

AN ACT

TO BE SUBMITTED TO THE LEGAL VOTERS OF THE STATE OF WASHINGTON FOR THEIR APPROVAL OR REJECTION

AT THE

GENERAL ELECTION

TO BE HELD

On Tuesday, the Seventh day of November, 1916,

Passed by the Legislature and Proposed to the People by Referendum Petition, filed in the office of Secretary of State February 11, 1916, commonly known as Port District Measure.

(Will appear on the official ballot in the following form)

PROPOSED TO THE PEOPLE BY REFERENDUM PETITION.

REFERENDUM MEASURE NO. 8, entitled "An act defining port districts of the first class, providing a method for the government thereof, limiting the powers thereof, defining the powers and duties of the officers thereof, enacting certain other provisions relating thereto and amending chapter 92 of the Laws of 1911, being an act entitled 'An act authorizing the establishment of port districts; providing for the acquirement, construction, maintenance, operation, development and regulation of a system of harbor improvements and rail and water transfer and terminal facilities within such districts, and providing the method of payment therefor,' approved March 14, 1911, as heretofore amended and now in force, by adding thereto certain sections to be known respectively as sections 15, 16, 17, 18, 19, 20, 21, 22 and 23."

To sustain the legislative act, vote "FOR."

FOR Port District Measure.....

AGAINST Port District Measure.....

Referendum Measure No. 8

BALLOT TITLE

"An act defining port districts of the first class, providing a method for the government thereof, limiting the powers thereof, defining the powers and duties of the officers thereof, enacting certain other provisions relating thereto and amending chapter 92 of the Laws of 1911, being an act entitled 'An act authorizing the establishment of port districts; providing for the acquirement, construction, maintenance, operation, development and regulation of a system of harbor improvements and rail and water transfer and terminal facilities within such districts, and providing the method of payment therefor,' approved March 14, 1911, as heretofore amended and now in force, by adding thereto certain sections to be known respectively as sections 15, 16, 17, 18, 19, 20, 21, 22 and 23."

AN ACT defining port districts of the first class, providing a method for the government thereof, limiting the powers thereof, defining the powers and duties of the officers thereof, enacting certain other provisions relating thereto and amend-

ing chapter 92 of the Laws of 1911, being an act entitled "An act authorizing the establishment of port districts; providing for the acquirement, construction, maintenance, operation, development and regulation of a system of harbor improve-

ments and rail and water transfer and terminal facilities within such districts, and providing the method of payment therefor," approved March 14, 1911, as heretofore amended and now in force, by adding thereto certain sections to be known respectively as sections 15, 16, 17, 18, 19, 20, 21, 22 and 23.

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

SECTION 1. That chapter 92 of the Laws of 1911, being an act entitled "An act authorizing the establishment of port districts; providing for the acquirement, construction, maintenance, operation, development and regulation of a system of harbor improvements and rail and water transfer and terminal facilities within such districts, and providing the method of payment therefor," approved March 14, 1911, as heretofore amended and now in force, be further amended by adding thereto a new section to be known and designated as section 15, as follows:

Section 15. Every port district heretofore or hereafter formed which is or shall be co-extensive with the limits of a county of the first class, as defined in section 4031 of Remington & Ballinger's Annotated Codes and Statutes of Washington, shall be known and designated as a port district of the first class. This section and the following sections to section 23 inclusive, shall relate exclusively to port districts of the first class, and all port districts of the first class shall hereafter be governed by the provisions of said sections: *Provided*, That the preceding sections of the act to which this act is amendatory shall apply to port districts of the first class except as otherwise provided in this and the following sections.

Sec. 2. That said act referred to in section 1 of this amendatory act, being chapter 92 of the Laws of 1911, be further amended by adding a new section to be designated as section 16, as follows:

Section 16. The port districts of the first class, as herein defined, shall be governed by a board of seven (7) commissioners to be known and designated as "Board of Port Commissioners of the port of....." (inserting name of principal seaport city within said district). The said board

herein provided for shall consist of the following officers, namely: Three elective commissioners, elected by the electors of the port district, in the manner hereinafter provided, and having the qualifications hereinafter mentioned, to serve for a period of six (6) years, except as hereinafter provided, and until their successors are elected and have qualified; in addition to the said three elective commissioners, the said board shall consist of the following officers *ex-officio*, namely, the county auditor, the county engineer, and the prosecuting attorney of the county whose limits are co-extensive with that of the port district, and the mayor of the principal seaport city having the largest population within such port district: *Provided*, That if under the charter of such city there shall not be an officer performing the duties of mayor, or such officer being lacking, then the legislative body of such city shall appoint from among its own members or from the other officers of the city, a member of such board to supply the place of such officer so lacking, and any such appointment shall hold good as to such member of the board of commissioners until the expiration of the term of his then city office.

The qualifications for elective port commissioners in port districts of the first class, as herein defined, and the method and manner of their nomination and election shall be the same as now provided for port commissioners, all as near as may be, in section 8165-3 of Remington & Ballinger's Annotated Codes and Statutes of Washington, excepting the term of office of said commissioners shall be six (6) years, and excepting the said election for port commissioners shall be held at the same time and places as the general election in each even numbered year. All elective commissioners contemplated by this amendatory act shall qualify on the same day as county officers qualify.

In the case of any port district already formed, which is a port district of the first class, as herein defined, and having three commissioners under existing law, the said commissioners so elected shall be the three elective commissioners contemplated by this amendatory act: *Provided*, That the said commissioners shall serve and hold of-

office until their successors are elected and have qualified: *And provided further*, That the commissioners whose terms expire on the second Monday of January, 1916, and the second Monday of January, 1917, respectively shall be elected at the general election held in 1916, the one receiving the highest number of votes to serve for a term of six (6) years, and the one receiving the next highest to serve four (4) years. Vacancies in the office of any elective port commissioner shall be filled until the next general election, by appointment by a majority vote of the remaining port commissioners composing the board.

SEC. 3. That said act referred to in section 1 of this amendatory act, being chapter 92 of the Laws of 1911, be further amended by adding a new section to be designated as section 17, as follows:

Section 17. The total bonded indebtedness of any port district of the first class shall not exceed two and one-fourth per centum ($2\frac{1}{4}\%$) of the assessed valuation of the taxable property in said district, but in no event shall the said total bonded indebtedness ever exceed the sum of five million, seven hundred fifty thousand dollars (\$5,750,000.00); and whenever said limit shall have been reached, no other or further bond or bonds shall be issued, sold, delivered or hypothecated, whether or not the same may have been authorized by any law heretofore enacted and notwithstanding that the steps and proceedings relating to the authorization thereof may have been completed in accordance with the requirements of such law: *Provided*, That all existing lawful obligations of any port district, whether consisting of bonds or other forms of indebtedness, are hereby recognized as such, notwithstanding the fact that they may, either by themselves or in connection with other obligations, exceed the limit herein fixed, and the same shall continue to be valid obligations of such port district. The board of port commissioners shall continue to have and to exercise all of the powers and duties conferred or imposed upon said board by this amendatory act, or conferred or imposed upon the port commission by the act of which this act is amendatory, so far as necessary

to pay, refund or renew any existing obligation and to carry out and perform any existing contract, so as to fully protect the rights of all persons holding any obligation or having any contract created by such port district, though it be found to exceed the limit hereby established.

SEC. 4. That said act referred to in section 1 of this amendatory act, being chapter 92 of the Laws of 1911, be further amended by adding a new section to be designated as section 18, as follows:

Section 18. The members of the board of port commissioners of each port district of the first class shall serve as such *ex-officio* without extra compensation. Such board shall adopt an official seal and shall organize by the election of one of its members as president. The county auditor shall be *ex-officio* secretary and auditor of the board of port commissioners without extra compensation. The county engineer shall be *ex-officio* engineer of such port district, and shall have charge and supervision over the engineering department of such port district without extra compensation: *Provided*, That such engineer shall at all times be subject to the authority and control of the board of port commissioners: *And provided further*, That all engineering expenses incurred in behalf of the port district shall be the obligations of such port district and be paid from its funds, the same as other expenses thereof. The prosecuting attorney of the county shall be *ex-officio* the attorney for such port district without extra compensation: *Provided*, That all legal expenses incurred in behalf of the port district shall be the obligations of the port district and be paid from its fund, same as other expenses thereof. Five members of the board of port commissioners shall constitute a quorum for the transaction of business, and the affirmative vote of any four members duly assembled in meeting shall be required and shall be sufficient for the passage of any resolution. All proceedings of the board of port commissioners shall be by resolution, recorded in a book or books kept for such purpose, which shall constitute public records.

SEC. 5. That said act, being chapter 92 of the Laws of 1911, referred to

in section 1 of this amendatory act, be further amended by adding a new section to be designated as section 19, as follows:

Section 19. The board of port commissioners of any port district of the first class shall apply to the board of county commissioners for space in the county court house for the executive offices of the board of port commissioners, and it shall be the duty of the county commissioners to provide such space if practicable, and the expense thereof is hereby declared to be for a county purpose. Only in case of inability to procure such space in the court house or in some of the buildings owned by the port district shall private office be rented by the board of port commissioners, in which event the expense of such rental shall be paid from the funds of the port district.

SEC. 6. That said act, being chapter 92 of the Laws of 1911, referred to in section 1 of this amendatory act, be further amended by adding a new section to be designated as section 20, as follows:

Section 20. Each board of port commissioners shall provide such sinking fund or sinking funds as shall be necessary to give effect to the provisions of this act. All moneys received in excess of fixed charges, interest on bonded indebtedness, operating expenses, sums, if necessary, to complete any unfinished work or facility, or to carry out any unfinished contract, or to protect the rights of any person or corporation acquiring such rights from such port district, or the port commission, or board of port commissioners thereof, and all renewals and repairs, shall be placed in the proper sinking fund for the purpose of retiring outstanding bonds at maturity.

SEC. 7. That said act, being chapter 92 of the Laws of 1911, referred to in section 1 of this amendatory act, be further amended by adding a new section to be designated as section 21, as follows:

Section 21. Any and every board of port commissioners is hereby vested with full power and authority to do any and all things necessary to preserve any of the property, title to which has been vested in such port district, to maintain the same in good and safe operating condition and to oper-

ate any facility and otherwise to exercise the powers and perform the duties which in other port districts are exercised and performed by port commissions except as otherwise provided in this amendatory act.

SEC. 8. That said act, being chapter 92 of the Laws of 1911, referred to in section 1 of this amendatory act, be further amended by adding a new section to be designated as section 22, as follows:

Section 22. Any and every board of port commissioners is hereby authorized and empowered to sell and convey any property in any way acquired or owned by such port district whenever the board of port commissioners shall have by resolution declared it advisable that such property be sold: *Provided*, That before any such sale shall be made of any real property, or interest, or right therein, or any building, wharf or structure, the property to be sold, whether it be any part or all of the property acquired by such port district, shall have been appraised by three competent appraisers of whom the county assessor shall be one, and the other two shall have been appointed by resolution of the board of port commissioners: *And provided further*, That a majority of the electors of the port district voting on the question of such sale or disposition at a general or special election shall have assented thereto: *And provided further*, That the appraised value of such property, as fixed by the appraisal aforesaid, shall be stated on the ballot, and no sale shall be made at less than such appraised value: *And provided further*, That any and all sales to be made under the provisions of this act shall be had at public auction at the front door of the court house of the county which is co-extensive with the limits of such port district, of which sale notice shall have been published in the official newspaper of such county once a week for four successive weeks immediately prior to such sale. No sale shall be made based on any appraisement made within six months from the time of a previous appraisement unless such new appraisement be equal to or in excess of such previous appraisement. The board of port commissioners is hereby vested with full power and authority to lease

any property or any part thereof, acquired by any such port district, to any person or corporation upon such terms and for such time as in the judgment of the board shall be deemed for the best interests of the port district: *Provided*, That all existing rights of persons or corporations acquiring the same from any such port district or the port commission thereof shall be fully protected: *And provided further*, That any lease for a longer term than five years shall have first been approved by a majority of the electors of the port district voting at a general or special election, after notice published as prescribed by this section. The board of port commissioners is also hereby vested with full power and authority, if deemed necessary or expedient by such board, to operate any and all property or facilities in any way acquired or owned by any such port district.

SEC. 9. That said act, being chapter 92 of the Laws of 1911, referred to in section 1 of this amendatory act, be further amended by adding a new section to be designated as section 23, as follows:

Section 23. If any part of this act shall be adjudged to be invalid such adjudication of invalidity shall not affect the validity of this act as a whole, or any part thereof.

SEC. 10. This act shall take effect and be in force on the 1st day of July, 1915.

Passed the Senate March 2, 1915.

Passed the House March 4, 1915.

Approved by the Governor March 8, 1915.

STATE OF WASHINGTON—ss.

Filed in the office of Secretary of State,
March 25, 1915.

I. M. HOWELL, Secretary of State.

Argument Favoring Referendum Measure No. 8.

The proposed referendum on Senate Bill No. 388, relating to Port Districts of the First Class.

The undersigned members of the Legislature from King County desire to place on record some of the reasons making it, in their judgment, important that the Act involved in this Referendum become law. As the proponents of this Referendum have as yet filed no argument in its support, this argument in opposition is made without knowing what reasons are to be advanced to induce the voters of the state to nullify this law.

The Act affects only one existing port district, namely that existing in and co-extensive with King County, and known as the Port of Seattle. Heretofore that district has been governed by three commissioners. They serve without pay. They differ and have differed seriously among themselves on important questions of policy, first one man and then another obtaining the vote of a colleague whereby to dominate the very important affairs of the district.

Pursuant to recommendations of the Commission at different times the voters of the county have voted bond issues aggregating \$6,300,000. Of this amount \$5,228,900 of bonds have been actually issued and are now outstanding, drawing four and a half and five per cent interest. This involves a drain on the taxpayers of the county (or district) of approximately \$700 a day, Sundays included. Voters were led to vote these bonds by the assurance that the wharves, warehouses and other improvements to be constructed would be operated on a self-supporting basis, an idea that in practice is far from being realized. This terrific drain on the taxpayers has led to a general feeling throughout the county that the Port Commission should be converted into a body more truly representative of the people of the county, and should contain in its membership officials more closely in touch with the finances and taxpaying ability of the county. Under present conditions the people of the county will be forced annually to raise by taxation a very large amount of money

not only for interest, but also for maintenance charges, even though we ignore the important items of depreciation of wharves and structures and the necessity for providing a bond sinking fund. As a result of these and other considerations, generally discussed throughout the county, five King County senators introduced Senate Bill No. 361, providing for an enlargement of the Port Commission. That bill having been fully considered in committee, the present Bill No. 388, was drawn and introduced by the Senate Committee as a substitute and passed both houses of the Legislature by an aggregate vote of 115 to 18. The King County delegation, closely in touch with the sentiment of their communities, voted as follows: In the Senate six aye, two no; in the House thirteen aye and one no. The Governor, having been requested by opponents of the bill to grant a hearing on the question of his approval, allowed both sides a full hearing and thereafter unhesitatingly approved the measure. Among the earnest opponents of the bill are members of the present Port Commission. How little ground there is for their personal opposition may be deduced from the fact that if the law takes effect as enacted by the Legislature and Governor, the labors of the existing members of the Commission will be greatly reduced, and as they serve without compensation, they can have no pecuniary interest in the question.

The law does not eliminate the present commissioners, but makes the following officers co-members with them, namely, County Auditor, County Engineer, Prosecuting Attorney and Mayor of the largest city in the district. The law will do away with the duplicate system of accounting, engineering and legal work heretofore expensive. The law will also diminish the debt contracting power of the district while at the same time safeguarding and confirming all existing obligations and allowing ample latitude for finishing uncompleted works.

To summarize:

(1) The proposed law is the result of careful study of existing conditions

by the legislators of the one county now affected.

(2) The Legislature by an overwhelming majority confirmed the judgment of the county delegation.

(3) The Governor, who followed the course of the bill and fully heard both sides, has unhesitatingly approved it.

(4) The law will protect the public credit of the state by preventing a reckless increase of public indebtedness.

(5) The law will serve to aid the people of all counties in procuring needed legislation to stop reckless expenditures within their own boundaries whenever the occasion for such legislation shall arise, whereas its defeat would be welcomed as a victory for those advocating extravagant increase of public debt.

(6) There can be no possible objection to enlarging the present Port Commission of three by adding the four prominent and responsible county and city officials above named whose advice and votes will be intelligently

given on the important questions arising.

(7) The proposed law applies only to cases where the port district and the county consist of the same area and serves to eliminate, as far as practicable, the useless distinction between two public corporations that are in fact one, thus avoiding working at cross purposes and duplicating operations to the taxpayers' loss. Vote FOR Referendum Measure No. 8.

LINCOLN DAVIS, 35th District.
J. A. GHENT, M. D., 34th Dist.
E. B. PALMER, 37th District.
RALPH D. NICHOLS, 31st Dist.
HOWARD D. TAYLOR.
G. E. STEINER, 36th District.
E. H. GUIE.
ROBT. GRASS.
F. H. TONKIN.
FRANK H. RENICK.
STEPHEN A. HULL.
JOHN R. WILSON.

STATE OF WASHINGTON—ss.

Filed in the office of Secretary of State,
June 29, 1915.

I. M. HOWELL, Secretary of State.