



**PHD BOARD ACTIONS – RESOLUTION REQUIRED**

- RCW 70.44.050 requires that the business of the board is to be conducted by resolution or motion. This provision also requires that resolutions be adopted by most of the entire board of commissioners.
- This list may not be complete and will update as other statutory mandates become known.

**ADMINISTRATION**

<b>Action</b>	<b>RCW Requiring Resolution</b>	<b>Comments</b>
Adopting rules (bylaws) governing the board’s transaction of business	70.44.050	
Appointing a superintendent.	70.44.070(1)	
Removing a superintendent.	70.44.070(1)	
Fixing the compensation of a superintendent.	70.44.070(1)	
Establishing the time to hold regular meetings of the district’s commissioners.	42.30.070	May be done by resolution or through the district’s bylaws.
Designating the district treasurer.	70.44.171	This applies when the district treasurer is to be someone other than the county treasurer.
Fixing the amount, terms and conditions of a bond to protect the district against loss.	70.44.171	This applies when the district treasurer is someone other than the county treasurer.
Designating the bank(s) in the state into which district funds are to be deposited.	70.44.171	This applies when the district treasurer is someone other than the county treasurer.
Creation of special funds	70.44.171	
Approving the amount and type of surety bond or securities (in lieu of a surety bond) to be filed or deposited by the bank with the district treasurer.	70.44.171	This applies when the district treasurer is someone other than the county treasurer.
Directing the district treasurer to deposit money into special funds of the district.	70.44.171	
Designating an officer of the district to sign warrants or checks.	42.24.180	<u>Note</u> : RCW 70.44.171 states that the district auditor is to issue checks.
Calling for a general or special election to increase the number of commissioners to either five or seven.	70.44.053	
Canceling district’s registered or interest-bearing warrants not presented within one year of the date of call or other warrants not presented within one year of issue.	39.56.040	
Authorizing the filing of a bankruptcy petition under Chapter 9 of the federal Bankruptcy Act.	39.64.050	
Adopting an accounting plan and payroll	41.48.160	

Action	RCW Requiring Resolution	Comments
procedures to meet federal requirements for excluding payments made on account of sickness from the meaning of “wages” under federal old age and survivor’s insurance.		
Redistricting the district into five or seven commissioner districts.	70.44.054	This applies if voters have approved an increase in the number of commissioners.
Abolishing commissioner districts and permitting candidates for the board to reside anywhere in the district.	70.44.042	
Calling for a general or special election to reestablish commissioner districts.	70.44.042	
Setting the amounts to be paid district officers or employees: (1) as reimbursement for the use of personal automobiles or other transportation equipment in connection with officially assigned duties; or (2) in lieu of actual expenses incurred for lodging, meals or other purposes.	42.24.090	In lieu of reimbursement for the use of personal automobiles for official travel, the district may establish payments, if the commissioners determine that these payments would be less costly than providing automobiles for official travel.
Allowing reasonable advance payments of travel expenses for district officials and employees.	42.24.120	
Establishing a revolving fund to be used solely for advance payment of travel expenses for district officials and employees.	42.24.130	
Providing reimbursement to volunteers: (1) at a nominal rate for normally incurred expenses in lieu of compensation; or (2) at a nominal amount of compensation per unit of voluntary service.	49.46.065	This can be done by resolution or policy. This action results in the reimbursement or compensation not being deemed a salary for the purposes of most state, local or publicly supported retirement systems. (See RCW 49.46.065)
Creating a procedure to determine whether the district should pay for the defense costs of a suit against a district officer, employee or volunteer if this person’s acts or omissions were found to be within (or in good faith purported to be within) the scope of his or her official duties.	4.96.041(2)	Under RCW 4.96.041(1), an officer, employee or volunteer may ask the district to pay these costs. However, the district must have a procedure in place for authorizing these payments.
Creating a procedure to approve district payment for any monetary judgment against a district officer, employee or volunteer who was within (or in good faith purported to be within) the scope of his or her official duties.	4.96.041(2)	RCW 4.96.041(2) allows the district to pay if there is an approval procedure in place <u>or</u> if the board approves payment.
Creating a procedure through which the district agrees to pay an award for punitive damages imposed on a district officer, employee or volunteer who has been	4.96.041(4)	The court must find that the individual was acting within the scope of his/her official duties and a judgment has been entered against him or her.

Action	RCW Requiring Resolution	Comments
represented at the expense of the district under the provisions of RCW 4.96.041(1).		
Specifying the reasons why and the extent to which compiling a current index of certain public records would be “unduly burdensome” or “interfere with agency operations.”	42.56.070(4)	The Public Records Act (RCW Chapter 42.56) requires a local agency to maintain and make available for public inspection and copying a current index with identifying information about certain records. See RCW 42.56.070(3)(a)-(e). However, if the agency issues and publishes a “formal order” (a resolution) explaining why this requirement would be “unduly burdensome” or “interfere with agency operations,” then it becomes exempt from this requirement. <u>Note</u> : This exemption does not relieve the local agency from making “available for public inspection and copying all indexes maintained for agency use.” See RCW 42.56.070(4)(b).

## BUDGET, TAXATION, AND FINANCING

Action	RCW Requiring Resolution	Comments
Adopting the district’s annual budget and fixing the final amount of expenditures for the coming year.	70.44.060(6)	
Providing for an increase in property tax revenue.	84.55.120	The resolution must authorize the increase in terms of both dollars and percentage.
Imposing an emergency medical services levy.	84.52.069(4)(a)	
Providing for the issuance of general obligation bonds to acquire, construct or improve a hospital or other health care facilities.	See “Comments” column	RCW 70.44.060(5) authorizes a district to incur debt. RCW 70.44.060(5)(b) authorizes a district to pay off debt through the issuance of general obligation bonds. RCW 70.44.110 requires that a resolution for the activities in the “Action” column specify the indebtedness to be incurred. If the debt will cause the district to exceed the limits set out in RCW 39.36.020(2)(a)(i), the Board must pass a resolution calling for an election to obtain voter approval.
Providing for the issuance of revenue bonds to purchase, lease, condemn, or otherwise acquire, construct, develop, improve, extend, or operate any land, building, facility, or utility.	35.41.030	RCW 70.44.060(5) authorizes a district to incur debt. RCW 70.44.060(5)(a) authorizes a district to pay off debt through the issuance of revenue bonds in accordance with the provisions of RCW Chapter 35.41.
Providing for the use of a limit factor on taxes.	84.55.0101	The district must make a finding of “substantial need” in order to use a limit factor.
Providing for the issuance of refunding bonds without an election.	39.53.020; 39.53.040	The purposes for issuing these bonds include: (1) to pay or discharge bonds in arrears or about to become due, for which sufficient funds are not available; or (2) when necessary or in the best interest of the district to modify debt service, reserve requirements or other terms of the bonds to be refunded; or (3) to affect a saving to the public body.  <u>Note:</u> Among the resolution requirements of RCW 39.53.040 is that it “provide irrevocably” for the redemption or payment of the bonds to

Action	RCW Requiring Resolution	Comments
		be refunded.
Financing public improvements using community revitalization financing.	39.89.030(1)	<p>RCW 39.89.050(3) requires that the resolution establishing the increment area: (1) must describe the public improvements and the boundaries of the increment area; (2) must estimate the cost of the public improvements and the portion of these costs to be financed by community revitalization financing; (3) must estimate the time during which regular property taxes are to be apportioned; (4) must provide the date when the apportionment of the regular property taxes will commence; and (5) must find that the conditions of RCW 39.89.030 are met.</p> <p><u>Notes:</u></p> <ul style="list-style-type: none"> <li>• RCW 39.89.050(1) and (2) set out the steps that must be taken before a district can adopt this resolution.</li> <li>• RCW 70.44.067 limits a district’s provision of public improvements under community revitalization financing to the establishment of “increment areas.”</li> </ul>
Allowing the exchange of fixed rate debt for variable rate debt (“a swap agreement).	39.96.030(2)(a)	<p>RCW 39.96.030(2)(a) requires the resolution to contain a finding and determination that the payment agreement, if fully performed by all parties, will: (1) reduce the amount or duration of its exposure to changes in interest rates; <u>or</u> (2) result in a lower net cost of borrowing with respect to the related obligations.</p> <p><u>Note:</u> A district can enter into a swap agreement only if: (1) it had at least \$100 million in gross revenues during the preceding calendar year; <u>or</u> (2) it has (or will have) outstanding obligations in an aggregate principal amount of at least \$100 million when the agreement is executed or scheduled to begin.</p>

## ELECTIONS AND POLITICAL CAMPAIGNS

Action	RCW Requiring Resolution	Comments
Calling for a special election.	29A.04.330(2)	<p>The resolution must be presented to the county auditor. RCW 29A.04.330 (2)–(4) set out special election requirements.</p> <p><u>Note:</u> Some statutes require a district to put a proposition to the voters at a special election without expressly stating that to do so requires a resolution. For example, RCW 39.36.020 (2)(a)(i) restricts districts to a certain level of indebtedness without voter approval at a special election.</p>
Supporting or opposing a ballot measure.	42.17A.555(1)	<p>May use resolution or motion to take a position. Must follow procedure set out in RCW 42.17A.555(1)</p>
Supporting or opposing an initiative to the Legislature.	42.17A.635(4)(a)	<p>May use resolution or motion to take a position. Must follow procedure set out in RCW 42.17A.635(4)(a).</p> <p><u>Note:</u> It is not clear whether PHD boards can take support or oppose initiatives to the Legislature.</p>
Petitioning the Public Disclosure Commission to make the reporting provisions of RCW Chapter 42.17A (relating to campaign financing and financial activities of elected public officials and agencies) <u>applicable</u> to a district, its commissioners, and candidates for commissioner when the district has less than 1,000 registered voters as of the date of the most recent general election in the district.	42.17A.135(3)	<p>When a district has less than 1,000 registered voters as of the date of the most recent general election, the district, its commissioners, and candidates for commissioner are exempt from the PDC’s reporting requirements <u>unless the district wants to remove the exemption.</u></p>

## REAL AND PERSONAL PROPERTY

Action	RCW Requiring Resolution	Comments
Exercising the right of eminent domain.	70.44.060(2)	
Acquiring a hospital or other health care facility.	70.44.110	The resolution must: (1) specify and adopt the plan proposed; (2) declare its estimated cost; and (3) specify the amount of indebtedness to be incurred.
Selling and conveying real property of the district at a public or private sale.	70.44.300(1)	The resolution must contain a determination that the property is no longer required for district purposes or that the sale of the property will further the purposes of the district.
Leasing or renting real property of the district.	70.44.310	The resolution must: (1) contain a determination that the property presently is not required for district purposes; and (2) set out the manner of the lease or rental, as well as the terms and conditions, that the board finds to be in the best interest of the district.
Selling or otherwise disposing of surplus personal property of the district.	70.44.320	The resolution must: (1) contain a determination that the personal property is no longer required for district purposes; and (2) set out the manner of the sale or disposal, as well as the terms and conditions, that the board finds to be in the best interest of the district.
<ul style="list-style-type: none"> <li>• Designating a district office holder or employee to enter bids on the district's behalf for the purchase of federal equipment, supplies, materials, or other property (real or personal).</li> <li>• Authorizing this designated person to make any down payment or payment in full that is required in connection with this bidding.</li> </ul>	39.32.070	
Entering into performance-based contracts for energy equipment and supplies under RCW Chapter 39.35A.	39.35A.040	

## PUBLIC WORKS

Action	RCW Requiring Resolution	Comments
Constructing a hospital or other health care facility.	70.44.110	The resolution must: (1) specify and adopt the plan proposed; (2) declare its estimated cost; and (3) specify the amount of indebtedness to be incurred.
Making additions, improvements or extensions to a hospital or other health care facility.	70.44.110	The resolution must: (1) specify and adopt the plan proposed; (2) declare its estimated cost; and (3) specify the amount of indebtedness to be incurred.
Waiving competitive bidding requirements when awarding contracts for public works <u>and</u> contracts for purchases.	39.04.280(2)(a)	<p>Waivers may be granted for:</p> <ul style="list-style-type: none"> <li>• Purchases “clearly and legitimately” limited to a single source of supply;</li> <li>• Purchases involving special facilities or market conditions;</li> <li>• Purchases in the event of an emergency;</li> <li>• Purchases of insurance and bonds; and</li> <li>• Public works in the event of an emergency.</li> </ul> <p>The board, at its option, may use a resolution or written policies to waive these bidding requirements. [In the event of an emergency, as defined in RCW 39.04.280(3), a resolution or written policies are not required. However, a finding of an emergency must be made.]</p> <p>If a resolution is used in situations where purchases involve special facilities or market conditions, the resolution must recite the factual basis for the exception. (The resolution should also recite the factual basis when purchases are limited to a single source of supply.)</p> <p>RCW 70.44.140(4) authorizes districts to use these waiver provisions.</p>
Implementing the use of the small works roster.	39.04.155(2)(b)	<ul style="list-style-type: none"> <li>• This applies to contracts for construction, building, renovation, remodeling, alternation, repair or improvement of real property with an estimated cost of \$300,000 or less.</li> <li>• RCW 70.44.140(2) authorizes districts to use the small works roster.</li> </ul>

**CHANGING DISTRICT BOUNDARIES, CONSOLIDATING DISTRICTS,  
AND DIVIDING A DISTRICT**

<b>Action</b>	<b>RCW Requiring Resolution</b>	<b>Comments</b>
Annexing contiguous territory into a district after the board has received a petition for annexation.	70.44.200(4)	This applies when annexation has been initiated through the petition process set out in RCW 70.44.200. (The resolution is adopted after a public hearing on the petition.)
Initiating annexation by calling for an election for the annexation of adjacent territory into a district.	70.44.210	<ul style="list-style-type: none"> <li>• This is an alternate to the annexation procedure set out in RCW 70.44.200.</li> <li>• The resolution must: (1) describe the boundaries of the territory to be annexed; (2) state that the annexation of the territory will be conducive to the welfare and benefit of the persons or property within the district and within the territory proposed to be annexed; and (3) fix the date, time and place for a public hearing.</li> </ul>
Moving ahead with annexation by calling for a special election (after the public hearing under RCW 70.44.210).	70.44.220	<ul style="list-style-type: none"> <li>• The board can adopt a resolution only if it finds that the annexation of the territory will be conducive to: (1) the welfare and benefit of the persons and property in this territory; and (2) the welfare and benefit of the persons and property within the district.</li> <li>• The resolution must: (1) fix the boundaries of the territory to be annexed; and (2) call for a special election to be held not more than one hundred twenty days nor less than sixty days following the adoption of the resolution.</li> <li>• The resolution must be adopted at the board’s next regular meeting following the conclusion of the public hearing.</li> </ul>
Withdrawing an area from a district.	70.44.235(2)	<p>The board must find that inclusion of this area within the public hospital district will result in a reduction of the district’s tax levy rate under the provisions of RCW 84.52.010.</p> <p><u>Note:</u> RCW 70.44.235(2) sets out additional requirements for withdrawal.</p>

Action	RCW Requiring Resolution	Comments
Reannexing a previously withdrawn area back into a district.	70.44.235(3)	The process in RCW 70.44.235(3) applies only to areas withdrawn under RCW 70.44.235(2). <u>Note:</u> RCW 70.44.235(3) sets out additional requirements for reannexation.
Initiating the process for withdrawing territory from a district under the provisions of RCW Chapter 57.28.	57.28.035	Resolution must set out boundaries of the territory to be withdrawn and a date for a public hearing as required by RCW 57.28.050 <u>Note:</u> RCW 70.44.400 authorizes district to withdraw territory from the district using the process set out in RCW Chapter 57.28, which pertains to water-sewer districts.
Moving ahead with withdrawing territory from a district by adopting findings of fact (after the public hearing required by RCW 57.28.050).	57.28.050	The commissioners must make the following findings of fact: (1) Would the withdrawal of the territory be of benefit to the territory? (2) Would the withdrawal be conducive to the general welfare of the balance of the district? The commissioners also may make recommendations.
Submitting approval of the consolidation of two or more contiguous districts to the voters in a general or special election.	35.10.410	This applies when two or more contiguous districts initiate the consolidation. (Voters may also initiate consolidation through petition.)  <ul style="list-style-type: none"> <li>• The districts must adopt a joint resolution.</li> <li>• RCW 35.10.430 requires the resolution to prescribe the form or plan of government.</li> <li>• If the joint resolution contains a proposal for the consolidation of the general indebtedness of one or more districts, RCW 35.10.440 requires the resolution to specify the improvement or service for which this indebtedness was incurred and to state the amount of indebtedness outstanding and the rate of interest payable.</li> <li>• RCW 35.10.490 allows the joint resolution to prescribe the name of the proposed consolidated district or to provide for a ballot proposition to determine the name of the proposed consolidated district.</li> </ul> RCW 70.44.190 authorizes districts to use the consolidation procedures in RCW Chapter 35.10.

<b>Action</b>	<b>RCW Requiring Resolution</b>	<b>Comments</b>
Dividing an existing district into two new districts.	70.44.350	Through one or more resolutions, the board: (1) must find that such division is in the public interest; (2) adopt and approve a plan of division; (3) authorize the filing of a petition in superior court for court approval of the plan; (4) request, after court approval of the plan, a special election; and (5) direct all district officers and employees to take reasonable and necessary actions to carry out the division, subject to court and voter approval. See RCW 70.44.350 through RCW 70.44.380

## OTHER

<b>Action</b>	<b>RCW Requiring Resolution</b>	<b>Comments</b>
Entering into an interlocal agreement with local and state governmental bodies in Washington State, local and state governmental bodies in other states, federal governmental bodies, and Indian tribes recognized by the federal government.	39.34.030(2)	
Delegating a labor matter to any civil service commission or personnel board similar in scope, structure and authority to the Washington Personnel Resources Board created under RCW Chapter 41.06.	41.56.100	When a labor matter has been delegated to such a commission or board, the district is not required to engage in collective bargaining with the exclusive bargaining representative of district employees.