

Initiative Measure No. 1288 filed March 4, 2013

BILL REQUEST - CODE REVISER'S OFFICE

BILL REQ. #: I-2674.1/13

ATTY/TYPIST: BP:seg

BRIEF DESCRIPTION:

Initiative Measure NO. 1288 filed March 4, 2013

AN ACT Relating to city transportation authorities; amending RCW 35.95A.010, 35.95A.020, 35.95A.050, 35.95A.110, and 35.95A.120; and creating new sections.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

Sec. 1. RCW 35.95A.010 and 2002 c 248 s 1 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Authority" means a city transportation authority created pursuant to chapter 248, Laws of 2002.

(2) "Authority area" means the territory within a city as designated in the ordinance or petition to the people creating the authority.

(3) "Bonds" means bonds, notes, or other evidences of indebtedness.

(4) "Public monorail transportation function" means the transportation of passengers and their incidental baggage by means of

public monorail transportation facilities as authorized in this chapter.

(5) "Public monorail transportation facilities" means a transportation system that utilizes train cars running on a guideway, together with the necessary passenger stations, terminals, parking facilities, related facilities or other properties, and facilities necessary and appropriate for passenger and vehicular access to and from people-moving systems, ~~((not))~~ including, but not limited to, personal rapid transit or group rapid transit. "Public monorail transportation facilities" does not mean fixed guideway light rail or streetcar systems.

(6) "Qualified elector" means any person registered to vote within the city boundaries.

Sec. 2. RCW 35.95A.020 and 2002 c 248 s 2 are each amended to read as follows:

(1) A city transportation authority to perform a public monorail transportation function may be created in every city with a population greater than ~~((three hundred))~~ forty-five thousand to perform a public monorail transportation function. The authority shall embrace all the territory in the authority area. A city transportation authority is a municipal corporation, an independent taxing "authority" within the meaning of Article 7, section 1 of the state Constitution, and a "taxing district" within the meaning of Article 7, section 2 of the state Constitution.

(2) Any city transportation authority and proposed taxes established pursuant to this chapter, either by ordinance or petition as provided in this chapter, must be approved by a majority vote of the electors residing within the proposed authority area voting at a regular or special election.

Sec. 3. RCW 35.95A.050 and 2002 c 248 s 5 are each amended to read as follows:

Every authority has the following powers:

(1) To acquire by purchase, through condemnation, by gift, or by grant and to lease, construct, add to, improve, replace, repair, maintain, operate, and regulate the use of public monorail transportation facilities, including passenger terminal and parking facilities and properties, and other facilities and properties as may be necessary for passenger and vehicular access to and from public monorail transportation facilities, together with all lands, rights-of-way, and property within or outside the authority area, and together with equipment and accessories necessary or appropriate for these facilities, except that property, including but not limited to other types of public transportation facilities, that is owned by any city, county, county transportation authority, public transportation benefit area, metropolitan municipal corporation, or regional transit authority may be acquired or used by an authority only with the consent of the public entity owning the property. The entities are authorized to convey or lease property to an authority or to contract for their joint use on terms fixed by agreement between the entity and the authority;

(2) To fix rates, tolls, fares, and charges for the use of facilities and to establish various routes and classes of service. Rates, tolls, fares, or charges may be adjusted or eliminated for any distinguishable class of users including, but not limited to, senior citizens and (~~handicapped~~) persons with disabilities;

(3) To contract with the United States or any of its agencies, any state or any of its agencies, any metropolitan municipal corporation, and other country, city, other political subdivision or governmental instrumentality, or governmental agency, or any private person, firm, or corporation for the purpose of receiving any gifts or grants or securing loans or advances for preliminary planning and feasibility studies, or for the design, construction, operation, or maintenance of public monorail transportation facilities as follows:

(a) Notwithstanding the provisions of any law to the contrary, and in addition to any other authority provided by law, the governing body of a city transportation authority may contract with one or more vendors for the design, construction, operation, or maintenance, or

other service related to the development of a monorail public transportation system including, but not limited to, monorail trains, operating systems and control equipment, guideways, and pylons, together with the necessary passenger stations, terminals, parking facilities, and other related facilities, whether transportation-related or otherwise, necessary and appropriate for rail, passenger, and vehicular access to and from the monorail train.

(b) If the governing body of the city transportation authority decides to proceed with the consideration of qualifications or proposals for services from qualified vendors, the authority must publish notice of its requirements and request submission of qualifications statements or proposals. The notice must be published in the official newspaper of the city creating the authority at least once a week for two weeks, not less than sixty days before the final date for the submission of qualifications statements or proposals. The notice must state in summary form: (i) The general scope and nature of the design, construction, operation, maintenance, or other services being sought related to the development of the proposed monorail, tram, or trolley public transportation system; (ii) the name and address of a representative of the city transportation authority who can provide further details; (iii) the final date for the submission of qualifications statements or proposals; (iv) an estimated schedule for the consideration of qualifications statements or proposals, the selection of vendors, and the negotiation of a contract or contracts for services; (v) the location of which a copy of any requests for qualifications statements or requests for proposals will be made available; and (vi) the criteria established by the governing body of the authority to select a vendor or vendors, which may include, but is not limited to, the vendor's prior experience, including design, construction, operation, or maintenance of other similar public transportation facilities, respondent's management capabilities, proposed project schedule, availability and financial resources, costs of the services to be provided, nature of facility design proposed by the vendors, system reliability, performance standards required for the facilities, compatibility with

existing public transportation facilities operated by the authority or any other public body or other providers of similar services to the public, project performance guarantees, penalties, and other enforcement provisions, environmental protection measures to be used by the vendor, consistency with the applicable regional transportation plans, and the proposed allocation of project risks.

(c) If the governing body of the city transportation authority decides to proceed with the consideration of qualifications statements or proposals submitted by vendors, it may designate a representative to evaluate the vendors who submitted qualifications statements or proposals and conduct discussions regarding qualifications or proposals with one or more vendors. The governing body or its representative may request submission of qualifications statements and may later request more detailed proposals from one or more vendors who have submitted qualifications statements, or may request detailed proposals without having first received and evaluated qualifications statements. The governing body or its representative will evaluate the qualifications or proposals, as applicable. If two or more vendors submit qualifications or proposals that meet the criteria established by the governing body of the authority, discussions and interviews must be held with at least two vendors. Any revisions to a request for qualifications or request for proposals must be made available to all vendors then under consideration by the governing body of the authority and must be made available to any other person who has requested receipt of that information.

(d) Based on the criteria established by the governing body of the authority, the representative will recommend to the governing body a vendor or vendors that are initially determined to be the best qualified to provide one or more of the design, construction, operation or maintenance, or other service related to the development of the proposed monorail public transportation system.

(e) The governing body of the authority or its representative may attempt to negotiate a contract with the vendor or vendors selected for one or more of the design, construction, operation or maintenance, or other service related to the development of the proposed monorail

public transportation system on terms that the governing body of the authority determines to be fair and reasonable and in the best interest of the authority. If the governing body, or its representative, is unable to negotiate a contract with any one or more of the vendors first selected on terms that it determines to be fair and reasonable and in the best interest of the authority, negotiations with any one or more of the vendors must be terminated or suspended and another qualified vendor or vendors may be selected in accordance with the procedures set forth in this section. If the governing body decides to continue the process of selection, negotiations will continue with a qualified vendor or vendors in accordance with this section at the sole discretion of the governing body of the authority until an agreement is reached with one or more qualified vendors, or the process is terminated by the governing body. The process may be repeated until an agreement is reached.

(f) Prior to entering into a contract with a vendor, the governing body of the authority must make written findings, after holding a public hearing on the proposal, that it is in the public interest to enter into the contract, that the contract is financially sound, and that it is advantageous for the governing body of the authority to use this method for awarding contracts for one or more of the design, construction, or operation or maintenance of the proposed monorail public transportation system as compared to all other methods of awarding such contracts.

(g) Each contract must include a project performance bond or bonds or other security by the vendor.

(h) The provisions of chapters 39.12 and 39.19 RCW apply to a contract entered into under this section as if the public transportation systems and facilities were owned by a public body.

(i) The vendor selection process permitted by this section is supplemental to and is not construed as a repeal of or limitation on any other authority granted by law.

(j) Contracts for the construction of facilities, other than contracts for facilities to be provided by the selected vendor, with an estimated cost greater than two hundred thousand dollars must be

awarded after a competitive bid process consistent with chapter 39.04 RCW or awarded through an alternative public works contracting procedure consistent with chapter 39.10 RCW;

(4) To contract with the United States or any of its agencies, any state or any of its agencies, any metropolitan municipal corporation, any other county, city, other political subdivision or governmental instrumentality, any governmental agency, or any private person, firm, or corporation for the use by either contracting party of all or any part of the facilities, structures, lands, interests in lands, air rights over lands, and rights-of-way of all kinds which are owned, leased, or held by the other party and for the purpose of planning, designing, constructing, operating any public transportation facility, or performing any service related to transportation which the authority is authorized to operate or perform, on terms as may be agreed upon by the contracting parties;

(5) To acquire any existing public transportation facility by conveyance, sale, or lease. In any acquisition from a county, city, or other political subdivision of the state, the authority will receive credit from the county or city or other political subdivision for any federal assistance and state matching assistance used by the county or city or other political subdivision in acquiring any portion of the public transportation facility. Upon acquisition, the authority must assume and observe all existing labor contracts relating to the public transportation facility and, to the extent necessary for operation of the public transportation facility, all of the employees of the public transportation facility whose duties are necessary to efficiently operate the public transportation facility must be appointed to comparable positions to those which they held at the time of the transfer, and no employee or retired or pensioned employee of the public transportation facility will be placed in any worse position with respect to pension seniority, wages, sick leave, vacation, or other benefits than he or she enjoyed as an employee of the public transportation facility prior to the acquisition. Furthermore, the authority must engage in collective bargaining with the duly appointed representatives of any employee labor organization

having existing contracts with the acquired facility and may enter into labor contracts with the employee labor organization;

(6) To contract for, participate in, and support research, demonstration, testing, and development of public monorail transportation facilities, equipment, and use incentives, and have all powers necessary to comply with any criteria, standards, and regulations which may be adopted under state and federal law, and to take all actions necessary to meet the requirements of those laws. The authority has, in addition to these powers, the authority to prepare, adopt, and carry out a comprehensive public monorail plan and to make other plans and studies and to perform programs as the authority deems necessary to implement and comply with those laws;

(7) To establish local improvement districts within the authority area to finance public monorail transportation facilities, to levy special assessments on property specially benefited by those facilities, and to issue local improvement bonds to be repaid by the collection of local improvement assessments. The method of establishment, levying, collection, enforcement, and all other matters relating to the local improvement districts, assessments, collection, and bonds are as provided in the statutes governing local improvement districts of cities and towns. The duties devolving upon the city treasurer in those statutes are imposed on the treasurer of the authority;

(8) To exercise all other powers necessary and appropriate to carry out its responsibilities, including without limitation the power to sue and be sued, to own, construct, purchase, lease, add to, and maintain any real and personal property or property rights necessary for the conduct of the affairs of the authority, to enter into contracts, and to employ the persons as the authority deems appropriate. An authority may also sell, lease, convey, or otherwise dispose of any real or personal property no longer necessary for the conduct of the affairs of the authority.

Sec. 4. RCW 35.95A.110 and 2002 c 248 s 12 are each amended to read as follows:

All taxes and fees levied and collected by an authority must be used solely for the purpose of paying all or any part of the cost of acquiring, designing, constructing, equipping, maintaining, or operating public monorail transportation facilities or contracting for the services thereof, or to pay or secure the payment of all or part of the principal of or interest on any general obligation bonds or revenue bonds issued for authority purposes. Until expended, money accumulated in the funds and accounts of an authority may be invested in the manner authorized by the governing body of the authority, consistent with state law.

All taxes and fees levied and collected by an authority may not be distributed to the central Puget Sound regional transit authority, commonly known as sound transit, unless they are levied and collected in furtherance of the primary purpose or purposes of this chapter, the establishment and operation of public monorail transportation facilities and all actions authorized in this chapter to sustain this purpose, or for those actions that may be necessary for passenger and vehicular access to and from the public monorail transportation facilities.

If any of the revenue from any tax or fee authorized to be levied by an authority has been pledged by the authority to secure the payment of any bonds as herein authorized, then as long as that pledge is in effect the legislature will not withdraw from the authority the authorization to levy and collect the tax or fee.

Sec. 5. RCW 35.95A.120 and 2007 c 516 s 12 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, the city transportation authority may be dissolved by a vote of the people residing within the boundaries of the authority if the authority is faced with significant financial problems. However, the authority may covenant with holders of its bonds that it may not be dissolved and shall continue to exist solely for the purpose of continuing to levy and collect any taxes or assessments levied by it and pledged to the repayment of debt and to take other actions, including the appointment

of a trustee, as necessary to allow it to repay any remaining debt. No such debt may be incurred by the authority on a project until thirty days after a final environmental impact statement on that project has been issued as required by chapter 43.21C RCW. The amount of the authority's initial bond issue is limited to the amount of the project costs in the subsequent two years as documented by a certified engineer or by submitted bids, plus any reimbursable capital expenses already incurred at the time of the bond issue. The authority may size the first bond issue consistent with the internal revenue service five-year spend down schedule if an independent financial advisor recommends such an approach is financially advisable. Any referendum petition to dissolve the city transportation authority must be filed with the city council and contain provisions for dissolution of the authority. Within seven days, the city prosecutor must review the validity of the petition and submit its report to the petitioner and city council. If the petitioner's claims are deemed valid by the city prosecutor, within ten days of the petitioner's filing, the city council will confer with the petitioner concerning the form and style of the petition, issue an identification number for the petition, and write a ballot title for the measure. The ballot title must be posed as a question and an affirmative vote on the measure results in authority retention and a negative vote on the measure results in the authority's dissolution. The petitioner will be notified of the identification number and ballot title within this ten-day period.

After this notification, the petitioner has ninety days in which to secure on petition forms, the signatures of not less than (~~fifteen~~) ten percent of the registered voters in the authority area and to file the signed petitions with the filing officer. Each petition form must contain the ballot title and the full text of the measure to be referred. The filing officer will verify the sufficiency of the signatures on the petitions. If sufficient valid signatures are properly submitted, the filing officer shall submit the initiative to the authority area voters at a general or special election held on one of the dates provided in RCW 29A.04.321 as determined by the city council, which election will not take place

later than one hundred twenty days after the signed petition has been filed with the filing officer.

(2) A city transportation authority is dissolved and terminated if all of the following events occur before or after July 22, 2007:

(a) A majority of the qualified electors voting at a regular or special election determine that new public monorail transportation facilities must not be built;

(b) The governing body of the authority adopts a resolution and publishes a notice of the proposed dissolution at least once every week for three consecutive weeks in a newspaper of general circulation published in the authority area. The resolution and notice must:

(i) Describe information that must be included in a notice of claim against the authority including, but not limited to, any claims for refunds of special motor vehicle excise tax levied under RCW 35.95A.080 and collected by or on behalf of the authority;

(ii) Provide a mailing address where a notice of claim may be sent;

(iii) State the deadline, which must be at least ninety days from the date of the third publication, by which the authority must receive a notice of claim; and

(iv) State that a claim will be barred if a notice of claim is not received by the deadline;

(c) The authority resolves all claims timely made under (b) of this subsection; and

(d) The governing body adopts a resolution (i) finding that the conditions of (a) through (c) of this subsection have been met and (ii) dissolving and terminating the authority.

(3) A claim against a city transportation authority is barred if (a) a claimant does not deliver a notice of claim to the authority by the deadline stated in subsection (2) (b) (iii) of this section or (b) a claimant whose claim was rejected by the authority does not commence a proceeding to enforce the claim within sixty days from receipt of the rejection notice. For purposes of this subsection, "claim" includes, but is not limited to, any right to payment, whether liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed,

undisputed, legal, equitable, secured, or unsecured, or the right to an equitable remedy for breach of performance if the breach gives rise to a right to payment, whether or not the right to an equitable remedy is fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured, including, but not limited to, any claim for a refund of special motor vehicle excise tax levied under RCW 35.95A.080 and collected by or on behalf of the authority.

(4) The governing body of the authority may transfer any net assets to one or more other political subdivisions with instructions as to their use or disposition. The governing body shall authorize this transfer in the resolution that dissolves and terminates the authority under subsection (2)(d) of this section.

(5) Upon the dissolution and termination of the authority, the former officers, directors, employees, and agents of the authority shall be immune from personal liability in connection with any claims brought against them arising from or relating to their service to the authority, and any claim brought against any of them is barred.

(6) Upon satisfaction of the conditions set forth in subsection (2)(a) and (b) of this section, the terms of all members of the governing body of the city transportation authority, whether elected or appointed, who are serving as of the date of the adoption of the resolution described in subsection (2)(b) of this section, shall be extended, and incumbent governing body members shall remain in office until dissolution of the authority, notwithstanding any provision of any law to the contrary.

NEW SECTION. **Sec. 6.** The provisions of this act are to be liberally construed to effectuate the intent, policies, and purposes of this act.

NEW SECTION. **Sec. 7.** 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.

NEW SECTION. **Sec. 8.** This act may be known and cited as the city transportation authority act.