority or other state agency, makes port project recommendations to the state legislature. The legislature then decides how much funding is to be provided for the recommended projects. Under this approach, port development should occur in a programmatic manner based upon the port needs studies conducted by the responsible state agency.

A total of 10 states report that the state legislature provides funds for port projects on the basis of recommendations by a state agency. In the states of Hawaii and Maine and, at times, in Alaska and New York, the state legislatures authorize funds for port projects on the basis of recommendations by the state DOT, while the recommendations of the state port authority are used to authorize funds for port projects in the states of Alabama (inland river ports only), Georgia, New Hampshire, North Carolina, Rhode Island and Virginia. During the period 1977-1981, \$157.9 million was invested in ports on the basis of the recommendations of projects by a state agency to the state legislature.

Questions 4 and 5 - For the port development program to be the most responsive to market conditions and demands for transportation services and facilities, it appears logical that overall responsibility and authority be placed in a state agency for funding port development projects. The agency must formulate state-level and port-specific plans for implementation, and program the expenditure of state funds to ensure that projects are completed in response to the needs of the shippers for waterborne facilities.

Twelve states authorize a state agency to fund projects at the discretion of the state agency. The state DOT has this authority in Connecticut, Louisiana, Maryland, Missouri and Wisconsin; the state economic development agency in Kentucky, Mississippi and Oregon; and the state port authority in Alabama (deep-draft ports), Indiana, Puerto Rico and South Carolina. During the five-year period 1977-1981, \$444.5 million was invested in port projects in these states at the discretion of the responsible state agency.

Table 5

State Authorization Procedures
For Port and Terminal Funding

1. State legislature authorizes funding to port authorities on a project-by-project basis without regard for state port plans.
2. State legislature authorizes funding to port authorities for individual projects recommended by the DOT or other state agency.
3. State legislature authorizes funding for individual projects recommended by the state port authority.
4. State legislature authorizes the DOT or other state agency to fund projects at the discretion of the agency.
5. State legislature authorizes the state port authority to fund projects at the discretion of the authority.

The number on each column corresponds to the above numbered funding methods. An "X" under a column indicates a method which is used by the state to authorize the funding of cargo terminals.

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
<u>East Coast</u>					
Connecticut				x	
Delaware	x				
Georgia			x		
Maine		x			
Maryland				x	
New Hampshire			x		
New York	x	x (at times)			
North Carolina			x		
Puerto Rico					x
Rhode Island			x		
South Carolina					x
Virginia			x		
<u>Gulf Coast</u>					
Alabama	x (inland)		x (inland)		x (ocean)
Louisiana				x	
Mississippi				x	
<u>Mississippi Valley/Midwest</u>					
Illinois	x				
Indiana					x
Kentucky					x
Missouri				x	
Wisconsin				x	
<u>West Coast/Pacific</u>					
Alaska	x	x			
Hawaii		x			
Oregon				x	

6. Planning Required for Project Approval

Before state funds or funds collected by the state are authorized for the construction of a public cargo terminal, which types of plans must recommend the specific project, if any?

1. The proposed cargo terminal project must be included in the state multi-modal transportation plan.
2. The cargo terminal must be included in a statewide port development master plan.
3. A local port authority or the state port authority must have its own adopted port development master plan for the area or waterways encompassed by the port authority.
4. State funds may be authorized for cargo terminal projects without any of the above levels of port development master planning.

For those states which have port funding programs, projects are selected either on the basis of a planning process or by political choices made by the state legislature. Eleven of the 22 states which fund port development, including Alabama, Alaska, Georgia, Illinois, Louisiana, Mississippi, North Carolina, Oregon, Rhode Island and Wisconsin, rely upon the state legislature to award funds for port projects without any requirements for statewide or local port plans.

There are three generally recognized levels of planning which are in use to precede port development. These include the preparation of a multi-modal state transportation plan which includes recommendations for port development, a statewide port development master plan or port capital development program, and port development plans for local port authorities.

Only four of the states, Connecticut, Hawaii, Maine and New Hampshire, require that port projects be included in a state multi-modal transportation plan to receive state funding. In addition, both Connecticut and Hawaii require that specific port projects be included in a statewide port development plan and in the master plan for the individual port in order to receive state funds. In Puerto Rico, while there is no requirement for port projects to be included in a multi-modal transportation plan, the Puerto Rico Ports Authority must recommend specific projects in the island's port plan and in the Authority's plans for individual ports.

Besides Connecticut and Hawaii, eight other states and Puerto Rico require that port projects must be recommended in a port master plan for the area or waterways within the port authority. Such a requirement applies to six state port authorities: Georgia Ports Authority, Indiana Port Commission, New Hampshire State Port Authority, North Carolina State Port Authority, South Carolina State Ports Authority and Virginia Port Authority; two DOT's: Hawaii and Missouri; and the Kentucky Commerce Cabinet.

Table 6
Plans Required For State Funding of Ports

1. The proposed cargo terminal project must be included in the state multi-modal transportation plan.
2. The cargo terminal must be included in a statewide port development master plan.
3. A local port authority or the state port authority must have its own adopted port development master plan for the area or waterways encompassed by the port authority.
4. State funds may be authorized for cargo terminal projects without any of the above levels of port development master planning.

The number on each column below corresponds to the above numbered types of plans. An "X" under a column indicates a type of plan which is required by the state.

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
<u>East Coast</u>				
Connecticut	x	x	x	
Delaware				x
Georgia			x	
Maine	x			
Maryland	x			
New Hampshire			x	
New York				x
North Carolina			x	
Puerto Rico		x	x	
Rhode Island				x
South Carolina			x	
Virginia			x	
<u>Gulf Coast</u>				
Alabama				x
Louisiana				x
Mississippi				x
<u>Mississippi Valley/Midwest</u>				
Illinois				x
Indiana			x	
Kentucky			x	
Missouri			x	
Wisconsin				x
<u>West Coast/Pacific</u>				
Alaska				x
Hawaii	x	x	x	
Oregon				x

7. Project-Specific Studies Required for Project Approval

Before state funds or funds collected by the state are authorized for an individual port or public terminal project, which types of project-specific studies or analyses must be completed?

1. Engineering cost study
2. Project revenue analysis
3. Benefit-cost study
4. Commodity flow projections
5. Other studies (specify)

This question received responses from 17 of the states which fund port development projects. Sixteen states require the completion of engineering cost studies, 10 states require commodity flow projections, eight states require benefit-cost studies and seven states require project revenue analyses. The only states to require all four types of special studies include Connecticut, Georgia, Mississippi, and Missouri. In addition, the states of Maryland, Virginia and Wisconsin reported that environmental studies or reviews must be prepared, New York requires economic studies and Alaska requires feasibility studies. Louisiana reports that no special studies are necessary for funds to be authorized by the state for a port project. Puerto Rico reports that all four types of special studies are required before funds are authorized for a port project. The responses are presented in Table 7.

Table 7

Project-Specific Studies Required
For State Funding Of Ports

1. Engineering cost study
2. Project revenue analysis
3. Benefit-cost study
4. Commodity flow projections
5. Other studies (specify)

The number in each column below corresponds to the above numbered types of studies. An "X" under a column indicates a study which is required by the state.

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
<u>East Coast</u>					
Connecticut	x	x	x	x	
Georgia	x	x	x	x	
Maine	x		x	x	
Maryland	x			x	x
					(Environmental Studies)
New Hampshire	x			x	
New York	x				x
					(Economic Studies)
North Carolina	x				
Puerto Rico	x	x	x	x	
Virginia	x				x
					(Environmental Impact Studies)
<u>Gulf Coast</u>					
Alabama	x	x			
Louisiana					x (No Studies Necessary)
Mississippi	x	x	x	x	
<u>Mississippi Valley/Midwest</u>					
Illinois	x	x			
Indiana	x		x	x	
Missouri	x	x	x	x	
Wisconsin	x		x	x	x
					(Environmental Review)
<u>West Coast/Pacific</u>					
Alaska	x				x (Feasibility Studies)
Hawaii	x				

8. Types of Eligible Projects

Indicate the types of landside port and terminal development projects for which state funds or funds collected by the state may be expended.

Twenty of the states which fund port development projects responded to this question. Due to the relative similarities among the state programs, only the aggregated totals are indicated below. The responses for each state are presented in Table 8.

<u>Type of Project</u>	<u>Number of State Programs</u>
1. Land purchase	19
2. Construction of piers, docks, wharfs	20
3. Construction of buildings	19
4. Construction of storage areas and facilities	19
5. Purchase of cargo handling equipment	15
6. Construction of access roadways and rail spurs	18
7. Purchase of barges, towboats, vessels	8
8. Dredging between the dock and navigation channel	17
9. Insurance for the cargo terminal	12
10. Security facilities	16
11. Other purposes (specify)	
Rehabilitation of facilities	1
Maintenance of dock walls	1

Table 8

Types of Landside Port and Terminal Projects
Funded By States

1. Land purchase
2. Construction of piers, docks, wharfs
3. Construction of buildings
4. Construction of storage areas and facilities
5. Purchase of cargo handling equipment
6. Construction of access roadways and rail spurs
7. Purchase of barges, towboats, vessels
8. Dredging between the dock and navigation channel
9. Insurance for the cargo terminal
10. Security facilities
11. Other purposes (specify)

The number on each column below corresponds to the above numbered types of terminal development projects. An "X" under a column indicates a type of project which can be funded.

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>
<u>East Coast</u>											
Connecticut	x	x	x	x				x	x	x	
Georgia	x	x	x	x	x	x	x	x	x	x	
Maine	x	x				x		x	x	x	
Maryland	x	x	x	x	x	x	x	x		x	
New Hampshire	x	x	x	x				x		x	
New York	x	x	x	x	x	x					x (Rehabilitation of facilities)
North Carolina	x	x	x	x	x	x		x	x	x	
Puerto Rico	x	x	x	x		x	x	x	x	x	
South Carolina	x	x	x	x	x	x		x	x	x	
Virginia	x	x	x	x	x	x		x	x	x	
<u>Gulf Coast</u>											
Alabama	x	x	x	x	x	x	x	x	x	x	
Louisiana	x	x	x	x	x	x	x	x	x	x	
Mississippi		x	x	x	x	x		x			
<u>Mississippi Valley/Midwest</u>											
Illinois	x	x	x	x	x	x		x		x	
Indiana	x	x	x	x	x	x	x	x	x	x	
Kentucky	x	x	x	x	x	x					
Missouri	x	x	x	x	x	x				x	
Wisconsin	x	x	x	x	x	x		x			x (Maintenance of dock walls)
<u>West Coast/Pacific</u>											
Alaska	x	x	x	x	x	x	x	x	x	x	
Hawaii	x	x	x	x		x		x	x	x	

9. Grants and Loans for Port Projects

If the state provides funds to the state port authority, local port authorities or other units of government for cargo terminal development, are the funds grants (no payback required) or loans (payback of funds to state required)?

Of the 22 states which have port and terminal funding programs, 13 states provide funds for port development projects in the form only of grants to the state port authority, local port authorities or other units of government. These grants have no payback requirement. Five states provide only loans for port development, requiring a payback to the state. Four states provide both grants and loans for port development. The state responses are indicated in Table 9.

Table 9

State Grants And Loans For Port Projects

	<u>Grants</u>	<u>Loans</u>
<u>East Coast</u>		
Connecticut	x	
Delaware	x	
Georgia		x
Maine	x	
Maryland	x	
New Hampshire	x	
New York	x	x
North Carolina	x	
Rhode Island	x	
South Carolina	x	
Virginia	x	x
<u>Gulf Coast</u>		
Alabama	x	x
Louisiana	x	
Mississippi		x
<u>Mississippi Valley/Midwest</u>		
Illinois		x
Indiana	x	x
Kentucky	x	
Missouri	x	
Wisconsin	x	
<u>West Coast/Pacific</u>		
Alaska	x	
Hawaii		x
Oregon		x

10. Terms of Project Loans

For states that loan funds for cargo terminal projects:

- a. How many years are allowed for the port authority or other recipient of the funds to pay back the state?
- b. What is the current interest rate charged to port authorities on state loans for port development?
- c. How is the applicable interest rate determined by the state on loans for port projects?
- d. Are payments to the state on loans returned to the General Revenue Fund or placed in a special fund for port development?

There are nine states which loan funds to a state port authority or to local port authorities for port and terminal development projects. Seven of these states responded to this question. In general, the loans are long-term obligations in which the interest on such loans is set at or near the cost of money to the state in the states of Georgia, Mississippi, Oregon and Virginia, or which are interest-free in the states of Indiana, Illinois and New York. The state responses are indicated in Table 10.

Table 10
 Terms Of State Loans
 For Port Projects

<u>State</u>	<u>Payback Period</u>	<u>Interest Rate</u>	<u>How Interest Rate Determined</u>	<u>Payments to GRF or SF*</u>
Georgia	20 years	Varies	Set when bonds are issued, at the cost of money to the state.	General Revenue Fund
Illinois	Until cost of project repaid.	0%	Interest free loans.	General Revenue Fund
Indiana	Until cost of project repaid.	0%	Interest free loans.	General Revenue Fund
Mississippi	25 years	9%-11% as of February 1982	-	General Revenue Fund
New York	30+ years	0%	Interest free loans.	General Revenue Fund.
Oregon	10 years	12.75% as of December 1981	2% higher than last state revenue bond issue.	Special Fund
Virginia	2 years	Varies	Set when bonds are issued, at the cost of money to the state.	Special Fund

*General Revenue or Special Fund

11. Funding Powers of State Port Authorities

For state port authorities, what powers are authorized by the state to fund port, terminal and related industrial development (not including revenues from terminal operations)?

<u>Funding Power</u>	<u>Number of State Port Authorities</u>
1. Issue port authority revenue bonds	5
2. Issue general obligation bonds	0
3. Issue industrial revenue bonds (IRB's)	2
4. Borrow monies	5
5. Receive grants or loans from the state	7
6. Receive grants or loans from federal agencies	6
7. Levy taxes	0

Six state port authorities and the Puerto Rico Ports Authority responded to this question. All seven respondents have the authority to accept grants or loans from the state, and six may accept grants or loans from federal agencies. In addition, five of the port authorities can issue port authority revenue bonds and two of these can issue industrial revenue bonds (IRB's). The two types of revenue bonds are differentiated by the types of facilities financed. Port authority revenue bonds can generally be used only to finance water-dependent facilities, and revenues from cargoes and vessels and related charges are used to pay the debt service on the bonds. IRB's are used to finance both water-dependent facilities and other landside industrial structures and facilities that may or may not use water transportation. The revenues from leases or other payment arrangements between the developer and the port authority are used to pay the debt service on the bonds.

Other funding powers available to state port authorities include acceptance of grants or loans from federal agencies and borrowing of monies. Table 11 presents the funding sources for the seven port authorities that responded to the question.

Table 11

Funding Powers Of
State Port Authorities

1. Issue port authority revenue bonds
2. Issue general obligation bonds
3. Issue industrial revenue bonds (IRB's)
4. Borrow monies
5. Receive grants or loans from the state
6. Receive grants or loans from federal agencies
7. Levy taxes

The number on each column below corresponds to the above numbered funding powers. An "X" under a column indicates a power which can be used by the state port authority to fund port projects.

<u>State</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>
Georgia				x	x	x	
Indiana	x		x		x	x	
New Hampshire					x	x	
North Carolina	x			x	x		
Puerto Rico	x			x	x	x	
South Carolina	x			x	x	x	
Virginia	x		x	x	x	x	

12. Number of Local Port Authorities

For states that do not have a single statewide port authority, how many local port authorities are there and in what manner are they created?

A total of at least 239 local port authorities have been established to serve the needs of water transportation and to develop port facilities. Because port development is the responsibility of a number of state port authorities on the East Coast, this region has the smallest number of local port authorities. On the Gulf Coast, Louisiana has 37 port authorities while Florida has 27. On the West Coast, Oregon has 23 port authorities, Washington 12 and California 10. The number of port authorities varies in the Midwest, with the largest numbers of port authorities being 20 in Wisconsin and 17 in Tennessee.

Local port authorities, also known as dock boards or port commissions, are created by the state in nine states, by a local unit of government in 12 states and by either the state or local governments in nine states. Table 12 indicates the number of local port authorities in each state and how the port authorities are created.

Table 12

Local Port Authorities

<u>East Coast</u>	<u>Number of Local Port Authorities</u>	<u>Created By State</u>	<u>Created by Local Government Unit</u>
Connecticut	0	x	x
Maine	2	x	
Massachusetts	1	x	
New Jersey	3	x	x
New York	5	x	
Pennsylvania	3	x	x
<u>Gulf Coast</u>			
Florida	27	x	x
Louisiana	37	x	
Mississippi	9	x	
Texas ^a	8		x
<u>Mississippi Valley/Midwest</u>			
Arkansas	4		x
Illinois	13	x	
Iowa ^a	2		x
Kansas	2		x
Kentucky	9		x
Michigan	1		x
Minnesota	3	x	x
Missouri	10		x
Nebraska ^a	4		x
Ohio	8		x
Oklahoma	5	x	x
Tennessee	17	x	
West Virginia	0	x	x
Wisconsin ^a	20		x
<u>West Coast/Pacific</u>			
Alaska ^a	0		x
California ^a	10	x	x
Idaho	1	x	
Oregon	23	x ^b	x
Washington	<u>12</u>		x
<u>Total</u>	239		

a. These states have local dock boards or commissions which operate as a department within a local unit of government. California and Texas have both port authorities and port departments within local governments.

b. State legislature authorizes the Economic Development Commission to approve locally created port authorities.

13. Funding Powers of Local Port Authorities

What powers do local port authorities have to fund landside port, terminal and related industrial development (not including revenues from terminal operations)?

<u>Funding Power</u>	<u>Number of States</u>
1. Issue port authority revenue bonds	23
2. Issue general obligation bonds	13
3. Issue industrial revenue bonds (IRB's)	17
4. Borrow monies	14
5. Receive grants or loans from the state	21
6. Receive grants or loans from federal agencies	22
7. Levy taxes	8

Local port authorities rely most heavily on revenue bonds for funding landside port, terminal and related industrial development - both port authority revenue bonds and IRB's - and grants and loans from the federal and state governments.

In 13 states, local port authorities are empowered to issue general obligation (G.O.) bonds. Before G.O. bonds can be issued by port authorities, the voters in the geographic area encompassed by the port authority must approve a tax levy to provide for payment of the debt service on the bonds.

While local port authorities in 14 states may borrow monies, this is an infrequently used power since many port authorities receive operating and administrative funds, as well as capital funds, from the state. The powers of local port authorities in each of the states are indicated in Table 13.

Table 13

Funding Powers of Local Port Authorities

1. Issue port authority revenue bonds
2. Issue general obligation bonds
3. Issue industrial revenue bonds
4. Borrow monies
5. Receive grants or loans from the state
6. Receive grants or loans from federal agencies
7. Levy taxes

The number on each column below corresponds to the above numbered funding powers. An "X" under a column indicates a power which can be used to fund port and terminal development.

<u>East Coast</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>
Maine	x						
Massachusetts	x	x		x	x	x	
New Jersey	x	x	x	x	x	x	
New York	x	x	x	x	x	x	
Pennsylvania	x	x			x	x	
Virginia	x		x	x	x	x	
<u>Gulf Coast</u>							
Alabama	x		x		x	x	
Florida	x	x	x		x	x	x
Louisiana	x	x	x	x	x	x	x
Mississippi		x		x	x	x	
Texas	x						
<u>Mississippi Valley/Midwest</u>							
Arkansas	x		x			x	
Illinois	x	x	x	x	x	x	x
Indiana	x		x		x	x	
Iowa ^a		x	x				
Kansas	x		x	x	x	x	x
Kentucky					x	x	
Michigan	x		x	x	x	x	
Minnesota	x	x	x	x	x	x	x
Missouri	x			x	x	x	
Nebraska ^a							
Ohio	x	x	x		x	x	
Oklahoma	x			x	x	x	
Tennessee	x		x	x	x	x	
Wisconsin ^a							
<u>West Coast/Pacific</u>							
California	x						x
Idaho	x	x	x		x	x	x
Washington	x	x	x	x	x	x	x

a. Local dock boards or commissions have the powers of the unit of government which creates the port body.

14. Terminal Operating Authority

Are port authorities in the state authorized to operate cargo terminals or to contract for their operation, or both?

With the exception of two states, state and local port authorities in all states are authorized to both operate terminals or to contract for their operation. The North Carolina State Port Authority is required to operate its own terminals, and local dock boards in Iowa must contract for the operation of all terminals. .

15. Eligibility of Local Governments for State Funding

Besides port authorities or port districts, are any other units of government in the state eligible to receive state funds for port and terminal construction?

Municipalities are eligible to receive state funds for port and terminal development in the states of Alaska, Connecticut, Virginia and Wisconsin, and counties are eligible in Wisconsin. In none of these four states are local port authorities established by the state.

In the State of Alaska, the constitution restricts the creation of single purpose governments and independent taxing authorities. Ports in Alaska, therefore, are owned, managed and operated by local municipal governments or by private industry. Local public ports are generally the responsibility of a municipal department, although appointed commissions are also used in some locations.

APPENDIX

Indicate the names or locations of water terminals and landside port facilities constructed with state funds, and the primary commodities handled.

Seventeen states which fund port and terminal projects responded to this question. Table 14 presents the responses for each state.

Table 14

Port and Terminal Projects
Funded By States
1977-1982

<u>East Coast</u>	<u>Name/Location of Project</u>	<u>Primary Commodities</u>	<u>Funds Provided By State</u>
Connecticut	New London		\$ 30,000
Delaware	Wilmington	Containers	\$ 2,050,000
Georgia	Containerport Terminal	Containers	\$ 31,240,000
	Ocean Terminal	Clay, Wood/Paper Products	\$ 19,695,000 .
	Garden City Terminal	Grain, Clay Wood/Paper Products	\$ 9,978,000
	Brunswick Terminal	Potash, Wood Pulp	\$ 4,762,000
Maine	Sears Island	Bulk, Containers	\$ 141,000
New Hampshire	Portsmouth	General Cargo	\$ 1,886,000
New York	Albany	Grain, Gen. Cargo	\$ 16,000,000
	New York	Containers	\$ 12,000,000
	Buffalo	Bulk	\$ 2,000,000
	Oswego	Grain	\$ 1,000,000
North Carolina	Wilmington	General Cargo	\$ 11,448,000
	Wilmington	Containers	\$ 2,046,000
	Morehead City	General Cargo	\$ 4,907,000
Pennsylvania	Philadelphia		\$ 4,950,000
	Erie		\$ 371,000
	Pittsburgh		\$ 250,000
South Carolina	Wando Terminal	Containers	\$ 81,000,000
Virginia	Norfolk Inter- national Terminal		\$ 15,627,000
	Newport News Marine Terminal		\$ 5,390,000

Table 14 cont.

<u>East Coast</u>	<u>Name/Location of Project</u>	<u>Primary Commodities</u>	<u>Funds Provided By State</u>
Virginia (cont.)	Portsmouth Marine Terminal		\$ 5,004,000
	Lambert Point Docks		\$ 74,000
<u>Gulf Coast</u>	<u>Name/Location of Project</u>	<u>Primary Commodities</u>	<u>Funds Provided By State</u>
Alabama	Mobile	Dry Bulk	\$ 15,197,000
	Mobile	Grain	\$ 10,957,000
	Mobile	General & Bulk Cargoes	\$ 7,823,000
	Mobile	General Cargo	\$ 7,024,000
	Mobile	Coal	\$ 5,499,000
Alabama - Projects authorized in 1981, but to be completed in later years.			
	Mobile	Coal	\$ 55,000,000
	Mobile	Grain	\$ 14,000,000
	Mobile	Dry Bulk	\$ 5,500,000
Louisiana	New Orleans		\$153,174,000
	Lake Charles		\$ 19,250,000
	Iberia Port Commission		\$ 6,950,000
	Greater LaFourche		\$ 6,180,000
	Caddo-Bossier Port Commission		\$ 4,000,000
	Abbeville Harbor and Terminal District		\$ 3,690,000
	Terrebone Parish		\$ 2,750,000
	West St. Mary Parish Port Commission		\$ 2,415,000

Table 14 cont.

<u>Gulf Coast</u>	<u>Name/Location of Project</u>	<u>Primary Commodities</u>	<u>Funds Provided By State</u>
Louisiana (cont.)	St. Bernard		\$ 1,000,000
	South Louisiana Port Commission		\$ 110,000
Mississippi	Gulfport	Bananas, Illiminite, Steel, Frozen Products	\$ 7,400,000
	Jackson County Port Authority (Pascagoula)	Grain, Rubber	\$ 2,000,000
<u>Mississippi Valley/Midwest</u>	<u>Name/Location of Project</u>	<u>Primary Commodities</u>	<u>Funds Provided By State</u>
Illinois	Chicago Regional Port District	Containers	\$ 15,000,000
	Tri-City Regional Port District	Grain	\$ 2,750,000
	Shawneetown Regional Port District	Coal	\$ 1,776,000
Indiana	Burns Harbor		\$ 31,441,000
	Southwind Maritime Centre		\$ 25,334,000
	Clark Maritime Centre		\$ 894,000
Missouri	St. Louis		\$ 458,000
	Kansas City		\$ 200,000
	Pemiscot Co.		\$ 73,000
	Southeast Mo. Reg. Port Auth.		\$ 35,000
Tennessee	Nickajack		\$ 400,000
	Tellico		\$ 300,000
	Celina		\$ 30,000
	Four County		\$ 25,000

Table 14 cont.

<u>Mississippi Valley/Midwest</u>	<u>Name/Location of Project</u>	<u>Primary Commodities</u>	<u>Funds Provided By State</u>
Wisconsin ^a	Ports of Milwaukee and Superior	Dredging	\$ 2,686,000
	Kenosha		\$ 33,000
<u>West Coast/Pacific</u>	<u>Name/Location of Project</u>	<u>Primary Commodities</u>	<u>Funds Provided By State</u>
Alaska	Dillingham	General Cargo	\$ 4,000,000
	Homer	General Cargo	\$ 3,800,000
	Unalaska	General Cargo	\$ 3,350,000
	Seward	General Cargo	\$ 3,000,000
	Cordova	General Cargo	\$ 1,000,000
	Naknek	General Cargo	\$ 1,000,000
	Yakutat	General Cargo	\$ 1,000,000
	Petersburg	General Cargo	\$ 880,000
	Kodiak	General Cargo	\$ 500,000
Hawaii	Oahu	Container, General Cargo	\$ 38,881,000
	Maui	Inter-island, General Cargo	\$ 4,574,000
	Hawaii	Inter-island, General Cargo, Containers	\$ 1,599,000
	Kauai	Inter-island, General Cargo, Containers	\$ 681,000
	Statewide Ports		\$ 417,000
	Neighbor Island Ports		\$ 50,000

a. Funds were committed but not spent.

Title 53

PORT DISTRICTS

Chapters

- 53.04 Formation.
- 53.06 Coordination of administrative programs and operations.
- 53.08 Powers.
- 53.12 Commissioners—Elections.
- 53.14 Revision of commissioner districts.
- 53.18 Employment relations—Collective bargaining and arbitration.
- 53.20 Harbor improvements.
- 53.25 Industrial development districts—Marginal lands.
- 53.29 Trade center act.
- 53.34 Tug facilities.
- 53.35 Budgets.
- 53.36 Finances.
- 53.40 Revenue bonds and warrants.
- 53.44 Funding and refunding indebtedness—1947 act.
- 53.46 Consolidation.
- 53.47 Dissolution of inactive port districts.
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Chapter 53.04

FORMATION

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- 53.04.010 Port districts authorized—Purposes.
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53.04.010 Port districts authorized—Purposes. Port districts are hereby authorized to be established in the various counties of the state for the purposes of acquisition, construction, maintenance, operation, development and regulation within the district of harbor improvements, rail or motor vehicle transfer and terminal facilities, water transfer and terminal facilities, air transfer and terminal facilities, or any combination of such transfer and terminal facilities, and other commercial transportation, transfer, handling, storage and terminal facilities, and industrial improvements. [1963 c 147 § 1; 1911 c 92 § 1; RRS § 9688.]

Construction—1911 c 92: "This act shall not be construed to repeal, amend or modify any law heretofore enacted providing a method of harbor improvement, regulation or control in this state, but shall be held to be an additional and concurrent method providing for such purpose." [1911 c 92 § 14.]

Establishment of harbor lines: State Constitution Art. 15 § 1 (Amendment 15).

53.04.015 Port districts in areas lacking appropriate bodies of water—Authorized—Purposes. In areas which lack appropriate bodies of water so that harbor improvements cannot be established, port districts are hereby authorized to be established under the laws of the state, for the purposes for which port districts may be established under RCW 53.04.010, and such port districts shall have all of the powers, privileges and immunities conferred upon all other port districts under the laws of this state, including the same powers and rights relating to municipal airports that other port districts now have or hereafter may be granted. [1963 c 147 § 2; 1959 c 94 § 1.]

53.04.016 Port districts in areas lacking appropriate bodies of water—Authority an additional and concurrent method. RCW 53.04.015 shall not be construed to repeal, amend or modify any law heretofore enacted providing a method of harbor improvement, regulation or control; acquisition, maintenance and operation of municipal airports; or industrial development; but shall be held to be an additional and concurrent method providing such purposes. [1959 c 94 § 2.]

53.04.017 Port districts in areas lacking appropriate bodies of water—Elections. All elections with respect to any such port districts authorized by RCW 53.04.015 and 53.04.016 shall be held, conducted and the results canvassed in the same manner and at the same time as now or hereafter provided by law for other port districts. [1959 c 94 § 3.]

53.04.020 Formation of district. At any general election or at any special election which may be called for that purpose, the board of county commissioners of any county in this state may, or on petition of ten percent of the qualified electors of such county based on the total vote cast in the last general county election, shall, by resolution submit to the voters of such county the proposition of creating a port district which shall be co-extensive with the limits of such county as now or hereafter established. Such petition shall be filed with the county auditor, who shall within fifteen days examine the signatures thereof and certify to the sufficiency or insufficiency thereof, and for such purpose the county auditor shall have access to all registration books in the possession of the officers of any incorporated city or town in such proposed port district. If such petition be found to be insufficient, it shall be returned to the persons filing the same, who may amend or add names thereto for ten days, when the same shall be returned to the county auditor, who shall have an additional fifteen days to examine the same and attach his certificate thereto. No person having signed such petition shall be allowed to withdraw his name therefrom after the filing of the same with the county auditor. Whenever such petition shall be certified to as sufficient, the county auditor shall forthwith transmit the same, together with his certificate of sufficiency attached thereto, to the board of county commissioners, who shall submit such proposition at the next general election or, if such petition so requests, the board of county commissioners shall, at their first meeting after the date of such certificate, by resolution, call a special election to be held not less than thirty days nor more than sixty days from the date of such certificate. The notice of election shall state the boundaries of the proposed port district and the object of such election. In submitting the said question to the voters for their approval or rejection, the proposition shall be expressed on said ballot substantially in the following terms:

"Port of _____, Yes." (giving the name of the principal seaport city within such proposed port district, or if there be more than one city of the same class

within such district, such name as may be determined by the board of county commissioners).

"Port of _____, No." (giving the name of the principal seaport city within such port district, or if there be more than one city of the same class within such district, such name as may be determined by the board of county commissioners). [1971 ex.s. c 157 § 1; 1913 c 62 § 1; 1911 c 92 § 2; RRS § 9689. Formerly RCW 53.04.020 through 53.04.040.]

Effective date—1971 ex.s. c 157: "The effective date of this act shall be May 1, 1972." [1971 ex.s. c 157 § 4.]

53.04.060 District declared formed. Within five days after an election held under the provisions of RCW 53.04.020, the board of county commissioners shall canvass the returns, and if at such election a majority of the voters voting upon the proposition shall vote in favor of the formation of the district, the board of county commissioners shall so declare in its canvass of the returns of such election, and the port district shall then be and become a municipal corporation of the state of Washington and the name of such port district shall be "Port of _____" (inserting the name appearing on the ballot). [1959 c 17 § 2. Prior: 1913 c 62 § 2, part; 1911 c 92 § 3, part; RRS § 9690, part.]

53.04.070 Expense of election. All expenses of elections for the formation of such port districts shall be paid by the county holding such election, and such expenditure is hereby declared to be for a county purpose, and the money paid out for such purpose shall be repaid to such county by the port district, if formed. [1959 c 17 § 6. Prior: 1913 c 62 § 2, part; 1911 c 92 § 3, part; RRS § 9690, part.]

53.04.080 Annexation of territory—Petition—Election. At any general election or at any special election which may be called for that purpose the board of county commissioners of any county in this state in which there exists a port district which is not coextensive with the limits of the county, shall on petition of the commissioners of such port district, by resolution, submit to the voters residing within the limits of any territory which the existing port district desires to annex or include in its enlarged port district, the proposition of enlarging the limits of such existing port districts so as to include therein the whole of the territory embraced within the boundaries of such county, or such territory as may be described in said petition by legal subdivisions. Such petition shall be filed with the county auditor, who shall forthwith transmit the same to the board of county commissioners, who shall submit such proposition at the next general election, or, if such petition so request, the board of county commissioners, shall at their first meeting after the date of filing such petition, by resolution, call a special election to be held not less than thirty days nor more than sixty days from the date of filing said petition. The notice of election shall state the boundaries of the proposed enlarged port district and the object of the special election. In submitting said

question to the voters of the territory proposed to be annexed or included for their approval or rejection, the proposition shall be expressed on the ballots substantially in the following terms:

"Enlargement of the port of _____, yes." (Giving then name of the port district which it is proposed to enlarge);

"Enlargement of the port of _____, no." (Giving the name of the port district which it is proposed to enlarge).

Such election, whether general or special, shall be held in each precinct wholly or partially embraced within the limits of the territory proposed to be annexed or included and shall be conducted and the votes cast thereat counted, canvassed, and the returns thereof made in the manner provided by law for holding general or special county elections. [1935 c 16 § 1; 1921 c 130 § 1; RRS § 9707. Formerly RCW 53.04.080 and 53.04.090.]

Elections: Title 29 RCW.

53.04.085 Petition by electors of area desiring annexation to port district. If an area, not currently part of an existing port district desires to be annexed to a port district in the same county, upon receipt of a petition bearing the names of ten percent of the qualified electors residing within the proposed boundaries of the area desiring to be annexed, the commissioners of such port district shall petition the board of county commissioners to annex such territory, as provided in RCW 53.04.080. [1971 ex.s. c 157 § 2.]

Effective date—1971 ex.s. c 157: See note following RCW 53.04.020.

53.04.100 Order of annexation—Liability of area annexed. If a majority of all the votes cast at any such election upon the proposition of enlarging such port district shall be for the "Enlargement of the port of _____, yes" then and in that event the board of county commissioners shall enter an order declaring such port district enlarged so as to embrace within the limits thereof the territory described in the petition for such election, and thereupon the boundaries of said port district shall be so enlarged and the commissioners thereof shall have jurisdiction over the whole of said district as enlarged to the same extent, and with like power and authority, as though the additional territory had been originally embraced within the boundaries of the existing port district: *Provided, however,* That none of the lands or property embraced within the territory added to and incorporated within such port district shall be liable to assessment for the payment of any outstanding bonds, warrants or other indebtedness of such original port district, but such outstanding bonds, warrants or other indebtedness, together with interest thereon, shall be paid exclusively from assessments levied and collected on the lands and property embraced within the boundaries of the preexisting port district. [1921 c 130 § 2; RRS § 9708.]

53.04.110 Change of name. Any port district now existing or which may hereafter be organized under the laws of the state of Washington is hereby authorized to change its corporate name under the following conditions and in the following manner:

(1) On presentation, at least thirty days before any general port election to be held in said port district, of a petition to the commissioners of any port district now existing or which may hereafter be established under the laws of the state of Washington, signed by not less than two hundred fifty electors residing within said port district and asking that the corporate name of said port district be changed, it shall be the duty of said commissioners to submit to the electors of said port district at the next general port election held in said port district the proposition as to whether the corporate name of said port shall be changed.

(2) Said petition shall contain the present corporate name of said port district and the corporate name which is proposed to be given to said port district.

(3) On submitting said proposition to the electors of said port district it shall be the duty of said port commissioners to cause to be printed on the official ballot used at said election the following proposition:

"Shall the corporate name, 'Port of _____' be changed to 'Port of _____'YES
"Shall the corporate name, 'Port of _____' be changed to 'Port of _____'NO"

(4) At the time when the returns of said general election shall be canvassed by the commissioners of the said port district, it shall be the duty of said commissioners to canvass the vote upon said proposition so submitted, recording in their record the result of said canvass.

(5) Should a majority of the electors of said port district voting at said general port election vote in favor of said proposition it shall be the duty of said port commissioners to certify said fact to the auditor of the county in which said port district shall be situated and to the secretary of state of the state of Washington, under the seal of said port district. On and after the filing of said certificate with the county auditor as aforesaid and with the secretary of state of the state of Washington, the corporate name of said port district shall be changed, and thenceforth said port district shall be known and designated in accordance therewith. [1929 c 140 § 1; RRS § 9689-1.]

53.04.120 Transfer of port district property to adjacent district—Procedure—Boundary changes—Jurisdiction. Property may be acquired and owned by any port district, at least one boundary of which property is contiguous to or within one-quarter air mile of such port district and is also located in an adjacent port district, and such property may be transferred to the owning port district upon unanimous resolution of the boards of commissioners of both port districts authorizing the same. The resolution of the port district within which such property is located shall be a resolution to

permit the acquisition and to make the transfer, while the resolution of the port district which owns the property shall be a resolution to acquire and own the property and to accept the transferred property. Upon the filing of both official resolutions with the legislative authority and the auditor of the county or counties within which such port districts lie, together with maps showing in reasonable detail the boundary changes made, such acquisition and ownership shall be lawful and such transfer shall be effective and the commissioners of the port district acquiring, owning and receiving such property shall have jurisdiction over the whole of said enlarged port district to the same extent, and with like power and authority, as though the additional territory had been owned by and originally embraced within the boundaries of the port district. [1979 c 72 § 1; 1977 ex.s. c 91 § 1.]

Validity—Ratification—1979 c 72: "Any purchase or other acquisition of such property by any port district which occurred prior to the enactment of this 1979 amendatory act is hereby confirmed and ratified and shall not be deemed to have been ultra vires." [1979 c 72 § 2.] This applies to the 1979 amendments to RCW 53.04.120 and 53.32.050. The effective date of 1979 c 72 is March 21, 1979.

Severability—1979 c 72: "If any provision of this 1979 amendatory act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected." [1979 c 72 § 4.]

Chapter 53.06

COORDINATION OF ADMINISTRATIVE PROGRAMS AND OPERATIONS

Sections

53.06.010	Declaration of necessity.
53.06.020	Actions required of commissions—Joint reports to governor and legislature.
53.06.030	Washington public ports association as coordinating agency—Purposes, powers and duties.
53.06.040	Dues and assessments may be paid association from district funds—Limitation on amount.
53.06.050	Further action by commissions authorized—Meetings.
53.06.060	Financial records of association subject to audit by division of municipal corporations.

53.06.010 Declaration of necessity. The necessity and desirability of coordinating the administration programs and operations of all the port districts in this state is recognized and declared as a matter of legislative determination. [1961 c 31 § 1.]

53.06.020 Actions required of commissions—Joint reports to governor and legislature. It shall be the duty of the port district commissions in the state to take such action to effect the coordination of the administrative programs and operations of each port district in the state and to submit to the governor and the legislature biennially a joint report or joint reports containing the recommendations for procedural changes which would increase the efficiency of the respective port districts. [1961 c 31 § 2.]

53.06.030 Washington public ports association as coordinating agency—Purposes, powers and duties.

The port district commissions in this state are empowered to designate the Washington public ports association as a coordinating agency through which the duties imposed by RCW 53.06.020 may be performed, harmonized or correlated. The purposes of the Washington public ports association shall be:

(1) To initiate and carry on the necessary studies, investigations and surveys required for the proper development and improvement of the commerce and business generally common to all port districts, and to assemble and analyze the data thus obtained and to cooperate with the state of Washington, port districts both within and without the state of Washington, and other operators of terminal and transportation facilities for this purpose, and to make such expenditures as are necessary for these purposes, including the proper promotion and advertising of all such properties, utilities and facilities;

(2) To exchange information relative to port construction, maintenance, operation, administration and management;

(3) To promote and encourage port development along sound economic lines;

(4) To promote and encourage the development of transportation, commerce and industry;

(5) To operate as a clearing house for information, public relations and liaison for the port districts of the state and to serve as a channel for cooperation among the various port districts and for the assembly and presentation of information relating to the needs and requirements of port districts to the public. [1961 c 31 § 3.]

53.06.040 Dues and assessments may be paid association from district funds—Limitation on amount. Each port district which designates the Washington public ports association as the agency through which the duties imposed by RCW 53.06.020 may be executed is authorized to pay dues and/or assessments to said association from port district funds in any calendar year in an amount not exceeding a sum equal to the amount which would be raised by a levy of one cent per thousand dollars of assessed value against the taxable property within the port district. [1973 1st ex.s. c 195 § 55; 1970 ex.s. c 47 § 3; 1961 c 31 § 4.]

Severability—Effective dates and termination dates—Construction—1973 1st ex.s. c 195: See notes following RCW 84.52.043.

53.06.050 Further action by commissions authorized—Meetings. The port district commissions are authorized to take such further action as they deem necessary to comply with the intent of this chapter, including the attendance at state and district meetings which may be required to formulate the reports provided for in RCW 53.06.020. [1961 c 31 § 5.]

53.06.060 Financial records of association subject to audit by division of municipal corporations. The financial records of the Washington public ports association shall be subject to audit by the Washington state division of municipal corporations of the state auditor. [1961 c 31 § 6.]

Chapter 53.08

POWERS

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53.08.015	Exemption of farm and agricultural land from special benefit assessments.
53.08.020	Acquisition and operation of facilities.
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53.08.045	Facilities constructed under authority of chapter subject to taxation of leasehold interest.
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53.08.180	Federal old age and survivors' insurance for employees.
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53.08.208	Actions against officer, employee, or agent—Defense and costs provided by port district—Exception.
53.08.210	Quorum.
53.08.220	Regulations authorized—Adoption as part of ordinance or resolution of city or county, procedure—Enforcement—Penalty for violation.
53.08.230	Making motor vehicle and other police regulations applicable to district property—Filing plat with county auditor—Duty of law enforcement officers.
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53.08.245	Economic development programs authorized.
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53.08.270	Park and recreation facilities—Approval of other agencies.
53.08.280	Police officers—Appointment authorized—Jurisdiction.

53.08.290	Intermodal movement of interstate and foreign cargo—Restrictions.
53.08.295	Passenger carrying watercraft.
53.08.300	Rewards for arrest and conviction of persons committing criminal offenses against port district authorized.
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Acquisition of vacated waterways: RCW 79.93.060.

Actions by and against public corporations: RCW 4.08.110 and 4.08.120.

Airport districts: Chapter 14.08 RCW.

Deferral of special assessments: Chapter 84.38 RCW.

Emergency public works: Chapter 39.28 RCW.

Heating systems authorized: RCW 35.97.020.

Industrial development revenue bonds: Chapter 39.84 RCW.

Lien for labor and materials on public works: Chapter 60.28 RCW.

Permits to use waterways within a port district: RCW 79.93.040.

Public contracts: Chapters 39.04 through 39.32 RCW.

Special purpose districts, expenditures to recruit job candidates: RCW 42.24.170.

53.08.010 Acquisition of property—Levy of assessments. A port district may acquire by purchase, for cash or on deferred payments for a period not exceeding twenty years, or by condemnation, or both, all lands, property, property rights, leases, or easements necessary for its purposes and may exercise the right of eminent domain in the acquirement or damaging of all such lands, property, and property rights, and may levy and collect assessments upon property for the payment of all damages and compensation in carrying out its purposes, and such right shall be exercised in the same manner and by the same procedure as provided for cities of the first class insofar as consistent with this title, and in connection therewith the county treasurer shall perform the duties of the treasurers of such cities. [1983 c 24 § 1; 1955 c 65 § 2. Prior: 1953 c 171 § 1; 1943 c 166 § 2, part; 1921 c 183 § 1, part; 1917 c 125 § 1, part; 1913 c 62 § 4, part; 1911 c 92 § 4, part; Rem. Supp. 1943 § 9692, part.]

Eminent domain: State Constitution Art. 1 § 16 (Amendment 9).

Eminent domain by cities: Chapter 8.12 RCW.

53.08.015 Exemption of farm and agricultural land from special benefit assessments. See RCW 84.34.300 through 84.34.380 and 84.34.922.

53.08.020 Acquisition and operation of facilities. A port district may construct, condemn, purchase, acquire, add to, maintain, conduct, and operate sea walls, jetties, piers, wharves, docks, boat landings, and other harbor improvements, warehouses, storehouses, elevators, grainbins, cold storage plants, terminal icing plants, bunkers, oil tanks, ferries, canals, locks, tidal basins, bridges, subways, tramways, cableways, conveyors, administration buildings, fishing terminals, together with modern appliances and buildings for the economical handling, packaging, storing, and transporting of freight and handling of passenger traffic, rail and motor vehicle transfer and terminal facilities, water transfer and terminal facilities, air transfer and terminal facilities, and any combination of such transfer and terminal facilities.

commercial transportation, transfer, handling, storage and terminal facilities, and improvements relating to industrial and manufacturing activities within the district, and in connection with the operation of the facilities and improvements of the district, it may perform all customary services including the handling, weighing, measuring and reconditioning of all commodities received. A port district may also construct, condemn, purchase, acquire, add to and maintain facilities for the freezing or processing of goods, agricultural products, meats or perishable commodities. A port district may also construct, purchase and operate belt line railways, but shall not acquire the same by condemnation. [1963 c 147 § 3; 1961 c 126 § 1; 1955 c 65 § 3. Prior: 1953 c 171 § 2; 1943 c 166 § 2, part; 1921 c 183 § 1, part; 1917 c 125 § 1, part; 1913 c 62 § 4, part; 1911 c 92 § 4, part; Rem. Supp. 1943 § 9692, part.]

Severability—1961 c 126: "If any provision of this act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected." [1961 c 126 § 2.]

Essential rail assistance account, distribution of moneys to port districts: RCW 47.76.030.

53.08.030 Operation of foreign trade zones. A district may apply to the United States for permission to establish, operate, and maintain foreign trade zones within the district: *Provided*, That nothing herein shall be construed to prevent such zones from being operated and financed by a private corporation(s) on behalf of such district acting as zone sponsor: *Provided further*, That when the money so raised is to be used exclusively for the purpose of acquiring land for sites and constructing warehouses, storage plants, and other facilities to be constructed within the zone for use in the operation and maintenance of the zones, the district may contract indebtedness and issue general bonds therefor in an amount, in addition to the three-fourths of one percent hereinafter fixed, of one percent of the value of the taxable property in the district, as the term "value of the taxable property" is defined in RCW 39.36.015, such additional indebtedness only to be incurred with the assent of three-fifths of the voters of the district voting thereon. [1977 ex.s. c 196 § 7; 1970 ex.s. c 42 § 31; 1955 c 65 § 4. Prior: 1943 c 166 § 2, part; 1921 c 183 § 1, part; 1917 c 125 § 1, part; 1913 c 62 § 4, part; 1911 c 92 § 4, part; Rem. Supp. 1943 § 9692, part.]

Effective date—1977 ex.s. c 196: See note following RCW 24.46.010.

Severability—Effective date—1970 ex.s. c 42: See notes following RCW 39.36.015.

Foreign trade zones: Chapter 24.46 RCW.

53.08.040 Improvement of lands for industrial and commercial purposes—Providing sewer and water utilities—Providing pollution control facilities. A district may improve its lands by dredging, filling, bulkheading, providing waterways or otherwise developing such lands for sale or lease for industrial and commercial purposes. A district may also acquire, construct, install, improve, and operate sewer and water utilities to serve its own

property and other property owners under terms, conditions, and rates to be fixed and approved by the port commission. A district may also acquire, by purchase, construction, lease, or in any other manner, and may maintain and operate other facilities for the control or elimination of air, water, or other pollution, including, but not limited to, facilities for the treatment and/or disposal of industrial wastes, and may make such facilities available to others under terms, conditions and rates to be fixed and approved by the port commission. Such conditions and rates shall be sufficient to reimburse the port for all costs, including reasonable amortization of capital outlays caused by or incidental to providing such other pollution control facilities: *Provided*, That no part of such costs of providing any pollution control facility to others shall be paid out of any tax revenues of the port: *And provided further*, That no port shall enter into an agreement or contract to provide sewer and/or water utilities or pollution control facilities if substantially similar utilities or facilities are available from another source (or sources) which is able and willing to provide such utilities or facilities on a reasonable and nondiscriminatory basis unless such other source (or sources) consents thereto.

In the event that a port elects to make such other pollution control facilities available to others, it shall do so by lease, lease purchase agreement, or other agreement binding such user to pay for the use of said facilities for the full term of the revenue bonds issued by the port for the acquisition of said facilities, and said payments shall at least fully reimburse the port for all principal and interest paid by it on said bonds and for all operating or other costs, if any, incurred by the port in connection with said facilities: *Provided, however*, That where there is more than one user of any such facilities, each user shall be responsible for its pro rata share of such costs and payment of principal and interest. Any port intending to provide pollution control facilities to others shall first survey the port district to ascertain the potential users of such facilities and the extent of their needs. The port shall conduct a public hearing upon the proposal and shall give each potential user an opportunity to participate in the use of such facilities upon equal terms and conditions. [1972 ex.s. c 54 § 1; 1967 c 131 § 1; 1955 c 65 § 5. Prior: 1943 c 166 § 2, part; 1921 c 183 § 1, part; 1917 c 125 § 1, part; 1913 c 62 § 4, part; 1911 c 92 § 4, part; Rem. Supp. 1943 § 9692, part.]

Severability—1972 ex.s. c 54: "If any provision of this 1972 amendatory act or the application thereof to any person or circumstance, is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this 1972 amendatory act are declared to be severable." [1972 ex.s. c 54 § 5.]

53.08.041 Pollution control facilities or other industrial development actions—Validation—Implementation of Article 8, section 8 of the Constitution. All actions heretofore taken by port districts in conformity with the provisions of this chapter, and the provisions of *this 1975 amendatory act hereby made applicable thereto, relating to pollution control facilities or other industrial development, including, but not limited to, all

bonds issued for such purposes, shall be deemed to have been taken pursuant to Article 8, section 8 of the Washington state Constitution and are hereby declared to be valid, legal and binding in all respects. All provisions of Title 53 RCW directly or indirectly relating to pollution control facilities or other industrial development are hereby found and declared to be legislation implementing the provisions of Article 8, section 8 of the Washington state Constitution. [1975 c 6 § 5.]

*Reviser's note: For meaning of "this 1975 amendatory act" [1975 c 6], see note following RCW 70.95A.035.

Severability—1975 c 6: See RCW 70.95A.940.

Construction—1975 c 6: See RCW 70.95A.912.

53.08.045 Facilities constructed under authority of chapter subject to taxation of leasehold interest. Facilities constructed by a port district under authority of this chapter will be subject to taxation of leasehold interest pursuant to applicable laws as now or hereafter enacted. [1972 ex.s. c 54 § 3.]

Severability—1972 ex.s. c 54: See note following RCW 53.08.040.
Taxation of leasehold estates: Chapter 84.40A RCW.

53.08.047 Chapter not to be construed as restricting or limiting powers of district under other laws. Neither this chapter nor anything herein contained shall be construed as a restriction or limitation upon any powers which a district might otherwise have under any laws of this state, but shall be construed as cumulative. [1972 ex.s. c 54 § 4.]

Severability—1972 ex.s. c 54: See note following RCW 53.08.040.

53.08.050 Local improvement districts—Assessments—Bonds. (1) A district may establish local improvement districts within the district, and levy special assessments, in annual installments extending over a period not exceeding ten years on all property specially benefited by the local improvement, on the basis of special benefits, to pay in whole or in part the damages or costs of the local improvement, and issue local improvement bonds to be paid from local improvement assessments. The levy and collection of such assessments and issuance of such bonds shall be as provided for the levy and collection of local improvement assessments and the issuance of local improvement bonds by cities and towns, insofar as consistent with this title: *Provided*, That the duties of the treasurers of such cities and towns in connection therewith shall be performed by the county treasurer. Such bonds may be in any form, including bearer bonds or registered bonds as provided in RCW 39.46.030.

(2) Notwithstanding subsection (1) of this section, such bonds may be issued and sold in accordance with chapter 39.46 RCW. [1983 c 167 § 132; 1955 c 65 § 6. Prior: 1943 c 166 § 2, part; 1921 c 183 § 1, part; 1917 c 125 § 1, part; 1913 c 62 § 4, part; 1911 c 92 § 4, part; Rem. Supp. 1943 § 9692, part.]

Liberal construction—Severability—1983 c 167: See RCW 39.46.010 and note following.

Cities

issuance of local improvement bonds. Chapter 35.45 RCW.

levy and collection of local improvement assessments: Chapters 35.44, 35.49 RCW.

Public lands subject to local assessments: RCW 79.44.010.

53.08.060 Improvement of waters and waterways. A district may improve navigable and nonnavigable waters of the United States and the state of Washington within the district; create and improve for harbor purposes new waterways within the district; and regulate and control all such waters and all natural or artificial waterways within the district and remove obstructions therefrom, and straighten, widen, deepen, and otherwise improve any water, watercourse, bays, lakes or streams, whether navigable or otherwise, flowing through or located within the district. [1979 ex.s. c 30 § 8; 1955 c 65 § 7. Prior: 1943 c 171 § 1; 1943 c 166 § 2, part; 1921 c 183 § 1, part; 1917 c 125 § 1, part; 1913 c 62 § 4, part; 1911 c 92 § 4, part; Rem. Supp. 1943 § 9692, part.]

53.08.070 Rates and charges—Government contracts. A district may fix, without right of appeal therefrom the rates of wharfage, dockage, warehousing, and port and terminal charges upon all improvements owned and operated by it, and the charges of ferries operated by it. The port commission shall file with the utilities and transportation commission its schedule of rates and charges so fixed, as required of public service corporations. It may change any rate and charge so filed by filing with the commission a notice of the proposed change not less than thirty days before the change shall go into effect.

It may fix, subject to state regulation, rates of wharfage, dockage, warehousing, and all necessary port and terminal charges upon all docks, wharves, warehouses, quays, and piers owned by it and operated under lease from it.

Notwithstanding any provision of this section, a port district may enter into any contract for wharfage, dockage, warehousing, or port or terminal charges, with the United States or any governmental agency thereof or with the state of Washington or any political subdivision thereof under such terms as the commission may, in its discretion, negotiate. [1955 c 65 § 8. Prior: 1943 c 166 § 2, part; 1921 c 183 § 1, part; 1917 c 125 § 1, part; 1913 c 62 § 4, part; 1911 c 92 § 4, part; Rem. Supp. 1943 § 9692, part.]

Utilities and transportation commission: Chapter 80.01 RCW.

53.08.080 Lease of property—Authorized—Duration. A district may lease all lands, wharves, docks and real and personal property owned and controlled by it, upon such terms as the port commission deems proper: *Provided*, That no lease shall be for a period longer than fifty years with option for extensions for up to an additional thirty years, except where the property involved is or is to be devoted to airport purposes the port commission may lease said property for such period as may equal the estimated useful life of such work or facilities, but not to exceed seventy-five years: *Provided further*, That where the property is held by the district under lease from the United States government or the

state of Washington, or any agency or department thereof, the port commission may sublease said property, with option for extensions, up to the total term and extensions thereof permitted by such lease, but in any event not to exceed ninety years. [1983 c 64 § 1; 1973 c 87 § 1; 1961 ex.s. c 8 § 1; 1959 c 157 § 1; 1955 c 65 § 9. Prior: 1953 c 243 § 1; 1943 c 166 § 2, part; 1921 c 183 § 1, part; 1917 c 125 § 1, part; 1913 c 62 § 4, part; 1911 c 92 § 4, part; Rem. Supp. 1943 § 9692, part.]

Lease of

county property for airport purposes: RCW 36.34.180.

municipal property for airport purposes: RCW 14.08.120.

Restrictions on leases of harbor areas: State Constitution Art. 15 § 2.

53.08.085 Lease of property—Security for rent. Every lease of all lands, wharves, docks, and real and personal property of a port district for a term of more than one year shall have the rent secured by rental insurance, bond, or other security satisfactory to the port commission, in an amount equal to one-sixth the total rent, but in no case shall such security be less than an amount equal to one year's rent or more than an amount equal to three years' rent. Evidence of the existence of such insurance, bonds, or security shall be on file with the commission at all times during the term of the lease: *Provided*, That nothing in this section shall prevent the port commission from requiring additional security on leases or provisions thereof, or on other agreements to use port facilities: *Provided further*, That any security agreement may provide for termination on the anniversary date of such agreement on not less than one year's written notice to the port if said lease is not in default at the time of said notice: *Provided further*, That if the security as required herein is not maintained throughout the full term of the lease, said lease shall be considered in default: *Provided, however*, That the port commission may in its discretion waive the rent security requirement or lower the amount of such requirement on the lease of real and/or personal port property. [1981 c 125 § 1; 1977 c 41 § 1; 1973 c 87 § 2.]

53.08.090 Sale of property. A port commission may, by resolution, authorize the managing official of a port district to sell and convey port district property of less than twenty-five hundred dollars in value. Such authority shall be in force for not more than one calendar year from the date of resolution and may be renewed from year to year. Prior to any such sale or conveyance the managing official shall itemize and list the property to be sold and make written certification to the commission that the listed property is no longer needed for district purposes. Any large block of such property having a value in excess of twenty-five hundred dollars shall not be broken down into components of less than twenty-five hundred dollars value and sold in such smaller components unless such smaller components be sold by public competitive bid. A port district may sell and convey any of its real or personal property valued at more than twenty-five hundred dollars when the port commission has, by resolution, declared the property to be no longer needed for district purposes, but no property which is a

part of the comprehensive plan of improvement or modification thereof shall be disposed of until the comprehensive plan has been modified to find such property surplus to port needs. The comprehensive plan shall be modified only after public notice and hearing provided by RCW 53.20.010.

Nothing in this section shall be deemed to repeal or modify procedures for property sales within industrial development districts as set forth in chapter 53.25 RCW. [1981 c 262 § 1; 1969 ex.s. c 30 § 1; 1965 c 23 § 1; 1955 c 65 § 10. Prior: 1943 c 166 § 2, part; 1921 c 183 § 1, part; 1917 c 125 § 1, part; 1913 c 62 § 4, part; 1911 c 92 § 4, part; Rem. Supp. 1943 § 9692, part.]

Restriction on sale of harbor rights and property: State Constitution Art. 15 § 1 (Amendment 15).

53.08.091 Sale of property—Contract sales—Terms and conditions. Except in cases where the full purchase price is paid at the time of the purchase, every sale of real property or personal property under authority of RCW 53.08.090 or RCW 53.25.110 shall be subject to the following terms and conditions:

(1) The purchaser shall enter into a contract with the district in which the purchaser shall covenant that he will make the payments of principal and interest when due, and that he will pay all taxes and assessments on such property. Upon failure to make payments of principal, interest, assessments or taxes when due all rights of the purchaser under said contract may, at the election of the district, after notice to said purchaser, be declared to be forfeited. When the rights of the purchaser are declared forfeited, the district shall be released from all obligation to convey land covered by the contract, and in the case of personal property, the district shall have all rights granted to a secured party under chapter 62A.9 RCW;

(2) The district may, as it deems advisable, extend the time for payment of principal and interest due or to become due;

(3) The district shall notify the purchaser in each instance when payment is overdue, and that the purchaser is liable to forfeiture if payment is not made within thirty days from the time the same became due, unless the time be extended by the district;

(4) Not less than four percent of the total purchase price shall be paid on the date of execution of the contract for sale and not less than four percent shall be paid annually thereafter until the full purchase price has been paid, but any purchaser may make full payment at any time. All unpaid deferred payments shall draw interest at a rate not less than six percent per annum.

Nothing in this section shall be deemed to supersede other provisions of law more specifically governing sales of port district property. It is the purpose of this section to provide additional authority and procedures for sale of port district property no longer needed for port purposes. [1982 c 75 § 1; 1969 ex.s. c 11 § 1; 1965 c 23 § 2.]

53.08.092 Sale of property—Taxes and assessments against property sold by contract. A copy of all

contract sales of port district property shall be filed with the county assessor within thirty days after the first payment is received by the port. The assessor shall place such property on the tax rolls of the county and the purchaser of such property shall become liable for all levies and assessments against such property. The port shall not be liable for any taxes or assessments, but if any outstanding taxes are not paid the property may be sold by the county as with other property with delinquent taxes due. Any amounts accruing from such a sale by the county, not required to pay outstanding and delinquent taxes or assessments and foreclosure costs, shall be paid to the port district. [1965 c 23 § 3.]

53.08.110 Gifts—Improvement. Port commissioners of any port district are hereby authorized to accept for and on behalf of said port district gifts of real and personal property and to expend in improvements and betterment such amount as may be necessary. [1921 c 39 § 4; RRS § 9705.]

53.08.120 Contracts for labor and material—Small works roster. All material required by a port district may be procured in the open market or by contract and all work ordered may be done by contract or day labor. All such contracts for work, the estimated cost of which exceeds forty thousand dollars, shall be let at public bidding upon notice published in a newspaper in the district at least ten days before the letting, calling for sealed bids upon the work, plans and specifications for which shall then be on file in the office of the commission for public inspection. The same notice may call for bids on such work or material based upon plans and specifications submitted by the bidder.

Each port district shall maintain a small works roster which shall be comprised of all contractors who have requested to be on the roster and are, where required by law, properly licensed or registered to perform such work in the state of Washington.

Whenever work is done by contract, the estimated cost of which is forty thousand dollars or less, the managing official of the port district shall invite proposals from all appropriate contractors on the small works roster: *Provided*, That not less than five separate appropriate contractors shall be invited to submit proposals on any individual contract: *Provided further*, That whenever possible, the managing official shall invite at least one proposal from a minority contractor who shall otherwise qualify under this section. Such invitation shall include an estimate of the scope and nature of the work to be performed, and materials and equipment to be furnished.

When awarding such a contract for work, the estimated cost of which is forty thousand dollars or less, the managing official shall give weight to the contractor submitting the lowest and best proposal, and whenever it would not violate the public interest, such contracts shall be distributed equally among contractors, including minority contractors, on the small works roster. [1982 c 92 § 1; 1975 1st ex.s. c 47 § 1; 1955 c 348 § 2. Prior: 1921 c 179 § 1, part; 1911 c 92 § 5, part; RRS § 9693, part.]

Severability—1955 c 348: "If any provision of this act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected." [1955 c 348 § 7.]

53.08.130 Notice—Award of contract. The notice shall state generally the nature of the work to be done and require that bids be sealed and filed with the commission at a time specified therein. Each bid shall be accompanied by a bid proposal deposit in the form of a cashier's check, money order, or surety bid bond to the commission for a sum not less than five percent of the amount of the bid, and no bid shall be considered unless accompanied by such bid proposal deposit. At the time and place named the bids shall be publicly opened and read and the commission shall proceed to canvass the bids and, except as otherwise in this section provided, shall let the contract to the lowest responsible bidder upon plans and specifications on file, or to the best bidder submitting his own plans and specifications. If, in the opinion of the commission, all bids are unsatisfactory, they may reject all of them and readvertise, and in such case all such bid proposal deposits shall be returned to the bidders; but if the contract is let, then all bid proposal deposits shall be returned to the bidders, except that of the successful bidder which shall be retained until a contract is entered into for the purchase of such materials or doing such work, and a bond given to the port district for the performance of the contract and otherwise conditioned as required by law, with sureties satisfactory to the commission, in an amount to be fixed by the commission, but not in any event less than twenty-five percent of the contract price. If said bidder fails to enter into the contract in accordance with his bid and furnish such bond within ten days from the date at which he is notified that he is the successful bidder, the check or money order and the amount thereof shall be forfeited to the port district or the port district shall recover the amount of the surety bid bond. [1971 ex.s. c 258 § 2; 1955 c 348 § 3. Prior: 1921 c 179 § 1, part; 1911 c 92 § 5, part; RRS § 9693, part.]

Severability—1971 ex.s. c 258: See note following RCW 28B.10.350.

Severability—1955 c 348: See note following RCW 53.08.120.

Contractor's bond: Chapter 39.08 RCW.

Lien on public works, retained percentage of contractor's earnings: Chapter 60.28 RCW.

53.08.135 Construction projects over forty thousand dollars—Contracting out. Port districts shall determine if any construction project over forty thousand dollars can be accomplished less expensively by contracting out. If contracting out is less expensive, the port district may contract out such project. [1982 c 92 § 2.]

53.08.140 Leases or contracts without bond. Port districts may enter into leases and contracts of every kind and nature with the United States of America or any of its departments, the state of Washington or any of its departments, or its political subdivisions or with any municipal corporation or quasi municipal corporation of the state of Washington, without requiring said

port district or public bodies to provide bonds to secure the performance thereof. All such leases or contracts heretofore entered into are hereby ratified. [1943 c 136 § 1; Rem. Supp. 1943 § 9710.]

53.08.150 Notices when no newspaper in county. Notices required in port districts in which no newspaper is published may be given by publication in any newspaper of general circulation in the county. [1921 c 39 § 3; RRS § 9704.]

53.08.160 Studies, investigations, surveys—Promotion of facilities. All port districts organized under the provisions of this act shall be, and they are hereby, authorized and empowered to initiate and carry on the necessary studies, investigations and surveys required for the proper development, improvement and utilization of all port properties, utilities and facilities, and for industrial development within the district when such agricultural and industrial development is carried out by a public agency, institution, or body for a public purpose, and to assemble and analyze the data thus obtained and to cooperate with the state of Washington, other port districts and other operators of terminal and transportation facilities for these purposes, and to make such expenditures as are necessary for said purposes, and for the proper promotion, advertising, improvement and development of such port properties, utilities and facilities: *Provided however,* That nothing in this section shall authorize a port district to develop its properties as an agricultural or dairy farm. [1973 1st ex.s. c 55 § 1; 1947 c 24 § 2; Rem. Supp. 1947 § 9692A.]

53.08.170 Employment—Wages—Benefits—Agents—Insurance for port district commissioners. The port commission shall have authority to create and fill positions, to fix wages, salaries and bonds thereof, to pay costs and assessments involved in securing or arranging to secure employees, and to establish such benefits for employees, including holiday pay, vacations or vacation pay, retirement and pension benefits, medical, surgical or hospital care, life, accident, or health disability insurance, and similar benefits, already established by other employers of similar employees, as the port commissioner shall by resolution provide: *Provided,* That any district providing insurance benefits for its employees in any manner whatsoever may provide health and accident insurance, and business related travel, liability, and errors and omissions insurance, for its commissioners, which insurance shall not be considered to be compensation.

The port commission shall have authority to provide or pay such benefits directly, or to provide for such benefits by the purchase of insurance policies or entering into contracts with and compensating any person, firm, agency or organization furnishing such benefits, or by making contributions to vacation plans or funds, or health and welfare plans and funds, or pension plans or funds, or similar plans or funds, already established by other employers of similar employees and in which the port district is permitted to participate for particular

classifications of its employees by the trustees or other persons responsible for the administration of such established plans or funds: *Provided further,* That no port district employee shall be allowed to apply for admission to or be accepted as a member of the state employees' retirement system after January 1, 1965 if admission to such system would result in coverage under both a private pension system and the state employees' retirement system, it being the purpose of this proviso that port districts shall not at the same time contribute for any employee to both a private pension or retirement plan and to the state employees' retirement system. The port commission shall have authority by resolution to utilize and compensate agents for the purpose of paying, in the name and by the check of such agent or agents or otherwise, wages, salaries and other benefits to employees, or particular classifications thereof, and for the purpose of withholding payroll taxes and paying over tax moneys so withheld to appropriate government agencies, on a combined basis with the wages, salaries, benefits, or taxes of other employers or otherwise; to enter into such contracts and arrangements with and to transfer by warrant such funds from time to time to any such agent or agents so appointed as are necessary to accomplish such salary, wage, benefit, or tax payments as though the port district were a private employer, notwithstanding any other provision of the law to the contrary. The funds of a port district transferred to such an agent or agents for the payment of wages or salaries of its employees in the name or by the check of such agent or agents shall be subject to garnishment with respect to salaries or wages so paid, notwithstanding any provision of the law relating to municipal corporations to the contrary. [1985 c 81 § 1; 1973 1st ex.s. c 6 § 1; 1965 c 20 § 1; 1955 c 64 § 1.]

Garnishment: Chapter 7.33 RCW.

Payroll deductions: RCW 41.04.020.

Prevailing wages on public works: Chapter 39.12 RCW.

53.08.171 Employment relations—Collective bargaining and arbitration. See chapter 53.18 RCW.

53.08.175 Commissioners, officers, and employees—Reimbursement of expenses. Employees, officers, and commissioners of port districts shall, when engaged in official business of the port district, be entitled to receive their necessary and reasonable travel and other business expenses incurred on behalf of the port district. Reimbursement of such expenses may be granted, whether incurred within or without the port district, when submitted on a voucher with appropriate evidence of payment by such employee or official. [1965 c 101 § 1.]

Section headings—1965 c 101: "Section headings as used in this act do not constitute any part of the law." [1965 c 101 § 3.]

53.08.176 Commissioners, officers, and employees—Regulation of expenses. Each port district shall adopt a resolution (which may be amended from time to time) which shall establish the basic rules and regulations governing methods and amount of reimbursement

payable to such port officials and employees for travel and other business expenses incurred on behalf of the district. The resolution shall, among other things, establish procedures for approving such expenses; set forth the method of authorizing the direct purchase of transportation; the form of the voucher; and requirements governing the use of credit cards issued in the name of the port district. Such regulations may provide for payment of per diem in lieu of actual expenses when travel requires overnight lodging: *Provided*, That in all cases any per diem payment shall not exceed twenty-five dollars per day. The state auditor shall, as provided by general law, cooperate with the port district in establishing adequate procedures for regulating and auditing the reimbursement of all such expenses. [1965 c 101 § 2.]

Section headings—1965 c 101: See note following RCW 53.08.175.

53.08.180 Federal old age and survivors' insurance for employees. As used in RCW 53.08.180 through 53.08.200, the term "employees" shall be as defined in RCW 41.48.020 and no distinction shall be made for the purposes of coverage under the social security act, between persons employed by a port district on a casual or temporary basis, or on a regular or steady basis, or between persons paid hourly wages and persons paid wages on a weekly, monthly, or other periodic basis. It being the intent of RCW 53.08.180 through 53.08.200 that all employees shall be entitled to the coverage of the federal social security act for work performed in the service of a port district, which is not covered by the state employees' retirement system. [1955 c 219 § 1.]

Public employees' retirement system: Chapter 41.40 RCW.

53.08.190 Federal old age and survivors' insurance for employees—Plan for extension of benefits. Each port district, which has not previously done so, shall within thirty days of June 8, 1955, submit for approval by the governor a plan for extending the benefits of Title II of the federal social security act, as amended, in conformity with applicable provisions of said act as set forth in chapter 41.48 RCW, to employees of such port district who are employed in positions not covered by the employees' retirement system of the state of Washington. The plan required to be submitted by this section shall be as set forth in RCW 41.48.050 and shall be in conformance therewith. [1955 c 219 § 2.]

53.08.200 Federal old age and survivors' insurance for employees—Contributions. All port districts are authorized to make contributions on employees' wages, and to impose upon their employees contributions with respect to their wages in accordance with RCW 41.48.030 through 41.48.050. [1955 c 219 § 3.]

53.08.205 Liability insurance for officials and employees. The board of commissioners of each port district may purchase liability insurance with such limits as they may deem reasonable for the purpose of protecting their officials and employees against liability for personal or

bodily injuries and property damage arising from their acts or omissions while performing or in good faith purporting to perform their official duties. [1973 c 125 § 4.]

53.08.207 Liability insurance for officers and employees authorized. See RCW 36.16.138.

53.08.208 Actions against officer, employee, or agent—Defense and costs provided by port district—Exception. Whenever any action, claim or proceeding is instituted against any person who is or was an officer, employee, or agent of a port district established under this title arising out of the performance or failure of performance of duties for, or employment with any such district, the commission of the district may grant a request by such person that the attorney of the district's choosing be authorized to defend said claim, suit or proceeding, and the costs of defense, attorney's fees, and any obligation for payment arising from such action may be paid from the district's funds: *Provided*, That costs of defense and/or judgment or settlement against such person shall not be paid in any case where the court has found that such person was not acting in good faith or within the scope of his employment with or duties for the district. [1975 c 60 § 1.]

53.08.210 Quorum. See RCW 53.12.246.

53.08.220 Regulations authorized—Adoption as part of ordinance or resolution of city or county, procedure—Enforcement—Penalty for violation. A port district may formulate all needful regulations for the use by tenants, agents, servants, licensees, invitees, suppliers, passengers, customers, shippers, business visitors, and members of the general public of any properties or facilities owned or operated by it, and request the adoption, amendment, or repeal of such regulations as part of the ordinances of the city or town in which such properties or facilities are situated, or as part of the resolutions of the county, if such properties or facilities be situated outside any city or town. The port commission shall make such request by resolution after holding a public hearing on the proposed regulations, of which at least ten days' notice shall be published in a legal newspaper of general circulation in the port district. Such regulations must conform to and be consistent with federal and state law. As to properties or facilities situated within a city or town, such regulations must conform to and be consistent with the ordinances of the city or town. As to properties or facilities situated outside any city or town, such regulations must conform to and be consistent with county resolutions. Upon receiving such request, the governing body of the city, town, or county, as the case may be, may adopt such regulations as part of its ordinances or resolutions, or amend or repeal such regulations in accordance with the terms of the request. Any violation of such regulations shall constitute a misdemeanor which shall be redressed in the same manner as other police regulations of the city, town, or county, and it shall be the duty of all law enforcement officers to

enforce such regulations accordingly: *Provided*, That violation of a regulation relating to traffic including parking, standing, stopping, and pedestrian offenses is a traffic infraction, except that violation of a regulation equivalent to those provisions of Title 46 RCW set forth in RCW 46.63.020 remains a misdemeanor. [1979 ex.s. c 136 § 103; 1961 c 38 § 1.]

Effective date—Severability—1979 ex.s. c 136: See notes following RCW 46.63.010.

53.08.230 Making motor vehicle and other police regulations applicable to district property—Filing plat with county auditor—Duty of law enforcement officers. A port district may at its option file with the county auditor a plat of any of its properties or facilities, showing thereon such private streets, alleys, access roads, parking areas, parks and other places as the port district may wish to have treated as public for purposes of motor vehicle or other police regulations. Such plat may be amended at any time by the filing of an amendatory plat, and may be vacated at any time by the filing of a resolution of vacation. So long as any such plat or amendatory plat is on file and not vacated, the motor vehicle or other police regulations of the state, and the motor vehicle regulations of the city, town or county, as the case may be, in which the areas described in the plat are situated, shall apply to such areas as though they were public streets, alleys, access roads, parking areas, parks or other places, and it shall be the duty of all state and local law enforcement officers to enforce such regulations accordingly. [1961 c 38 § 2.]

53.08.240 Joint exercise of powers and joint acquisition of property—Contracts with other governmental entities. Any two or more port districts shall have the power, by mutual agreement, to exercise jointly all powers granted to each individual district, and in the exercise of such powers shall have the right and power to acquire jointly all lands, property, property rights, leases, or easements necessary for their purposes, either entirely within or partly within or partly without or entirely without such districts: *Provided*, That any two or more districts so acting jointly, by mutual agreement, shall not acquire any real property or real property rights in any other port district without the consent of such district.

A district may enter into any contract with the United States, or any state, county, or municipal corporation, or any department of those entities, for carrying out any of the powers that each of the contracting parties may by law exercise separately. [1961 c 24 § 1.]

53.08.245 Economic development programs authorized. It shall be in the public purpose for all port districts to engage in economic development programs. In addition, port districts may contract with nonprofit corporations in furtherance of this and other acts relating to economic development. [1985 c 125 § 1.]

53.08.250 Participation in world fairs or expositions authorized. See chapter 35.60 RCW.

53.08.255 Tourism promotion authorized. Any port district in this state, acting through its commission, has power to expend moneys and conduct promotion of resources and facilities in the district or general area by advertising, publicizing, or otherwise distributing information to attract visitors and encourage tourist expansion. [1984 c 122 § 10.]

53.08.260 Park and recreation facilities. A port district may construct, improve, maintain, and operate public park and recreation facilities when such facilities are necessary to more fully utilize boat landings, harbors, wharves and piers, air, land, and water passenger and transfer terminals, waterways, and other port facilities authorized by law pursuant to the port's comprehensive plan of harbor improvements and industrial development. [1965 c 81 § 1.]

53.08.270 Park and recreation facilities—Approval of other agencies. Before undertaking any such plan for the acquisition and operation of any park or recreational facility the proposed plan therefor shall be first submitted in writing to the director of the parks and recreation commission and to the governing body of any county or municipal park agency having jurisdiction in the area. The state director and/or such county or municipal park agency shall examine the port's proposed plan, and may disapprove such proposed plan if it is found to be in conflict with state or local park and recreation plans for the same area. If such proposed port plan is disapproved the port district shall not proceed further with such plan. If the state director or the governing body of the county or municipal agency does not respond in writing to the port within sixty days, it shall be deemed that approval has been granted. [1965 c 81 § 2.]

53.08.280 Police officers—Appointment authorized—Jurisdiction. Any port district operating an airport with a police department as authorized by RCW 14.08.120 or designated as a port of entry by the federal government is authorized to appoint police officers with full police powers to enforce all applicable federal, state, or municipal statutes, rules, regulations, or ordinances upon any port-owned or operated properties or operations: *Provided*, That such police officers must have successfully graduated from a recognized professional police academy or training institution. [1981 c 97 § 1; 1974 ex.s. c 62 § 1.]

53.08.290 Intermodal movement of interstate and foreign cargo—Restrictions. In addition to the other powers under this chapter, a port district, in connection with the operation of facilities and improvements of the district, may perform all necessary activities related to the intermodal movement of interstate and foreign cargo: *Provided*, That nothing contained herein shall authorize a port district to engage in the transportation of commodities by motor vehicle for compensation outside the boundaries of the port district. A port district may, by itself or in conjunction with public or private entities,

acquire, construct, purchase, lease, contract for, provide, and operate rail services, equipment, and facilities inside or outside the port district: *Provided*, That such authority may only be exercised outside the boundaries of the port district if such extraterritorial rail services, equipment, or facilities are found, by resolution of the commission of the port district exercising such authority, to be reasonably necessary to link the rail services, equipment, and facilities within the port district to an interstate railroad system; however, if such extraterritorial rail services, equipment, or facilities are in or are to be located in one or more other port districts, the commission of such other port district or districts must consent by resolution to the proposed plan of the originating port district which consent shall not be unreasonably withheld: *Provided further*, That no port district shall engage in the manufacture of rail cars for use off port property. [1981 c 47 § 1; 1980 c 110 § 2.]

Purpose—1980 c 110: "The purpose of this act is to:

(1) Clarify existing law as to the authority of port districts to perform certain cargo movement activities and to contract for or otherwise provide facilities for rail service for the movement of such cargo; and

(2) Provide authority for port districts to assist in development of the recreation-tourism industry by acquiring and operating certain watercraft in limited areas." [1980 c 110 § 1.]

53.08.295 Passenger carrying watercraft. A port district may acquire, lease, construct, purchase, maintain, and operate passenger carrying vessels on interstate navigable rivers of the state and intrastate waters of adjoining states. Service provided shall be under terms, conditions, and rates to be fixed and approved by the port commission. Operation of such vessels shall be subject to applicable state and federal laws pertaining to such service. [1980 c 110 § 3.]

Purpose—1980 c 110: See note following RCW 53.08.290.

53.08.300 Rewards for arrest and conviction of persons committing criminal offenses against port district authorized. See RCW 10.85.030.

53.08.310 Moorage facilities—Definitions. Unless the context clearly requires otherwise, the definitions in this section apply throughout this section and RCW 53.08.320.

(1) "Port charges" mean charges of a moorage facility operator for moorage and storage, and all other charges owing or to become owing under a contract between a vessel owner and the moorage facility operator, or under an officially adopted tariff including, but not limited to, costs of sale and related legal expenses.

(2) "Vessel" means every species of watercraft or other artificial contrivance capable of being used as a means of transportation on water and which does not exceed two hundred feet in length. "Vessel" includes any trailer used for the transportation of watercraft.

(3) "Moorage facility" means any properties or facilities owned or operated by a moorage facility operator which are capable of use for the moorage or storage of vessels.

(4) "Moorage facility operator" means any port district, city, town, metropolitan park district, or county which owns and/or operates a moorage facility.

(5) "Owner" means every natural person, firm, partnership, corporation, association, or organization, or agent thereof, with actual or apparent authority, who expressly or impliedly contracts for use of a moorage facility. [1983 c 188 § 1.]

Construction—Savings—1983 c 188: "Nothing contained in RCW 53.08.310 and 53.08.320 may be construed as a limitation of any rights, privileges, or remedies previously existing under any applicable laws of port districts, cities, towns, metropolitan park districts, or counties." [1983 c 188 § 3.]

Severability—1983 c 188: "If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected." [1983 c 188 § 5.]

53.08.320 Moorage facilities—Regulations authorized—Port charges, delinquency—Abandoned vessels, public sale. A moorage facility operator may adopt all regulations necessary for rental and use of moorage facilities and for the expeditious collection of port charges. The regulations may also establish procedures for the enforcement of these regulations by port district, city, county, metropolitan park district or town personnel. The regulations shall include the following:

(1) Procedures authorizing moorage facility personnel to take reasonable measures, including the use of chains, ropes, and locks, to secure vessels within the moorage facility so that the vessels are in the possession and control of the moorage facility operator and cannot be removed from the moorage facility. These procedures may be used if an owner mooring or storing a vessel at the moorage facility fails, for more than sixty days after being notified that charges are owing, to pay the port charges owed. Notification shall be by registered mail to the owner at his last known address. If no address was furnished by the owner, the port district, city, county, metropolitan park district, or town need not give such notice. At the time of securing the vessel, an authorized moorage facility employee shall attach to the vessel two readily visible notification stickers. The stickers shall be of a reasonable size and shall contain the following information:

(a) The date and time the stickers were attached;

(b) The identity of the authorized employee;

(c) A statement that if the account is not paid in full within one hundred eighty days from the time the stickers are attached, the vessel may be sold at public auction to satisfy the port charges; and

(d) The address and telephone number where additional information may be obtained concerning release of the vessel.

If the vessel is the subject of a delinquent moorage account, and sixty days have expired since notification pursuant to subsection (1) of this section, the moorage facility operator shall review its records to ascertain the identity of the owner. The operator shall make a reasonable effort to contact the owner by registered mail in order to give the owner the information on the notification stickers.

(2) Procedures authorizing moorage facility personnel at their discretion to move moored vessels ashore for storage within properties under the operator's control or for storage with private persons under their control as bailees of the moorage facility, if the vessel is, in the opinion of port personnel, in danger of sinking or of sustaining other damage. Reasonable costs of any such procedure shall be paid by the vessel's owner.

(3) If a vessel is secured under subsection (1) of this section or moved ashore under subsection (2) of this section, the owner who is obligated to the moorage facility operator for port charges may regain possession of the vessel by:

(a) Making arrangements satisfactory with the moorage facility operator for the immediate removal of the vessel from the moorage facility or for authorized moorage; and

(b) Making payment to the operator of all port charges, or by posting with the operator a sufficient cash bond or other security acceptable to such operator, to be held in trust by the operator pending written agreement of the parties with respect to payment by the vessel owner of the amount owing, or pending resolution of the matter of the port charges in a civil action in a court of competent jurisdiction. After entry of judgment, including any appeals, in a court of competent jurisdiction, the trust shall terminate and the moorage facility operator shall receive so much of the bond or other security as is necessary to satisfy any judgment, costs, and interest as may be awarded to the moorage facility operator. The balance shall be refunded immediately to the owner at his last known address.

(4) If a vessel moored or stored at a moorage facility is abandoned, the port district, city, county, metropolitan park district, or town, may, by resolution of its legislative authority, authorize the public sale of the vessel by authorized personnel to the highest and best bidder for cash as follows:

(a) If a vessel has been secured by the moorage facility operator under subsection (1) of this section and is not released to the owner under the bonding provisions of this section within one hundred eighty days after notifying the owner under subsection (1) of this section, or in all other cases, for one hundred eighty days after the operator secures the vessel, the vessel shall be conclusively presumed to have been abandoned by the owner;

(b) Before the vessel is sold, the owner of the vessel shall be given at least twenty days' notice of the sale in the manner set forth in subsection (1) of this section if the name and address of the owner is known. The notice shall contain the time and place of the sale, a reasonable description of the vessel to be sold, and the amount of port charges owed with respect to the vessel. The notice of sale shall be published at least once, more than ten but not more than twenty days before the sale, in a newspaper of general circulation in the county in which the moorage facility is located. Such notice shall include the name of the vessel, if any, the last known owner and address, and a reasonable description of the vessel to be sold. The moorage facility operator may bid all or part

of its port charges at the sale and may become a purchaser at the sale;

(c) The proceeds of a sale under this section shall first be applied to the payment of port charges. The balance, if any, shall be paid to the owner. If the owner cannot in the exercise of due diligence be located by the moorage facility operator within one year of the date of the sale, the excess funds from the sale shall revert to the department of revenue pursuant to chapter 63.29 RCW. If the sale is for a sum less than the applicable port charges, the moorage facility operator is entitled to assert a claim for a deficiency.

(5) The regulations authorized under this section shall be enforceable only if the moorage facility has had its tariff containing such regulations conspicuously posted at all moorage facility offices at all times. [1985 c 7 § 124; 1983 c 188 § 2.]

Severability—Construction—Savings—1983 c 188: See notes following RCW 53.08.310.

Chapter 53.12

COMMISSIONERS—ELECTIONS

Sections

53.12.010	Port commission—Number of commissioners.
53.12.020	Qualifications.
53.12.035	Declarations of candidacy in class AA and A counties—Place, time, and manner of filing.
53.12.040	Declarations of candidacy, except districts in class AA county—Place of filing.
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53.12.050	Election of commissioners.
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53.12.140	Vacancy, how caused.
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53.12.245	Organization of commission—Powers and duties—Record of proceedings.
53.12.246	Quorum.
53.12.260	Compensation.
53.12.265	Waiver of compensation.
53.12.270	Delegation of powers to managing official of port district.

Elections: Title 29 RCW.

Redistricting by local governments and municipal corporations—Census information for—Plan, prepared when, criteria for, hearing on, request for review of, certification, remand—Sanctions when review request frivolous: RCW 29.70.100.

Special purpose districts, elected officials, immunity from civil liability: RCW 4.96.040.

53.12.010 Port commission—Number of commissioners. The powers of the port district shall be exercised

through a port commission consisting of three members. In port districts located in a class AA county the members shall be residents of the county in which the port district is located. In all other port districts, three commissioner districts, numbered consecutively, having approximately equal population and boundaries following ward and precinct lines, shall be described in the petition for the formation of the port district, and one commissioner shall be elected from each of said commissioner districts.

In port districts having additional commissioners as authorized by RCW 53.12.120 and 53.12.130, the powers of the port district shall be exercised through a port commission consisting of five members constituted as provided therein. [1965 c 51 § 1; 1959 c 17 § 3. Prior: 1913 c 62 § 2; 1911 c 92 § 3; RRS § 9690.]

53.12.020 Qualifications. In port districts located in a class AA county no person shall be eligible to hold the office of port commissioner unless he is a qualified voter of the district. In all other port districts except those located in a class AA county the person must be a qualified voter of the commissioner district from which he is elected. [1965 c 51 § 2; 1959 c 175 § 1; 1959 c 17 § 4. Prior: 1913 c 62 § 2, part; 1911 c 92 § 3, part; RRS § 9690, part.]

53.12.035 Declarations of candidacy in class AA and A counties—Place, time, and manner of filing. All candidates for district offices in port districts of class AA and class A counties shall file their declarations of candidacy with the county auditor of the county as set forth in RCW 29.21.060, as now or hereafter amended and in the same manner as candidates for county offices. In port districts located in a class AA county the declaration may be for any numbered port commissioner position to be open in the next port district election. In port districts with five commissioners in existence on July 1, 1965, the respective numbered positions shall correspond to the numbers of the county commissioner districts from which the three original commissioners in the port districts were elected, with the central district being numbered one, and with positions four and five being assigned to the original at large commissioner positions for which the first incumbents received, respectively, the greater and lesser number of votes cast.

In all port districts in a class AA county, with three port commissioners there shall be three positions denominated positions one, two and three, and declarations of candidacy shall be for a specific position. Where a proposition for an increased number of port commissioners is on the ballot under RCW 53.12.120 and RCW 53.12.130, the two additional positions shall be denominated positions four and five, and candidates for the positions thus proposed to be created shall file declarations of candidacy for a specific position. [1965 c 51 § 3; 1959 c 175 § 9.]

53.12.040 Declarations of candidacy, except districts in class AA county—Place of filing. In port districts, other than port districts located in a class AA county,

port commissioners shall file declarations of candidacy with the county auditor in which the port district is located for the commissioner district in which the candidate is a resident. [1965 c 51 § 4; 1959 c 175 § 2; 1959 c 17 § 7. Prior: 1951 c 69 § 2; 1913 c 62 § 2, part; 1911 c 92 § 3, part; RRS § 9690, part. Cf. 1923 c 53 § 5; RRS § 5148-1.]

53.12.044 Declarations of candidacy, except districts in class AA and class A counties—Time of filing. In all port districts, except port districts in class AA and class A counties, declarations of candidacy shall be filed with the county auditor not more than sixty nor less than forty-six days prior to the date of the election; declarations of candidacy for an election for the formation of a port district shall be filed with the county auditor not more than sixty nor less than twenty days prior to such election. [1963 c 200 § 21; 1959 c 175 § 4; 1951 c 69 § 3.]

53.12.050 Election of commissioners. At the same election at which the proposition is submitted to the voters as to whether a port district shall be formed, three commissioners shall be elected to hold office as provided by law. All candidates shall be voted upon by the entire port district. [1959 c 17 § 5. Prior: 1913 c 62 § 2, part; 1911 c 92 § 3, part; RRS § 9690, part.]

53.12.055 Primaries in class AA and A counties. In the event that more than two candidates are filed after the last day for withdrawal of candidacy, in port districts in class AA and class A counties, the county auditor shall conduct a port district primary at the time provided by general law for such primaries.

In the event that after the last day for withdrawal of candidacy no more than two candidates are filed for the office of port district commissioner in any port commissioner district of a port district located in a class A county or for any numbered position for port district commissioner in any port district in a class AA county, the county auditor shall not conduct a primary and shall notify the candidates that there will be no primary. [1965 c 51 § 5; 1959 c 175 § 10.]

53.12.057 Ballots—Rotating names of candidates. The names of candidates for each position for port commissioner shall be rotated in the manner provided in RCW 29.30.040. [1965 c 51 § 6.]

53.12.060 Elections. A general election shall be held in conjunction with county elections for the election of a port commissioner or commissioners and for the submission of propositions, and special elections shall be held at such times and for such propositions as the port commission may by resolution prescribe, subject to the limitations and pursuant to the requirements of this act.

There shall be not less than one polling place in each of the various wards of any incorporated city within such port district, and one polling place within each precinct of each port district not within the limits of any incorporated city: *Provided*, That the commissioners of any

port district having a population of less than two hundred and fifty registered voters, may, by resolution, provide that all elections of said district be held at one central polling place to be designated by them. It shall be the duty of the county commissioners in the formation of a port district, and of the port commission in all subsequent elections, to, at least twenty days before each election, designate the polling places and appoint three election officers for each place of voting. At all elections the vote shall be by ballot. The polls shall be open between such hours of the day as the commission shall designate, but in every case the polls shall be open between one o'clock p.m. and eight o'clock p.m. All electors who are, at the time of such election, duly qualified to vote within their respective precincts under the general election laws for state and county officers shall be entitled to vote at any election held in such port district.

Officers of the city and county having charge of the registration books of any city or precinct in a port district shall deliver the same for the use of the election officers at all port elections. In the event of such registration books being required by law to be used by any school district or other public corporation at the same time as the use thereof will be necessary by the port district, such books shall be delivered to the port commission and school district or other public corporation jointly, and the same polling places and registration books may be used jointly in such cases, and the same individuals may serve as election officers for all such joint elections, and in such cases the compensation of such election officers and other expense shall be so divided that the port district shall bear only its proportionate share thereof.

The manner of conducting and voting at elections under this act, opening and closing of polls, keeping of poll lists, canvassing the votes, declaring the result, and certifying the returns, shall be the same as provided by the general election laws governing the election of state and county officers, except as otherwise provided in this act. [1959 c 175 § 6; 1927 c 204 § 1; 1913 c 62 § 3; RRS § 9691. Formerly RCW 53.12.060, part, and 53.12.070 through 53.12.110. FORMER PART OF SECTION: 1913 c 62 § 2, part, now codified in RCW 53.12.010.]

Elections: Title 29 RCW.

53.12.120 Increasing number of commissioners to five—Proposition—Numbered positions. When the population of a port district reaches five hundred thousand, in accordance with the latest United States regular or special census or with the official state population estimate, there shall be submitted to the voters of the district, at the next general election or at a special port election called for that purpose, the proposition of increasing the number of commissioners to five. At any general election thereafter, the same proposition may be submitted by resolution of the port commissioners, by filing a certified copy of the resolution with the county auditor at least four months prior to the general election. If the proposition is adopted, the commission in that port district shall consist of five commissioners in positions

numbered as specified in RCW 53.12.035, the additional commissioners to take office five days after the election. [1982 c 219 § 1; 1965 c 51 § 7; 1959 c 175 § 3; 1959 c 17 § 10. Prior: 1953 c 198 § 1; 1913 c 62 § 2, part; 1911 c 92 § 3, part; RRS § 9690, part.]

53.12.130 Increasing number of commissioners to five—Election of additional commissioners—Commencement and term of office. At the same general election the names of the candidates for the additional port commissioner positions numbered four and five shall be printed on the ballot and voted on, but the election of such additional commissioners shall be contingent upon the adoption of the proposition for a commission of five members. The candidate for each additional numbered position receiving the highest number of votes shall be elected, and shall take office five days after the election. The additional commissioner thus elected receiving the highest number of votes shall hold office for six years and the other shall hold office for four years from the date provided by law for port commissioners to next commence their terms of office.

A successor to a commissioner holding position four or five whose term is about to expire, shall be elected at the general election next preceding such expiration, for a term of six years. [1965 c 51 § 8; 1959 c 17 § 11. Prior: 1953 c 198 § 2; 1913 c 62 § 2, part; 1911 c 92 § 3, part; RRS § 9690, part.]

53.12.140 Vacancy, how caused. A vacancy in the office of port commissioner shall occur by death, resignation, removal, conviction of a felony, nonattendance at meetings of the port commission for a period of sixty days unless excused by the port commission, by any statutory disqualification, or by any permanent disability preventing the proper discharge of his duty. [1959 c 17 § 9. Prior: 1913 c 62 § 2, part; 1911 c 92 § 3, part; RRS § 9690, part.]

53.12.150 Vacancies, how filled. A vacancy in the office of port commissioner created by death, resignation, or otherwise, shall be filled as follows:

(1) If there are simultaneously such number of vacancies that less than a majority of the full number of commissioners fixed by law remain in office, the legislative authority of the county shall within thirty days of such vacancies appoint the number of commissioners necessary to provide a majority. The commissioners thus appointed, together with any remaining commissioners, shall then, within sixty days of their appointment, meet and appoint the number of commissioners needed to complete the board of commissioners. However, if they fail to fill the remaining vacancies within this sixty-day period, the legislative authority of the county shall make the necessary appointments.

(2) If a majority of the full number of commissioners fixed by law remains on the board, the remaining commissioners shall fill any vacancies. However, if they fail to fill any vacancy within sixty days of its occurrence, the legislative authority of the county shall make the necessary appointment.

(3) A person appointed to fill a vacancy in the office of port commissioner shall serve until a successor is elected and qualified at the next district general election occurring sixty or more days after the vacancy has occurred. The person who is elected shall take office immediately after he or she is qualified and shall serve the remainder of the unexpired term. However, if at this next district general election an election would have otherwise been held to elect a person to the position in which a vacancy has occurred, a separate election shall not be held to elect a person to fill the vacancy during the remainder of the unexpired term. The person who is elected at this election for this position shall take office immediately upon being qualified and shall serve for both the remainder of the unexpired term in addition to the full term to which he or she is elected. [1985 c 87 § 1; 1983 c 11 § 1; 1959 c 175 § 8; 1959 c 17 § 8. Prior: 1913 c 62 § 2, part; 1911 c 92 § 3, part; RRS § 9690, part.]

53.12.160 Elections in districts less than entire county. In port districts comprising less than the entire county, except port districts in class AA and class A counties, elections for the selection of commissioners shall be held at the same time as the county general election is held: *Provided*, That if the petition for the organization of the district so requests, the first election of commissioners may be held at a special election which shall be called and held in the manner provided for special organization elections of port districts. [1963 c 200 § 19; 1951 c 68 § 1; 1941 c 17 § 1; 1935 c 133 § 1; Rem. Supp. 1941 § 9691A-1.]

Construction—1935 c 133: "This act shall not be construed as repealing, amending or modifying any law now in effect, except as to the time of election and the tenure of office of port commissioners in port districts comprising less than the entire county, and the manner of holding elections and canvassing returns of such port districts." [1935 c 133 § 11.]

53.12.172 Terms in districts less than entire county. In every such port district the term of office of each port commissioner shall be six years and until his or her successor is elected and qualified, and one commissioner shall be elected at the time of the general election in each odd-numbered year for the term of six years beginning in accordance with RCW 29.04.170: *Provided*, That the terms of office of the port commissioners shall be staggered in any district hereafter organized as follows: (1) The candidate residing in the first commissioner district receiving the highest number of votes in the port district at the election organizing the district shall hold office until a successor assumes office who is elected from the election held in the sixth year after the organizational election, if such organizational election was held in an odd-numbered year, or from the election held in the fifth year after the organizational election if such organizational election was held in an even-numbered year; (2) the candidate residing in the second commissioner district receiving the highest number of votes in the port district at such organizational election shall hold office until a successor assumes office who is elected from the election held in the fourth year after

the organizational election, if such organizational election was held in an odd-numbered year, or from the election held in the third year after the organizational election if such organizational election was held in an even-numbered year; and (3) the candidate residing in the third commissioner district receiving the highest number of votes in the port district at such organizational election shall hold office until a successor assumes office who is elected from the election held in the second year after the organizational election, if such organizational election was held in an odd-numbered year, or from the election held in the first year after the organizational election if such organizational election was held in an even-numbered year. [1979 ex.s. c 126 § 34; 1951 c 68 § 2. Prior: (i) 1935 c 133 § 2; RRS § 9691A-2. (ii) 1935 c 133 § 3; RRS § 9691A-3. (iii) 1935 c 133 § 4; RRS § 9691A-4. (iv) 1935 c 133 § 5; RRS § 9691A-5. (v) 1935 c 133 § 6; RRS § 9691A-6. (vi) 1935 c 133 § 7; RRS 9691A-7.]

Purpose—1979 ex.s. c 126: See RCW 29.04.170(1).

53.12.180 Conduct of elections in districts less than entire county. Notice of such election shall be given in the same manner and for the same time and by the same officials as is provided by law for the general biennial election in such counties, and in the matter of polling places, election boards, manner of conducting and voting, time for opening and closing the polls, keeping poll lists, canvassing the votes, declaring the result of the election, certifying the returns and in all other particulars as nearly as may be such election shall be called, held and conducted as is provided by law and as a part of the general biennial election in such counties; except that separate ballots shall be used for the port district and returns shall be made on the respective candidates and on each proposition or propositions which may be submitted, but all such returns shall be made by the regular election board and canvassed by the board or body that canvass the general county and state election. [1935 c 133 § 8; RRS § 9691A-8.]

Construction—1935 c 133: See note following RCW 53.12.160.
Elections: Title 29 RCW.

53.12.190 Cost of election notice and ballots. The cost of printing and publishing the notices of such port election and the printing of the ballots shall be paid by the port district for which they are prepared. [1935 c 133 § 10; RRS § 9691A-10.]

Construction—1935 c 133: See note following RCW 53.12.160.
Printing must be done in state: RCW 43.78.130.

53.12.200 Separate ballots and returns for each district. In case of two or more port districts comprising part of the same voting precinct the election officers shall be furnished ballots for each of said separate port districts, and each voter will be given the port district ballot for the port district in which he or she may reside, and said election officers shall in making their returns make a separate return covering each port district, although such separate returns may be in the same book

as the returns for the general county and state election, but shall be separately stated. [1935 c 133 § 9; RRS § 9691A-9.]

Construction—1935 c 133: See note following RCW 53.12.160.

53.12.210 Elections in districts covering entire county. In every port district the boundaries of which are coextensive with the county in which it is located, except port districts in class AA and class A counties, all elections for port commissioners shall be held at the same time as the county general biennial election is held: *Provided*, That if the petition for organization of such port districts so requests, the first election of commissioners may be held at a special election, which shall be called and held in the manner provided by law for special organization elections for such port districts. [1963 c 200 § 70; 1941 c 45 § 1; 1925 ex.s. c 113 § 1; Rem. Supp. 1941 § 9691-1.]

Time for holding elections: Chapter 29.13 RCW.

53.12.220 Terms—Districts covering entire county. In every such port district the term of office of each port commissioner shall be six years and until his or her successor is elected and qualified, and one port commissioner shall be elected at the time of the general election in each odd-numbered year for the term of six years beginning in accordance with RCW 29.04.170: *Provided*, That the terms of office of the port commissioners shall be staggered in any such district hereafter organized as follows: (1) The candidate residing in the first commissioner's district receiving the highest number of votes in the port district at the election organizing the district shall hold office until a successor assumes office who is elected from the election held in the sixth year after the organizational election, if such organizational election was held in an odd-numbered year, or from the election held in the fifth year after the organizational election if such organizational election was held in an even-numbered year; (2) the candidate residing in the second commissioner district receiving the highest number of votes in the port district at such organizational election shall hold office [until] a successor assumes office who is elected from the election held in the fourth year after the organizational election, if such organizational election was held in an odd-numbered year, or from the election held in the third year after the organizational election if such organizational election was held in an even-numbered year; and (3) the candidate residing in the third commissioner district receiving the highest number of votes in the port district at such organizational election shall hold office until a successor assumes office who is elected from the election held in the second year after the organizational election, if such organizational election was held in an odd-numbered year, or from the election held in the first year after the organizational election if such organizational election was held in an even-numbered year. [1979 ex.s. c 126 § 35; 1941 c 45 § 2; 1925 ex.s. c 113 § 2; Rem. Supp. 1941 § 9691-2. Formerly RCW 53.12.220 and 53.12.230.]

Purpose—1979 ex.s. c 126: See RCW 29.04.170(1).

Validating—1929 c 219: "Each port district election which was called by the election board for any class 'A' county or county of the first class, and which was held at the time of the last general election in November, 1928, and at which a proposition for the issuance of bonds of such district was approved by three-fifths of the voters therein voting on such proposition, is hereby validated, notwithstanding any irregularity or omission in the calling or holding of such election." [1929 c 219 § 1.]

53.12.245 Organization of commission—Powers and duties—Record of proceedings. The port commission shall organize by the election of its own members of a president and secretary, shall by resolution adopt rules governing the transaction of its business and shall adopt an official seal. All proceedings of the port commission shall be by motion or resolution recorded in a book or books kept for such purpose, which shall be public records. [1955 c 348 § 6.]

Severability—1955 c 348: See note following RCW 53.08.120.
Public records: Title 40 RCW, chapter 42.17 RCW.

53.12.246 Quorum. A majority of the persons holding the office of port commissioner at any time shall constitute a quorum of the port commission for the transaction of business, and the concurrence of a majority of the persons holding such office at the time shall be necessary and shall be sufficient for the passage of any resolution, but no business shall be transacted unless there are in office at least a majority of the full number of commissioners fixed by law. [1959 c 17 § 12. Prior: 1913 c 62 § 2, part; 1911 c 92 § 3, part; RRS § 9690.]

53.12.260 Compensation. Each commissioner of a port district shall receive fifty dollars per day or portion thereof spent (a) in actual attendance at official meetings of the port district commission, or (b) in performance of other service in behalf of the district: *Provided*, That no commissioner shall receive compensation to exceed five thousand eight hundred dollars for any calendar year: *Provided further*, That no commissioner of a port district shall receive compensation to exceed four thousand eight hundred dollars for any calendar year if the port district had gross operating income of less than twenty-five million dollars in the preceding calendar year.

For any commissioner who has not elected to become a member of public employees retirement system before May 1, 1975, the compensation provided pursuant to this section shall not be considered salary for purposes of the provisions of any retirement system created pursuant to the general laws of this state nor shall attendance at such meetings or other service on behalf of the district constitute service as defined in RCW 41.40.010(9): *Provided*, That in the case of a port district when commissioners are receiving compensation and contributing to the public employees retirement system, these benefits shall continue in full force and effect notwithstanding the provisions of RCW 53.12.260 and 53.12.265. [1985 c 330 § 3; 1975 1st ex.s. c 187 § 1.]

53.12.265 Waiver of compensation. A commissioner of any port district may waive all or any portion of his

compensation payable under RCW 53.12.260 as to any month or months during his term of office, by a written waiver filed with the secretary of the commission. The waiver, to be effective, must be filed any time after the commissioner's election and prior to the date on which said compensation would otherwise be paid. The waiver shall specify the month or period of months for which it is made. [1975 1st ex.s. c 187 § 2.]

53.12.270 Delegation of powers to managing official of port district. The commission may delegate to the managing official of a port district such administrative powers and duties of the commission as it may deem proper for the efficient and proper management of port district operations. Any such delegation shall be authorized by appropriate resolution of the commission, which resolution must also establish guidelines and procedures for the managing official to follow. [1975 1st ex.s. c 12 § 1.]

Chapter 53.16

REVISION OF COMMISSIONER DISTRICTS

Sections

53.16.010	Revision authorized.
53.16.020	Notice of hearing on revision.
53.16.030	Change not to affect term of office.

53.16.010 Revision authorized. At whatever time as they in their judgment deem appropriate, except between thirty days prior to the closing of filings of candidacy for port commissioner until the next ensuing election thereof, the port commissioners may, and upon petition signed by not less than two hundred and fifty electors residing in the district shall, reestablish the boundaries of the commissioner districts in the port district, so that each commissioner district shall comprise as nearly as possible one-third of the population of the port district: *Provided*, That no voting precinct shall be divided by the boundary lines of a commissioner district. [1969 ex.s. c 9 § 1; 1957 c 69 § 2. Prior: (i) 1933 c 145 § 1; RRS § 9708-1. (ii) 1933 c 145 § 2; RRS § 9708-2.]

53.16.020 Notice of hearing on revision. The revision of boundary lines provided for in this chapter shall be made only at a meeting of the board of port commissioners with attendance of all of the members of the commission, which meeting shall be public, following notice of said meeting, and the purpose thereof published in a newspaper of general circulation within the port district, or, if there be no such newspaper published within the district, in a newspaper published at the county seat of the county in which such port district is located. Such notice shall be published not less than twice, the date of the first publication to be not less than fifteen nor more than twenty days prior to the date fixed for said hearing, and shall state the time, place and purpose of the hearing. [1933 c 145 § 3; RRS § 9708-3.]

53.16.030 Change not to affect term of office. Any change of boundary lines provided for in this chapter

shall not affect the term for which a commissioner shall hold office at the time the change is made, and the requirement of two years' residence within the commissioner district for eligibility for office of port commissioner shall not apply to incumbent commissioners seeking election at any port district election held within three years of the change of such district boundaries: *Provided*, That at the time of nomination the incumbent commissioner resides in the commissioner's district for which he seeks election. [1933 c 145 § 4; RRS § 9704-8.]

Chapter 53.18

EMPLOYMENT RELATIONS—COLLECTIVE BARGAINING AND ARBITRATION

Sections

53.18.010	Definitions.
53.18.015	Application of public employees' collective bargaining act.
53.18.020	Agreements authorized.
53.18.030	Criteria for choice of employee organization—Procedures for resolution of controversy.
53.18.040	Incidental powers of district.
53.18.050	Agreements—Authorized provisions.
53.18.060	Restraints on agreement.

53.18.010 Definitions. "Port district" shall mean a municipal corporation of the state of Washington created pursuant to Title 53 RCW. Said port districts may also be hereinafter referred to as the "employer."

"Employee" shall include all port employees except managerial, professional, and administrative personnel, and their confidential assistants.

"Employee organization" means any lawful association, labor organization, union, federation, council, or brotherhood, having as its primary purpose the representation of employees on matters of employment relations.

"Employment relations" includes, but is not limited to, matters concerning wages, salaries, hours, vacation, sick leave, holiday pay and grievance procedures. [1967 c 101 § 1.]

53.18.015 Application of public employees' collective bargaining act. Port districts and their employees shall be covered by the provisions of chapter 41.56 RCW except as provided otherwise in this chapter. [1983 c 287 § 1.]

Severability—1983 c 287: See note following RCW 41.56.450.

53.18.020 Agreements authorized. Port districts may enter into labor agreements or contracts with employee organizations on matters of employment relations: *Provided*, That nothing in this chapter shall be construed to authorize any employee, or employee organization to cause or engage in a strike or stoppage of work or slowdown or similar activity against any port district. [1967 c 101 § 2.]

53.18.030 Criteria for choice of employee organization—Procedures for resolution of controversy. In determining which employee organization will represent them, employees shall have maximum freedom in exercising their right of self-organization.

Controversies as to the choice of employee organization within a port shall be submitted to the public employment relations commission. Employee organizations may agree with the port district to independently resolve jurisdictional disputes: *Provided*, That when no other procedure is available the procedures of RCW 49.08.010 shall be followed in resolving such disputes. In such case the chairman of the public employment relations commission shall, at the request of any employee organization, arbitrate any dispute between employee organizations and enter a binding award in such dispute. [1975 1st ex.s. c 296 § 38; 1967 c 101 § 3.]

Effective date—1975 1st ex.s. c 296: See RCW 41.58.901.

Powers and duties of public employment relations commission: Chapter 41.58 RCW.

53.18.040 Incidental powers of district. Port districts exercising the authority granted by RCW 53.18.020 may take any of the following actions as incidental thereto: Make necessary expenditures; act jointly with other ports or employers; engage technical assistance; make appearances before and utilize the services of state or federal agencies, boards, courts or commissions; make retroactive payments of wages where provided by agreements; and exercise all other necessary powers to carry this chapter into effect, including the promulgation of rules and regulations to effectuate the purposes of this chapter. [1967 c 101 § 4.]

53.18.050 Agreements—Authorized provisions. A labor agreement signed by a port district may contain:

(1) Provisions that the employee organization chosen by a majority of the employees in a grouping or unit will be recognized as the representative of all employees in the classification included in such grouping or unit;

(2) Maintenance of membership provisions including dues check-off arrangements; and

(3) Provisions providing for binding arbitration, the expenses being equally borne by the parties, in matters of contract interpretation and the settlement of jurisdictional disputes. [1967 c 101 § 5.]

53.18.060 Restraints on agreement. No labor agreement or contract entered into by a port district shall:

(1) Restrict the right of the port district in its discretion to hire;

(2) Limit the right of the port to secure its regular or steady employees from the local community; and

(3) Include within the same agreements: (a) Port security personnel, or (b) port supervisory personnel. [1967 c 101 § 6.]

Chapter 53.20

HARBOR IMPROVEMENTS

Sections

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|-----------|---|
| 53.20.010 | Adoption of harbor improvement plan. |
| 53.20.020 | Improvement to follow plans adopted. |
| 53.20.030 | Improvements—Ownership of. |
| 53.20.040 | Fifty percent of cost of local improvement may be paid from general fund. |
| 53.20.050 | Local improvements upon majority petition. |

Joint improvement of navigable rivers: RCW 88.32.240 and 88.32.250.

53.20.010 Adoption of harbor improvement plan. It shall be the duty of the port commission of any port district, before creating any improvements hereunder, to adopt a comprehensive scheme of harbor improvement in the port district, after a public hearing thereon, of which notice shall be published once a week for two consecutive weeks in a newspaper of general circulation in the port district, and no expenditure for the carrying on of any harbor improvements shall be made by the port commission other than the necessary salaries, including engineers, clerical and office expenses of the port district, and the cost of engineering, surveying, preparation and collection of data necessary for the making and adoption of a general scheme of harbor improvements in the port district, unless and until the comprehensive scheme of harbor improvement has been so officially adopted by the port commission. [1985 c 469 § 51; 1943 c 166 § 3; 1913 c 62 § 6; 1911 c 92 § 6; Rem. Supp. 1943 § 9694.]

53.20.020 Improvement to follow plans adopted. When such general plans shall have been adopted or approved, as aforesaid, every improvement to be made by said commission shall be made substantially in accordance therewith unless and until such general plans shall have been officially changed by the port commission after a public hearing thereon, of which at least ten days' notice shall be published in a newspaper in general circulation in such port district. [1947 c 24 § 1; 1913 c 62 § 7; 1911 c 92 § 7; Rem. Supp. 1947 § 9695.]

53.20.030 Improvements—Ownership of. No improvements shall be acquired or constructed, by the port district, unless such improvements shall, when completed, be the property of such port district, the county in which such port district is located, any city within such port district, the state of Washington or the United States of America, and the funds of such port district may be expended in the acquirement or construction of any harbor improvement embraced in such general plan adopted as in this chapter provided in conjunction with the county in which such port district is located, any city in such port district, the state of Washington or the United States of America, or all or any of them. [1979 ex.s. c 30 § 9; 1913 c 62 § 8; 1911 c 92 § 8; RRS § 9696.]

53.20.040 Fifty percent of cost of local improvement may be paid from general fund. Whenever any improvement shall be ordered, payment for which shall be made

in part from assessments against property specially benefited, not more than fifty percent of the cost thereof shall ever be borne by the entire port district, nor shall any sum be contributed by it to any improvement acquired or constructed with or by any other body, exceed [exceeding] such amount, unless a majority vote of the electors of the port district shall consent to or ratify the making of such expenditure. [1911 c 92 § 11; RRS § 9698.]

53.20.050 Local improvements upon majority petition. Whenever a petition signed by one hundred freeholders in the district to be therein described, shall be filed with the port commission, asking that any portion of the general plan adopted be ordered, and defining the boundaries of a local improvement district to be assessed in whole or in part to pay the cost thereof, it shall be the duty of the port commission to fix a date for hearing on the petition, after which it may alter the boundaries of the proposed district and prepare and adopt detail plans of any such local improvement, declare the estimated cost thereof, what proportion of the cost shall be borne by the proposed local improvement district, and what proportion of the cost, if any, but in any event not to exceed fifty percent, shall be borne by the entire port district. At any time within two years thereafter, upon petition of the owners of a majority of the lands in the proposed local improvement district, fixed by the port commission, as shown in the office of the auditor of the county, asking that the improvement be ordered, the port commission shall forthwith by resolution order the improvement, provide the general funds of the port district to be applied thereto, acquire all lands necessary therefor, pay all damages caused thereby, and commence in the name of the port district such eminent domain proceedings and supplemental assessment or reassessment proceedings to pay all eminent domain awards as may be necessary to entitle the port district to proceed with such work, and shall thereafter proceed with the work, and shall make and file with the county treasurer its roll levying special assessments in the amount to be paid by special assessment against the property situated within the local improvement district in proportion to the special benefits to be derived by the property in the local improvement district from the improvement. Before the approval of the roll a notice shall be published once a week for two consecutive weeks in one or more newspapers of general circulation in the local improvement district, stating that the roll is on file and open to inspection in the office of the clerk of the port commission, and fixing a time not less than fifteen nor more than thirty days from the date of the first publication of the notice within which protests must be filed with the clerk of the port commission against any assessments shown thereon, and fixing a time when a hearing shall be held by the commission on the protests. After the hearing the port commission may alter any and all assessments shown on the roll and may then by resolution approve the same, but in the event of any assessment being raised a new notice similar to the first notice shall be given, after which final approval of the

roll may be made by the port commission. Any person feeling aggrieved by any such assessments shall perfect an appeal to the superior court of the county within ten days after the approval in the manner now provided by law for appeals from assessments levied by cities of the first class in this state. Engineering and office expenses in all cases shall be borne by the general district. [1985 c 469 § 52; 1911 c 92 § 10; RRS § 9697. Formerly RCW 53.20.050 through 53.20.080.]

Appeal from assessments: RCW 35.44.200 through 35.44.270.

Special assessments for local improvement: State Constitution Art. 7 § 9.

Chapter 53.25

INDUSTRIAL DEVELOPMENT DISTRICTS— MARGINAL LANDS

Sections	
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53.25.020	Marginal lands—Further declaration.
53.25.030	"Marginal lands" defined.
53.25.040	Industrial development districts authorized.
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53.25.910	Severability—1955 c 73.

53.25.010 Marginal lands—Declaration of policies and purposes. It is hereby declared to be the public policy of the legislature of the state of Washington, that it is in the public interest to employ the power of eminent domain and advance and expend public moneys for the purposes herein contained, and to provide for means by which marginal area properties may be developed or redeveloped in accordance with the legislative policies hereinafter stated:

(1) A sound development of the economic security of the peoples of the state of Washington is dependent upon proper development and redevelopment of marginal properties, and the general welfare of the inhabitants of the port districts in which they exist require the remedying of such injurious conditions marginal properties are now subjected to; and

(2) The development and redevelopment of such marginal area properties cannot be accomplished by private

enterprise alone without public participation and assistance in the acquisition of land and planning and in the financing of land assembly in the work of clearance, development and redevelopment, and in the making of improvements necessary therefor.

(3) To protect and promote sound development and redevelopment of marginal lands as hereinafter defined, and the general welfare of the inhabitants of the port districts in which they exist, to remedying such injurious conditions through the employment of all appropriate means.

(4) That whenever the development or redevelopment of such marginal lands cannot be accomplished by private enterprise alone, without public participation and assistance in the acquisition of land and planning and in financing of land assembly in the work of clearance, development and redevelopment, and in the making of improvements necessary therefor it is in the public interest to employ the power of eminent domain, to advance and expend public moneys for those purposes, and to provide for means by which such marginal lands may be developed or redeveloped.

(5) That the development or redevelopment of such marginal lands and the provision of appropriate continuing land use constitute public uses and purposes for which public moneys may be advanced or expended and private property acquired, and are governmental functions and are of state concern in the interest of health, safety and welfare of the state of Washington, and of the communities in which such areas exist.

(6) That the necessity in the public interest for the provision of this chapter is declared to be a matter of legislative determination. [1955 c 73 § 1.]

53.25.020 Marginal lands—Further declaration. It is further found and declared that:

(1) The existence of such marginal lands characterized by any or all of such conditions constitutes a serious and growing menace which is condemned as injurious and inimical to the public health, safety, and welfare of the people of the communities in which they exist and of the people of the state.

(2) Such marginal lands present difficulties and handicaps which are beyond remedy and control solely by regulatory processes in the exercise of the police power.

(3) They contribute substantially and increasingly to the problems of, and necessitate excessive and disproportionate expenditures for, crime prevention, correction, prosecution and punishment, the treatment of juvenile delinquency, the preservation of the public health and safety, and the maintaining of adequate police, fire and accident protection and other public services and facilities.

(4) This menace is becoming increasingly direct and substantial in its significance and effect.

(5) The benefits which will result from the remedying of such conditions and the redevelopment of such marginal lands will accrue to all the inhabitants and property owners of the communities in which they exist.

(6) Such conditions of marginal lands tend to further obsolescence, deterioration, and disuse because of the lack of incentive to the individual landowner and his inability to improve, modernize, or rehabilitate his property while the condition of the neighboring properties remains unchanged.

(7) As a consequence the process of deterioration of such marginal lands frequently cannot be halted or corrected except by redeveloping the entire area, or substantial portions of it.

(8) Such conditions of marginal lands are chiefly found in areas subdivided into small parcels, held in divided and widely scattered ownerships, frequently under defective titles, and in many such instances the private assembly of the land areas for redevelopment is so difficult and costly that it is uneconomic and as a practical matter impossible for owners to undertake because of lack of the legal power and excessive costs.

(9) The remedying of such conditions may require the public acquisition at fair prices of adequate areas, the redevelopment of the areas suffering from such conditions under proper supervision, with appropriate planning, and continuing land use.

(10) The development or redevelopment of land, or both, acquired under the authority of this chapter constitute a public use and are governmental functions, and that the sale or leasing of such land after the same has been developed or redeveloped is merely incidental to the accomplishment of the real or fundamental purpose, that is, to remove the condition which caused said property to be marginal property as in this chapter defined. [1955 c 73 § 2.]

53.25.030 "Marginal lands" defined. "Marginal lands" is defined and characterized by any one or more of the following described conditions:

(1) An economic dislocation, deterioration, or disuse resulting from faulty planning.

(2) The subdividing and sale of lots of irregular form and shape and inadequate size for proper usefulness and development.

(3) The laying out of lots in disregard of the contours and other physical characteristics of the ground and surrounding conditions.

(4) The existence of inadequate streets, open spaces, and utilities.

(5) The existence of lots or other areas which are subject to being submerged by water.

(6) By a prevalence of depreciated values, impaired investments, and social and economic maladjustment to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered.

(7) In some parts of marginal lands, a growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare.

(8) In other parts of marginal lands, a loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the

taxpayer for the creation of new public facilities and services elsewhere.

(9) Property of an assessed valuation of insufficient amount to permit the establishment of a local improvement district for the construction and installation of streets, walks, sewers, water and other utilities.

(10) Lands within an industrial area which are not devoted to industrial use but which are necessary to industrial development within the industrial area. [1955 c 73 § 3.]

53.25.040 Industrial development districts authorized. A port commission may, after a public hearing thereon, of which at least ten days' notice shall be published in a newspaper of general circulation in the port district, create industrial development districts within the district and define the boundaries thereof, if it finds that the creation of the industrial development district is proper and desirable in establishing and developing a system of harbor improvements and industrial development in the port district. [1985 c 469 § 53; 1955 c 73 § 4. Prior: 1943 c 166 § 1; 1939 c 45 § 1; Rem. Supp. 1943 § 9709-1; RCW 53.24.010.]

53.25.050 Tax title lands may be conveyed to district. Any lands in an industrial development district acquired by the county by tax foreclosure, may, if the county commissioners deem the lands chiefly valuable for industrial development purposes, be conveyed to the port district. The lands shall be held in trust by the port district and may be managed, developed, leased, or sold by it as provided in this chapter.

From the proceeds of the sale or lease of the lands, the district shall first reimburse itself for any expense incurred by it in managing and developing the lands and any balance shall be paid to the county, which shall distribute it the same as general taxes collected in that year. [1955 c 73 § 5. Prior: 1939 c 45 § 2; RRS § 9709-2; RCW 53.24.020.]

53.25.060 Private lands may be conveyed to district—Cancellation of taxes. With the approval of the county commissioners, any lands in an industrial development district, owned privately, which the port commission deems valuable for industrial development purposes, may be deeded to and accepted by the port district, subject to delinquent general taxes thereon. When the commission has recorded the deed and notified the county commissioners thereof, the county commissioners shall order all taxes assessed against the lands canceled and the county treasurer shall record the cancellation, and remove the lands from the tax rolls. Thereafter the lands shall be held in trust, managed, developed, leased, and sold by the district, and the proceeds therefrom disposed of in the same manner as hereinabove provided. [1955 c 73 § 6. Prior: 1939 c 45 § 3; RRS § 9709-3; RCW 53.24.030.]

53.25.070 Discharge of trust. With the approval of the county commissioners, a port district may free any lands acquired by it pursuant to this chapter from the

trust imposed upon it herein, by paying to the county the amount of the delinquent taxes against the land at the time the county acquired it by tax foreclosure, or the amount of the delinquent taxes against it when it was conveyed to the district by the private owner. [1955 c 73 § 7. Prior: 1939 c 45 § 4; RRS § 9709-4; RCW 53.24.040.]

53.25.080 When lands revert to county. Ten years from the date of its acquisition, property acquired by a port district pursuant to this chapter shall revert to the county to be used the same as property acquired by tax foreclosure, and upon demand by the county commissioners the port commission shall convey the property to the county, unless before the expiration of the ten year period, the port district has adopted a comprehensive plan of harbor improvement which provides for the improvement of an industrial development district which includes such lands or the district has freed the land from the trust imposed upon it as provided in this chapter. [1955 c 73 § 8. Prior: 1939 c 45 § 8; RRS § 9709-8; RCW 53.24.050.]

53.25.090 Conditions precedent to making improvements. No expenditure for improvement of property in an industrial development district, other than the expense of preparing and submitting a plan of improvement shall be made by a port district, and no property shall be acquired by it therefor except as provided for hereinbefore until it has been made a part of the comprehensive scheme of harbor improvements and industrial developments or amendments thereto.

That said comprehensive scheme or amendments thereto shall provide for the development or redevelopment of those marginal lands acquired and a provision for the continuing of the land uses which are hereby declared to constitute public uses and the purposes for which public moneys may be advanced and provide property acquired. [1955 c 73 § 9. Prior: 1939 c 45 § 5; RRS § 9709-5; RCW 53.24.060.]

53.25.100 Powers as to industrial development districts. All port districts wherein industrial development districts have been established are authorized and empowered to acquire by purchase or condemnation or both, all lands, property and property rights necessary for the purpose of the development and improvement of such industrial development district and to exercise the right of eminent domain in the acquirement or damaging of all lands, property and property rights and the levying and collecting of assessments upon property for the payment of all damages and compensation in carrying out the provisions for which said industrial development district has been created; to develop and improve the lands within such industrial development district to make the same suitable and available for industrial uses and purposes; to dredge, bulkhead, fill, grade, and protect such property; to provide, maintain, and operate water, light, power and fire protection facilities and services, streets, roads, bridges, highways, waterways, tracks, and rail and water transfer and terminal facilities and other harbor

and industrial improvements; to execute leases of such lands or property or any part thereof; to establish local improvement districts within such industrial development districts which may, but need not, be coextensive with the boundaries thereof, and to levy special assessments, under the mode of annual installments, over a period not exceeding ten years, on all property specially benefited by any local improvement, on the basis of special benefits, to pay in whole or in part the damages or costs of any improvement ordered in such local improvement district; to issue local improvement bonds in any such local improvement district; to be repaid by the collection of local improvement assessments; and generally to exercise with respect to and within such industrial development districts all the powers now or hereafter conferred by law upon port districts in counties of the first class: *Provided*, That the exercise of powers hereby authorized and granted shall be in the manner now and hereafter provided by the laws of the state for the exercise of such powers by port districts under the general laws relating thereto insofar as the same shall not be inconsistent with this chapter. [1955 c 73 § 10. Prior: 1939 c 45 § 6; RRS § 9709-6; RCW 53.24.070.]

Eminent domain: State Constitution Art. 1 § 16 (Amendment 9); Title 8 RCW.

53.25.110 Sale authorized in industrial development district. When a port commission deems it for the best interests of the district and the people thereof and in furtherance of its general plan of harbor improvement, or industrial development, or both, it may sell and convey any property or part thereof owned by it within an industrial district. This section shall not be limited by chapter 53.08 RCW, pertaining to powers of port districts. [1955 c 73 § 11. Prior: 1939 c 45 § 9; RRS § 9709-9; RCW 53.28.010.]

53.25.120 Notice of hearing on sale—Hearing—Plans and specifications—Conditions—Devotion of property to public use. The port commission shall give notice of the proposed sale by publication in a newspaper of general circulation in the county, and by posting in three public places in the port district at least ten days before the date fixed for the hearing thereon.

The notice shall describe the property to be sold and state that at the time and place specified therein, the commission will meet at its usual meeting place, designating it, to hear and determine the advisability of the sale.

The hearing shall be held not more than twenty days from the publication of notice. At the hearing the commission shall hear the reasons of any taxpayer in the port district, for or against the sale.

No sales shall be made, however, of the property of any industrial development district until the purchaser thereof shall have submitted to the port commission plans and specifications for the development of the property, and the plans and specifications shall be approved in writing before the property shall be conveyed, and the conditions upon which the properties are conveyed shall be set forth in the instrument conveying title

thereof with the further condition that all of the conditions set forth shall be covenants running with the land. All properties acquired in the manner herein set forth shall be devoted to the public use herein provided for. [1985 c 469 § 54; 1963 c 138 § 1; 1955 c 73 § 12. Prior: 1939 c 45 § 10; RRS § 9709-10; RCW 53.28.020.]

Validating—1963 c 138: "All sales made prior to the effective date of this amendatory act which are otherwise valid except for compliance with the limitation in section 12, chapter 73, Laws of 1955, which provided that the hearing shall be held not more than ten days from the publication of notice, are hereby ratified and validated.

All sales made prior to the effective date of this amendatory act under the provisions of section 18, chapter 73, Laws of 1955 and RCW 53.25.180 are hereby ratified and validated." [1963 c 138 § 3.]

53.25.130 Findings and determination—Record—Appeal. Within three days after the hearing the commission shall make its findings and determination on the advisability of making the sale and enter its determination in its records. Any aggrieved party may appeal the determination of the commission by filing appeal with the superior court of the county in which the district is located within twenty days of the entry of the determination but no appeal shall be allowed except on the grounds that the action of the commission was arbitrary, capricious, or unlawful. [1955 c 73 § 13. Prior: 1939 c 45 § 11; RRS § 9709-11; RCW 53.28.030.]

53.25.140 Action on determination—Sale by competitive bid or negotiation. If the determination is against the sale, all proceedings thereon shall terminate. If the commission determines in favor of the sale by at least a two-thirds vote of the full commission, it shall in its discretion, either enter an order fixing a period, not less than twenty nor more than thirty days from the date of the order, during which bids will be received for the property or any part thereof, and give notice thereof in the same manner as for the hearing on the proposal to sell or negotiate the sale with an appropriate purchaser, provided that in any such negotiated sale the purchase price must not be less than the fair market value of the property which shall be determined by an average of at least two independent appraisals performed by licensed real estate brokers or professionally designated real estate appraisers as defined in RCW 74.46.020. Whether the property is sold by competitive bidding or negotiation, other real property conveyed by the purchaser to the commission may constitute all or a portion of the consideration for the sale. [1984 c 195 § 1; 1955 c 73 § 14. Prior: 1939 c 45 § 12; RRS § 9709-12; RCW 53.28.040.]

53.25.150 Competitive bids—Conditions—Acceptance. If the commission chooses to sell the property through competitive bidding under RCW 53.25.140:

(1) Bids may be submitted for the property or any part of it, shall state the use which the bidder intends to make of it, and the commission may require the successful bidder to file additional information as to the intended use, and may require of him security as assurance that the property will be used for that purpose;

(2) All sales shall be made to the best bidder, and in determining the best bid, the commission may also consider the nature of the proposed use and the relation thereof to the improvement of the harbor and the business and facilities thereof;

(3) Within thirty days after the last day for submitting bids, the commission shall decide which if any bids it accepts. All sales shall be made upon such terms and conditions as the commission may prescribe. [1984 c 195 § 2; 1955 c 73 § 15. Prior: 1939 c 45 § 13, part; RRS § 9709-13, part; RCW 53.28.050.]

53.25.160 Devotion of property to intended use—Remedy—Restraint on alienation. The purchaser shall, within one year from the date of purchase, devote the property to its intended use, or shall commence work on the improvements thereon to devote it to such use, and if he fails to do so, the port commission may cancel the sale and return the money paid on the purchase price, and title to the property shall revert to the district. This remedy shall be in addition to any other remedy under the terms of the sale. No purchaser shall transfer title to such property within one year from the date of purchase. [1955 c 73 § 16. Prior: 1939 c 45 § 13, part; RRS § 9709-13, part; RCW 53.28.060.]

53.25.170 Covenant running with the land—Forfeiture. All sales made in accordance with the provisions of this chapter shall have incorporated in the instrument of conveyance of title the conditions of this chapter relating to the use of the land as a covenant running with the land. Any violation of such covenant shall result in a right by the commission, as grantee, to forfeit the land. [1955 c 73 § 17.]

53.25.190 Eminent domain. All port districts of the state of Washington which have created or may hereafter create industrial development districts in the manner provided by law, in addition to all powers possessed by such port districts, be and are hereby granted power of eminent domain to acquire real property within the limits of such industrial development district which property is marginal lands as the term is herein defined. The exercise of the power granted in this section shall be exercised in the same manner and by the same procedure as in or may be provided by law for cities of the first class except insofar as such duties may be inconsistent with the provisions of this chapter and the duties devolving upon the city treasurer under said law be and the same are hereby imposed upon the county treasurer for the purposes of this chapter. [1955 c 73 § 19.]

*Eminent domain: State Constitution Art. 1 § 16 (Amendment 9).
Eminent domain by cities: Chapter 8.12 RCW.*

53.25.200 Advances of general fund moneys or credit. Port districts are hereby granted the power to advance their general fund moneys or credit, or both, without interest to accomplish the objects and purposes of this chapter, which fund shall be repaid from the sale or lease, or both, of such developed or redeveloped lands, provided, if the money advanced for such development

or redevelopment was obtained from the sale of general obligation bonds of the port, then such advances shall bear the same rate of interest that said bonds bore. [1955 c 73 § 20.]

53.25.210 Determination that land sought by eminent domain is marginal. The determination that property sought by eminent domain proceedings is marginal lands as herein defined is a judicial question, provided that a duly adopted resolution of the commissioners of the port district that the property sought is marginal lands as the term is herein defined, setting forth the characteristics of the lands sought to be acquired which constitutes the marginal lands as herein defined, shall be prima facie evidence that such land is marginal lands as defined in this chapter. [1955 c 73 § 21.]

53.25.900 Repeal and saving. Chapter 53.24 RCW and chapter 53.28 RCW and chapter 45, Laws of 1939, as last amended by section 1, chapter 166, Laws of 1943 are repealed: *Provided*, That nothing herein contained shall be construed as affecting any existing right acquired under the provisions of said act. [1955 c 73 § 22.]

53.25.910 Severability—1955 c 73. Should any section or provision of this chapter be held invalid by any court of competent jurisdiction, the same shall not affect the validity of the chapter as a whole or any part thereof other than the portion held to be invalid. [1955 c 73 § 23.]

Chapter 53.29

TRADE CENTER ACT

Sections	
53.29.010	Declaration of purpose.
53.29.020	Power to establish trade centers—Facilities authorized.
53.29.030	Cooperation with other entities—Annual service fee for support of local government.
53.29.900	Short title—Liberal construction—Powers cumulative.
53.29.910	Severability—1967 c 56.

53.29.010 Declaration of purpose. It is declared to be the finding of the legislature of the state of Washington that:

(1) The servicing functions and activities connected with the oceanborne and overseas airborne trade and commerce of port districts, including customs clearance, shipping negotiations, cargo routing, freight forwarding, financing, insurance arrangements and other similar transactions which are presently performed in various, scattered locations in the districts should be centralized to provide for more efficient and economical transportation of persons and more efficient and economical facilities for the exchange and buying, selling and transportation of commodities and other property in world trade and commerce;

(2) Unification, at a single, centrally located site of a facility of commerce, i.e., a trade center, accommodating the functions and activities described in subsection (1) of

this section and the appropriate governmental, administrative and other services connected with or incidental to transportation of persons and property and the promotion and protection of port commerce, and providing a central locale for exhibiting, and otherwise promoting the exchange and buying and selling of commodities and property in world trade and commerce, will materially assist in preserving the material and other benefits of a prosperous port community;

(3) The undertaking of the aforesaid unified trade center project by a port district has the single object of preserving, and will aid in the promotion and preservation of, the economic well being of the port district and the state of Washington and is found and determined to be a public purpose. [1967 c 56 § 1.]

53.29.020 Power to establish trade centers—Facilities authorized. In addition to all other powers granted to port districts, any such district may acquire, as provided for other port properties in RCW 53.08.010, construct, develop, operate and maintain all land or other property interests, buildings, structures or other improvements necessary to provide a trade center including but not limited to:

(1) A facility consisting of one or more structures, improvements and areas for the centralized accommodation of public and private agencies, persons and facilities in order to afford improved service to waterborne and airborne import and export trade and commerce;

(2) Facilities for the promotion of such import and export trade and commerce, inspection, testing, display and appraisal facilities, foreign trade zones, terminal and transportation facilities, office meeting rooms, auditoriums, libraries, language translation services, storage, warehouse, marketing and exhibition facilities, facilities for federal, state, county and other municipal and governmental agencies providing services relating to the foregoing and including, but not being limited to, customs houses and customs stores, and other incidental facilities and accommodations. [1967 c 56 § 2.]

53.29.030 Cooperation with other entities—Annual service fee for support of local government. In carrying out the powers authorized by this chapter, port districts are authorized to cooperate and act jointly with other public and private agencies, including, but not limited to the federal government, the state, other ports and municipal corporations, other states and their political subdivisions, and private nonprofit trade promotion and development organizations.

Port districts operating trade center buildings shall pay an annual service fee to the county treasurer wherein the center is located for municipal services rendered to the trade center building. The measure of such service fee shall be equal to three percent of the gross rentals received from the nongovernmental tenants of such trade center building. Such proceeds shall be distributed by the county treasurer as follows: Forty percent to the school district, forty percent to the city, and twenty percent to the county wherein the center is

located: *Provided*, That if the center is located in an unincorporated area, twenty percent shall be allocated to the fire district, forty percent to the school district, and forty percent to the county. [1967 c 56 § 3.]

53.29.900 Short title—Liberal construction—Powers cumulative. This chapter, which may be known and cited as the "Trade Center Act", shall be liberally construed, its purpose being to provide port districts with additional powers to provide trade centers and to promote and encourage trade through the ports of the state of Washington. The powers herein granted shall be in addition to all others granted to port districts. [1967 c 56 § 4.]

53.29.910 Severability—1967 c 56. If any provision of this chapter, or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons and circumstances is not affected. [1967 c 56 § 5.]

Chapter 53.34 TOLL FACILITIES

Sections	
53.34.010	Toll bridges, tunnels authorized—Highway approaches.
53.34.020	Contracts for use of projects—Regulations—Controversies.
53.34.030	Revenue bonds and notes—Authorized—Purposes—Sale, maturity, cost.
53.34.040	Revenue bonds and notes—Resolution—Security—Form, interest, payment, etc.
53.34.050	Covenants to safeguard and secure bonds and notes.
53.34.060	Notes.
53.34.070	Bonds and notes payable solely from revenues, etc.—Adequate rates and charges to be established.
53.34.080	Special funds and accounts—Disposition.
53.34.090	Pledge of moneys, when binding—When lien attaches.
53.34.100	No personal liability on bonds or notes.
53.34.110	District may purchase bonds or notes.
53.34.120	State not to limit or alter rights of district or impair rights or remedies of bond or note holders.
53.34.130	Bonds, notes, obligations not state or district debt—No ad valorem taxes.
53.34.140	Registration of bonds and notes—Prima facie validity.
53.34.150	Bonds and notes as legal investment and security.
53.34.160	Projects declared public benefit and governmental—Covenant by state with bond and note holders—Tax exemption.
53.34.170	District's power to acquire property, rights, etc.—Gifts—Condemnation—Contracts by public agencies authorized.
53.34.180	Public agencies authorized to contract with district for contribution of money, property, services, etc.
53.34.190	Bylaws, rules for management, uses, charges—Penalty for violation.
53.34.200	Actions for damages, injuries, death—Allegation in complaint of presentment of claim.
53.34.210	Actions—Statute of limitations—Notice and statement to be filed with district.
53.34.220	Chapter supplemental to other laws—Liberal construction.
53.34.900	Severability—1959 c 236.
53.34.910	Chapter controls inconsistent acts.

53.34.210 Actions—Statute of limitations—
Notice and statement to be filed with district. No action against a district for damages for injuries to real or personal property, or for the destruction thereof, or for personal injuries or death, alleged to have been sustained in connection with the acquisition, construction, reconstruction, operation, or maintenance of a project shall be commenced more than one year after the cause of action therefor shall have accrued nor unless a notice of intention to commence such action and of the time when and place where the damages or personal injuries or death were incurred or sustained, together with a verified statement showing in detail the property alleged to have been damaged or destroyed and the value thereof or the personal injuries alleged to have been sustained and by whom, shall have been filed with the secretary of the district in the principal office of the district within six months after such cause of action shall have accrued. [1959 c 236 § 21.]

53.34.220 Chapter supplemental to other laws—
Liberal construction. The powers and rights granted to port districts and public agencies by the provisions of this chapter are in addition and supplemental to and not in substitution of the powers and rights heretofore or hereafter granted to such districts and public agencies by any other law or city charter, and no limitations or restrictions or proceedings for the exercise of powers and rights by port districts and public agencies contained in any other laws or city charters shall apply to the exercise of powers and rights granted by the provisions of this chapter, and the provisions of this chapter shall be liberally construed to permit the accomplishment of the purposes hereof. [1959 c 236 § 22.]

53.34.900 Severability—1959 c 236. If any section, clause or provision of this chapter shall be declared unconstitutional or invalid in whole or in part, to the extent that this chapter is not unconstitutional or invalid this chapter shall be valid and effective, and no other section, clause, or provision hereof shall on account of such declaration be deemed invalid or ineffective. [1959 c 236 § 23.]

53.34.910 Chapter controls inconsistent acts. Insofar as the provisions of this chapter are inconsistent with the provisions of any other act or of any city charter, the provisions of this chapter shall be controlling. [1959 c 236 § 24.]

Chapter 53.35 BUDGETS

Sections	
53.35.010	Preliminary budget.
53.35.020	Publication of notice of preliminary budget and hearing.
53.35.030	Hearing—Final budget.
53.35.040	Final budget to be filed with county commissioners.
53.35.045	Alternate date for filing final budget.
53.35.050	Supplemental budgets.
53.35.060	Fiscal year.

53.35.070	Chapter exclusive method for budgets.
53.35.071	Expenditures for industrial development, trade promotion or promotional hosting—Budgeting required.
53.35.900	Severability—1959 c 159.

53.35.010 Preliminary budget. On or before the 15th day of September of each year each port commission shall prepare a preliminary budget of the port district for the ensuing fiscal year showing the estimated expenditures and the anticipated available funds from which all expenditures are to be paid. [1959 c 159 § 1.]

53.35.020 Publication of notice of preliminary budget and hearing. Following the preparation of the preliminary budget, the port commission shall publish a notice stating that the preliminary budget of the port district has been prepared and placed on file at the office of the port district; that a copy thereof may be obtained by any taxpayer at an address set forth in the notice; that the commission will meet at a date, hour and place set forth in the notice, such date to be not earlier than September 15th and not later than the first Tuesday following the first Monday in October, for the purpose of fixing and adopting the final budget of the port district for the ensuing year. The notice shall be published once each week for two consecutive weeks in a legal newspaper of the district, or if there is none, in any newspaper of general circulation in the county, the first publication to be not less than nine days nor more than twenty days prior to the date of the hearing. [1959 c 159 § 2.]

53.35.030 Hearing—Final budget. On the day set by the notice provided for in RCW 53.35.020 the commission shall meet at the place and hour designated for the purpose of a hearing on the budget and adoption of a final budget. Any person may present objections to the preliminary budget following which the commission shall, by resolution adopt a final budget. [1959 c 159 § 3.]

53.35.040 Final budget to be filed with county commissioners. It shall be the duty of the commissioners of port districts, for the purpose of levying port district taxes, to file with the clerk of the board of county commissioners on or before the Wednesday next following the first Monday in October in each year a certified copy of such final budget which shall specify the amounts to be raised by taxation on the assessed valuation of the property in the port district. [1959 c 159 § 4.]

53.35.045 Alternate date for filing final budget. Notwithstanding any provision of law to the contrary, the board of commissioners of a port district may file with the clerk of the county legislative authority a certified copy of the port district final budget, provided for in RCW 53.35.040, on the first Monday in December. The board of port commissioners may also set other dates relating to the budget process, including but not limited to the dates set in RCW 53.35.010 and 53.35.020 to conform to the alternate date for final budget filing. [1974 ex.s. c 19 § 1.]

53.35.050 Supplemental budgets. A port commission may adopt by resolution one or more supplemental budgets at any time during the fiscal year. Such supplemental budget shall be adopted only after public hearing. Notice of such hearing shall be given by a single publication of notice of the date, place and hour of the hearing in a legal newspaper of the district, or if there is none, in any newspaper of general circulation in the county, the publication of such notice to be at least five days and not more than fifteen days prior to the hearing date. [1959 c 159 § 5.]

53.35.060 Fiscal year. The fiscal year for a port district shall be the calendar year. [1959 c 159 § 6.]

53.35.070 Chapter exclusive method for budgets. The provisions of this chapter shall constitute the exclusive requirement and authority for the preparation, adoption, certification and filing of port district budgets. [1959 c 159 § 7.]

53.35.071 Expenditures for industrial development, trade promotion or promotional hosting—Budgeting required. See RCW 53.36.120.

53.35.900 Severability—1959 c 159. Should any section or parts of sections of this chapter be declared unconstitutional it shall in no case affect the validity of other provisions of this chapter. [1959 c 159 § 8.]

Chapter 53.36 FINANCES

Sections	
53.36.010	District treasurer.
53.36.020	Tax levy—Limitation.
53.36.030	Indebtedness—Limitation.
53.36.040	Funds in anticipation of revenues—Warrants.
53.36.050	County treasurer—General and special funds— Depositories—Investment of excess funds.
53.36.060	Incidental expense fund.
53.36.070	Levy for dredging, canal construction, or land leveling or filling purposes.
53.36.080	Collection of levies for dredging, canal construction, or land leveling or filling purposes.
53.36.100	Levy for industrial development district purposes— Notice—Petition—Election.
53.36.110	Levy for industrial development district purposes— Excess funds to be used solely for retirement of gen- eral obligations.
53.36.120	Expenditures for industrial development, trade promo- tion, or promotional hosting—Budgeting required.
53.36.130	Expenditures for industrial development, trade promo- tion, or promotional hosting—Source and amount of funds.
53.36.140	Expenditures for industrial development, trade promo- tion, or promotional hosting—Rules and regula- tions—Authorizations—Vouchers.
53.36.150	Expenditures for industrial development, trade promo- tion, or promotional hosting—Duties of state auditor.

Accounting system and state examination: RCW 43.09.190 through 43.09.230.

Disposition of rentals from waterways located within a port district: RCW 79.93.040.

Tax district relief: Chapter 39.64 RCW.

Vouchers on public funds: Chapter 42.24 RCW.

53.36.010 District treasurer. The treasurer of the county in which a port district is located shall be treasurer of the district unless the commission of a port district which has for the last three consecutive years received annual gross operating revenues of one hundred thousand dollars or more, excluding tax revenues and grants for capital purposes, designates by resolution some other person having experience in financial or fiscal matters as treasurer of the port district to act with the same powers and under the same restrictions as provided by law for a county treasurer acting on behalf of a port district: *Provided*, That any port district which was authorized by the county treasurer to appoint its own treasurer prior to July 24, 1983, may continue to appoint its own treasurer. The commission may, and if the treasurer is not the county treasurer it shall, require a bond, with a surety company authorized to do business in the state of Washington, in an amount and under the terms and conditions which the commission by resolution from time to time finds will protect the district against loss. The premium on such bonds shall be paid by the district. All district funds shall be paid to the treasurer and shall be disbursed by him upon warrants signed by a port auditor appointed by the port commission, upon vouchers approved by the commission. [1983 c 250 § 1; 1974 ex.s. c 13 § 1; 1955 c 348 § 5. Prior: 1921 c 179 § 1, part; 1911 c 92 § 5, part; RRS § 9693, part.]

Severability—1955 c 348: See note following RCW 53.08.120. County treasurer, calling warrants: RCW 36.29.060.

53.36.020 Tax levy—Limitation. A district may raise revenue by levy of an annual tax not to exceed forty-five cents per thousand dollars of assessed value against the assessed valuation of the taxable property in such port district for general port purposes, including the establishment of a capital improvement fund for future capital improvements, except that any levy for the payment of the principal and interest of the general bonded indebtedness of the port district shall be in excess of any levy made by the port district under the forty-five cents per thousand dollars of assessed value limitation. The levy shall be made and taxes collected in the manner provided for the levy and collection of taxes in school districts of the first class. [1973 1st ex.s. c 195 § 56; 1955 c 65 § 11. Prior: 1951 c 133 § 1; 1943 c 166 § 2, part; 1921 c 183 § 1, part; 1917 c 125 § 1, part; 1913 c 62 § 4, part; 1911 c 92 § 4, part; Rem. Supp. 1943 § 9692, part.]

Severability—Effective dates and termination dates—Construction—1973 1st ex.s. c 195: See notes following RCW 84.52.043.

Budgets: Chapter 53.35 RCW.

Levy of taxes: Chapter 84.52 RCW.

Limitation on levies: State Constitution Art. 7 § 2 (Amendments 55 and 59); RCW 84.52.050 through 84.52.056.

School district levy: Chapter 28A.44 RCW.

53.36.030 Indebtedness—Limitation. A district may at any time contract indebtedness or borrow money for district purposes and may issue general obligation

bonds therefor not exceeding an amount, together with any existing indebtedness of the district not authorized by the voters, of one-fourth of one percent of the value of the taxable property in the district; and, with the assent of three-fifths of the voters voting thereon at a general or special port election called for that purpose, may contract indebtedness or borrow money for district purposes and may issue general obligation bonds therefor provided the total indebtedness of the district at any such time shall not exceed three-fourths of one percent of the value of the taxable property in the district: *Provided further*, That port districts having less than two hundred million dollars in value of taxable property and operating a municipal airport may at any time contract indebtedness or borrow money for airport capital improvement purposes and may issue general obligation bonds therefor not exceeding an additional one-eighth of one percent of the value of the taxable property in the district without authorization by the voters; and, with the assent of three-fifths of the voters voting thereon at a general or special port election called for that purpose, may contract indebtedness or borrow money for airport capital improvement purposes and may issue general obligation bonds therefor for an additional three-eighths of one percent provided the total indebtedness of the district for all port purposes at any such time shall not exceed one and one-fourth percent of the value of the taxable property in the district. Any district may issue general district bonds evidencing any indebtedness, payable at any time not exceeding fifty years from the date of the bonds. Such elections shall be held as provided in RCW 39.36.050.

The term "value of the taxable property" shall have the meaning set forth in RCW 39.36.015.

Such bonds shall be issued and sold in accordance with chapter 39.46 RCW. [1984 c 186 § 41; 1970 ex.s. c 42 § 32; 1965 ex.s. c 54 § 1; 1959 c 52 § 1; 1955 c 65 § 12. Prior: 1943 c 166 § 2, part; 1921 c 183 § 1, part; 1917 c 125 § 1, part; 1911 c 92 § 4, part; Rem. Supp. 1943 § 9692, part.]

Purpose—1984 c 186: See note following RCW 39.46.110.

Severability—*Effective date*—1970 ex.s. c 42: See notes following RCW 39.36.015.

Elections to authorize port district bonds: Chapter 39.40 RCW.

General provisions applicable to district bonds: Chapter 39.44 RCW.

Limitation upon indebtedness: State Constitution Art. 8 § 6 (Amendment 27); Chapter 39.36 RCW.

Port district indebtedness authorized, emergency public works: RCW 39.28.030.

53.36.040 Funds in anticipation of revenues—Warrants. (1) Any port commission is hereby authorized, prior to the receipt of taxes raised by levy, to borrow money or issue the warrants of the district in anticipation of the revenues to be derived by such district and such warrants shall be redeemed from the first money available from such taxes when collected. Such warrants may be in any form, including bearer warrants or registered warrants as provided in RCW 39.46.030.

(2) Notwithstanding subsection (1) of this section, such warrants may be issued and sold in accordance

with chapter 39.46 RCW. [1983 c 167 § 136; 1921 c 179 § 2; 1911 c 92 § 12; RRS § 9699.]

Liberal construction—Severability—1983 c 167: See RCW 39.46.010 and note following.

53.36.050 County treasurer—General and special funds—Depositories—Investment of excess funds. The county treasurer acting as port treasurer shall create a fund to be known as the "Port of ----- Fund," into which shall be paid all money received by him from the collection of taxes in behalf of such port district, and shall also maintain such other special funds as may be created by the port commission into which shall be placed such moneys as the port commission may by its resolution direct. All such port funds shall be deposited with the county depositories under the same restrictions, contracts and security as is provided by statute for county depositories and all interest collected on such port funds shall belong to such port district and shall be deposited to its credit in the proper port funds: *Provided*, That any portion of such port moneys determined by the port commission to be in excess of the current needs of the port district may be invested in certificates, notes, bonds, or other obligations of the United States of America, or any agency or instrumentality thereof, and all interest collected thereon shall likewise belong to such port district and shall be deposited to its credit in the proper port funds. [1959 c 52 § 2; 1921 c 179 § 3; 1911 c 92 § 13; RRS § 9700.]

County depositories: Chapter 36.48 RCW.

53.36.060 Incidental expense fund. The port commission of any port district may, by resolution, create an incidental expense fund in such amount as the port commission may direct. Such incidental expense fund may be kept and maintained in a bank or banks designated in the resolution creating the fund, and such depository shall be required to give bonds or securities to the port district for the protection of such incidental expense fund, in the full amount of the fund authorized by the said resolution. Vouchers shall be drawn to reimburse said incidental expense fund and such vouchers shall be approved by the port commission. Transient labor, freight, express, cartage, postage, petty supplies, and minor expenses of the port district may be paid from said incidental expense fund and all such disbursements therefrom shall be by check of the port auditor or such other officer as the port commission shall by resolution direct. All expenditures from said incidental expense fund shall be covered by vouchers drawn by the port auditor and approved by the manager or such other officer of the port district as the port commission may by resolution direct. The officer disbursing said fund shall be required to give bond to the port district in the full authorized amount of the said incidental expense fund for the faithful performance of his duties in connection with the disbursement of moneys from such fund. [1933 c 189 § 16; RRS § 9699-1.]

53.36.070 Levy for dredging, canal construction, or land leveling or filling purposes. Any port district organized under the laws of this state shall, in addition to the powers otherwise provided by law, have the power to raise revenue by the levy and collection of an annual tax on all taxable property within such port district of not to exceed forty-five cents per thousand dollars of assessed value against the assessed valuation of the taxable property in such port district, for dredging, canal construction, or land leveling or filling purposes, the proceeds of any such levy to be used exclusively for such dredging, canal construction, or land leveling and filling purposes: *Provided*, That no such levy for dredging, canal construction, or land leveling or filling purposes under the provisions of RCW 53.36.070 and 53.36.080 shall be made unless and until the question of authorizing the making of such additional levy shall have been submitted to a vote of the electors of the district in the manner provided by law for the submission of the question of providing additional levies in school districts of the first class at an election held under the provisions of RCW 29.13.020 and shall have been authorized by a majority of the electors voting thereon. [1983 c 3 § 162; 1973 1st ex.s. c 195 § 57; 1965 ex.s. c 22 § 1; 1925 c 29 § 1; RRS § 9692-1.]

*Severability—Effective dates and termination dates—Construction—*1973 1st ex.s. c 195: See notes following RCW 84.52.043.

53.36.080 Collection of levies for dredging, canal construction, or land leveling or filling purposes. Whenever such additional levy for dredging, canal construction, or land leveling or filling purposes shall have been authorized by the electors of the district at an election, held subsequent to the time of making the levy for the district for general purposes, in any year, such levy shall be certified by the port commission in the manner provided by law for certifying levies for general purposes of the district, and shall be forthwith spread and extended upon the tax rolls for the current year, and the taxes so levied and extended shall be collected in the manner provided by law for the collection of general taxes. [1965 ex.s. c 22 § 2; 1925 c 29 § 2; RRS § 9692-2.]

Collection of taxes, generally: Chapter 84.56 RCW.

53.36.100 Levy for industrial development district purposes—Notice—Petition—Election. A port district having adopted a comprehensive scheme of harbor improvements and industrial developments may thereafter raise revenue, for twelve years only, in addition to all other revenues now authorized by law, by an annual levy not to exceed forty-five cents per thousand dollars of assessed value against the assessed valuation of the taxable property in such port district. Said levy shall be used exclusively for the exercise of the powers granted to port districts under chapter 53.25 RCW except as provided in RCW 53.36.110. The levy of such taxes is herein authorized notwithstanding the provisions of RCW 84.52.050 and 84.52.043. The revenues derived from levies made under RCW 53.36.100 and 53.36.110 not expended in the year in which the levies are made may be paid into a fund for future use in carrying out

the powers granted under chapter 53.25 RCW, which fund may be accumulated and carried over from year to year, with the right to continue to levy the taxes provided for in RCW 53.36.100 and 53.36.110 for the purposes herein authorized.

If a port district intends to levy a tax under this section for one or more years after the first six years authorized in this section, the port commission shall publish notice of this intention, in one or more newspapers of general circulation within the district, by June 1 of the year in which the first levy of the seventh through twelfth year period is to be made. If within ninety days of the date of publication a petition is filed with the county auditor containing the signatures of eight percent of the number of voters registered and voting in the port district for the office of the governor at the last preceding gubernatorial election, the county auditor shall canvass the signatures in the same manner as prescribed in RCW 29.79.200 and certify their sufficiency to the port commission within two weeks. The proposition to make these levies in the seventh through twelfth year period shall be submitted to the voters of the port district at a special election, called for this purpose, no later than the date on which a primary election would be held under RCW 29.13.070. The levies may be made in the seventh through twelfth year period only if approved by a majority of the voters of the port district voting on the proposition. [1982 1st ex.s. c 3 § 1; 1979 c 76 § 1; 1973 1st ex.s. c 195 § 58; 1957 c 265 § 1.]

*Effective date—*1982 1st ex.s. c 3: "This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect April 1, 1982." [1982 1st ex.s. c 3 § 3.] This applies to the enactment of RCW 84.55.045 and the 1982 1st ex. sess. amendment of RCW 53.36.100.

*Severability—Effective dates and termination dates—Construction—*1973 1st ex.s. c 195: See notes following RCW 84.52.043.

Levy by port district under RCW 53.36.100—Application of chapter 84.55 RCW: RCW 84.55.045.

53.36.110 Levy for industrial development district purposes—Excess funds to be used solely for retirement of general obligations. In the event the levy herein authorized shall produce revenue in excess of the requirements to complete the projects of a port district then provided for in its comprehensive scheme of harbor improvements and industrial developments or amendments thereto, said excess shall be used solely for the retirement of general obligation bonded indebtedness. [1957 c 265 § 2.]

53.36.120 Expenditures for industrial development, trade promotion, or promotional hosting—Budgeting required. Under the authority of Article VIII, section 8, of the state Constitution, port district expenditures for industrial development, trade promotion or promotional hosting shall be pursuant to specific budget items as approved by the port commission at the annual public hearings on the port district budget. [1967 c 136 § 1.]

53.36.130 Expenditures for industrial development, trade promotion, or promotional hosting—Source and

amount of funds. Funds for promotional hosting expenditures shall be expended only from gross operating revenues and shall not exceed one percent thereof upon the first two million five hundred thousand dollars of such gross operating revenues, one-half of one percent upon the next two million five hundred thousand dollars of such gross operating revenues, and one-fourth of one percent on the excess over five million dollars of such operating revenues: *Provided, however,* That in no case shall these limitations restrict a port district to less than twenty-five hundred dollars per year from any funds available to the port. [1967 c 136 § 2.]

53.36.140 Expenditures for industrial development, trade promotion, or promotional hosting—Rules and regulations—Authorizations—Vouchers. Port commissions shall adopt, in writing, rules and regulations governing promotional hosting expenditures by port employees or agents. Such rules shall identify officials and agents authorized to make such expenditures and the approved objectives of such spending. Port commissioners shall not personally make such expenditures, or seek reimbursement therefor, except where specific authorization of such expenditures has been approved by the port commission. All payments and reimbursements shall be identified and supported on vouchers approved by the port auditor. [1967 c 136 § 3.]

53.36.150 Expenditures for industrial development, trade promotion, or promotional hosting—Duties of state auditor. The state auditor shall, as provided in chapter 43.09 RCW:

(1) Audit expenditures made pursuant to RCW 53.36.120 through 53.36.150; and

(2) Promulgate appropriate rules and definitions as a part of the uniform system of accounts for port districts to carry out the intent of RCW 53.36.120 through 53.36.150: *Provided,* That such accounts shall continue to include "gross operating revenues" which shall be exclusive of revenues derived from any property tax levy except as provided in RCW 53.36.130. [1967 c 136 § 4.]

Chapter 53.40

REVENUE BONDS AND WARRANTS

Sections

53.40.010	Revenue bonds authorized.
53.40.020	Purposes for which bonds may be issued and sold.
53.40.030	Bonds—Term, form, etc.
53.40.040	Bonds payable solely out of revenues—Special funds.
53.40.050	Sale of bonds to federal government.
53.40.110	Interest, signatures, sale of bonds—Covenants—Safeguards—Enforcement.
53.40.120	Irregularity in bonds or use of funds no defense.
53.40.130	Funding, refunding bonds.
53.40.135	Revenue warrants.
53.40.140	Construction of chapter.
53.40.150	Validation—1959 c 183.

53.40.010 Revenue bonds authorized. The port commission of any port district is authorized for the purpose of carrying out the lawful powers granted port districts by the laws of the state to contract indebtedness and to

issue revenue bonds evidencing such indebtedness in conformity with this chapter. [1959 c 183 § 1; 1957 c 59 § 1; 1949 c 122 § 1; Rem. Supp. 1949 § 9711-1.]

Declaratory judgments of local bond issues: Chapter 7.25 RCW.

53.40.020 Purposes for which bonds may be issued and sold. All such revenue bonds authorized under the terms of this chapter may be issued and sold by the port district from time to time and in such amounts as is deemed necessary by the port commission to provide sufficient funds for the carrying out of all port district powers, and without limiting the generality thereof, shall include the following: Acquisition, construction, reconstruction, maintenance, repair, additions and operation of port properties and facilities, including in the cost thereof engineering, inspection, accounting, fiscal and legal expenses; the cost of issuance of bonds, including printing, engraving and advertising and other similar expenses; payment of interest on the outstanding bonds issued for any project during the period of actual construction and for six months after the completion thereof, and the proceeds of such bond issue are hereby made available for all such purposes. [1959 c 183 § 2; 1957 c 59 § 3. Prior: 1949 c 122 § 2, part; Rem. Supp. 1949 § 9711-2, part.]

53.40.030 Bonds—Term, form, etc. (1) The port commission shall determine the form, conditions, and denominations of all such bonds, the maturity date or dates which the bonds so sold shall bear, and the interest rate or rates thereon. It shall not be necessary that all bonds of the same authorized issue bear the same interest rate or rates. Principal and interest of the bonds shall be payable at such place or places as may be fixed and determined by the port commission. The bonds may contain provisions for registration thereof as to principal only or as to both principal and interest as provided in RCW 39.46.030. The bonds shall have interest payable at such time or times as may be determined by the port commission and in such amounts as it may prescribe. The port commission may provide for retirement of bonds issued under this chapter at any time or times prior to their maturity, and in such manner and upon the payment of such premiums as may be fixed and determined by resolution of the port commission.

(2) Notwithstanding subsection (1) of this section, such bonds may be issued and sold in accordance with chapter 39.46 RCW. [1983 c 167 § 137; 1970 ex.s. c 56 § 73; 1969 ex.s. c 232 § 37; 1959 c 183 § 3; 1957 c 59 § 4. Prior: 1949 c 122 § 2, part; Rem. Supp. 1949 § 9711-2, part.]

Liberal construction—Severability—1983 c 167: See RCW 39.46.010 and note following.

Purpose—1970 ex.s. c 56: See note following RCW 39.52.020.

Validation—Saving—Severability—1969 ex.s. c 232: See notes following RCW 39.52.020.

Bonds—Form, terms of sale, payment, etc.: Chapter 39.44 RCW.

53.40.040 Bonds payable solely out of revenues—Special funds. Bonds issued under the provisions of this chapter shall be payable solely out of operating revenues

of the port district. Such bonds shall be authorized by resolution adopted by the port commission, which resolution shall create a special fund or funds into which the port commission may obligate and bind the port district to set aside and pay any part or parts of, or all of, or a fixed proportion of, or a fixed amount of the gross revenue of the port district for the purpose of paying the principal of and interest on such bonds as the same shall become due, and if deemed necessary to maintain adequate reserves therefor. Such fund or funds shall be drawn upon solely for the purpose of paying the principal and interest upon the bonds issued pursuant to this chapter.

The bonds shall be negotiable instruments within the provisions and intent of the negotiable instruments law of this state, even though they shall be payable solely from such special fund or funds, and the tax revenue of the port district may not be used to pay, secure, or guarantee the payment of the principal of and interest on such bonds. The bonds and any coupons attached thereto shall state upon their face that they are payable solely from such special fund or funds. If the port commission fails to set aside and pay into such fund or funds the payments provided for in such resolution, the owner of any such bonds may bring suit to compel compliance with the provisions of the resolution. [1983 c 167 § 138; 1959 c 183 § 4; 1957 c 59 § 5; 1949 c 122 § 4; Rem. Supp. 1949 § 9711-4.]

Liberal construction—Severability—1983 c 167: See RCW 39.46.010 and note following.

Negotiable instruments—Uniform Commercial Code: Title 62A RCW.

53.40.050 Sale of bonds to federal government. Port districts may, but are not required by the terms of this chapter to do so, sell any or all such bonds issued pursuant to this chapter to the federal government, or any agency of the federal government, at private sale and without the necessity of public advertisement or calling for bids. [1959 c 183 § 5; 1957 c 59 § 6; 1949 c 122 § 3; Rem. Supp. 1949 § 9711-3.]

Bonds sold to government at private sale: Chapter 39.48 RCW.

53.40.110 Interest, signatures, sale of bonds—Covenants—Safeguards—Enforcement. (1) The bonds issued pursuant to the provisions of this chapter shall bear interest at such rate or rates as authorized by the port commission; shall be signed on behalf of the port district by the president of the port commission and shall be attested by the secretary of the port commission, one of which signatures may be a facsimile signature, and shall have the seal of the port district impressed thereon; any interest coupons attached thereto shall be signed by the facsimile signatures of said officials. Such bonds shall be sold in the manner and at such price as the port commission shall deem best, either at public or private sale.

The port commission may provide such covenants as it may deem necessary to secure the payment of the principal of and interest on such bonds and may but shall

not be required to include covenants to create a reserve fund or account and to authorize the payment or deposit of certain moneys therein for the purpose of securing the payment of such principal and interest; to establish, maintain, and collect tariffs, rates, charges, fees, rentals, and sales prices on facilities and services the income of which is pledged for the payment of such bonds, sufficient to pay or secure the payment of such principal and interest and to maintain an adequate coverage over annual debt service; and to make any and all other covenants not inconsistent with the provisions of this chapter which will increase the marketability of such bonds. The port commission may also provide that revenue bonds payable out of the same source or sources may later be issued on a parity with any revenue bonds being issued and sold. The provisions of this chapter and any resolution or resolutions providing for the authorization, issuance, and sale of such bonds shall constitute a contract with the owners of such bonds, and the provisions thereof shall be enforceable by any owner of such bonds by mandamus or any appropriate suit, action or proceeding at law or in equity in any court of competent jurisdiction.

(2) Notwithstanding subsection (1) of this section, such bonds may be issued and sold in accordance with chapter 39.46 RCW. [1983 c 167 § 139; 1970 ex.s. c 56 § 74; 1969 ex.s. c 232 § 38; 1959 c 183 § 6; 1949 c 122 § 9; Rem. Supp. 1949 § 9711-8.]

Liberal construction—Severability—1983 c 167: See RCW 39.46.010 and note following.

Purpose—1970 ex.s. c 56: See note following RCW 39.52.020.

Validation—Saving—Severability—1969 ex.s. c 232: See notes following RCW 39.52.020.

Mandamus: Chapter 7.16 RCW.

53.40.120 Irregularity in bonds or use of funds no defense. The Reconstruction Finance Corporation, or any other agency of the United States government making any such loan, or any other holder or owner of any bonds issued pursuant to this chapter, shall not be required to see to the application of the moneys derived from such bonds to the purposes for which the bonds are issued as specified in any resolution authorizing the issuance thereof. No defense of invalidity, or irregularity in any such bonds funded or refunded by the issuance of bonds hereunder, shall be a valid defense in any action at law or equity for a judgment upon or for the enforcement or collection of any bonds issued pursuant to this chapter, and no court shall have jurisdiction to entertain any such defense in any such action or proceeding. [1957 c 59 § 10. Prior: 1949 c 122 § 7, part; Rem. Supp. 1949 § 9711-6, part.]

53.40.130 Funding, refunding bonds. (1) The port commission of any port district may by resolution, from time to time, provide for the issuance of funding or refunding revenue bonds to fund or refund any outstanding revenue warrants, bonds, and any premiums and interest due thereon at or before the maturity of such warrants or bonds, and may combine various outstanding revenue warrants and parts or all of various series

and issues of outstanding revenue bonds and any matured coupons in the amount thereof to be funded or refunded.

The port commission shall create a special fund for the sole purpose of paying the principal of and interest on such funding or refunding revenue bonds, into which fund the commission shall obligate and bind the port district to set aside and pay any part or parts of, or all of, or a fixed proportion of, or a fixed amount of the gross revenue of the port district sufficient to pay such principal and interest as the same shall become due, and if deemed necessary to maintain adequate reserves therefor.

Such funding or refunding bonds shall be negotiable instruments within the provisions and intent of the negotiable instruments law of this state, and the tax revenue of the port district may not be used to pay, secure, or guarantee the payment of the principal of and interest on such bonds. Such bonds may be in any form, including bearer bonds or registered bonds as provided in RCW 39.46.030.

The port district may exchange such funding or refunding bonds for the warrants, bonds, and any coupons being funded or refunded, or it may sell such funding or refunding bonds in the manner, at such rate or rates of interest and at such price as the port commission shall deem to be for the best interest of the district and its inhabitants, either at public or private sale.

The provisions of this chapter relating to the terms, conditions, covenants, issuance, and sale of revenue bonds shall be applicable to such funding or refunding bonds except as may be otherwise specifically provided in this section.

(2) Notwithstanding subsection (1) of this section, such bonds may be issued and sold in accordance with chapter 39.46 RCW. [1983 c 167 § 140; 1970 ex.s. c 56 § 75; 1969 ex.s. c 232 § 39; 1959 c 183 § 7; 1949 c 122 § 8; Rem. Supp. 1949 § 9711-7.]

Liberal construction—Severability—1983 c 167: See RCW 39.46.010 and note following.

Purpose—1970 ex.s. c 56: See note following RCW 39.52.020.

Validation—Saving—Severability—1969 ex.s. c 232: See notes following RCW 39.52.020.

53.40.135 Revenue warrants. Port districts may also issue revenue warrants for the same purposes for which they may issue revenue bonds, and the provisions of this chapter relating to the terms, conditions, covenants, issuance, and sale of revenue bonds shall be applicable to such revenue warrants. [1959 c 183 § 8.]

53.40.140 Construction of chapter. This chapter shall be complete authority for the issuance of the bonds and warrants hereby authorized, and shall be liberally construed to accomplish its purposes. Any restrictions, limitations or regulations relative to the issuance of such bonds or warrants contained in any other act shall not apply to the bonds or warrants issued under this chapter. Any act inconsistent herewith shall be deemed modified to conform with the provisions of this chapter for the

purpose of this chapter only. [1949 c 122 § 10; Rem. Supp. 1949 § 9711-9.]

53.40.150 Validation—1959 c 183. Any sale of revenue bonds or warrants of port districts heretofore made, whether at public or private sale and whether at par or less than par as authorized herein, and any terms, conditions, and covenants of any revenue bonds or warrants of port districts heretofore issued, are hereby declared to be valid, legal, and binding in all respects: *Provided, however,* That this section shall not be construed to exonerate any officer or agent of any such district from any liability for any acts which were committed fraudulently or in bad faith. [1959 c 183 § 9.]

Chapter 53.44

FUNDING AND REFUNDING INDEBTEDNESS— 1947 ACT

Sections

53.44.010 Funding and refunding authorized.
53.44.030 Maturities—Payment.

Funding and refunding revenue bonds: RCW 53.40.130.

Public bonds, form, terms of sale, payment, etc.: Chapter 39.44 RCW.

53.44.010 Funding and refunding authorized. The board of commissioners of any port district of the state may fund or refund any of the general bonded indebtedness and/or warrants of the district now or hereafter existing and accrued interest thereon, and may combine various series and/or issues of warrants and/or bonds into a single issue of funding or refunding bonds, by the issuance of general obligation funding or refunding bonds, when the board, by resolution, finds, determines, and declares that such proposed funding or refunding will inure to the benefit and credit of the district and will not result in an increase of the district's indebtedness or in an increase in the rate of interest borne by the indebtedness so funded or refunded. Such funding or refunding may be accomplished by the sale of said funding or refunding bonds or by their exchange for the bonds and/or warrants to be refunded. General obligation bonds of a port district which do not provide for prior redemption, may also be refunded with the consent of the holders thereof. Such bonds shall be issued in accordance with chapter 39.46 RCW. [1984 c 186 § 42; 1947 c 239 § 1; Rem. Supp. 1947 § 5623-1.]

Purpose—1984 c 186: See note following RCW 39.46.110.

53.44.030 Maturities—Payment. Such funding or refunding bonds shall run for a period of not exceeding twenty years from date thereof. The board may apply to the payment of the funding or refunding bonds and to the prior redemption thereof any other moneys or funds belonging to the district which are legally available for such purpose. [1984 c 186 § 43; 1947 c 239 § 3; Rem. Supp. 1947 § 5623-3.]

Purpose—1984 c 186: See note following RCW 39.46.110.

1 IN THE SENATE

BY DUNCAN, ZHAROFF,
KERTTULA AND SZYMANSKI

2

SENATE BILL NO. 168

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to establishment of a port authority
7 by a municipality."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 29.35 is amended by adding new sections to read:

10

ARTICLE 9. PORT AUTHORITIES.

11

Sec. 29.35.600. ESTABLISHMENT OF AUTHORITY. (a) A borough,
12 unified municipality, or city in the unorganized borough may establish
13 a port authority. The authority shall be a corporate public body that
14 may sue and be sued in any court of the state. The authority pos-
15 sesses all powers specified in the ordinance under which it is formed
16 in addition to those enumerated in AS 29.35.600 - 29.35.690.

17

(b) In a resolution proposing formation of a port authority, the
18 governing body shall set a date for the holding of a public hearing on
19 the adoption of a proposed ordinance establishing the authority and
20 designating the powers of the authority. After the public hearing, if
21 the governing body intends to proceed with the establishment of the
22 authority, it must do so by ordinance subject to voter approval.

23

(c) At the time of adopting an ordinance proposing formation of
24 a port authority, the governing body shall issue a call for nomination
25 of port commissioners, specifying the filing deadline and procedure
26 for making nominations. The election of the initial members of the
27 port commission shall take place at the same time as the election on
28 the question of forming a port authority. If at least one candidate
29 for each of the three commission seats is not nominated, the proposal

1 to form a port authority is void and no election on the question shall
2 be held.

3 Sec. 29.35.610. PORT COMMISSION. (a) A port authority shall be
4 under the supervision and control of a port commission consisting of
5 three elected members. The term of a member is six years, except that
6 one initial member shall serve a term of four years, and one initial
7 member shall serve a term of five years, to be determined by lot.
8 Commission members may be reelected.

9 (b) A vacancy on the commission shall be filled by appointment
10 by the mayor. An appointed member serves for the remainder of the
11 term to which appointed. On notice and an opportunity to be heard, a
12 member of the commission may be removed for cause by the governing
13 body. Removal of a member is subject to review by the superior court.

14 (c) The commission shall adopt rules governing its procedure and
15 the holding of regular meetings. Special meetings may be held when
16 called in the manner provided in the rules of the commission.

17 Sec. 29.35.620. EXECUTIVE DIRECTOR AND EMPLOYEES. (a) The port
18 commission may employ and fix the compensation of a director, subject
19 to the approval of the governing body of the municipality. The direc-
20 tor serves at the pleasure of the commission. A member of the commis-
21 sion is not eligible to hold the position of director.

22 (b) The commission may retain legal counsel to advise the com-
23 mission in the proper performance of its duties. The legal counsel
24 shall represent the commission in actions brought by or against the
25 commission.

26 (c) The commission may employ other personnel considered neces-
27 sary by the commission.

28 (d) The employees of the commission may participate in municipal
29 retirement and insurance programs of the municipality.

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Sec. 29.35.630. POWERS. The port commission may

(1) study and analyze the effect of economic changes and growth on the waterfront and waterways;

(2) acquire, construct, repair, renovate, and manage sea walls, jetties, piers, wharves, docks, boat landings, and other harbor improvements, warehouses, cold storage plants, grain bins, bunkers, ferries, bridges, and other facilities for the handling, storing, and transporting of freight and passengers, or the processing of seafood, agricultural products, and other goods;

(3) develop long-range plans, in cooperation with the governing body, designed to promote the economic growth of the municipality;

(4) implement any plan of development in waterways or in the waterfront areas in accordance with the powers of the port authority under AS 29.35.600 - 29.35.690 or the ordinance under which the authority is established;

(5) make and enter into contracts necessary or incidental to the exercise of its powers and the performance of its duties;

(6) acquire and convey, or otherwise dispose of, land and other property;

(7) fix, charge, and collect fees, rents, and charges for the use of a building or property under its control or any part of it, or facility in it, and pledge the fees, rents, and charges for the payment of revenue bonds issued by the authority;

(8) lease a building or property under its control;

(9) accept grants and donations from a public or private source.

Sec. 29.35.640. EMINENT DOMAIN. A municipality may take private property under AS 09.55.420 - 09.55.460 for the purpose of transfer to

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1 the port authority, and may transfer the property to the authority on
2 terms and conditions it considers appropriate, and the taking, trans-
3 fer, and use shall be considered necessary for public purposes and for
4 the benefit of the public.

5 Sec. 29.35.650. FINANCING. (a) The activities of the port
6 authority shall be financed from one or more of the following sources:

7 (1) donations to the authority for the performance of its
8 functions;

9 (2) money borrowed and to be repaid;

10 (3) revenue from any property, building, or facility owned,
11 leased, licensed, or operated by the authority or under its control,
12 subject to the limitations imposed upon the authority by trusts or
13 other agreements;

14 (4) money obtained from other sources approved by the
15 governing body of the municipality.

16 (b) Upon approval of a development plan under AS 29.35.670, the
17 authority may borrow money and issue negotiable revenue bonds as
18 provided for a municipality under AS 29.47. Revenue bonds issued by
19 the authority are not a debt of the municipality or the state.

20 Sec. 29.35.660. DEVELOPMENT PLAN. When the port commission
21 decides to finance a project in whole or in part by the use of revenue
22 bonds, it shall prepare a development plan for submission to the
23 governing body. The development plan must contain

24 (1) the boundaries of the project area in relation to
25 highways, streets, streams, or otherwise and a legal description of
26 the area;

27 (2) the location and extent of existing streets and other
28 public and private structures within the project area and a
29 designation of the location, character, and extent of the categories

- 1 of public and private land uses proposed for the project area;
- 2 (3) a description of existing improvements in the project
3 area to be demolished, repaired, or altered, a description of any
4 repairs and alterations, and an estimate of the time required for
5 completion;
- 6 (4) the location, extent, character, and estimated cost of
7 the improvements including rehabilitation contemplated for the project
8 area and an estimate of the time required for completion;
- 9 (5) a statement of the construction or stages of construc-
10 tion planned, and the estimated time of completion of each stage;
- 11 (6) a description of any parts of the project area to be
12 left as open space and the use contemplated for the space;
- 13 (7) a description of any portions of the project area that
14 the commission intends to sell, donate, exchange, or lease to or from
15 the municipality and the proposed terms;
- 16 (8) a description of desired zoning changes and changes in
17 streets, street levels, intersections, and utilities;
- 18 (9) an estimate of the cost of the project and a statement
19 of the proposed method of financing the project and the ability of the
20 authority to arrange the financing;
- 21 (10) designation of the person to whom all or a portion of
22 the project is to be leased, sold, or conveyed if that information is
23 available to the commission.

24 Sec. 29.35.670. APPROVAL OF DEVELOPMENT PLAN. (a) Upon receipt
25 of a development plan from the port authority, the governing body
26 shall hold a public hearing on the plan. After the public hearing,
27 the governing body shall by ordinance approve or reject the plan, or
28 approve it with modification.

29 (b) Amendments to an approved development plan must be submitted

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