

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE HOUSE BILL 1031

52nd Legislature
1991 Regular Session

Passed by the House March 6, 1991
Yeas 97 Nays 0

**Speaker of the
House of Representatives**

Passed by the Senate April 19, 1991
Yeas 47 Nays 1

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Alan Thompson, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 1031** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

Secretary of State
State of Washington

ENGROSSED SUBSTITUTE HOUSE BILL 1031

AS AMENDED BY THE SENATE

Passed Legislature - 1991 Regular Session

State of Washington 52nd Legislature 1991 Regular Session

By House Committee on Local Government (originally sponsored by Representatives Wood, Haugen, Ferguson, Nelson, Horn, Roland, Paris and Nealey). Read first time February 18, 1991.

1 AN ACT Relating to water and sewer districts; amending RCW
2 56.08.100, 56.08.140, 57.08.100, and 57.08.120; reenacting and amending
3 RCW 57.08.010; adding a new section to chapter 56.08 RCW; and adding a
4 new section to chapter 57.08 RCW.

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

6 **Sec. 1.** RCW 56.08.100 and 1981 c 190 s 5 are each amended to read
7 as follows:

8 A sewer district, by a majority vote of its board of commissioners,
9 may enter into contracts to provide health care services and/or group
10 insurance and/or term life insurance and/or social security insurance
11 for the benefit of its employees and may pay all or any part of the
12 cost thereof. Any two or more sewer districts or one or more sewer
13 districts and one or more water districts, by a majority vote of their
14 respective boards of commissioners, may, if deemed expedient, join in
15 the procuring of such health care services and/or group insurance

1 and/or term life insurance, and the board of commissioners of each
2 participating sewer and/or water district may by appropriate resolution
3 authorize their respective district to pay all or any portion of the
4 cost thereof.

5 A sewer district with five thousand or more customers providing
6 health, group, or life insurance to its employees may provide its
7 commissioners with the same coverage: PROVIDED, That the per person
8 amounts for such insurance paid by the district shall not exceed the
9 per person amounts paid by the district for its employees.

10 **Sec. 2.** RCW 56.08.140 and 1967 c 178 s 3 are each amended to read
11 as follows:

12 No such lease shall be made unless secured by a bond conditioned on
13 the performance of the terms of the lease, with surety satisfactory to
14 the commissioners, in a penalty of not less than one-sixth of the term
15 of the lease or for one year's rental, whichever is greater; and no
16 such lease shall be made for a term longer than twenty-five years.
17 However, the board of commissioners may require a reasonable security
18 deposit in lieu of a bond on leased real property owned by the water or
19 sewer district.

20 NEW SECTION. **Sec. 3.** A new section is added to chapter 56.08 RCW
21 to read as follows:

22 A district may operate and maintain a park or recreational
23 facilities on real property that it owns or in which it has an interest
24 that is not immediately necessary for its purposes.

25 If such park or recreational facilities are operated by a person
26 other than the district, including a corporation, partnership, or other
27 business enterprise, the person shall indemnify and hold harmless the
28 district for any injury or damage caused by the action of the person."

1 **Sec. 4.** RCW 57.08.010 and 1989 c 389 s 9 and 1989 c 308 s 2 are
2 each reenacted and amended to read as follows:

3 (1) (a) A water district may acquire by purchase or condemnation,
4 or both, all property and property rights and all water and water
5 rights, both within and without the district, necessary for its
6 purposes.

7 (b) A water district may lease real or personal property necessary
8 for its purposes for a term of years for which such leased property may
9 reasonably be needed where in the opinion of the board of water
10 commissioners such property may not be needed permanently or
11 substantial savings to the district can be effected thereby.

12 (c) The right of eminent domain shall be exercised in the same
13 manner and by the same procedure as provided for cities of the third
14 class, insofar as consistent with the provisions of this title, except
15 that all assessment rolls to be prepared and filed by eminent domain
16 commissioners or commissioners appointed by the court shall be prepared
17 and filed by the water district, and the duties devolving upon the city
18 treasurer are hereby imposed upon the county treasurer.

19 (d) A water district may construct, condemn and purchase, purchase,
20 add to, maintain, and supply waterworks to furnish the district and
21 inhabitants thereof, and any city or town therein and any other
22 persons, both within and without the district, with an ample supply of
23 water for all uses and purposes public and private with full authority
24 to regulate and control the use, content, distribution, and price
25 thereof in such a manner as is not in conflict with general law and may
26 construct, acquire, or own buildings and other necessary district
27 facilities. Where a customer connected to the district's system uses
28 the water on an intermittent or transient basis, a district may charge
29 for providing water service to such a customer, regardless of the
30 amount of water, if any, used by the customer.

1 (e) A water district contiguous to Canada may contract with a
2 Canadian corporation for the purchase of water and for the
3 construction, purchase, maintenance, and supply of waterworks to
4 furnish the district and inhabitants thereof and residents of Canada
5 with an ample supply of water under terms approved by the board of
6 commissioners. Such waterworks may include facilities which result in
7 combined water supply and electric generation, provided that the
8 electricity generated thereby is a byproduct of the water supply
9 system.

10 (f) Such electricity may be used by the water district or sold to
11 any entity authorized by law to distribute electricity. Such
12 electricity is a byproduct when the electrical generation is
13 subordinate to the primary purpose of water supply.

14 (g) For such purposes, a water district may take, condemn and
15 purchase, purchase, acquire, and retain water from any public or
16 navigable lake, river, or watercourse, or any underflowing water and,
17 by means of aqueducts or pipe line conduct the same throughout such
18 water district and any city or town therein and carry it along and upon
19 public highways, roads, and streets, within and without such district.

20 (h) For the purpose of constructing or laying aqueducts or pipe
21 lines, dams, or waterworks or other necessary structures in storing and
22 retaining water or for any other lawful purpose such water district may
23 occupy the beds and shores up to the high water mark of any such lake,
24 river, or other watercourse, and may acquire by purchase or
25 condemnation such property or property rights or privileges as may be
26 necessary to protect its water supply from pollution.

27 (i) For the purposes of waterworks which include facilities for
28 the generation of electricity as a byproduct, nothing in this section
29 may be construed to authorize a water district to condemn electric
30 generating, transmission, or distribution rights or facilities of

1 entities authorized by law to distribute electricity, or to acquire
2 such rights or facilities without the consent of the owner.

3 (2) A water district may purchase and take water from any municipal
4 corporation.

5 (3) A water district may fix rates and charges for water supplied
6 and may charge property owners seeking to connect to the district's
7 water supply system, as a condition to granting the right to so
8 connect, in addition to the cost of such connection, such reasonable
9 connection charge as the board of commissioners shall determine to be
10 proper in order that such property owners shall bear their equitable
11 share of the cost of such system.

12 (a) For purposes of calculating a connection charge, the board of
13 commissioners shall determine the pro rata share of the cost of
14 existing facilities and facilities planned for construction within the
15 next ten years and contained in an adopted comprehensive plan and other
16 costs borne by the district which are directly attributable to the
17 improvements required by property owners seeking to connect to the
18 system. The cost of existing facilities shall not include those
19 portions of the system which have been donated or which have been paid
20 for by grants.

21 (b) The connection charge may include interest charges applied from
22 the date of construction of the water system until the connection, or
23 for a period not to exceed ten years, whichever is shorter, at a rate
24 commensurate with the rate of interest applicable to the district at
25 the time of construction or major rehabilitation of the water system,
26 or at the time of installation of the water lines to which the property
27 owner is seeking to connect.

28 (4) (a) A district may permit payment of the cost of connection and
29 the reasonable connection charge to be paid with interest in
30 installments over a period not exceeding fifteen years. The county

1 treasurer may charge and collect a fee of three dollars for each year
2 for the treasurer's services. Such fees shall be a charge to be
3 included as part of each annual installment, and shall be credited to
4 the county current expense fund by the county treasurer.

5 (b) Revenues from connection charges excluding permit fees are to
6 be considered payments in aid of construction as defined by department
7 of revenue rule.

8 (5) A district may operate and maintain a park or recreational
9 facilities on real property that it owns or in which it has an interest
10 that is not immediately necessary for its purposes.

11 (6) If such park or recreational facilities are operated by a
12 person other than the district, including a corporation, partnership,
13 or other business enterprise, the person shall indemnify and hold
14 harmless the district for any injury or damage caused by the action of
15 the person.

16 **Sec. 5.** RCW 57.08.100 and 1981 c 190 s 6 are each amended to read
17 as follows:

18 A water district, by a majority vote of its board of commissioners,
19 may enter into contracts to provide health care services and/or group
20 insurance and/or term life insurance and/or social security insurance
21 for the benefit of its employees and may pay all or any part of the
22 cost thereof. Any two or more water districts or any one or more water
23 districts and one or more sewer districts, by a majority vote of their
24 respective boards of commissioners, may, if deemed expedient, join in
25 the procuring of such health care services and/or group insurance
26 and/or term life insurance, and the board of commissioners of each
27 participating sewer and/or water district may by appropriate resolution
28 authorize their respective district to pay all or any portion of the
29 cost thereof.

1 A water district with five thousand or more customers providing
2 health, group, or life insurance to its employees may provide its
3 commissioners with the same coverage: PROVIDED, That the per person
4 amounts for such insurance paid by the district shall not exceed the
5 per person amounts paid by the district for its employees.

6 **Sec. 6.** RCW 57.08.120 and 1967 ex.s. c 135 s 1 are each amended to
7 read as follows:

8 A water district may lease out real property which it owns or in
9 which it has an interest and which is not immediately necessary for its
10 purposes upon such terms as the board of water commissioners deems
11 proper: PROVIDED, That no such lease shall be made until the water
12 district has first caused notice thereof to be published twice in a
13 newspaper in general circulation in the water district, the first
14 publication to be at least fifteen days and the second at least seven
15 days prior to the making of such lease, which notice shall describe the
16 property proposed to be leased out, to whom, for what purpose, and the
17 rental to be charged therefor. A hearing shall be held pursuant to the
18 terms of the said notice, at which time any and all persons who may be
19 interested shall have the right to appear and to be heard.

20 No such lease shall be for a period longer than twenty-five years,
21 and each lease of real property shall be secured by a bond conditioned
22 to perform the terms of such lease with surety satisfactory to the
23 commissioners, in a penalty not less than the rental for one-sixth of
24 the term: PROVIDED, That the penalty shall not be less than the rental
25 for one year where the term is one year or more. In a lease, the term
26 of which exceeds five years, and when at the option of the
27 commissioners, it is so stipulated in the lease, the commission shall
28 accept, with surety satisfactory to it, a bond conditioned to perform
29 the terms of the lease for some part of the term, in no event less than

1 five years (unless the remainder of the unexpired term is less than
2 five years, in which case for the full remainder) and in every such
3 case the commissioners shall require of the lessee, another or other
4 like bond to be delivered within two years, and not less than one year
5 prior to the expiration of the period covered by the existing bond,
6 covering an additional part of the term in accordance with the
7 foregoing provisions in respect to the original bond, and so on until
8 the end of the term so that there will always be in force a bond
9 securing the performance of the lease, and the penalty in each bond
10 shall be not less than the rental for one-half the period covered
11 thereby, but no bond shall be construed to secure the furnishing of any
12 other bond. However, the board of commissioners may require a
13 reasonable security deposit in lieu of a bond on leased real property
14 owned by a water district.

15 The commissioners may accept as surety on any bond required by this
16 section, either an approved surety company or one or more persons
17 satisfactory to the commissioners, or in lieu of such bond may accept
18 a deposit as security of such property or collateral or the giving of
19 such other form of security as may be satisfactory to the
20 commissioners.

21 NEW SECTION. Sec. 7. A new section is added to chapter 57.08 RCW
22 to read as follows:

23 A water district may adopt a water conservation plan and emergency
24 water use restrictions. The district may enforce a water conservation
25 plan and emergency water use restrictions by imposing a fine as
26 provided by resolution for failure to comply with any such plan or
27 restrictions. The commissioners may provide by resolution that if a
28 fine for failure to comply with the water conservation plan or
29 emergency water use restrictions is delinquent for a specified period

1 of time, the district shall certify the delinquency to the treasurer of
2 the county in which the real property is located and serve notice of
3 the delinquency on the subscribing water customer who fails to comply,
4 and the fine is then a separate item for inclusion on the bill of the
5 party failing to comply with the water conservation plan or emergency
6 water use restrictions.