

for the purpose of carrying passengers together with incidental baggage and freight on a regular schedule.

Passed the Senate March 1, 1984.

Passed the House February 16, 1984.

Approved by the Governor March 8, 1984.

Filed in Office of Secretary of State March 8, 1984.

## CHAPTER 168

[Substitute Senate Bill No. 3868]

### IRRIGATION DISTRICTS—STREET LIGHTING SYSTEMS—ELECTION PROCEDURES

AN ACT Relating to irrigation districts; amending section 5, page 674, Laws of 1889-90 and RCW 87.03.085; amending section 35, page 689, Laws of 1889-90 as last amended by section 17, chapter 179, Laws of 1915 and RCW 87.03.435; amending section 39, page 692, Laws of 1889-90 as last amended by section 1, chapter 23, Laws of 1980 and RCW 87.03.460; amending section 1, chapter 62, Laws of 1981 and RCW 87.03.018; and adding a new section to chapter 87.03 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. There is added to chapter 87.03 RCW a new section to read as follows:

In addition to other powers conferred by law, an irrigation district is authorized to construct, purchase, lease, or otherwise acquire, maintain, and operate a system for lighting public streets and highways and to enter into a contract or contracts with electric utilities, either public or private, to provide that service. However, no contract entered into by the board for providing street lighting for a period exceeding ten years is binding upon the district unless ratified by a majority vote of the electors of the district at an election called, held, and canvassed for that purpose in the same manner as provided by law for district bond elections.

The authority granted by this section applies only to an irrigation district that has begun the construction, purchase, lease, or acquisition of a street lighting system by January 1, 1984, or has entered into a contract for that service by that date.

Sec. 2. Section 5, page 674, Laws of 1889-90 and RCW 87.03.085 are each amended to read as follows:

Fifteen days before any election held under this ((act)) chapter, subsequent to the organization of any district, the secretary of the board of directors shall cause notices to be posted in three public places in each election precinct, of the time and place of holding the election, and shall also post a general notice of the same in the office of ((said)) the board, which shall be established and kept at some fixed place to be determined by ((said)) the board, specifying the polling places of each precinct. Prior to the time for posting the notices, the board must appoint for each precinct,

from the electors thereof, one inspector and two judges, who shall constitute a board of election for ~~((such))~~ the precinct. If the board fails to appoint a board of election, or the members appointed do not attend at the opening of the polls on the morning of election, the electors of the precinct present at that hour may appoint the board, or supply the place of an absent member thereof. The board of directors must, in its order appointing the board of election, designate the house or place within the precinct where the election must be held. However, in any irrigation district that is less than two hundred thousand acres in size and is divided into director divisions, the board of directors in its discretion may designate one polling place within the district to serve more than one election precinct. If the board of directors does designate a single polling place for more than one election precinct, then the election officials appointed by the board of directors may serve more than one election precinct and the election officials may be electors of any of the election precincts for which they are the election board.

Sec. 3. Section 35, page 689, Laws of 1889-90 as last amended by section 17, chapter 179, Laws of 1915 and RCW 87.03.435 are each amended to read as follows:

Any person to whom a contract may have been awarded for the construction of a canal or any of the works of the district, or any portion thereof, or for the furnishing of labor or material, shall enter into a bond with good and sufficient sureties, to be approved by the board of directors, payable to ~~((said))~~ the district for its use, for at least twenty-five percent of the amount of the contract price, conditioned for the faithful performance of said contract, and with such further conditions as may be required by law in the case of contracts for public work, and as may be required by resolution of the board. All works shall be done under the direction and to the satisfaction of the engineer of the district, and be approved by the board. Whenever in the construction of the district canal or canals, or other works, or the furnishing of materials therefor, the board of directors shall determine to let a contract or contracts for the doing of ~~((said))~~ the work or the furnishing of ~~((said))~~ the materials, a notice calling for sealed proposals shall be published in a newspaper in the county in which the office of the board is situated, and in any other newspaper which may be designated by the board, and for such length of time, not less than once each week for two weeks, as may be fixed by the board. At the time and place appointed in the notice for the opening of bids, the sealed proposals shall be opened in public, and as soon as convenient thereafter, the board shall let ~~((said))~~ the work or the contract for the purchase of materials, either in portions or as a whole, to the lowest responsible bidder, or the board may reject any or all bids and readvertise, or may proceed to construct the work under its own superintendence: PROVIDED, That the provisions of this section in regard to public bidding shall not apply in cases where the board is authorized to

exchange bonds of the district in payment for labor and material: PROVIDED FURTHER, That the provisions of this section shall not apply in the case of any contract between the district and the United States.

Sec. 4. Section 39, page 692, Laws of 1889-90 as last amended by section 1, chapter 23, Laws of 1980 and RCW 87.03.460 are each amended to read as follows:

The directors shall each receive not to exceed forty dollars per day in attending meetings and while performing other services for the district, to be fixed by resolution and entered in the minutes of their proceedings, and in addition thereto their reasonable expenses in accordance with chapter 42.24 RCW (~~as now existing or hereafter amended~~). The board shall fix the compensation of the secretary and all other employees. (~~The board shall, upon the petition of at least fifty or a majority of the electors, submit to the electors at any general district election, a schedule of salaries and fees to be paid hereunder. The petition shall be presented to the board twenty days before a general election, and the result thereof shall be determined and declared as other elections.~~)

Sec. 5. Section 1, chapter 62, Laws of 1981 and RCW 87.03.018 are each amended to read as follows:

Two or more irrigation districts may create a separate legal authority to carry out any or all of the powers described in RCW 87.03.015. To enable such a legal authority to carry out its delegated powers, the irrigation districts creating the authority may assign, convey, or otherwise transfer to it any or all of their respective property, rights, or obligations, including, without limitation, the power to issue revenue obligations and the power of condemnation. Such a legal authority shall be created and organized by contract in the manner described in chapter 39.34 RCW and shall be a separate legal entity.

A separate legal authority shall only have power to incur indebtedness that is repayable from rates, tolls, charges, or contract payments for services or electricity provided by the authority and to pledge such revenues for the payment and retirement of indebtedness issued for the construction or acquisition of hydroelectric facilities. An authority shall not have power to levy taxes or to impose assessments for the payment of obligations of the authority. Every bond or other evidence of indebtedness issued by an authority shall provide (1) that repayment shall be limited solely to the revenues of the authority; and (2) that no member of the authority shall be

obligated to repay directly or indirectly any obligation of the authority except to the extent of fair value for services actually received from the authority. No member may pledge its revenues to support the issuance of revenue bonds or other indebtedness of an authority.

Passed the Senate February 29, 1984.

Passed the House February 14, 1984.

Approved by the Governor March 8, 1984.

Filed in Office of Secretary of State March 8, 1984.

## CHAPTER 169

[Engrossed Substitute Senate Bill No. 3901]

### WINE AND MALT BEVERAGES—WHOLESALE DISTRIBUTORS AND SUPPLIERS—AGREEMENTS

AN ACT Relating to unfair business practices; and adding a new chapter to Title 19 RCW.

Be it enacted by the Legislature of the State of Washington:

**NEW SECTION.** Sec. 1. (1) The legislature recognizes that both suppliers and wholesale distributors of malt beverages and wine are interested in the goal of best serving the public interest through the fair, efficient, and competitive distribution of such beverages. The legislature encourages them to achieve this goal by:

(a) Assuring the wholesale distributor's freedom to manage the business enterprise, including the wholesale distributor's right to independently establish its selling prices; and

(b) Assuring the supplier and the public of service from wholesale distributors who will devote their best competitive efforts and resources to sales and distribution of the supplier's products which the wholesale distributor has been granted the right to sell and distribute.

(2) This chapter governs the relationship between suppliers of malt beverages and wine and their wholesale distributors to the full extent consistent with the Constitution and laws of this state and of the United States.

**NEW SECTION.** Sec. 2. The definitions set forth in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Agreement of distributorship" means any contract, agreement, commercial relationship, license, association, or any other arrangement, for a definite or indefinite period, between a supplier and wholesale distributor.

(2) "Wholesale distributor" means any person, including but not limited to a component of a supplier's distribution system constituted as an independent business, importing or causing to be imported into this state, or purchasing or causing to be purchased within this state, any malt beverage or wine for sale or resale to retailers licensed under the laws of this state,