
SENATE BILL 5781

State of Washington

55th Legislature

1997 Regular Session

By Senators McCaslin, Haugen, Morton, Rasmussen, Anderson, Swecker and Schow

Read first time 02/12/97. Referred to Committee on Government Operations.

1 AN ACT Relating to voter approval of city assumption of a water or
2 sewer district; amending RCW 35.13A.020, 35.13A.030, and 35.13A.040;
3 and adding a new section to chapter 35.13A RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 35.13A.020 and 1971 ex.s. c 95 s 2 are each amended to
6 read as follows:

7 Whenever all of the territory of a water district or sewer district
8 is included within the corporate boundaries of a city, (~~and~~) the city
9 legislative body has elected by resolution or ordinance to assume
10 jurisdiction thereof, and the commissioners have approved the
11 acquisition in compliance with section 4 of this act, all real and
12 personal property, franchises, rights, assets, taxes levied but not
13 collected for the district for other than indebtedness, water and sewer
14 lines, and all other facilities and equipment of the district shall
15 become the property of such city subject to all financial, statutory,
16 or contractual obligations of the district for the security or
17 performance of which such property may have been pledged. Such city,
18 in addition to its other powers, shall have the power to manage,
19 control, maintain and operate such property, facilities and equipment

1 and to fix and collect service and other charges from owners and
2 occupants of properties so served by the city, subject, however, to any
3 outstanding indebtedness, bonded or otherwise, of the district payable
4 from taxes, assessments or revenues of any kind or nature and to any
5 other contractual obligations of the district.

6 Such city may by resolution of its legislative body, assume the
7 obligation of paying such district indebtedness and of levying and of
8 collecting or causing to be collected such district taxes, assessments
9 and utility rates and charges of any kind or nature to pay and secure
10 the payment of such indebtedness, according to all of the terms,
11 conditions and covenants incident to such indebtedness, and shall
12 assume and perform all other outstanding contractual obligation of the
13 district in accordance with all of its terms, conditions and covenants.
14 No such assumption shall be deemed to impair the obligation of any
15 indebtedness or other contractual obligation entered into after August
16 9, 1971. During the period until the outstanding indebtedness of the
17 district has been discharged, the territory of the district and the
18 owners and occupants of property therein, shall continue to be liable
19 for its and their proportionate share of such indebtedness, including
20 any outstanding assessments levied within any local improvement
21 district or utility local improvement district thereof. The city shall
22 assume the obligation of causing the payment of such indebtedness,
23 collecting such taxes, assessments and charges and observing and
24 performing the other district contractual obligations. The legislative
25 body of the city shall act as the officers of the district for the
26 purpose of certifying the amount of any property tax to be levied and
27 collected therein, and causing service and other charges and
28 assessments to be collected from such property or owners or occupants
29 thereof, enforcing such collection and performing all other acts
30 necessary to insure performance of the district's contractual
31 obligations in the same manner and by the same means as if the
32 territory of the district had not been included within the boundaries
33 of a city.

34 When a city assumes the obligation of paying the outstanding
35 indebtedness, and if property taxes or assessments have been levied and
36 service and other charges have accrued for such purpose but have not
37 been collected by the district prior to such election, the same when
38 collected shall belong and be paid to the city and be used by such city
39 so far as necessary for payment of the indebtedness of the district

1 existing and unpaid on the date such city elects to assume the
2 indebtedness. Any funds received by the city which have been collected
3 for the purpose of paying any bonded or other indebtedness of the
4 district, shall be used for the purpose for which they were collected
5 and for no other purpose. Any outstanding indebtedness shall be paid
6 as provided in the bond covenants. All funds of the district on
7 deposit with the county treasurer at the time of title transfer shall
8 be used by the city solely for the benefit of the utility and shall not
9 be transferred to or used for the benefit of the city's general fund.

10 **Sec. 2.** RCW 35.13A.030 and 1971 ex.s. c 95 s 3 are each amended to
11 read as follows:

12 Whenever a portion of a water district or sewer district equal to
13 at least sixty percent of the area or sixty percent of the assessed
14 valuation of the real property lying within such district, is included
15 within the corporate boundaries of a city, the city may assume by
16 ordinance the full and complete management and control of that portion
17 of the entire district not included within another city, whereupon the
18 provisions of RCW 35.13A.020 shall be operative; or the city may
19 proceed directly under the provisions of RCW 35.13A.050. The city's
20 assumption of management and control shall not occur unless the
21 district commissioners shall so approve by resolution in compliance
22 with section 4 of this act.

23 **Sec. 3.** RCW 35.13A.040 and 1971 ex.s. c 95 s 4 are each amended to
24 read as follows:

25 Whenever the portion of a water or sewer district included within
26 the corporate boundaries of a city is less than sixty percent of the
27 area of the district and less than sixty percent of the assessed
28 valuation of the real property within the district, the city may elect
29 to proceed under the provisions of RCW 35.13A.050. The city's
30 assumption of jurisdiction shall not occur unless the district
31 commissioners shall so approve by resolution in compliance with section
32 4 of this act.

33 NEW SECTION. **Sec. 4.** A new section is added to chapter 35.13A RCW
34 to read as follows:

35 No city may assume management, control, or jurisdiction of a water
36 district's responsibilities, property, facilities, or equipment until

1 the district commissioners determine by resolution that such assumption
2 is in the public interest and conducive to the public health, welfare,
3 and convenience and such resolution is ratified by the voters of the
4 district. If the district commissioners approve such a resolution, the
5 commissioners shall submit the resolution to the voters of the water
6 district at any general election or a special election to be called for
7 such purpose. If a majority of the voters voting at such an election
8 are in favor of the resolution, the commissioners shall so notify the
9 city, and the city may proceed under RCW 35.13A.050.

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