

COUNTY ROAD IMPROVEMENT DISTRICT PROCEDURE OUTLINE

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King County
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(Original outline is dated 1993: however Mr. Gorley has indicated that basic procedures have not changed significantly.)

INTRODUCTION

Within the body of this document reference is made to certain authorities responsible for legislation and administrative duties.

Legislative Authority - County Council (as used in this text), County Commissioners or those parties responsible for establishing laws and regulations for the County.

Treasurer - Director of Finance or any other person responsible for the financial transactions of the County.

RID PROCEDURES

I. FORMATION OF RID (RCW 36.88.020)

NOTE: A County legislative authority desiring to initiate formation of an RID by resolution may choose to follow procedures set forth for cities in RCW 35.43 which does not require an election but does provide for restraint by protest or choose the existing procedures as set forth in RCW 36.88.030.

A. Council Initiated RID (RCW 36.88.030)

1. Public Works Action

- a) Discuss scope of project with RID team. RID team consists of various staff members of Public Works and Finance Department and special counsel, Bond Counsel, investment banker, and real estate appraiser.
 - (1) Nature and extent of improvement
 - (2) Proposed benefit area
 - (3) Estimated cost of improvement
 - (4) Interim and permanent financing alternatives
 - (5) Guaranty fund requirements (RCW 36.88.230)
 - (6) Requirement and timing for retention of bond counsel
- b) Obtain title evidence for property within benefit area.
- c) Prepare preliminary assessment roll.
- d) Prepare draft Resolution of Intention, Notice of Adoption of Resolution (Hearing), Ballot, and draft Ordinance.
- e) Send to legal counsel (Prosecutor and/or Bond) for review.
- f) Send to Director of Finance for review.
- g) Transmit Draft Resolution, Notice, and Ordinance to Council.
 - (1) Schedule for Subcommittee(s).
 - (2) Schedule tentative hearing date.

2. Council passes Resolution of intention and introduces Ordinance.

- a) Set hearing date for public testimony and results of balloting.
- b) Signed Resolution and Notice transmitted to Public Works.
- c) Resolution and synopsis of Ordinance published 15 days prior to hearing and again in next consecutive issue (RCW 36.88.30).

3. Public Works mails Notice and Ballot to property owners under direction of Clerk of Council; Clerk signs Affidavit of Mailing (RCW 36.88.030).

- a) Includes ballot for voting and rules of election (RCW 36.88.040).

- b) Estimated cost to be borne by particular lot, parcel, or tract of land.
 - c) Enclose announcement of optional information meeting.
 - 4. Public Works holds informational meeting to inform property owners of details of project.
- B. Initiation of RID by Petition (RCW 36.88.050)**
- 1. Property owners express interest in forming RID to improve road.'
 - a) Telephone inquiry, possible request for formal petition.
 - b) Community meeting, possible request for formal petition.
 - c) Letter, possible request for formal petition.
 - 2. Public Works meets with property owners and/or spokesperson.
 - a) Nature and extent of improvements.
 - b) Proposed benefit area.
 - c) Estimated cost of improvement and method of assessment.
 - d) Interim and permanent financing alternatives.
 - e) Guaranty fund requirements (RCW 36.88.230).
 - f) Need for bond counsel and timing of retention.
 - 3. Public Works prepares petition to be circulated by property owners.
 - a) Property owners given petition to collect signatures and informed of procedures relative to RID formation and preparation of cost estimates.
 - b) Property owners informed of statutory requirements for a sufficient petition and submittal of petition to County Council.
 - 4. Petition submitted to Council by petitioners. Council receives petition. Petition transmitted to Public Works for review.
 - 5. Public Works Action
 - a) Obtain title evidence for property within proposed benefit area.
 - b) Determine percentage of owners signing within proposed area.
 - (1) Area.
 - (2) Front foot.
 - c) If petition is sufficient (RCW 36.88.050 and 36.88.370):
 - (1) Prepare preliminary estimate and preliminary assessment
 - (2) Prepare Resolution of Intention, Notice of Adoption of Resolution (Public Hearing), Certificate of Sufficiency and Ordinance.
 - d) Send to legal counsel (Prosecutor and/or Bond) for review and obtain transcript list.
 - e) Send to Director of Finance for review.
 - f) Transmit Draft Resolution, Notice, Certificate and Ordinance to Council.
 - (1) Schedule for Council Subcommittee(s).
 - (2) (2) Schedule tentative hearing date.
 - 6. Council passes Resolution of Intention and introduces Ordinance.
 - a) Sets hearing date and assigns RID number.
 - b) Signed Resolution and Notice transmitted to Public Works.
 - c) Resolution and synopsis of Ordinance published fifteen days prior to hearing and again in the next consecutive issue (RCW36.88.050).
 - 7. Public Works mails notice to property owners; signs Affidavit of Mailing (RCW 36.88.050).
 - a) Estimated cost to be borne by particular lot, parcel, or tract of land.
 - b) Owner(s) may withdraw or add names on petition any time before 5:00 p.m. day before hearing.
 - c) Encloses announcement of informational meeting (optional).
 - 8. Public Works hold informational meeting to inform property owners of details of project (optional).

II. HEARING TO FORM RID

- A. Council Initiated Method (RCW 36.88.050).
 - 1. Public Works Action.
 - a) Prepare Engineer's Report.
 - 1) Project history.

- 2) Recommendations regarding RID formation.
 - 3) Technical, eg. boundaries, method of assessment.
 - 4) Number of Installments (term of bond debt).
 - b) Prepare diagram showing: (RCW 36.88.070)
 - 1) Parcels of land specially benefited (benefit area).
 - 2) Estimated cost per parcel (preliminary assessment roll).
 - c) Transmit report and diagram to Council prior to first hearing.
2. Council Action.
 - a) Take testimony from Public Works.
 - 1) Present Engineer's Report.
 - 2) Make recommendations.
 - b) Take testimony from property owners.
 - c) If improvements are feasible, continue hearing to a day not later than fifteen days after date for returning ballots. (RCW 36.88.060)
 - d) Receive ballots and transmit to Public Works for tabulation (RCW 36.88.040).
 3. Public Works Action
 - a) Tabulate results of election.
 - b) Transmit results to Council.
 4. Council Action.
 - a) Reconvene hearing.
 - b) Public Works reports on results of balloting.
 - c) Determine the following (RCW 36.88.050):
 - 1) Method of assessment (RCW 36.88.080).
 - 2) Feasibility of construction.
 - 3) Whether benefits exceed cost and expense of formation (RCW 36.88.080).
 - 4) Finding as to result of balloting.
 - 5) Nature and territorial extent of improvement.
 - 6) Benefit area boundaries.
 - 7) Proportion of cost borne by assessments.
 - d) Council adopts Ordinance at end of continued hearing.
 5. Executive (Chairman) signs Ordinance.
 6. Ordinance transmitted to Public Works.
 - a) Preliminary roll reviewed for compliance with any change by Council.
 - b) Ordinance and preliminary assessment roll transmitted to Treasurer.
 - c) Ordinance and preliminary assessment roll transmitted to local title companies.
- B. Petition Method.**
1. Public Works Action.
 - a) Prepare Engineer's Report.
 - 1) Project history.
 - 2) Recommendations regarding RID formation.
 - b) Prepare diagram showing (RCW 36.88.070):
 - 1) Boundaries of land specially benefited (benefit area).
 - 2) Estimated cost per parcel (preliminary assessment roll).
 - c) Transmit to Council prior to hearing.
 2. Council Action.
 - a) Take testimony from Public Works.
 - 1) Report on sufficiency of petition including additions or withdrawals.
 - 2) Present Engineer's Report.
 - 3) Make recommendations.
 - b) Testimony from property owners.
 - c) Council determines the following:
 - 1) Method of assessment (RCW 36.88.080). (2) Ascertain feasibility of construction.
 - 2) Ascertain whether benefits exceed costs of formation (RCW 36.88.080).

- 3) Find whether petition is sufficient or insufficient.
- 4) Nature and territorial extent of improvement.
- 5) Benefit area boundaries.
- 6) Proportion of cost borne by assessment.
- d) Council adopts Ordinance at end of hearing.
3. Executive signs Ordinance.
4. Ordinance transmitted to Public Works.
 - a) Preliminary assessment roll reviewed for compliance with any changes by Council.
 - b) Ordinance and preliminary assessment roll transmitted to Treasurer.
 - c) Ordinance and preliminary assessment roll transmitted to local title companies.

III. ENGINEERING AND CONSTRUCTION

- A. Interim Financing/Budget.
 1. Budget prepared by Public Works and Finance Departments.
 2. Transmitted to Executive and Council for approval.
 3. Determine financing methodology.
 - a) Inter fund - Road fund reimbursable; or
 - b) Interest Bearing Warrants; or
 - c) Bond Anticipation Notes.
 4. Solicit bids from lending institutions.
 5. Send lender's proposal and draft borrowing ordinance to bond counsel for review.
 6. Submit borrowing ordinance to Council.
 7. Arrange for closing with bond counsel and lender.
- B. Preliminary Engineering (may be performed by Consultant)
 1. Surveying.
 2. Right of way plan.
 3. Design.
 4. Plans, specifications and estimate.
- C. Right of way acquisition (if required).
- D. Construction (RCW 36.88.320).

IV. FINAL ASSESSMENT ROLL AND HEARING

- A. Public Works Action.
 1. Determine final costs attributable to RID (joint effort with Finance Department) (RCW 36.88.030).
 2. Prepare and transmit to Bond Counsel for review.
 - a. Final assessment roll.
 - b. Draft Resolution fixing hearing on assessments (RCW 36.88.090).
 - c. Draft Notice of assessment roll hearing (RCW 36.88.090).
 - d. Draft Ordinance confirming assessment roll. See F.-5 and 6 for items to be included in ordinance.
 3. Transmit Resolution and Notice to Council for action.
- B. Final assessment roll filed with Clerk of the Council (RCW 36.88.090).
- C. Council action.
 1. Passes resolution fixing hearing date (RCW 36.88.090).
 - a. Sets date for hearing.
 - b. Directs Clerk to give notice to property owners.
 2. Signed resolution and notice transmitted to Public Works.
 3. Notice published (five time in official paper) (RCW 36.88.090). See Bond Counsel if official paper is a weekly paper.
- D. Public Works mails notice under direction of clerk to each owner as shown on tax rolls.

- E. Public Works transmits Ordinance confirming assessment roll to Council.
- F. Assessment roll hearing - Council Action.
 - 1. Council sits as Board of Equalization (RCW 36.88.090).
 - 2. Takes Public Works testimony.
 - 3. Takes testimony from property owners.
 - 4. Considers objections made in accordance with statute.
 - a. Objection in writing.
 - b. Filed with Clerk of Council prior to hearing.
 - c. Objections not made in proper time or manner are presumed waived (RCW 36.88.090).
 - 5. Council has power to:
 - a) Correct, revise, raise, lower, change or modify assessment roll or any part (RCW 36.88.090).
 - b) Set aside assessment roll to make assessments de novo (RCW 36.88.090).
 - c) Council shall hold new assessment roll hearing if any individual assessments are raised (RCW 36.88.090).
 - d) Determine:
 - i. Whether assessments are to be paid in lump sums or in installments (RCW 36.88.140).
 - ii. The number of annual installments (RCW 36.88.140).
 - iii. Fix the method for determining the interest rate on unpaid assessments (RCW 36.88.140).
 - iv. The method of calculation of penalty on delinquent assessment payments (RCW 36.88.140).
 - 6. Pass an ordinance confirming assessment roll.
 - 7. Clerk certifies assessment roll and submits to Director of Finance.
 - 8. Appeal of Ordinance may be granted by Superior Court (RCW 36,88.100).
- V. COLLECT ASSESSMENTS AND ISSUE BONDS
 - A. Treasurer Action (RCW 36.88.130).
 - 1. Public notice of collection establishing prepayment period (36.88.270):
 - a. Published in official newspaper.
 - b. Notice sent to property owner.
 - B. Review Proposed Bond Issue With Bond Counsel and Financial Advisor.
 - 1. Bond counsel will require certain transcript items in order to provide opinion on bond issue.
 - 2. Financial advisor will require certain information on the District in order to prepare prospectus on the bond issue.
 - C. Ordinance or Resolution establishing terms and date of sale in the issuance of Bonds approved by legislative authority (RCW 36.88.210 and 39.46).
 - D. Advertisement of proposed bond sale by clerk (RCW 36.88.210).
 - 1. Bonds may be sold through competitive bidding (RCW 36.28.210); or
 - 2. Negotiated sale upon determination by said resolution.
 - E. Bids opened and examined by Bond Counsel and financial advisor.
 - F. Upon acceptance of the bid by legislative authority the authority will award and the bonds are printed.
 - G. The proceeds from the bond sale are deposited in the particular district's fund.
 - H. Interim financing debts are retired with these proceeds. (RCW 36.88.210)
 - I. The bonds are retired as monies become available through collection of assessments by the Treasurer (RCW 36.88.260).
 - J. Excess funds from assessment collections when all bonds are redeemed may be transferred to the Road Improvement District Guaranty Fund.