

2 SHB 1212 - S COMM AMD
3 By Committee on Government Operations

4

5 Strike everything after the enacting clause and insert the
6 following:

7 **"PART I - WATER-SEWER DISTRICT LAWS**

8 **Sec. 1.** RCW 57.04.050 and 1996 c 230 s 204 are each amended to
9 read as follows:

10 Upon entry of the findings of the final hearing on the petition if
11 one or more county legislative authorities find that the proposed
12 district will be conducive to the public health, welfare, and
13 convenience and will benefit the land therein, they shall ~~((call))~~
14 present a resolution to the county auditor calling for a special
15 election ((by presenting a resolution to the county auditor at least
16 forty five days prior to the proposed election date. A special
17 election shall be held on a date decided by the commissioners in
18 accordance with RCW 29.13.020)) to be held at a date specified under
19 RCW 29.13.020, that occurs forty-five or more days after the resolution
20 is presented, at which a ballot proposition authorizing the district to
21 be created shall be submitted to voters for their approval or
22 rejection. The commissioners shall cause to be published a notice of
23 the election for four successive weeks in a newspaper of general
24 circulation in the proposed district, which notice shall state the
25 hours during which the polls will be open, the boundaries of the
26 district as finally adopted and the object of the election, and the
27 notice shall also be posted ten days in ten public places in the
28 proposed district. ~~((In submitting the proposition to the voters, it~~
29 ~~shall be expressed on the ballots in the following terms:~~

30 District YES |
31 District NO |

32 ~~giving the name of the district as provided in the petition. The~~
33 ~~proposition to be effective must be))~~ The district shall be created if

1 the ballot proposition authorizing the district to be created is
2 approved by a majority of the voters voting on the proposition.

3 A separate ballot proposition authorizing the district, if created,
4 to impose a single-year excess levy for the preliminary expenses of the
5 district shall be submitted to voters for their approval or rejection
6 at the same special election ((a proposition shall be submitted to the
7 voters, for their approval or rejection, authorizing the district, if
8 formed, to impose on all property located in the district a general tax
9 for one year, in excess of the limitations provided by law)), if the
10 petition to create the district also proposed that a ballot proposition
11 authorizing an excess levy be submitted to voters for their approval or
12 rejection. The excess levy shall be proposed in the amount specified
13 in the petition to create the district, not to exceed one dollar and
14 twenty-five cents per thousand dollars of assessed value, ((for general
15 preliminary expenses of the district, that proposition to be expressed
16 on the ballots in the following terms:

17 One year dollars and cents per
18 thousand dollars of assessed value tax YES |
19 NO |

20 Such a ballot proposition)) and may only be submitted to voters for
21 their approval or rejection if the special election is held in
22 February, March, April, or May. The proposition to be effective must
23 be approved ((by at least three-fifths of the voters voting on the
24 proposition)) in the manner set forth in Article VII, section 2(a) of
25 the state Constitution.

26 **Sec. 2.** RCW 57.08.005 and 1997 c 447 s 16 are each amended to read
27 as follows:

28 A district shall have the following powers:
29 (1) To acquire by purchase or condemnation, or both, all lands,
30 property and property rights, and all water and water rights, both
31 within and without the district, necessary for its purposes. The right
32 of eminent domain shall be exercised in the same manner and by the same
33 procedure as provided for cities and towns, insofar as consistent with
34 this title, except that all assessment or reassessment rolls to be
35 prepared and filed by eminent domain commissioners or commissioners
36 appointed by the court shall be prepared and filed by the district, and

1 the duties devolving upon the city treasurer are imposed upon the
2 county treasurer;

3 (2) To lease real or personal property necessary for its purposes
4 for a term of years for which that leased property may reasonably be
5 needed;

6 (3) To construct, condemn and purchase, add to, maintain, and
7 supply waterworks to furnish the district and inhabitants thereof and
8 any other persons, both within and without the district, with an ample
9 supply of water for all uses and purposes public and private with full
10 authority to regulate and control the use, content, distribution, and
11 price thereof in such a manner as is not in conflict with general law
12 and may construct, acquire, or own buildings and other necessary
13 district facilities. Where a customer connected to the district's
14 system uses the water on an intermittent or transient basis, a district
15 may charge for providing water service to such a customer, regardless
16 of the amount of water, if any, used by the customer. District
17 waterworks may include facilities which result in combined water supply
18 and electric generation, if the electricity generated thereby is a
19 byproduct of the water supply system. That electricity may be used by
20 the district or sold to any entity authorized by law to use or
21 distribute electricity. Electricity is deemed a byproduct when the
22 electrical generation is subordinate to the primary purpose of water
23 supply. For such purposes, a district may take, condemn and purchase,
24 acquire, and retain water from any public or navigable lake, river or
25 watercourse, or any underflowing water, and by means of aqueducts or
26 pipeline conduct the same throughout the district and any city or town
27 therein and carry it along and upon public highways, roads, and
28 streets, within and without such district. For the purpose of
29 constructing or laying aqueducts or pipelines, dams, or waterworks or
30 other necessary structures in storing and retaining water or for any
31 other lawful purpose such district may occupy the beds and shores up to
32 the high water mark of any such lake, river, or other watercourse, and
33 may acquire by purchase or condemnation such property or property
34 rights or privileges as may be necessary to protect its water supply
35 from pollution. For the purposes of waterworks which include
36 facilities for the generation of electricity as a byproduct, nothing in
37 this section may be construed to authorize a district to condemn
38 electric generating, transmission, or distribution rights or facilities

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

3 (4) To purchase and take water from any municipal corporation,
4 private person, or entity. A district contiguous to Canada may
5 contract with a Canadian corporation for the purchase of water and for
6 the construction, purchase, maintenance, and supply of waterworks to
7 furnish the district and inhabitants thereof and residents of Canada
8 with an ample supply of water under the terms approved by the board of
9 commissioners;

10 (5) To construct, condemn and purchase, add to, maintain, and
11 operate systems of sewers for the purpose of furnishing the district,
12 the inhabitants thereof, and persons outside the district with an
13 adequate system of sewers for all uses and purposes, public and
14 private, including but not limited to on-site sewage disposal
15 facilities, approved septic tanks or approved septic tank systems, on-
16 site sanitary sewerage systems, inspection services and maintenance
17 services for private and public on-site systems, point and nonpoint
18 water pollution monitoring programs that are directly related to the
19 sewerage facilities and programs operated by a district, other
20 facilities, programs, and systems for the collection, interception,
21 treatment, and disposal of wastewater, and for the control of pollution
22 from wastewater (~~(and for the protection, preservation, and~~
23 ~~rehabilitation of surface and underground waters, facilities for the~~
24 ~~drainage and treatment of storm or surface waters, public highways,~~
25 ~~streets, and roads)) with full authority to regulate the use and
26 operation thereof and the service rates to be charged. Under this
27 chapter, after July 1, 1998, any requirements for pumping the septic
28 tank of an on-site sewage system should be based, among other things,
29 on actual measurement of accumulation of sludge and scum by a trained
30 inspector, trained owner's agent, or trained owner. Training must
31 occur in a program approved by the state board of health or by a local
32 health officer. Sewage facilities may include facilities which result
33 in combined sewage disposal(~~(7)~~) or treatment(~~(7, or drainage)~~) and
34 electric generation, except that the electricity generated thereby is
35 a byproduct of the system of sewers. Such electricity may be used by
36 the district or sold to any entity authorized by law to distribute
37 electricity. Electricity is deemed a byproduct when the electrical
38 generation is subordinate to the primary purpose of sewage
39 disposal(~~(7)~~) or treatment(~~(7, or drainage)~~). For such purposes a~~

1 district may conduct sewage throughout the district and throughout
2 other political subdivisions within the district, and construct and lay
3 sewer pipe along and upon public highways, roads, and streets, within
4 and without the district, and condemn and purchase or acquire land and
5 rights of way necessary for such sewer pipe. A district may erect
6 sewage treatment plants within or without the district, and may
7 acquire, by purchase or condemnation, properties or privileges
8 necessary to be had to protect any lakes, rivers, or watercourses and
9 also other areas of land from pollution from its sewers or its sewage
10 treatment plant. For the purposes of sewage facilities which include
11 facilities that result in combined sewage disposal((~~τ~~)) or treatment((~~τ~~
12 ~~or drainage~~)) and electric generation where the electric generation is
13 a byproduct, nothing in this section may be construed to authorize a
14 district to condemn electric generating, transmission, or distribution
15 rights or facilities of entities authorized by law to distribute
16 electricity, or to acquire such rights or facilities without the
17 consent of the owners;

18 (6) To construct, condemn and purchase, add to, maintain, and
19 operate systems of drainage for the benefit and use of the district,
20 the inhabitants thereof, and persons outside the district with an
21 adequate system of drainage, including but not limited to facilities
22 and systems for the collection, interception, treatment, and disposal
23 of storm or surface waters, and for the protection, preservation, and
24 rehabilitation of surface and underground waters, and drainage
25 facilities for public highways, streets, and roads, with full authority
26 to regulate the use and operation thereof and the service rates to be
27 charged. Drainage facilities may include natural systems. Drainage
28 facilities may include facilities which result in combined drainage
29 facilities and electric generation, except that the electricity
30 generated thereby is a byproduct of the drainage system. Such
31 electricity may be used by the district or sold to any entity
32 authorized by law to distribute electricity. Electricity is deemed a
33 byproduct when the electrical generation is subordinate to the primary
34 purpose of drainage collection, disposal, and treatment. For such
35 purposes, a district may conduct storm or surface water throughout the
36 district and throughout other political subdivisions within the
37 district, construct and lay drainage pipe and culverts along and upon
38 public highways, roads, and streets, within and without the district,
39 and condemn and purchase or acquire land and rights of way necessary

1 for such drainage systems. A district may provide or erect facilities
2 and improvements for the treatment and disposal of storm or surface
3 water within or without the district, and may acquire, by purchase or
4 condemnation, properties or privileges necessary to be had to protect
5 any lakes, rivers, or watercourses and also other areas of land from
6 pollution from storm or surface waters. For the purposes of drainage
7 facilities which include facilities that also generate electricity as
8 a byproduct, nothing in this section may be construed to authorize a
9 district to condemn electric generating, transmission, or distribution
10 rights or facilities of entities authorized by law to distribute
11 electricity, or to acquire such rights or facilities without the
12 consent of the owners;

13 (7) To construct, condemn, acquire, and own buildings and other
14 necessary district facilities;

15 (~~(7)~~) (8) To compel all property owners within the district
16 located within an area served by the district's system of sewers to
17 connect their private drain and sewer systems with the district's
18 system under such penalty as the commissioners shall prescribe by
19 resolution. The district may for such purpose enter upon private
20 property and connect the private drains or sewers with the district
21 system and the cost thereof shall be charged against the property owner
22 and shall be a lien upon property served;

23 (~~(8)~~) (9) Where a district contains within its borders, abuts, or
24 is located adjacent to any lake, stream, ground water as defined by RCW
25 90.44.035, or other waterway within the state of Washington, to provide
26 for the reduction, minimization, or elimination of pollutants from
27 those waters in accordance with the district's comprehensive plan, and
28 to issue general obligation bonds, revenue bonds, local improvement
29 district bonds, or utility local improvement bonds for the purpose of
30 paying all or any part of the cost of reducing, minimizing, or
31 eliminating the pollutants from these waters;

32 (~~(9)~~) (10) To fix rates and charges for water, sewer, and drain
33 service supplied and to charge property owners seeking to connect to
34 the district's systems, as a condition to granting the right to so
35 connect, in addition to the cost of the connection, such reasonable
36 connection charge as the board of commissioners shall determine to be
37 proper in order that those property owners shall bear their equitable
38 share of the cost of the system. For the purposes of calculating a
39 connection charge, the board of commissioners shall determine the pro

1 rata share of the cost of existing facilities and facilities planned
2 for construction within the next ten years and contained in an adopted
3 comprehensive plan and other costs borne by the district which are
4 directly attributable to the improvements required by property owners
5 seeking to connect to the system. The cost of existing facilities
6 shall not include those portions of the system which have been donated
7 or which have been paid for by grants. The connection charge may
8 include interest charges applied from the date of construction of the
9 system until the connection, or for a period not to exceed ten years,
10 whichever is shorter, at a rate commensurate with the rate of interest
11 applicable to the district at the time of construction or major
12 rehabilitation of the system, or at the time of installation of the
13 lines to which the property owner is seeking to connect. A district
14 may permit payment of the cost of connection and the reasonable
15 connection charge to be paid with interest in installments over a
16 period not exceeding fifteen years. The county treasurer may charge
17 and collect a fee of three dollars for each year for the treasurer's
18 services. Those fees shall be a charge to be included as part of each
19 annual installment, and shall be credited to the county current expense
20 fund by the county treasurer. Revenues from connection charges
21 excluding permit fees are to be considered payments in aid of
22 construction as defined by department of revenue rule. Rates or
23 charges for on-site inspection and maintenance services may not be
24 imposed under this chapter on the development, construction, or
25 reconstruction of property.

26 Before adopting on-site inspection and maintenance utility
27 services, or incorporating residences into an on-site inspection and
28 maintenance or sewer utility under this chapter, notification must be
29 provided, prior to the applicable public hearing, to all residences
30 within the proposed service area that have on-site systems permitted by
31 the local health officer. The notice must clearly state that the
32 residence is within the proposed service area and must provide
33 information on estimated rates or charges that may be imposed for the
34 service.

35 A water-sewer district shall not provide on-site sewage system
36 inspection, pumping services, or other maintenance or repair services
37 under this section using water-sewer district employees unless the on-
38 site system is connected by a publicly owned collection system to the

1 water-sewer district's sewerage system, and the on-site system
2 represents the first step in the sewage disposal process.

3 Except as otherwise provided in RCW 90.03.525, any public entity
4 and public property, including the state of Washington and state
5 property, shall be subject to rates and charges for sewer, water, storm
6 water control, drainage, and street lighting facilities to the same
7 extent private persons and private property are subject to those rates
8 and charges that are imposed by districts. In setting those rates and
9 charges, consideration may be made of in-kind services, such as stream
10 improvements or donation of property;

11 ~~((10))~~ (11) To contract with individuals, associations and
12 corporations, the state of Washington, and the United States;

13 ~~((11))~~ (12) To employ such persons as are needed to carry out the
14 district's purposes and fix salaries and any bond requirements for
15 those employees;

16 ~~((12))~~ (13) To contract for the provision of engineering, legal,
17 and other professional services as in the board of commissioner's
18 discretion is necessary in carrying out their duties;

19 ~~((13))~~ (14) To sue and be sued;

20 ~~((14))~~ (15) To loan and borrow funds and to issue bonds and
21 instruments evidencing indebtedness under chapter 57.20 RCW and other
22 applicable laws;

23 ~~((15))~~ (16) To transfer funds, real or personal property,
24 property interests, or services subject to RCW 57.08.015;

25 ~~((16))~~ (17) To levy taxes in accordance with this chapter and
26 chapters 57.04 and 57.20 RCW;

27 ~~((17))~~ (18) To provide for making local improvements and to levy
28 and collect special assessments on property benefitted thereby, and for
29 paying for the same or any portion thereof in accordance with chapter
30 57.16 RCW;

31 ~~((18))~~ (19) To establish street lighting systems under RCW
32 57.08.060;

33 ~~((19))~~ (20) To exercise such other powers as are granted to
34 water-sewer districts by this title or other applicable laws; and

35 ~~((20))~~ (21) To exercise any of the powers granted to cities and
36 counties with respect to the acquisition, construction, maintenance,
37 operation of, and fixing rates and charges for waterworks and systems
38 of sewerage and drainage.

1 **Sec. 3.** RCW 57.08.014 and 1996 c 230 s 304 are each amended to
2 read as follows:

3 In addition to the authority of a district to establish
4 classifications for rates and charges and impose such rates and
5 charges, a district may adjust or delay those rates and charges for
6 low-income persons or classes of low-income persons, including but not
7 limited to, ((~~peer~~)) low-income handicapped persons and ((~~peer~~)) low-
8 income senior citizens. Other financial assistance available to low-
9 income persons shall be considered in determining charges and rates
10 under this section. Notification of special rates or charges
11 established under this section shall be provided to all persons served
12 by the district annually and upon initiating service. Information on
13 cost shifts caused by establishment of the special rates or charges
14 shall be included in the notification. Any reduction in charges and
15 rates granted to low-income persons in one part of a service area shall
16 be uniformly extended to low-income persons in all other parts of the
17 service area.

18 **Sec. 4.** RCW 57.08.030 and 1996 c 230 s 307 are each amended to
19 read as follows:

20 (1) Whenever any district shall have installed a distributing
21 system of water mains and laterals, and as a source of supply of water
22 shall be purchasing or intending to purchase water from any city or
23 town, and whenever it appears to be advantageous to the water consumers
24 in the district that such city or town shall take over the water system
25 of the district and supply water to those water users, the
26 commissioners of the district, when authorized as provided in
27 subsection (2) of this section, shall have the right to convey the
28 distributing system to that city or town if that city or town is
29 willing to accept, maintain, and repair the same.

30 (2) Should the commissioners of the district decide that it would
31 be to the advantage of the water consumers of the district to make the
32 conveyance provided for in subsection (1) of this section, they shall
33 cause the proposition of making that conveyance to be submitted to the
34 voters of the district at any general election or at a special election
35 to be called for the purpose of voting on the same. If at the election
36 a majority of the voters voting on the proposition shall be in favor of
37 making the conveyance, the district commissioners shall have the right
38 to convey to the city or town the mains and laterals belonging to the

1 district upon the city or town entering into a contract satisfactory to
2 the commissioners to maintain and repair the same.

3 (3) Whenever a city or town located wholly or in part within a
4 district shall enter into a contract with the commissioners of a
5 district providing that the city or town shall take over all of the
6 operation of the water supply facilities of the district located within
7 its boundaries, the area of the district located within the city or
8 town shall upon the execution of the contract cease to be served by the
9 district for water service purposes. However, the affected land within
10 that city or town shall remain liable for the payment of all
11 assessments, any lien upon the property at the time of the execution of
12 the agreement, and for any lien of all general obligation bonds due at
13 the date of the contract, and the city or town shall remain liable for
14 its fair prorated share of the debt of the area for any revenue bonds,
15 outstanding as of the date of contract.

16 **Sec. 5.** RCW 57.08.044 and 1996 c 230 s 309 are each amended to
17 read as follows:

18 A district may enter into contracts with any county, city, town, or
19 any other municipal or quasi-municipal corporation, or with any private
20 person or corporation, for the acquisition, ownership, use, and
21 operation of any property, facilities, or services, within or without
22 the district, and necessary or desirable to carry out the purposes of
23 the district. A district may provide water, sewer, drainage, or street
24 lighting services to property owners in areas within or without the
25 limits of the district, except that if the area to be served is located
26 within another existing district duly authorized to exercise district
27 powers in that area, then water, sewer, drainage, or street lighting
28 service may not be so provided by contract or otherwise without the
29 consent by resolution of the board of commissioners of that other
30 district.

31 **Sec. 6.** RCW 57.08.047 and 1996 c 230 s 310 are each amended to
32 read as follows:

33 The provision of water ((or)), sewer, or drainage service beyond
34 the boundaries of a district may be subject to potential review by a
35 boundary review board under chapter 36.93 RCW.

1 **Sec. 7.** RCW 57.08.050 and 1997 c 245 s 4 are each amended to read
2 as follows:

3 (1) All work ordered, the estimated cost of which is in excess of
4 five thousand dollars shall be let by contract. All contract projects,
5 the estimated cost of which is in excess of five thousand dollars and
6 less than fifty thousand dollars, may be awarded to a contractor using
7 the small works roster process provided in RCW 39.04.155. The board of
8 commissioners may set up uniform procedures to prequalify contractors
9 for inclusion on the small works roster. All contract projects equal
10 to or in excess of fifty thousand dollars shall be let by competitive
11 bidding. Before awarding any such contract the board of commissioners
12 shall publish a notice in a newspaper of general circulation where the
13 district is located at least once thirteen days before the last date
14 upon which bids will be received, inviting sealed proposals for such
15 work, plans and specifications which must at the time of publication of
16 such notice be on file in the office of the board of commissioners
17 subject to the public inspection. The notice shall state generally the
18 work to be done and shall call for proposals for doing the same to be
19 sealed and filed with the board of commissioners on or before the day
20 and hour named therein.

21 Each bid shall be accompanied by a certified or cashier's check or
22 postal money order payable to the order of the county treasurer for a
23 sum not less than five percent of the amount of the bid, or accompanied
24 by a bid bond in an amount not less than five percent of the bid with
25 a corporate surety licensed to do business in the state, conditioned
26 that the bidder will pay the district as liquidated damages the amount
27 specified in the bond, unless the bidder enters into a contract in
28 accordance with the bidder's bid, and no bid shall be considered unless
29 accompanied by such check, cash or bid bond. At the time and place
30 named such bids shall be publicly opened and read and the board of
31 commissioners shall proceed to canvass the bids and may let such
32 contract to the lowest responsible bidder upon plans and specifications
33 on file or to the best bidder submitting the bidder's own plans and
34 specifications. However, no contract shall be let in excess of the
35 cost of the materials or work. The board of commissioners may reject
36 all bids for good cause and readvertise and in such case all checks,
37 cash or bid bonds shall be returned to the bidders. If the contract is
38 let, then all checks, cash, or bid bonds shall be returned to the
39 bidders, except that of the successful bidder, which shall be retained

1 until a contract shall be entered into for doing the work, and a bond
2 to perform such work furnished with sureties satisfactory to the board
3 of commissioners in the full amount of the contract price between the
4 bidder and the commission in accordance with the bid. If the bidder
5 fails to enter into the contract in accordance with the bid and furnish
6 the bond within ten days from the date at which the bidder is notified
7 that the bidder is the successful bidder, the check, cash, or bid bonds
8 and the amount thereof shall be forfeited to the district. If the
9 bidder fails to enter into a contract in accordance with the bidder's
10 bid, and the board of commissioners deems it necessary to take legal
11 action to collect on any bid bond required by this section, then the
12 district shall be entitled to collect from the bidder any legal
13 expenses, including reasonable attorneys' fees occasioned thereby. A
14 low bidder who claims error and fails to enter into a contract is
15 prohibited from bidding on the same project if a second or subsequent
16 call for bids is made for the project.

17 (2) Any purchase of materials, supplies, or equipment, with an
18 estimated cost in excess of ten thousand dollars, shall be by contract.
19 Any purchase of materials, supplies, or equipment, with an estimated
20 cost of from (~~five~~) ten thousand dollars to less than fifty thousand
21 dollars shall be made using the process provided in RCW (~~39.04.155~~)
22 39.04.190 or by competitive bidding following the procedure for letting
23 contracts for projects under subsection (1) of this section. Any
24 purchase of materials, supplies, or equipment with an estimated cost of
25 fifty thousand dollars or more shall be made by competitive bidding
26 following the procedure for letting contracts for projects under
27 subsection (1) of this section.

28 (3) In the event of an emergency when the public interest or
29 property of the district would suffer material injury or damage by
30 delay, upon resolution of the board of commissioners, or proclamation
31 of an official designated by the board to act for the board during such
32 emergencies, declaring the existence of such emergency and reciting the
33 facts constituting the same, the board or official acting for the board
34 may waive the requirements of this chapter with reference to any
35 purchase or contract. In addition, these requirements may be waived
36 for purchases which are clearly and legitimately limited to a single
37 source of supply and purchases involving special facilities, services,
38 or market conditions, in which instances the purchase price may be best
39 established by direct negotiation.

1 **Sec. 8.** RCW 57.08.065 and 1997 c 447 s 17 are each amended to read
2 as follows:

3 (1) A district shall have power to establish, maintain, and operate
4 a mutual water, sewerage, drainage, and street lighting system, a
5 mutual system of any two or three of the systems, or separate systems.

6 (2) Where any two or more districts include the same territory as
7 of July 1, 1997, none of the overlapping districts may provide any
8 service that was made available by any of the other districts prior to
9 July 1, 1997, within the overlapping territory without the consent by
10 resolution of the board of commissioners of the other district or
11 districts.

12 (3) A district that was a water district prior to July 1, 1997,
13 that did not operate a system of sewerage or drainage prior to July 1,
14 1997, may not proceed to exercise the powers to establish, maintain,
15 construct, and operate any system of sewerage or drainage without first
16 obtaining written approval and certification of necessity from the
17 department of ecology and department of health. Any comprehensive plan
18 for a system of sewers or drainages or addition thereto or betterment
19 thereof, proposed by a district that was a water district prior to July
20 1, 1997, shall be approved by the same county and state officials as
21 were required to approve such plans adopted by a sewer district
22 immediately prior to July 1, 1997, and as subsequently may be required.

23 **Sec. 9.** RCW 57.08.081 and 1997 c 447 s 19 are each amended to read
24 as follows:

25 The commissioners of any district shall provide for revenues by
26 fixing rates and charges for furnishing sewer and drainage service and
27 facilities to those to whom service is available or for providing
28 water, such rates and charges to be fixed as deemed necessary by the
29 commissioners, so that uniform charges will be made for the same class
30 of customer or service and facility. Rates and charges may be combined
31 for the furnishing of more than one type of sewer service or drainage
32 service and facility such as but not limited to storm or surface water
33 and sanitary sewer service.

34 In classifying customers of such water, sewer, or drainage system,
35 the board of commissioners may in its discretion consider any or all of
36 the following factors: The difference in cost to various customers;
37 the location of the various customers within and without the district;
38 the difference in cost of maintenance, operation, repair, and

1 replacement of the various parts of the system; the different character
2 of the service furnished various customers; the quantity and quality of
3 the service and facility furnished; the time of its use; the
4 achievement of water conservation goals and the discouragement of
5 wasteful practices; capital contributions made to the system including
6 but not limited to assessments; and any other matters which present a
7 reasonable difference as a ground for distinction. Rates shall be
8 established as deemed proper by the commissioners and as fixed by
9 resolution and shall produce revenues sufficient to take care of the
10 costs of maintenance and operation, revenue bond and warrant interest
11 and principal amortization requirements, and all other charges
12 necessary for efficient and proper operation of the system.

13 The commissioners shall enforce collection of connection charges,
14 and rates and charges for water supplied against property owners
15 connecting with the system or receiving such water, and for sewer and
16 drainage services charged against property to which and its owners to
17 whom the service is available, such charges being deemed charges
18 against the property served, by addition of penalties of not more than
19 ten percent thereof in case of failure to pay the charges at times
20 fixed by resolution. The commissioners may provide by resolution that
21 where either connection charges or rates and charges for services
22 supplied are delinquent for any specified period of time, the district
23 shall certify the delinquencies to the treasurer of the county in which
24 the real property is located, and the charges and any penalties added
25 thereto and interest thereon at the rate of not more than the prime
26 lending rate of the district's bank plus four percentage points per
27 year shall be a lien against the property upon which the service was
28 received, subject only to the lien for general taxes.

29 The district may, at any time after the connection charges or rates
30 and charges for services supplied or available and penalties are
31 delinquent for a period of sixty days, bring suit in foreclosure by
32 civil action in the superior court of the county in which the real
33 property is located. The court may allow, in addition to the costs and
34 disbursements provided by statute, attorneys' fees, title search and
35 report costs, and expenses as it adjudges reasonable. The action shall
36 be in rem, and may be brought in the name of the district against an
37 individual or against all of those who are delinquent in one action.
38 The laws and rules of the court shall control as in other civil
39 actions.

1 In addition to the right to foreclose provided in this section, the
2 district may also cut off all or part of the service after charges for
3 water or sewer service supplied or available are delinquent for a
4 period of sixty days.

5 **Sec. 10.** RCW 57.08.085 and 1996 c 230 s 315 are each amended to
6 read as follows:

7 Except as otherwise provided in RCW 90.03.525, any public entity
8 and public property, including state of Washington property, shall be
9 subject to rates and charges for (~~storm water control~~) drainage
10 facilities to the same extent as private persons and private property
11 are subject to such rates and charges that are imposed by districts
12 pursuant to RCW 57.08.005 or 57.08.081. In setting those rates and
13 charges, consideration may be given to in-kind services, such as stream
14 improvements or donation of property.

15 **Sec. 11.** RCW 57.08.110 and 1996 c 230 s 318 are each amended to
16 read as follows:

17 To improve the organization and operation of districts, the
18 commissioners of two or more such districts may form an association
19 thereof, for the purpose of securing and disseminating information of
20 value to the members of the association and for the purpose of
21 promoting the more economical and efficient operation of the
22 comprehensive plans of water supply (~~and~~), sewage treatment and
23 disposal, and drainage collection, treatment, and disposal in their
24 respective districts. The commissioners of districts so associated
25 shall adopt articles of association, select such officers as they may
26 determine, and employ and discharge such agents and employees as shall
27 be deemed convenient to carry out the purposes of the association.
28 District commissioners and employees are authorized to attend meetings
29 of the association. The expenses of an association may be paid from
30 the maintenance or general funds of the associated districts in such
31 manner as shall be provided in the articles of association. However,
32 the aggregate contributions made to an association by a district in any
33 calendar year shall not exceed the amount that would be raised by a
34 levy of two and one-half cents per thousand dollars of assessed value
35 against the taxable property of the district. The financial records of
36 such an association shall be subject to audit by the state auditor.

1 **Sec. 12.** RCW 57.08.180 and 1996 c 230 s 322 are each amended to
2 read as follows:

3 It is unlawful and a misdemeanor to make, or cause to be made, or
4 to maintain any connection with any sewer, drainage, or water system of
5 any district, or with any sewer, drainage, or water system which is
6 connected directly or indirectly with any sewer, drainage, or water
7 system of any district without having permission from the district.

8 **Sec. 13.** RCW 57.16.060 and 1996 c 230 s 602 are each amended to
9 read as follows:

10 Local improvement districts or utility local improvement districts
11 to carry out the whole or any portion of the general comprehensive plan
12 of improvements or plan providing for additions and betterments to an
13 original general comprehensive plan previously adopted may be initiated
14 either by resolution of the board of commissioners or by petition
15 signed by the owners according to the records of the office of the
16 applicable county auditor of at least fifty-one percent of the area of
17 the land within the limits of the improvement district to be created.

18 In case the board of commissioners desires to initiate the
19 formation of an improvement district by resolution, it first shall pass
20 a resolution declaring its intention to order the improvement, setting
21 forth the nature and territorial extent of such proposed improvement,
22 designating the number of the proposed improvement district, and
23 describing the boundaries thereof, stating the estimated cost and
24 expense of the improvement and the proportionate amount thereof which
25 will be borne by the property within the proposed improvement district,
26 and fixing a date, time, and place for a public hearing on the
27 formation of the proposed improvement district.

28 In case any such improvement district is initiated by petition, the
29 petition shall set forth the nature and territorial extent of the
30 proposed improvement requested to be ordered and the fact that the
31 signers thereof are the owners according to the records of the
32 applicable county auditor of at least fifty-one percent of the area of
33 land within the limits of the improvement district to be created. Upon
34 the filing of such petition the board shall determine whether the
35 petition is sufficient, and the board's determination thereof shall be
36 conclusive upon all persons. No person may withdraw his or her name
37 from the petition after it has been filed with the board of
38 commissioners. If the board finds the petition to be sufficient, it

1 shall proceed to adopt a resolution declaring its intention to order
2 the improvement petitioned for, setting forth the nature and
3 territorial extent of the improvement, designating the number of the
4 proposed improvement district and describing the boundaries thereof,
5 stating the estimated cost and expense of the improvement and the
6 proportionate amount thereof which will be borne by the property within
7 the proposed improvement district, and fixing a date, time, and place
8 for a public hearing on the formation of the proposed improvement
9 district.

10 Notice of the adoption of the resolution of intention, whether the
11 resolution was adopted on the initiative of the board or pursuant to a
12 petition of the property owners, shall be published in at least two
13 consecutive issues of a newspaper of general circulation in the
14 proposed improvement district, the date of the first publication to be
15 at least fifteen days prior to the date fixed by such resolution for
16 hearing before the board of commissioners. Notice of the adoption of
17 the resolution of intention shall also be given each owner or reputed
18 owner of any lot, tract, parcel of land, or other property within the
19 proposed improvement district by mailing the notice at least fifteen
20 days before the date fixed for the public hearing to the owner or
21 reputed owner of the property as shown on the tax rolls of the county
22 (~~auditor~~) treasurer of the county in which the real property is
23 located at the address shown thereon. Whenever such notices are
24 mailed, the commissioners shall maintain a list of the reputed property
25 owners, which list shall be kept on file at a location within the
26 district and shall be made available for public perusal. The notices
27 shall refer to the resolution of intention and designate the proposed
28 improvement district by number. The notices also shall set forth the
29 nature of the proposed improvement, the total estimated cost, the
30 proportion of total cost to be borne by assessments, and the date,
31 time, and place of the hearing before the board of commissioners. In
32 the case of improvements initiated by resolution, the notice also
33 shall: (1) State that all persons desiring to object to the formation
34 of the proposed district must file their written protests with the
35 secretary of the board of commissioners no later than ten days after
36 the public hearing; (2) state that if owners of at least forty percent
37 of the area of land within the proposed improvement district file
38 written protests with the secretary of the board, the power of the
39 commissioners to proceed with the creation of the proposed improvement

1 district shall be divested; (3) provide the name and address of the
2 secretary of the board; and (4) state the hours and location within the
3 district where the names of the property owners within the proposed
4 improvement district are kept available for public perusal. In the
5 case of the notice given each owner or reputed owner by mail, the
6 notice shall set forth the estimated amount of the cost and expense of
7 such improvement to be borne by the particular lot, tract, parcel of
8 land, or other property.

9 **Sec. 14.** RCW 57.16.110 and 1996 c 230 s 610 are each amended to
10 read as follows:

11 Whenever any land against which there has been levied any special
12 assessment by any district shall have been sold in part or
13 (~~subdivided~~) divided, the board of commissioners of the district
14 shall have the power to order a segregation of the assessment.

15 Any person desiring to have a special assessment against a tract of
16 land segregated to apply to smaller parts thereof shall apply to the
17 board of commissioners of the district that levied the assessment. If
18 the commissioners determine that a segregation should be made, they
19 shall by resolution order the treasurer of the county in which the real
20 property is located to make segregation on the original assessment roll
21 as directed in the resolution. The segregation shall be made as nearly
22 as possible on the same basis as the original assessment was levied,
23 and the total of the segregated parts of the assessment shall equal the
24 assessment before segregation. The resolution shall describe the
25 original tract and the amount and date of the original assessment, and
26 shall define the boundaries of the divided parts and the amount of the
27 assessment chargeable to each part. A certified copy of the resolution
28 shall be delivered to the treasurer of the county in which the real
29 property is located who shall proceed to make the segregation ordered
30 upon being tendered a fee of three dollars for each tract of land for
31 which a segregation is to be made. In addition to the charge the board
32 of commissioners may require as a condition to the order of segregation
33 that the person seeking it pay the district the reasonable engineering
34 and clerical costs incident to making the segregation.

35 **Sec. 15.** RCW 57.20.120 and 1996 c 230 s 714 are each amended to
36 read as follows:

1 A district may contract indebtedness in excess of the amount named
2 in RCW 57.20.110, but not exceeding in amount, together with existing
3 indebtedness, two and one-half percent of the value of the taxable
4 property in that district, as the term "value of the taxable property"
5 is defined in RCW 39.36.015, and impose excess property tax levies to
6 retire the indebtedness whenever (~~three-fifths of the voters voting at~~
7 ~~the election in such district assent thereto, at which election the~~
8 ~~total number of persons voting on the proposition shall constitute not~~
9 ~~less than forty percent of the total number of votes cast in the~~
10 ~~district at the last preceding general election)) a ballot proposition
11 authorizing the indebtedness and excess levies is approved as provided
12 under Article VII, section 2, and Article VIII, section 6, of the state
13 Constitution, at an election to be held in the district in the manner
14 provided by this title and RCW 39.36.050.~~

15 **Sec. 16.** RCW 57.20.140 and 1996 c 230 s 717 are each amended to
16 read as follows:

17 The treasurer (~~designated under RCW 57.20.135~~) shall create and
18 maintain a separate fund designated as the maintenance fund or general
19 fund of the district into which shall be paid all money received by the
20 treasurer from the collection of taxes other than taxes levied for the
21 payment of general obligation bonds of the district and all revenues of
22 the district other than assessments levied in local improvement
23 districts or utility local improvement districts, and no money shall be
24 disbursed therefrom except upon warrants of the county auditor issued
25 by authority of the commissioners or upon a resolution of the
26 commissioners ordering a transfer to any other fund of the district.
27 The treasurer also shall maintain such other special funds as may be
28 prescribed by the district, into which shall be placed such money as
29 the board of commissioners may by its resolution direct, and from which
30 disbursements shall be made upon proper warrants of the county auditor
31 issued against the same by authority of the board of commissioners.

32 **Sec. 17.** RCW 57.24.040 and 1996 c 230 s 904 are each amended to
33 read as follows:

34 (1) The annexation election shall be held on the date designated in
35 the notice and shall be conducted in accordance with the general
36 election laws of the state. If the original petition for annexation is
37 signed by qualified voters, then only qualified voters at the date of

1 election residing in the territory proposed to be annexed, shall be
2 permitted to vote at the election.

3 (2) If the original petition for annexation is signed by property
4 owners as provided for in this chapter, then no person shall be
5 entitled to vote at that election unless at the time of the filing of
6 the original petition he or she owned land in the district of record
7 and in addition thereto at the date of election shall be a qualified
8 voter of the county in which such district is located. It shall be the
9 duty of the county auditor, upon request of the county legislative
10 authority, to certify the names of all persons owning land in the
11 district at the date of the filing of the original petition as shown by
12 the records of the auditor's office; and at any such election the
13 county auditor may require any such property owner offering to vote to
14 take an oath that the property owner is a qualified voter of the county
15 before the property owner shall be allowed to vote. However, at any
16 election held under the provisions of this chapter an officer or agent
17 of any corporation having its principal place of business in the county
18 and owning land at the date of filing the original petition in the
19 district duly authorized in writing may cast a vote on behalf of such
20 corporation. When so voting the person shall file with the county
21 auditor such a written instrument of that person's authority.

22 (3) If the majority of the votes cast upon the question of such
23 election shall be for annexation, then the territory concerned shall
24 immediately be and become annexed to such district and the same shall
25 then forthwith be a part of the district, the same as though originally
26 included in that district.

27 **Sec. 18.** RCW 57.24.050 and 1996 c 230 s 905 are each amended to
28 read as follows:

29 All elections held pursuant to this chapter, whether general or
30 special, shall be conducted by the county ((election board)) auditor of
31 the county in which the district is located. The expense of all such
32 elections shall be paid for out of the funds of such district.

33 **Sec. 19.** RCW 57.28.050 and 1996 c 230 s 1007 are each amended to
34 read as follows:

35 The petition for withdrawal shall be heard at the time and place
36 specified in such notice or the hearing may be adjourned from time to
37 time, not exceeding one month in all, and any person may appear at such

1 hearing and make objections to the withdrawal of such territory or to
2 the proposed boundary lines thereof. Upon final hearing on the
3 petition for withdrawal, the board of commissioners of the district
4 shall make such changes in the proposed boundary lines as it deems to
5 be proper, except that no changes in the boundary lines shall be made
6 by the board of commissioners to include lands not within the
7 boundaries of the territory as described in such petition. In
8 establishing and defining such boundaries the board of commissioners
9 shall exclude any property which is then being furnished with water
10 ~~((or))~~, sewer, or drainage service by the district or which is included
11 in any distribution or collection system the construction of which is
12 included within any duly established local improvement district or
13 utility local improvement district, and the territory as finally
14 established and defined must be substantial in area and consist of
15 adjoining or contiguous properties. The board of commissioners shall
16 thereupon make and by resolution adopt findings of fact as to the
17 following questions:

18 (1) Would the withdrawal of such territory be of benefit to such
19 territory?

20 (2) Would such withdrawal be conducive to the general welfare of
21 the balance of the district?

22 Such findings shall be entered in the records of the district,
23 together with any recommendations the board of commissioners may by
24 resolution adopt.

25 **Sec. 20.** RCW 57.32.023 and 1996 c 230 s 1106 are each amended to
26 read as follows:

27 If at the election a majority of the voters in each of the
28 consolidating districts vote in favor of the consolidation, the
29 ~~((county canvassing board shall so declare in its canvass and the
30 return of such election shall be made within ten days after the date
31 thereof. Upon the return))~~ consolidation shall be authorized. The
32 consolidation shall be effective and the consolidating districts shall
33 cease to exist and shall then be and become a new district and
34 municipal corporation of the state of Washington, upon the
35 certification of the election results. The name of the new district
36 shall be ". . . . Water-Sewer District," ". . . . Water District,"
37 ". . . . Sewer District," or ". . . . District No.,"
38 which shall be the name appearing on the ballot. The district shall

1 have all and every power, right, and privilege possessed by other
2 water-sewer, sewer, or water districts of the state of Washington. The
3 district may issue revenue bonds to pay for the construction of any
4 additions and betterments set forth in the comprehensive plan of water
5 supply, sewer, and drainage services contained in the agreement for
6 consolidation and any future additions and betterments to the
7 comprehensive plan of water supply, sewer, and drainage services, as
8 its board of district commissioners shall by resolution adopt, without
9 submitting a proposition therefor to the voters of the district.

10 **Sec. 21.** RCW 57.36.040 and 1996 c 230 s 1205 are each amended to
11 read as follows:

12 If at such election a majority of the voters of the merging
13 district or districts shall vote in favor of the merger, the ((county
14 canvassing board shall so declare in its canvass and the return of such
15 election shall be made within ten days after the date thereof, and upon
16 such return)) merger shall be authorized. The merger shall be
17 effective and the merging district or districts shall cease to exist
18 and shall become a part of the merger district, upon the certification
19 of the election results. The commissioners of the merging district or
20 districts shall hold office as commissioners of the new merged district
21 until their respective terms of office expire or until they resign from
22 office if the resignation is before the expiration of their terms of
23 office. The election of commissioners in the merger district after the
24 merger shall occur as provided in RCW 57.32.130 in a consolidated
25 district after the consolidation.

26 **Sec. 22.** RCW 57.90.010 and 1996 c 230 s 1502 are each amended to
27 read as follows:

28 Water-sewer, ((~~sewer, water,~~)) park and recreation, metropolitan
29 park, county rural library, cemetery, flood control, mosquito control,
30 diking and drainage, irrigation or reclamation, weed, health, or fire
31 protection districts, and any air pollution control authority,
32 hereinafter referred to as "special districts," which are located
33 wholly or in part within a county with a population of two hundred ten
34 thousand or more may be disincorporated when the district has not
35 actively carried out any of the special purposes or functions for which
36 it was formed within the preceding consecutive five-year period.

PART II - MISCELLANEOUS CORRECTIONS

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Sec. 23. RCW 27.12.470 and 1994 c 198 s 2 are each amended to read as follows:

A rural partial-county library district may be created in a portion of the unincorporated area of a county as provided in this section if a rural county library district, intercounty rural library district, or island library district has not been created in the county.

The procedure to create a rural partial-county library district is initiated by the filing of petitions with the county auditor proposing the creation of the district that have been signed by at least ten percent of the registered voters residing in the area proposed to be included in the rural partial-county library district. The county auditor shall review the petitions and certify the sufficiency or insufficiency of the signatures to the county legislative authority.

If the petitions are certified as having sufficient valid signatures, the county legislative authority shall hold a public hearing on the proposed rural partial-county library district, may adjust the boundaries of the proposed district, and may cause a ballot proposition to be submitted to the voters of the proposed rural partial-county library district authorizing its creation if the county legislative authority finds that the creation of the rural partial-county library district is in the public interest. A subsequent public hearing shall be held if additional territory is added to the proposed rural partial-county library district by action of the county legislative authority.

The rural partial-county library district shall be created if the ballot proposition authorizing the creation of the district is approved by a simple majority vote of the voters voting on the proposition. Immediately after creation of the rural partial-county library district the county legislative authority shall appoint a board of library trustees for the district as provided under RCW 27.12.190.

Except as provided in this section, a rural partial-county library district is subject to all the provisions of law applicable to a rural county library district and shall have all the powers, duties, and authorities of a rural county library district, including, but not limited to, the authority to impose property taxes, incur debt, and annex a city or town with a population of less than one hundred

1 thousand at the time of the annexation that is located in the same
2 county as the rural partial-county library district.

3 Adjacent unincorporated territory in the county may be annexed to
4 a rural partial-county library district in the same manner as territory
5 is annexed to a water-sewer district, except that an annexation is not
6 subject to potential review by a boundary review board.

7 If, at the time of creation, a rural partial-county library
8 district has an assessed valuation of less than fifty million dollars,
9 it may provide library services only by contracting for the services
10 through an interlocal agreement with an adjacent library district, or
11 an adjacent city or town that maintains its own library. If the
12 assessed valuation of the rural partial-county library district
13 subsequently reaches fifty million dollars as a result of annexation or
14 appreciation, the fifty million dollar limitation shall not apply.

15 If a ballot proposition is approved creating a rural county library
16 district in the county, every rural partial-county library district in
17 that county shall be dissolved and its assets and liabilities
18 transferred to the rural county library district. Where a rural
19 partial-county library district has annexed a city or town, the voters
20 of the city or town shall be allowed to vote on the proposed creation
21 of a rural county library district and, if created, the rural county
22 library district shall include each city and town that was annexed to
23 the rural partial-county library district.

24 Nothing in this section authorizes the consolidation of a rural
25 partial-county library district with any rural county library district;
26 island library district; city, county, or regional library; intercounty
27 library district; or other rural partial-county library district,
28 unless, in addition to any other requirements imposed by statute, the
29 boards of all library districts involved approve the consolidation.

30 **Sec. 24.** RCW 32.20.070 and 1955 c 13 s 32.20.070 are each amended
31 to read as follows:

32 A mutual savings bank may invest its funds in the valid warrants or
33 bonds of any county, city, town, school district, port district, water-
34 sewer district, or other municipal corporation in the state of
35 Washington issued pursuant to law and for the payment of which the
36 faith and credit of such county, municipality, or district is pledged
37 and taxes are leviable upon all taxable property within its limits.

1 A mutual savings bank may invest its funds in the water revenue,
2 sewer revenue, or electric revenue bonds of any city or public utility
3 district of this state for the payment of which the entire revenue of
4 the city's or district's water system, sewer system, or electric
5 system, less maintenance and operating costs, is irrevocably pledged.

6 **Sec. 25.** RCW 32.20.110 and 1955 c 13 s 32.20.110 are each amended
7 to read as follows:

8 A mutual savings bank may invest its funds in the bonds of any port
9 district, (~~water district,~~) sanitary district, water-sewer district,
10 tunnel district, bridge district, flood control district, park
11 district, or highway district in the United States which has a
12 population as shown by the last decennial federal census of not less
13 than one hundred fifty thousand inhabitants, and has taxable real
14 property with an assessed valuation in excess of two hundred million
15 dollars and has power to levy taxes on the taxable real property
16 therein for the payment of the bonds without limitation of rate or
17 amount.

18 **Sec. 26.** RCW 35.13A.010 and 1971 ex.s. c 95 s 1 are each amended
19 to read as follows:

20 Whenever used in this chapter, the following words shall have the
21 following meanings:

22 (1) The word "district" shall mean a water-sewer district (~~or~~
23 ~~sewer district as indicated by the context of the section in which~~
24 ~~used~~)).

25 (2) The word "city" shall mean a city or town of any class and
26 shall also include any code city as defined in chapter 35A.01 RCW.

27 (3) The words "included with" shall mean the inclusion of all or
28 part of the territory of a district, as indicated by the context,
29 within the corporate limits of a city either by incorporation of a
30 city, annexation to a city, consolidation of cities or any combination
31 thereof.

32 (4) The word "indebtedness" shall include general obligation,
33 revenue, and special indebtedness and temporary, emergency, and interim
34 loans.

35 **Sec. 27.** RCW 35.13A.020 and 1971 ex.s. c 95 s 2 are each amended
36 to read as follows:

1 Whenever all of the territory of a (~~water district or sewer~~)
2 district is included within the corporate boundaries of a city, and the
3 city legislative body has elected by resolution or ordinance to assume
4 jurisdiction thereof, all real and personal property, franchises,
5 rights, assets, taxes levied but not collected for the district for
6 other than indebtedness, water and sewer lines, and all other
7 facilities and equipment of the district shall become the property of
8 such city subject to all financial, statutory, or contractual
9 obligations of the district for the security or performance of which
10 such property may have been pledged. Such city, in addition to its
11 other powers, shall have the power to manage, control, maintain and
12 operate such property, facilities and equipment and to fix and collect
13 service and other charges from owners and occupants of properties so
14 served by the city, subject, however, to any outstanding indebtedness,
15 bonded or otherwise, of the district payable from taxes, assessments or
16 revenues of any kind or nature and to any other contractual obligations
17 of the district.

18 Such city may by resolution of its legislative body, assume the
19 obligation of paying such district indebtedness and of levying and of
20 collecting or causing to be collected such district taxes, assessments
21 and utility rates and charges of any kind or nature to pay and secure
22 the payment of such indebtedness, according to all of the terms,
23 conditions and covenants incident to such indebtedness, and shall
24 assume and perform all other outstanding contractual obligation of the
25 district in accordance with all of its terms, conditions and covenants.
26 No such assumption shall be deemed to impair the obligation of any
27 indebtedness or other contractual obligation entered into after August
28 9, 1971. During the period until the outstanding indebtedness of the
29 district has been discharged, the territory of the district and the
30 owners and occupants of property therein, shall continue to be liable
31 for its and their proportionate share of such indebtedness, including
32 any outstanding assessments levied within any local improvement
33 district or utility local improvement district thereof. The city shall
34 assume the obligation of causing the payment of such indebtedness,
35 collecting such taxes, assessments and charges and observing and
36 performing the other district contractual obligations. The legislative
37 body of the city shall act as the officers of the district for the
38 purpose of certifying the amount of any property tax to be levied and
39 collected therein, and causing service and other charges and

1 assessments to be collected from such property or owners or occupants
2 thereof, enforcing such collection and performing all other acts
3 necessary to insure performance of the district's contractual
4 obligations in the same manner and by the same means as if the
5 territory of the district had not been included within the boundaries
6 of a city.

7 When a city assumes the obligation of paying the outstanding
8 indebtedness, and if property taxes or assessments have been levied and
9 service and other charges have accrued for such purpose but have not
10 been collected by the district prior to such election, the same when
11 collected shall belong and be paid to the city and be used by such city
12 so far as necessary for payment of the indebtedness of the district
13 existing and unpaid on the date such city elects to assume the
14 indebtedness. Any funds received by the city which have been collected
15 for the purpose of paying any bonded or other indebtedness of the
16 district, shall be used for the purpose for which they were collected
17 and for no other purpose. Any outstanding indebtedness shall be paid
18 as provided in the bond covenants. All funds of the district on
19 deposit with the county treasurer at the time of title transfer shall
20 be used by the city solely for the benefit of the utility and shall not
21 be transferred to or used for the benefit of the city's general fund.

22 **Sec. 28.** RCW 35.13A.030 and 1971 ex.s. c 95 s 3 are each amended
23 to read as follows:

24 Whenever a portion of a ((~~water district or sewer~~)) district equal
25 to at least sixty percent of the area or sixty percent of the assessed
26 valuation of the real property lying within such district, is included
27 within the corporate boundaries of a city, the city may assume by
28 ordinance the full and complete management and control of that portion
29 of the entire district not included within another city, whereupon the
30 provisions of RCW 35.13A.020 shall be operative; or the city may
31 proceed directly under the provisions of RCW 35.13A.050.

32 **Sec. 29.** RCW 35.13A.040 and 1971 ex.s. c 95 s 4 are each amended
33 to read as follows:

34 Whenever the portion of a ((~~water or sewer~~)) district included
35 within the corporate boundaries of a city is less than sixty percent of
36 the area of the district and less than sixty percent of the assessed

1 valuation of the real property within the district, the city may elect
2 to proceed under the provisions of RCW 35.13A.050.

3 **Sec. 30.** RCW 35.13A.060 and 1971 ex.s. c 95 s 6 are each amended
4 to read as follows:

5 Whenever more than one city, in whole or in part, is included
6 within a (~~water district or sewer~~) district, the city which has
7 within its boundaries sixty percent or more of the area of the assessed
8 valuation of the district (in this section referred to as the
9 "principal city") may, with the approval of any other city containing
10 part of such district, assume responsibility for operation and
11 maintenance of the district's property, facilities and equipment within
12 such other city and make and enforce such charges for operation,
13 maintenance and retirement of indebtedness as may be reasonable under
14 all the circumstances.

15 Any other city having less than sixty percent in area or assessed
16 valuation of such district, within its boundaries may install
17 facilities and create local improvement districts or otherwise finance
18 the cost of installation of such facilities and if such facilities have
19 been installed in accordance with reasonable standards fixed by the
20 principal city, such other city may connect such facilities to the
21 utility system of such district operated by the principal city upon
22 providing for payment by the owners or occupants of properties served
23 thereby, of such charges established by the principal city as may be
24 reasonable under the circumstances.

25 **Sec. 31.** RCW 35.13A.090 and 1971 ex.s. c 95 s 9 are each amended
26 to read as follows:

27 Whenever a city acquires all of the facilities of a (~~water
28 district or sewer~~) district, pursuant to this chapter, such a city
29 shall offer to employ every full time employee of the district who is
30 engaged in the operation of such a district's facilities on the date on
31 which such city acquires the district facilities. When a city acquires
32 any portion of the facilities of such a district, such a city shall
33 offer to employ full time employees of the district as of the date of
34 the acquisition of the facilities of the district who are not longer
35 needed by the district.

36 Whenever a city employs a person who was employed immediately prior
37 thereto by the district, arrangements shall be made:

1 (1) (~~For the retention of service credits under the pension plan~~
2 ~~of the district pursuant to RCW 41.04.070 through 41.04.110.~~

3 ~~(2))~~) For the retention of all sick leave standing to the
4 employee's credit in the plan of such district.

5 (~~(3))~~) (2) For a vacation with pay during the first year of
6 employment equivalent to that to which he would have been entitled if
7 he had remained in the employment of the district.

8 **Sec. 32.** RCW 35.58.210 and 1974 ex.s. c 70 s 7 are each amended to
9 read as follows:

10 If a metropolitan municipal corporation shall be authorized to
11 perform the function of metropolitan water pollution abatement, the
12 metropolitan council shall, prior to the effective date of the
13 assumption of such function, cause a metropolitan water pollution
14 abatement advisory committee to be formed by notifying the legislative
15 body of each component city and county which operates a sewer system to
16 appoint one person to serve on such advisory committee and the board of
17 commissioners of each water-sewer district (~~(and water district)~~) which
18 operates a sewer system, any portion of which lies within the
19 metropolitan area, to appoint one person to serve on such committee who
20 shall be a commissioner of such a water-sewer (~~(or water)~~) district.
21 The metropolitan water pollution abatement advisory committee shall
22 meet at the time and place provided in the notice and elect a chairman.
23 The members of such committee shall serve at the pleasure of the
24 appointing bodies and shall receive no compensation other than
25 reimbursement for expenses actually incurred in the performance of
26 their duties. The function of such advisory committee shall be to
27 advise the metropolitan council in matters relating to the performance
28 of the water pollution (~~(abatement)~~) abatement function.

29 **Sec. 33.** RCW 35.58.220 and 1965 c 7 s 35.58.220 are each amended
30 to read as follows:

31 If a metropolitan municipal corporation shall be authorized to
32 perform the function of metropolitan water supply, it shall have the
33 following powers in addition to the general powers granted by this
34 chapter:

35 (1) To prepare a comprehensive plan for the development of sources
36 of water supply, trunk supply mains and water treatment and storage
37 facilities for the metropolitan area.

1 (2) To acquire by purchase, condemnation, gift or grant and to
2 lease, construct, add to, improve, replace, repair, maintain, operate
3 and regulate the use of metropolitan facilities for water supply within
4 or without the metropolitan area, including buildings, structures,
5 water sheds, wells, springs, dams, settling basins, intakes, treatment
6 plants, trunk supply mains and pumping stations, together with all
7 lands, property, equipment and accessories necessary to enable the
8 metropolitan municipal corporation to obtain and develop sources of
9 water supply, treat and store water and deliver water through trunk
10 supply mains. Water supply facilities which are owned by a city or
11 special district may be acquired or used by the metropolitan municipal
12 corporation only with the consent of the legislative body of the city
13 or special district owning such facilities. Cities and special
14 districts are hereby authorized to convey or lease such facilities to
15 metropolitan municipal corporations or to contract for their joint use
16 on such terms as may be fixed by agreement between the legislative body
17 of such city or special district and the metropolitan council, without
18 submitting the matter to the voters of such city or special district.

19 (3) To fix rates and charges for water supplied by the metropolitan
20 municipal corporation.

21 (4) To acquire by purchase, condemnation, gift or grant and to
22 lease, construct, add to, improve, replace, repair, maintain, operate
23 and regulate the use of facilities for the local distribution of water
24 in portions of the metropolitan area not contained within any city, or
25 water-sewer district that operates a water system, and, with the
26 consent of the legislative body of any city or the water-sewer
27 district, to exercise such powers within such city or water-sewer
28 district and for such purpose to have all the powers conferred by law
29 upon such city or water-sewer district with respect to such local
30 distribution facilities. All costs of such local distribution
31 facilities shall be paid for by the area served thereby.

32 **Sec. 34.** RCW 35.58.230 and 1993 c 240 s 5 are each amended to read
33 as follows:

34 If a metropolitan municipal corporation shall be authorized to
35 perform the function of metropolitan water supply, the metropolitan
36 council shall, prior to the effective date of the assumption of such
37 function, cause a metropolitan water advisory committee to be formed by
38 notifying the legislative body of each component city which operates a

1 water system to appoint one person to serve on such advisory committee
2 and the board of commissioners of each water-sewer district that
3 operates a water system, any portion of which lies within the
4 metropolitan area, to appoint one person to serve on such committee who
5 shall be a water-sewer district commissioner. The metropolitan water
6 advisory committee shall meet at the time and place provided in the
7 notice and elect a chairman. The members of such committee shall serve
8 at the pleasure of the appointing bodies and shall receive no
9 compensation other than reimbursement for expenses actually incurred in
10 the performance of their duties. The function of such advisory
11 committee shall be to advise the metropolitan council with respect to
12 matters relating to the performance of the water supply function.

13 The requirement to create a metropolitan water advisory committee
14 shall not apply to a county that has assumed the rights, powers,
15 functions, and obligations of the metropolitan municipal corporation
16 under chapter 36.56 RCW.

17 **Sec. 35.** RCW 35.58.410 and 1993 c 240 s 11 are each amended to
18 read as follows:

19 (1) On or before the third Monday in June of each year, each
20 metropolitan municipal corporation shall adopt a budget for the
21 following calendar year. Such budget shall include a separate section
22 for each authorized metropolitan function. Expenditures shall be
23 segregated as to operation and maintenance expenses and capital and
24 betterment outlays. Administrative and other expense general to the
25 corporation shall be allocated between the authorized metropolitan
26 functions. The budget shall contain an estimate of all revenues to be
27 collected during the following budget year, including any surplus funds
28 remaining unexpended from the preceding year. The metropolitan council
29 shall not be required to confine capital or betterment expenditures
30 made from bond proceeds or emergency expenditures to items provided in
31 the budget. The affirmative vote of three-fourths of all members of
32 the metropolitan council shall be required to authorize emergency
33 expenditures.

34 (2) Subsection (1) of this section shall not apply to a county that
35 has assumed the rights, powers, functions, and obligations of a
36 metropolitan municipal corporation under chapter 36.56 RCW. This
37 subsection (2) shall apply only to each county that has assumed the

1 rights, powers, functions, and obligations of a metropolitan municipal
2 corporation under chapter 36.56 RCW.

3 Each county that has assumed the rights, powers, functions, and
4 obligations of a metropolitan municipal corporation under chapter 36.56
5 RCW shall, on or before the third Monday in June of each year, prepare
6 an estimate of all revenues to be collected during the following
7 calendar year, including any surplus funds remaining unexpended from
8 the preceding year for each authorized metropolitan function.

9 By June 30 of each year, the county shall adopt the rate for sewage
10 disposal that will be charged to component cities and water-sewer
11 districts during the following budget year.

12 As long as any general obligation indebtedness remains outstanding
13 that was issued by the metropolitan municipal corporation prior to the
14 assumption by the county, the county shall continue to impose the taxes
15 authorized by RCW 82.14.045 and 35.58.273(5) at the maximum rates and
16 on all of the taxable events authorized by law. If, despite the
17 continued imposition of those taxes, the estimate of revenues made on
18 or before the third Monday in June shows that estimated revenues will
19 be insufficient to make all debt service payments falling due in the
20 following calendar year on all general obligation indebtedness issued
21 by the metropolitan municipal corporation prior to the assumption by
22 the county of the rights, powers, functions, and obligations of the
23 metropolitan municipal corporation, the remaining amount required to
24 make the debt service payments shall be designated as "supplemental
25 income" and shall be obtained from component cities and component
26 counties as provided under RCW 35.58.420.

27 The county shall prepare and adopt a budget each year in accordance
28 with applicable general law or county charter. If supplemental income
29 has been designated under this subsection, the supplemental income
30 shall be reflected in the budget that is adopted. If during the budget
31 year the actual tax revenues from the taxes imposed under the authority
32 of RCW 82.14.045 and 35.58.273(5) exceed the estimates upon which the
33 supplemental income was based, the difference shall be refunded to the
34 component cities and component counties in proportion to their payments
35 promptly after the end of the budget year. A county that has assumed
36 the rights, powers, functions, and obligations of a metropolitan
37 municipal corporation under chapter 36.56 RCW shall not be required to
38 confine capital or betterment expenditures for authorized metropolitan

1 functions from bond proceeds or emergency expenditures to items
2 provided in the budget.

3 **Sec. 36.** RCW 35.67.300 and 1965 c 7 s 35.67.300 are each amended
4 to read as follows:

5 Any city, town, or organized and established water-sewer district
6 owning or operating its own sewer system, whenever topographic
7 conditions shall make it feasible and whenever such existing sewer
8 system shall be adequate therefor in view of the sewerage and drainage
9 requirements of the property in such city, town, or water-sewer
10 district, served or to be served by such system, may contract with any
11 other city, town, or organized and established water-sewer district for
12 the discharge into its sewer system of sewage from all or any part or
13 parts of such other city, town, or water-sewer district upon such terms
14 and conditions and for such periods of time as may be deemed
15 reasonable.

16 Any city, town, or organized and established water-sewer district
17 may contract with any other city, town, or organized and established
18 water-sewer district for the construction and/or operation of any sewer
19 or sewage disposal facilities for the joint use and benefit of the
20 contracting parties upon such terms and conditions and for such period
21 of time as the governing bodies of the contracting parties may
22 determine. Any such contract may provide that the responsibility for
23 the management of the construction and/or maintenance and operation of
24 any sewer disposal facilities or part thereof covered by such contract
25 shall be vested solely in one of the contracting parties, with the
26 other party or parties thereto paying to the managing party such
27 portion of the expenses thereof as shall be agreed upon.

28 **Sec. 37.** RCW 35.91.020 and 1981 c 313 s 11 are each amended to
29 read as follows:

30 The governing body of any city, town, county, water-sewer district,
31 (~~(water district,)~~) or drainage district, hereinafter referred to as a
32 "municipality" may contract with owners of real estate for the
33 construction of storm, sanitary, or combination sewers, pumping
34 stations, and disposal plants, water mains, hydrants, reservoirs, or
35 appurtenances, hereinafter called "water or sewer facilities," within
36 their boundaries or (except for counties) within ten miles from their
37 corporate limits connecting with the public water or sewerage system to

1 serve the area in which the real estate of such owners is located, and
2 to provide for a period of not to exceed fifteen years for the
3 reimbursement of such owners and their assigns by any owner of real
4 estate who did not contribute to the original cost of such water or
5 sewer facilities and who subsequently tap onto or use the same of a
6 fair pro rata share of the cost of the construction of said water or
7 sewer facilities, including not only those directly connected thereto,
8 but also users connected to laterals or branches connecting thereto,
9 subject to such reasonable rules and regulations as the governing body
10 of such municipality may provide or contract, and notwithstanding the
11 provisions of any other law. To the extent it may require in the
12 performance of such contract, such municipality may install said water
13 or sewer facilities in and along the county streets in the area to be
14 served as hereinabove provided, subject to such reasonable requirements
15 as to the manner of occupancy of such streets as the county may by
16 resolution provide. The provisions of such contract shall not be
17 effective as to any owner of real estate not a party thereto unless
18 such contract has been recorded in the office of the county auditor of
19 the county in which the real estate of such owner is located prior to
20 the time such owner taps into or connects to said water or sewer
21 facilities. ((The power of the governing body of such municipality to
22 so contract also applies to water or sewer facilities in process of
23 construction on June 10, 1959, or which have not been finally approved
24 or accepted for full maintenance and operation by such municipality
25 upon June 10, 1959.))

26 **Sec. 38.** RCW 35.92.012 and 1965 c 7 s 35.92.012 are each amended
27 to read as follows:

28 A city or town, whose boundaries are identical with those of a
29 water-sewer district, or within which a water-sewer district is
30 entirely located, which is free from all debts and liabilities except
31 contractual obligations between the district and the town, may accept
32 the property and assets of the ((water)) district and operate such
33 property and assets as a municipal waterworks, if the district and the
34 city or town each participate in a summary dissolution proceedings for
35 the district as provided in RCW 57.04.110.

36 **Sec. 39.** RCW 35.92.170 and 1965 c 7 s 35.92.170 are each amended
37 to read as follows:

1 When a city or town owns or operates a municipal waterworks system
2 and desires to extend such utility beyond its corporate limits it may
3 acquire, construct and maintain any addition to or extension of the
4 system, and dispose of and distribute water to any other municipality,
5 water-sewer district, community, or person desiring to purchase it.

6 **Sec. 40.** RCW 35.97.010 and 1987 c 522 s 4 are each amended to read
7 as follows:

8 Unless the context clearly requires otherwise, the definitions in
9 this section apply throughout this chapter.

10 (1) "Biomass energy system" means a system that provides for the
11 production or collection of organic materials such as wood and
12 agricultural residues and municipal solid waste that are primarily
13 organic materials and the conversion or use of that material for the
14 production of heat or substitute fuels through several processes
15 including, but not limited to, burning, pyrolysis, or anaerobic
16 digestion.

17 (2) "Cogeneration" means the sequential generation of two or more
18 forms of energy from a common fuel or energy source.

19 (3) "Cogeneration facility" means any machinery, equipment,
20 structure, process, or property or any part thereof, installed or
21 acquired for the primary purpose of cogeneration by a person or
22 corporation.

23 (4) "Geothermal heat" means the natural thermal energy of the
24 earth.

25 (5) "Waste heat" means the thermal energy which otherwise would be
26 released to the environment from an industrial process, electric
27 generation, or other process.

28 (6) "Heat" means thermal energy.

29 (7) "Heat source" includes but is not limited to (a) any integral
30 part of a heat production or heat rejection system of an industrial
31 facility, cogeneration facility, or electric power generation facility,
32 (b) geothermal well or spring, (c) biomass energy system, (d) solar
33 collection facility, and (e) hydrothermal resource or heat extraction
34 process.

35 (8) "Municipality" means a county, city, town, irrigation district
36 which distributes electricity, water-sewer district, ((water
37 district)) port district, or metropolitan municipal corporation.

1 (9) "Heating facilities or heating systems" means all real and
2 personal property, or interests therein, necessary or useful for: (a)
3 The acquisition, production, or extraction of heat; (b) the storage of
4 heat; (c) the distribution of heat from its source to the place of
5 utilization; (d) the extraction of heat at the place of utilization
6 from the medium by which the heat is distributed; (e) the distribution
7 of heat at the place of utilization; and (f) the conservation of heat.

8 (10) "Hydrothermal resource" means the thermal energy available in
9 wastewater, sewage effluent, wells, or other water sources, natural or
10 manmade.

11 **Sec. 41.** RCW 35.97.050 and 1996 c 230 s 1603 are each amended to
12 read as follows:

13 If the legislative authority of a municipality deems it advisable
14 that the municipality purchase, acquire, or construct a heating system,
15 or make any additions or extensions to a heating system, the
16 legislative authority shall so provide by an ordinance or a resolution
17 specifying and adopting the system or plan proposed, declaring the
18 estimated cost thereof, as near as may be, and specifying the method of
19 financing and source of funds. Any construction, alteration, or
20 improvement of a heating system by any (~~county, city, town, irrigation~~
21 ~~district, water-sewer district, or port district~~) municipality shall
22 be in compliance with the appropriate competitive bidding requirements
23 in Titles 35, 36, 53, 57, or 87 RCW.

24 **Sec. 42.** RCW 36.16.138 and 1975 c 16 s 1 are each amended to read
25 as follows:

26 Any board of commissioners, council, or board of directors or other
27 governing board of any county, city, town, school district, port
28 district, public utility district, water-sewer district, (~~water~~
29 ~~district,~~) irrigation district, or other municipal corporation or
30 political subdivision is authorized to purchase insurance to protect
31 and hold personally harmless any of its commissioners, council members,
32 directors, or other governing board members, and any of its other
33 officers, employees, and agents from any action, claim, or proceeding
34 instituted against the foregoing individuals arising out of the
35 performance, purported performance, or failure of performance, in good
36 faith of duties for, or employment with, such institutions and to hold
37 these individuals harmless from any expenses connected with the

1 defense, settlement, or monetary judgments from such actions, claims,
2 or proceedings. The purchase of such insurance for any of the
3 foregoing individuals and the policy limits shall be discretionary with
4 the municipal corporation or political subdivision, and such insurance
5 shall not be considered to be compensation for these individuals.

6 The provisions of this section are cumulative and in addition to
7 any other provision of law authorizing any municipal corporation or
8 political subdivision to purchase liability insurance.

9 **Sec. 43.** RCW 36.93.020 and 1979 ex.s. c 30 s 5 are each amended to
10 read as follows:

11 As used herein:

12 (1) "Governmental unit" means any incorporated city or town,
13 metropolitan municipal corporation, or any special purpose district as
14 defined in this section.

15 (2) "Special purpose district" means any water-sewer district,
16 (~~water district,~~) fire protection district, drainage improvement
17 district, drainage and diking improvement district, flood control zone
18 district, irrigation district, metropolitan park district, drainage
19 district, or public utility district engaged in water distribution.

20 (3) "Board" means a boundary review board created by or pursuant to
21 this chapter.

22 **Sec. 44.** RCW 36.93.093 and 1971 ex.s. c 127 s 2 are each amended
23 to read as follows:

24 Whenever a (~~sewer or~~) water-sewer district files with the board
25 a notice of intention as required by RCW 36.93.090, the board shall
26 send a copy of such notice of intention to the legislative authority of
27 the county wherein such action is proposed to be taken and one copy to
28 the state department of ecology.

29 **Sec. 45.** RCW 36.93.105 and 1989 c 84 s 4 are each amended to read
30 as follows:

31 The following actions shall not be subject to potential review by
32 a boundary review board:

33 (1) Annexations of territory to a water (~~or~~) sewer district
34 pursuant to RCW 36.94.410 through 36.94.440;

35 (2) Revisions of city or town boundaries pursuant to RCW 35.21.790
36 or 35A.21.210;

1 (3) Adjustments to city or town boundaries pursuant to RCW
2 35.13.340; and

3 (4) Adjustments to city and town boundaries pursuant to RCW
4 35.13.300 through 35.13.330.

5 **Sec. 46.** RCW 36.93.185 and 1989 c 308 s 13 are each amended to
6 read as follows:

7 The proposal by a (~~water district or~~) water-sewer district to
8 annex territory that is not adjacent to the district shall not be
9 deemed to be violative of the objectives of a boundary review board
10 solely due to the fact that the territory is not adjacent to the
11 (~~water district or~~) water-sewer district. The proposed consolidation
12 or merger of two or more (~~water districts or two or more~~) water-sewer
13 districts that are not adjacent to each other shall not be deemed to be
14 violative of the objectives of a boundary review board solely due to
15 the fact that the districts are not adjacent.

16 **Sec. 47.** RCW 36.94.220 and 1981 c 313 s 3 are each amended to read
17 as follows:

18 (1) A county shall have the power to establish utility local
19 improvement districts and local improvement districts within the area
20 of a sewerage and/or water general plan and to levy special assessments
21 under a mode of annual installments extending over a period not
22 exceeding twenty years on all property specially benefited by any local
23 improvement on the basis of the special benefits to pay in whole or in
24 part the damages or costs of any improvements ordered in such county.

25 (2) Utility local improvement districts and local improvement
26 districts may include territory within a city or town only with the
27 written consent of the city or town, but if the local district is
28 formed before such area is included within the city or town, no such
29 consent shall be necessary. Utility local improvement districts and
30 local improvement districts used to provide sewerage disposal systems
31 may include territory within a (~~sewer district or within a~~) water-
32 sewer district providing sewerage disposal systems only with the
33 written consent of (~~the sewer district or~~) such a water-sewer
34 district, but if the local district is formed before such area is
35 included within (~~the sewer district or~~) such a water-sewer district,
36 no consent is necessary. Utility local improvement districts and local
37 improvement districts used to provide water systems may include

1 territory within (~~a water district or within~~) a water-sewer district
2 providing water systems only with the written consent of (~~the water~~
3 ~~district or~~) such a water-sewer district, but if the local district is
4 formed before such area is included within (~~the water district or~~)
5 such a water-sewer district, no consent is necessary.

6 (3) The levying, collection, and enforcement of all public
7 assessments hereby authorized shall be in the manner now and hereafter
8 provided by law for the levying, collection, and enforcement of local
9 improvement assessments by cities and towns, insofar as the same shall
10 not be inconsistent with the provisions of this chapter. In addition,
11 the county shall file the preliminary assessment roll at the time and
12 in the manner prescribed in RCW 35.50.005. The duties devolving upon
13 the city or town treasurer under such laws are imposed upon the county
14 treasurer for the purposes of this chapter. The mode of assessment
15 shall be in the manner to be determined by the county legislative
16 authority by ordinance or resolution. As an alternative to equal
17 annual assessment installments of principal provided for cities and
18 towns, a county legislative authority may provide for the payment of
19 such assessments in equal annual installments of principal and
20 interest. Assessments in any local district may be made on the basis
21 of special benefits up to but not in excess of the total cost of any
22 sewerage and/or water improvement made with respect to that local
23 district and the share of any general sewerage and/or water facilities
24 allocable to that district. In utility local improvement districts,
25 assessments shall be deposited into the revenue bond fund or general
26 obligation bond fund established for the payment of bonds issued to pay
27 such costs which bond payments are secured in part by the pledge of
28 assessments, except pending the issuance and sale of such bonds,
29 assessments may be deposited in a fund for the payment of such costs.
30 In local improvement districts, assessments shall be deposited into a
31 fund for the payment of such costs and local improvement bonds issued
32 to finance the same or into the local improvement guaranty fund as
33 provided by applicable statute.

34 **Sec. 48.** RCW 36.94.430 and 1984 c 147 s 3 are each amended to read
35 as follows:

36 The provisions of RCW 36.94.410 and 36.94.420 provide an
37 alternative method of accomplishing the transfer permitted by those

1 sections and do not impose additional conditions upon the exercise of
2 powers vested in water ((and))_ sewer districts and counties.

3 **Sec. 49.** RCW 36.96.010 and 1979 ex.s. c 5 s 1 are each amended to
4 read as follows:

5 As used in this chapter, unless the context requires otherwise:

6 (1) "Special purpose district" means every municipal and quasi-
7 municipal corporation other than counties, cities, and towns. Such
8 special purpose districts shall include, but are not limited to, water_
9 sewer districts, fire protection districts, port districts, public
10 utility districts, county park and recreation service areas, flood
11 control zone districts, diking districts, drainage improvement
12 districts, and solid waste collection districts, but shall not include
13 industrial development districts created by port districts, and shall
14 not include local improvement districts, utility local improvement
15 districts, and road improvement districts;

16 (2) "Governing authority" means the commission, council, or other
17 body which directs the affairs of a special purpose district;

18 (3) "Inactive" means that a special purpose district, other than a
19 public utility district, is characterized by either of the following
20 criteria:

21 (a) Has not carried out any of the special purposes or functions
22 for which it was formed within the preceding consecutive five-year
23 period; or

24 (b) No election has been held for the purpose of electing a member
25 of the governing body within the preceding consecutive seven-year
26 period or, in those instances where members of the governing body are
27 appointed and not elected, where no member of the governing body has
28 been appointed within the preceding seven-year period.

29 A public utility district is inactive when it is characterized by both
30 criteria (a) and (b) of this subsection.

31 **Sec. 50.** RCW 36.94.410 and 1984 c 147 s 1 are each amended to read
32 as follows:

33 A system of sewerage, system of water or combined water and
34 sewerage systems operated by a county under the authority of this
35 chapter may be transferred from that county to a water ((or))_ sewer
36 district in the same manner as is provided for the transfer of those

1 functions from a water ~~((or))~~ sewer district to a county in RCW
2 36.94.310 through 36.94.340.

3 **Sec. 51.** RCW 36.94.420 and 1996 c 230 s 1609 are each amended to
4 read as follows:

5 If so provided in the transfer agreement, the area served by the
6 system shall, upon completion of the transfer, be deemed annexed to and
7 become a part of the water-sewer district acquiring the system. The
8 county shall provide notice of the hearing by the county legislative
9 authority on the ordinance executing the transfer agreement under RCW
10 36.94.330 as follows: (1) By mailed notice to all ratepayers served by
11 the system at least fifteen days prior to the hearing; and (2) by
12 notice in a newspaper of general circulation once at least fifteen days
13 prior to the hearing.

14 In the event of an annexation under this section resulting from the
15 transfer of a system of sewerage, a system of water, or combined water
16 and sewer systems from a county to a water-sewer district ~~((governed by
17 Title 57 RCW))~~, the water-sewer district shall ~~((have all the powers of
18 a water sewer district provided by chapter 57.36 RCW, as if a water-
19 sewer district had been merged into a water sewer district))~~ operate
20 the system or systems under the provisions of Title 57 RCW.

21 **Sec. 52.** RCW 39.69.010 and 1987 c 19 s 1 are each amended to read
22 as follows:

23 As used in this chapter, "municipal corporation" includes counties,
24 cities, towns, port districts, ~~((sewer districts,))~~ water-sewer
25 districts, school districts, metropolitan park districts, or such other
26 units of local government which are authorized to issue obligations.

27 **Sec. 53.** RCW 39.50.010 and 1985 c 332 s 8 are each amended to read
28 as follows:

29 As used in this chapter, the following terms have the meanings
30 indicated unless the context clearly requires otherwise.

31 (1) "Governing body" means the legislative authority of a municipal
32 corporation by whatever name designated;

33 (2) "Local improvement district" includes local improvement
34 districts, utility local improvement districts, road improvement
35 districts, and other improvement districts that a municipal corporation
36 is authorized by law to establish;

1 (3) "Municipal corporation" means any city, town, county, (~~water~~
2 ~~district,~~) water-sewer district, school district, port district,
3 public utility district, metropolitan municipal corporation, public
4 transportation benefit area, park and recreation district, irrigation
5 district, or fire protection district or any other municipal or quasi-
6 municipal corporation described as such by statute, except joint
7 operating agencies under chapter 43.52 RCW;

8 (4) "Ordinance" means an ordinance of a city or town or resolution
9 or other instrument by which the governing body of the municipal
10 corporation exercising any power under this chapter takes formal action
11 and adopts legislative provisions and matters of some permanency; and

12 (5) "Short-term obligations" are warrants, notes, or other
13 evidences of indebtedness, except bonds.

14 **Sec. 54.** RCW 39.80.020 and 1981 c 61 s 2 are each amended to read
15 as follows:

16 Unless the context clearly requires otherwise, the definitions in
17 this section shall apply throughout this chapter.

18 (1) "State agency" means any department, agency, commission,
19 bureau, office, or any other entity or authority of the state
20 government.

21 (2) "Local agency" means any city and any town, county, special
22 district, municipal corporation, agency, port district or authority, or
23 political subdivision of any type, or any other entity or authority of
24 local government in corporate form or otherwise.

25 (3) "Special district" means a local unit of government, other than
26 a city, town, or county, authorized by law to perform a single function
27 or a limited number of functions, and including but not limited to,
28 water-sewer districts, irrigation districts, fire districts, school
29 districts, community college districts, hospital districts, (~~sewer~~
30 ~~districts,~~) transportation districts, and metropolitan municipal
31 corporations organized under chapter 35.58 RCW.

32 (4) "Agency" means both state and local agencies and special
33 districts as defined in subsection(~~(1)~~)s (1), (2), and (3) of this
34 section.

35 (5) "Architectural and engineering services" or "professional
36 services" means professional services rendered by any person, other
37 than as an employee of the agency, contracting to perform activities

1 within the scope of the general definition of professional practice in
2 chapters 18.08, 18.43, or 18.96 RCW.

3 (6) "Person" means any individual, organization, group,
4 association, partnership, firm, joint venture, corporation, or any
5 combination thereof.

6 (7) "Consultant" means any person providing professional services
7 who is not an employee of the agency for which the services are
8 provided.

9 (8) "Application" means a completed statement of qualifications
10 together with a request to be considered for the award of one or more
11 contracts for professional services.

12 **Sec. 55.** RCW 43.20.240 and 1990 c 132 s 3 are each amended to read
13 as follows:

14 (1) The department shall have primary responsibility among state
15 agencies to receive complaints from persons aggrieved by the failure of
16 a public water system. If the remedy to the complaint is not within
17 the jurisdiction of the department, the department shall refer the
18 complaint to the state or local agency that has the appropriate
19 jurisdiction. The department shall take such steps as are necessary to
20 inform other state agencies of their primary responsibility for such
21 complaints and the implementing procedures.

22 (2) Each county shall designate a contact person to the department
23 for the purpose of receiving and following up on complaint referrals
24 that are within county jurisdiction. In the absence of any such
25 designation, the county health officer shall be responsible for
26 performing this function.

27 (3) The department and each county shall establish procedures for
28 providing a reasonable response to complaints received from persons
29 aggrieved by the failure of a public water system.

30 (4) The department and each county shall use all reasonable efforts
31 to assist customers of public water systems in obtaining a dependable
32 supply of water at all times. The availability of resources and the
33 public health significance of the complaint shall be considered when
34 determining what constitutes a reasonable effort.

35 (5) The department shall, in consultation with local governments,
36 water utilities, water-sewer districts, public utility districts, and
37 other interested parties, develop a booklet or other single document
38 that will provide to members of the public the following information:

1 (a) A summary of state law regarding the obligations of public
2 water systems in providing drinking water supplies to their customers;

3 (b) A summary of the activities, including planning, rate setting,
4 and compliance, that are to be performed by both local and state
5 agencies;

6 (c) The rights of customers of public water systems, including
7 identification of agencies or offices to which they may address the
8 most common complaints regarding the failures or inadequacies of public
9 water systems.

10 This booklet or document shall be available to members of the
11 public no later than January 1, 1991.

12 **Sec. 56.** RCW 43.70.195 and 1994 c 292 s 3 are each amended to read
13 as follows:

14 (1) In any action brought by the secretary of health or by a local
15 health officer pursuant to chapter 7.60 RCW to place a public water
16 system in receivership, the petition shall include the names of one or
17 more suitable candidates for receiver who have consented to assume
18 operation of the water system. The department shall maintain a list of
19 interested and qualified individuals, municipal entities, special
20 purpose districts, and investor-owned water companies with experience
21 in the provision of water service and a history of satisfactory
22 operation of a water system. If there is no other person willing and
23 able to be named as receiver, the court shall appoint the county in
24 which the water system is located as receiver. The county may
25 designate a county agency to operate the system, or it may contract
26 with another individual or public water system to provide management
27 for the system. If the county is appointed as receiver, the secretary
28 of health and the county health officer shall provide regulatory
29 oversight for the agency or other person responsible for managing the
30 water system.

31 (2) In any petition for receivership under subsection (1) of this
32 section, the department shall recommend that the court grant to the
33 receiver full authority to act in the best interests of the customers
34 served by the public water system. The receiver shall assess the
35 capability, in conjunction with the department and local government,
36 for the system to operate in compliance with health and safety
37 standards, and shall report to the court and the petitioning agency its
38 recommendations for the system's future operation, including the

1 formation of a water-sewer district or other public entity, or
2 ownership by another existing water system capable of providing
3 service.

4 (3) If a petition for receivership and verifying affidavit executed
5 by an appropriate departmental official allege an immediate and serious
6 danger to residents constituting an emergency, the court shall set the
7 matter for hearing within three days and may appoint a temporary
8 receiver ex parte upon the strength of such petition and affidavit
9 pending a full evidentiary hearing, which shall be held within fourteen
10 days after receipt of the petition.

11 (4) A bond, if any is imposed upon a receiver, shall be minimal and
12 shall reasonably relate to the level of operating revenue generated by
13 the system. Any receiver appointed pursuant to this section shall not
14 be held personally liable for any good faith, reasonable effort to
15 assume possession of, and to operate, the system in compliance with the
16 court's orders.

17 (5) The court shall authorize the receiver to impose reasonable
18 assessments on a water system's customers to recover expenditures for
19 improvements necessary for the public health and safety.

20 (6) No later than twelve months after appointment of a receiver,
21 the petitioning agency, in conjunction with the county in which the
22 system is located, and the appropriate state and local health agencies,
23 shall develop and present to the court a plan for the disposition of
24 the system. The report shall include the recommendations of the
25 receiver made pursuant to subsection (2) of this section. The report
26 shall include all reasonable and feasible alternatives. After
27 receiving the report, the court shall provide notice to interested
28 parties and conduct such hearings as are necessary. The court shall
29 then order the parties to implement one of the alternatives, or any
30 combination thereof, for the disposition of the system. Such order
31 shall include a date, or proposed date, for the termination of the
32 receivership. Nothing in this section authorizes a court to require a
33 city, town, public utility district, water-sewer district, or
34 irrigation district to accept a system that has been in receivership
35 unless the city, town, public utility district, water-sewer district,
36 or irrigation district agrees to the terms and conditions outlined in
37 the plan adopted by the court.

38 (7) The court shall not terminate the receivership, and order the
39 return of the system to the owners, unless the department of health

1 approves of such an action. The court may impose reasonable conditions
2 upon the return of the system to the owner, including the posting of a
3 bond or other security, routine performance and financial audits,
4 employment of qualified operators and other staff or contracted
5 services, compliance with financial viability requirements, or other
6 measures sufficient to ensure the ongoing proper operation of the
7 system.

8 (8) If, as part of the ultimate disposition of the system, an
9 eminent domain action is commenced by a public entity to acquire the
10 system, the court shall oversee any appraisal of the system conducted
11 under Title 7 RCW to assure that the appraised value properly reflects
12 any reduced value because of the necessity to make improvements to the
13 system. The court shall have the authority to approve the appraisal,
14 and to modify it based on any information provided at an evidentiary
15 hearing. The court's determination of the proper value of the system,
16 based on the appraisal, shall be final, and only appealable if not
17 supported by substantial evidence. If the appraised value is appealed,
18 the court may order that the system's ownership be transferred upon
19 payment of the approved appraised value.

20 **Sec. 57.** RCW 43.155.030 and 1985 c 446 s 9 are each amended to
21 read as follows:

22 (1) The public works board is hereby created.

23 (2) The board shall be composed of thirteen members appointed by
24 the governor for terms of four years, except that five members
25 initially shall be appointed for terms of two years. The board shall
26 include: (a) Three members, two of whom shall be elected officials and
27 one shall be a public works manager, appointed from a list of at least
28 six persons nominated by the association of Washington cities or its
29 successor; (b) three members, two of whom shall be elected officials
30 and one shall be a public works manager, appointed from a list of at
31 least six persons nominated by the Washington state association of
32 counties or its successor; (c) three members appointed from a list of
33 at least six persons nominated jointly by the (~~Washington state~~
34 ~~association of water districts, the~~) Washington public utility
35 districts association(~~(7)~~) and (~~the Washington~~) a state association
36 of water-sewer districts, or their successors; and (d) four members
37 appointed from the general public. In appointing the four general
38 public members, the governor shall endeavor to balance the geographical

1 composition of the board and to include members with special expertise
2 in relevant fields such as public finance, architecture and civil
3 engineering, and public works construction. The governor shall appoint
4 one of the general public members of the board as chair. The term of
5 the chair shall coincide with the term of the governor.

6 (3) Staff support to the board shall be provided by the department.

7 (4) Members of the board shall receive no compensation but shall be
8 reimbursed for travel expenses under RCW 43.03.050 and 43.03.060.

9 (5) If a vacancy on the board occurs by death, resignation, or
10 otherwise, the governor shall fill the vacant position for the
11 unexpired term. Each vacancy in a position appointed from lists
12 provided by the associations under subsection (2) of this section shall
13 be filled from a list of at least three persons nominated by the
14 relevant association or associations. Any members of the board,
15 appointive or otherwise, may be removed by the governor for cause in
16 accordance with RCW 43.06.070 and 43.06.080.

17 **Sec. 58.** RCW 44.04.170 and 1970 ex.s. c 69 s 2 are each amended to
18 read as follows:

19 It shall be the duty of each association of municipal corporations
20 or municipal officers, which is recognized by law and utilized as an
21 official agency for the coordination of the policies and/or
22 administrative programs of municipal corporations, to submit
23 biennially, or oftener as necessary, to the governor and to the
24 legislature the joint recommendations of such participating
25 municipalities regarding changes which would affect the efficiency of
26 such municipal corporations. Such associations shall include but shall
27 not be limited to the Washington state association of fire
28 commissioners, (~~the Washington~~) a state association of
29 water/wastewater districts, (~~the Washington state association of sewer~~
30 ~~districts,~~) and the Washington state school directors' association.

31 **Sec. 59.** RCW 48.62.021 and 1991 sp.s. c 30 s 2 are each amended to
32 read as follows:

33 Unless the context clearly requires otherwise, the definitions in
34 this section apply throughout this chapter.

35 (1) "Local government entity" or "entity" means every unit of local
36 government, both general purpose and special purpose, and includes, but
37 is not limited to, counties, cities, towns, port districts, public

1 utility districts, (~~water districts,~~) water-sewer districts, school
2 districts, fire protection districts, irrigation districts,
3 metropolitan municipal corporations, conservation districts, and other
4 political subdivisions, governmental subdivisions, municipal
5 corporations, and quasi-municipal corporations.

6 (2) "Risk assumption" means a decision to absorb the entity's
7 financial exposure to a risk of loss without the creation of a formal
8 program of advance funding of anticipated losses.

9 (3) "Self-insurance" means a formal program of advance funding and
10 management of entity financial exposure to a risk of loss that is not
11 transferred through the purchase of an insurance policy or contract.

12 (4) "Health and welfare benefits" means a plan or program
13 established by a local government entity or entities for the purpose of
14 providing its employees and their dependents, and in the case of school
15 districts, its district employees, students, directors, or any of their
16 dependents, with health care, accident, disability, death, and salary
17 protection benefits.

18 (5) "Property and liability risks" includes the risk of property
19 damage or loss sustained by a local government entity and the risk of
20 claims arising from the tortious or negligent conduct or any error or
21 omission of the local government entity, its officers, employees,
22 agents, or volunteers as a result of which a claim may be made against
23 the local government entity.

24 (6) "State risk manager" means the state risk manager of the
25 division of risk management within the department of general
26 administration.

27 **Sec. 60.** RCW 52.08.011 and 1984 c 230 s 54 are each amended to
28 read as follows:

29 Territory within a fire protection district may be withdrawn from
30 the district in the same manner provided by law for withdrawal of
31 territory from water-sewer districts, as provided by chapter 57.28 RCW.

32 **Sec. 61.** RCW 53.48.001 and 1989 c 84 s 46 are each amended to read
33 as follows:

34 The dissolution of a metropolitan park district, fire protection
35 district, (~~sewer district,~~) water-sewer district, or flood control
36 zone district under chapter 53.48 RCW may be subject to potential
37 review by a boundary review board under chapter 36.93 RCW.

1 **Sec. 62.** RCW 53.48.010 and 1986 c 278 s 17 are each amended to
2 read as follows:

3 The following words and terms shall, whenever used in this chapter,
4 have the meaning set forth in this section:

5 (1) The term "district" as used herein, shall include all municipal
6 and quasi-municipal corporations having a governing body, other than
7 cities, towns, counties, and townships, such as port districts, school
8 districts, water-sewer districts, fire protection districts, and all
9 other special districts of similar organization, but shall not include
10 local improvement districts, diking, drainage and irrigation districts,
11 special districts as defined in RCW 85.38.010, nor public utility
12 districts.

13 (2) The words "board of commissioners," as used herein, shall mean
14 the governing authority of any district as defined in subdivision (1)
15 of this section.

16 **Sec. 63.** RCW 54.04.030 and 1931 c 1 s 12 are each amended to read
17 as follows:

18 (~~This act~~) Chapter 1, Laws of 1931, shall not be deemed or
19 construed to repeal or affect any existing act, or any part thereof,
20 relating to the construction, operation and maintenance of public
21 utilities by irrigation or water-sewer districts or other municipal
22 corporations, but shall be supplemental thereto and concurrent
23 therewith. No public utility district created hereunder shall include
24 therein any municipal corporation, or any part thereof, where such
25 municipal corporation already owns or operates all the utilities herein
26 authorized: PROVIDED, that in case it does not own or operate all such
27 utilities it may be included within such public utility district for
28 the purpose of establishing or operating therein such utilities as it
29 does not own or operate: PROVIDED, FURTHER, That no property situated
30 within any irrigation or water-sewer districts or other municipal
31 corporations shall ever be taxed or assessed to pay for any utility, or
32 part thereof, of like character to any utility, owned or operated by
33 such irrigation or water districts or other municipal corporations.

34 **Sec. 64.** RCW 70.44.400 and 1984 c 100 s 1 are each amended to read
35 as follows:

36 Territory within a public hospital district may be withdrawn
37 therefrom in the same manner provided by law for withdrawal of

1 territory from water-sewer districts, as provided by chapter 57.28 RCW.
2 For purposes of conforming with such procedure, the public hospital
3 district shall be deemed to be the water-sewer district and the public
4 hospital board of commissioners shall be deemed to be the water-sewer
5 district board of commissioners.

6 **Sec. 65.** RCW 70.95B.020 and 1995 c 269 s 2901 are each amended to
7 read as follows:

8 As used in this chapter unless context requires another meaning:

9 (1) "Director" means the director of the department of ecology.

10 (2) "Department" means the department of ecology.

11 (3) "Certificate" means a certificate of competency issued by the
12 director stating that the operator has met the requirements for the
13 specified operator classification of the certification program.

14 (4) "Wastewater treatment plant" means a facility used to treat any
15 liquid or waterborne waste of domestic origin or a combination of
16 domestic, commercial or industrial origin, and which by its design
17 requires the presence of an operator for its operation. It shall not
18 include any facility used exclusively by a single family residence,
19 septic tanks with subsoil absorption, industrial wastewater treatment
20 plants, or wastewater collection systems.

21 (5) "Operator in responsible charge" means an individual who is
22 designated by the owner as the person on-site in responsible charge of
23 the routine operation of a wastewater treatment plant.

24 (6) "Nationally recognized association of certification
25 authorities" shall mean that organization which serves as an
26 information center for certification activities, recommends minimum
27 standards and guidelines for classification of potable water treatment
28 plants, water distribution systems and wastewater facilities and
29 certification of operators, facilitates reciprocity between state
30 programs and assists authorities in establishing new certification
31 programs and updating existing ones.

32 (7) "Wastewater collection system" means any system of lines,
33 pipes, manholes, pumps, liftstations, or other facilities used for the
34 purpose of collecting and transporting wastewater.

35 (8) "Operating experience" means routine performance of duties, on-
36 site in a wastewater treatment plant, that affects plant performance or
37 effluent quality.

1 (9) "Owner" means in the case of a town or city, the city or town
2 acting through its chief executive officer or the lessee if operated
3 pursuant to a lease or contract; in the case of a county, the chairman
4 of the county legislative authority or the chairman's designee; in the
5 case of a water-sewer district, board of public utilities, association,
6 municipality or other public body, the president or chairman of the
7 body or the president's or chairman's designee; in the case of a
8 privately owned wastewater treatment plant, the legal owner.

9 (10) "Wastewater certification program coordinator" means an
10 employee of the department who administers the wastewater treatment
11 plant operators' certification program.

12 **Sec. 66.** RCW 70.119.020 and 1995 c 269 s 2904 are each amended to
13 read as follows:

14 As used in this chapter unless context requires another meaning:

15 (1) "Certificate" means a certificate of competency issued by the
16 secretary stating that the operator has met the requirements for the
17 specified operator classification of the certification program.

18 (2) "Certified operator" means an individual holding a valid
19 certificate and employed or appointed by any county, water-sewer
20 district, municipality, public or private corporation, company,
21 institution, person, or the state of Washington and who is designated
22 by the employing or appointing officials as the person responsible for
23 active daily technical operation.

24 (3) "Department" means the department of health.

25 (4) "Distribution system" means that portion of a public water
26 system which stores, transmits, pumps and distributes water to
27 consumers.

28 (5) "Ground water under the direct influence of surface water"
29 means any water beneath the surface of the ground with:

30 (a) Significant occurrence of insects or other macroorganisms,
31 algae, or large diameter pathogens such as giardia lamblia; or

32 (b) Significant and relatively rapid shifts in water
33 characteristics such as turbidity, temperature, conductivity, or pH
34 which closely correlate to climatological or surface water conditions.

35 (6) "Group A water system" means a system with fifteen or more
36 service connections, regardless of the number of people; or a system
37 serving an average of twenty-five or more people per day for sixty or
38 more days within a calendar year, regardless of the number of service

1 connections. Group A water system does not include a system serving
2 fewer than fifteen single-family residences, regardless of the number
3 of people.

4 (7) "Nationally recognized association of certification
5 authorities" shall mean an organization which serves as an information
6 center for certification activities, recommends minimum standards and
7 guidelines for classification of potable water treatment plants, water
8 distribution systems and waste water facilities and certification of
9 operators, facilitates reciprocity between state programs and assists
10 authorities in establishing new certification programs and updating
11 existing ones.

12 (8) "Public water system" means any system, excluding a system
13 serving only one single-family residence and a system with four or
14 fewer connections all of which serve residences on the same farm,
15 providing piped water for human consumption, including any collection,
16 treatment, storage, or distribution facilities under control of the
17 purveyor and used primarily in connection with the system; and
18 collection or pretreatment storage facilities not under control of the
19 purveyor but primarily used in connection with the system.

20 (9) "Purification plant" means that portion of a public water
21 system which treats or improves the physical, chemical or
22 bacteriological quality of the system's water to bring the water into
23 compliance with state board of health standards.

24 (10) "Secretary" means the secretary of the department of health.

25 (11) "Service" means a connection to a public water system designed
26 to serve a single-family residence, dwelling unit, or equivalent use.
27 If the facility has group home or barracks-type accommodations, three
28 persons will be considered equivalent to one service.

29 (12) "Surface water" means all water open to the atmosphere and
30 subject to surface runoff.

31 **Sec. 67.** RCW 79.44.003 and 1989 c 243 s 13 are each amended to
32 read as follows:

33 As used in this chapter "assessing district" means:

- 34 (1) Incorporated cities and towns;
- 35 (2) Diking districts;
- 36 (3) Drainage districts;
- 37 (4) Port districts;
- 38 (5) Irrigation districts;

1 (6) Water-sewer districts;
2 (7) (~~(Sewer districts;~~
3 ~~(8))~~) Counties; and
4 (~~(9))~~) (8) Any municipal corporation or public agency having power
5 to levy local improvement or other assessments, rates, or charges which
6 by statute are expressly made applicable to lands of the state.

7 **Sec. 68.** RCW 84.04.120 and 1961 c 15 s 84.04.120 are each amended
8 to read as follows:

9 "Taxing district" shall be held and construed to mean and include
10 the state and any county, city, town, (~~(township,)~~) port district,
11 school district, road district, metropolitan park district, water-sewer
12 district or other municipal corporation, now or hereafter existing,
13 having the power or authorized by law to impose burdens upon property
14 within the district in proportion to the value thereof, for the purpose
15 of obtaining revenue for public purposes, as distinguished from
16 municipal corporations authorized to impose burdens, or for which
17 burdens may be imposed, for such purposes, upon property in proportion
18 to the benefits accruing thereto.

19 **Sec. 69.** RCW 84.33.100 and 1992 c 52 s 6 are each amended to read
20 as follows:

21 As used in RCW 84.33.110 through 84.33.140 and 84.33.210 through
22 84.33.270:

23 (1) "Forest land" is synonymous with timberland and means all land
24 in any contiguous ownership of twenty or more acres which is primarily
25 devoted to and used for growing and harvesting timber and means the
26 land only.

27 (2) "Owner" means the party or parties having the fee interest in
28 land, except where land is subject to a real estate contract "owner"
29 means the contract vendee.

30 (3) "Local government" shall mean any city, town, county, (~~(sewer~~
31 ~~district,)~~) water-sewer district, public utility district, port
32 district, irrigation district, flood control district, or any other
33 municipal corporation, quasi-municipal corporation, or other political
34 subdivision authorized to levy special benefit assessments for sanitary
35 or storm sewerage systems, domestic water supply or distribution
36 systems, or road construction or improvement purposes.

1 (4) "Local improvement district" shall mean any local improvement
2 district, utility local improvement district, local utility district,
3 road improvement district, or any similar unit created by a local
4 government for the purpose of levying special benefit assessments
5 against property specially benefited by improvements relating to such
6 districts.

7 (5) The term "average rate of inflation" shall mean the annual rate
8 of inflation as determined by the department of revenue averaged over
9 the period of time as provided in RCW 84.33.220 (1) and (2). Such
10 determination shall be published not later than January 1 of each year
11 for use in that assessment year.

12 (6) "Special benefit assessments" shall mean special assessments
13 levied or capable of being levied in any local improvement district or
14 otherwise levied or capable of being levied by a local government to
15 pay for all or part of the costs of a local improvement and which may
16 be levied only for the special benefits to be realized by property by
17 reason of that local improvement.

18 **Sec. 70.** RCW 84.34.310 and 1992 c 52 s 15 are each amended to read
19 as follows:

20 As used in RCW 84.34.300 through 84.34.380, unless a different
21 meaning is required, the words defined in this section shall have the
22 meanings indicated.

23 (1) "Farm and agricultural land" shall mean the same as defined in
24 RCW 84.34.020(2).

25 (2) "Timber land" shall mean the same as defined in RCW
26 84.34.020(3).

27 (3) "Local government" shall mean any city, town, county, (~~(sewer~~
28 ~~district,~~) water-sewer district, public utility district, port
29 district, irrigation district, flood control district, or any other
30 municipal corporation, quasi-municipal corporation, or other political
31 subdivision authorized to levy special benefit assessments for sanitary
32 and/or storm sewerage systems, domestic water supply and/or
33 distribution systems, or road construction or improvement purposes.

34 (4) "Local improvement district" shall mean any local improvement
35 district, utility local improvement district, local utility district,
36 road improvement district, or any similar unit created by a local
37 government for the purpose of levying special benefit assessments

1 against property specially benefited by improvements relating to such
2 districts.

3 (5) "Owner" shall mean the same as defined in RCW 84.34.020(5) or
4 the applicable statutes relating to special benefit assessments.

5 (6) The term "average rate of inflation" shall mean the annual rate
6 of inflation as determined by the department of revenue averaged over
7 the period of time as provided in RCW 84.34.330 (1) and (2). Such
8 determination shall be published not later than January 1 of each year
9 for use in that assessment year.

10 (7) "Special benefit assessments" shall mean special assessments
11 levied or capable of being levied in any local improvement district or
12 otherwise levied or capable of being levied by a local government to
13 pay for all or part of the costs of a local improvement and which may
14 be levied only for the special benefits to be realized by property by
15 reason of that local improvement.

16 **Sec. 71.** RCW 84.64.080 and 1991 c 245 s 27 are each amended to
17 read as follows:

18 The court shall examine each application for judgment foreclosing
19 tax lien, and if defense (specifying in writing the particular cause of
20 objection) be offered by any person interested in any of the lands or
21 lots to the entry of judgment against the same, the court shall hear
22 and determine the matter in a summary manner, without other pleadings,
23 and shall pronounce judgment as the right of the case may be; or the
24 court may, in its discretion, continue such individual cases, wherein
25 defense is offered, to such time as may be necessary, in order to
26 secure substantial justice to the contestants therein; but in all other
27 cases the court shall proceed to determine the matter in a summary
28 manner as above specified. In all judicial proceedings of any kind for
29 the collection of taxes, and interest and costs thereon, all amendments
30 which by law can be made in any personal action pending in such court
31 shall be allowed, and no assessments of property or charge for any of
32 the taxes shall be considered illegal on account of any irregularity in
33 the tax list or assessment rolls or on account of the assessment rolls
34 or tax list not having been made, completed or returned within the time
35 required by law, or on account of the property having been charged or
36 listed in the assessment or tax lists without name, or in any other
37 name than that of the owner, and no error or informality in the
38 proceedings of any of the officers connected with the assessment,

1 levying or collection of the taxes, shall vitiate or in any manner
2 affect the tax or the assessment thereof, and any irregularities or
3 informality in the assessment rolls or tax lists or in any of the
4 proceedings connected with the assessment or levy of such taxes or any
5 omission or defective act of any officer or officers connected with the
6 assessment or levying of such taxes, may be, in the discretion of the
7 court, corrected, supplied and made to conform to the law by the court.
8 The court shall give judgment for such taxes, interest and costs as
9 shall appear to be due upon the several lots or tracts described in the
10 notice of application for judgment or complaint, and such judgment
11 shall be a several judgment against each tract or lot or part of a
12 tract or lot for each kind of tax included therein, including all
13 interest and costs, and the court shall order and direct the clerk to
14 make and enter an order for the sale of such real property against
15 which judgment is made, or vacate and set aside the certificate of
16 delinquency or make such other order or judgment as in the law or
17 equity may be just. The order shall be signed by the judge of the
18 superior court, shall be delivered to the county treasurer, and shall
19 be full and sufficient authority for him or her to proceed to sell the
20 property for the sum as set forth in the order and to take such further
21 steps in the matter as are provided by law. The county treasurer shall
22 immediately after receiving the order and judgment of the court proceed
23 to sell the property as provided in this chapter to the highest and
24 best bidder for cash. The acceptable minimum bid shall be the total
25 amount of taxes, interest, penalties, and costs. All sales shall be
26 made at a location in the county on a date and time (except Saturdays,
27 Sundays, or legal holidays) as the county treasurer may direct, and
28 shall continue from day to day (Saturdays, Sundays, and legal holidays
29 excepted) during the same hours until all lots or tracts are sold,
30 after first giving notice of the time, and place where such sale is to
31 take place for ten days successively by posting notice thereof in three
32 public places in the county, one of which shall be in the office of the
33 treasurer. The notice shall be substantially in the following form:

34

TAX JUDGMENT SALE

35 Public notice is hereby given that pursuant to real property tax
36 judgment of the superior court of the county of in the
37 state of Washington, and an order of sale duly issued by the court,
38 entered the day of,, in proceedings for

1 foreclosure of tax liens upon real property, as per provisions of law,
2 I shall on the day of,, at o'clock
3 a.m., at in the city of, and county of
4, state of Washington, sell the real property to the highest
5 and best bidder for cash, to satisfy the full amount of taxes, interest
6 and costs adjudged to be due.

7 In witness whereof, I have hereunto affixed my hand and seal this
8 day of,

9
10 Treasurer of
11 county.

12 No county officer or employee shall directly or indirectly be a
13 purchaser of such property at such sale.

14 If any buildings or improvements are upon an area encompassing more
15 than one tract or lot, the same must be advertised and sold as a single
16 unit.

17 If the highest amount bid for any such separate unit tract or lot
18 is in excess of the minimum bid due upon the whole property included in
19 the certificate of delinquency, the excess shall be refunded following
20 payment of all water ((and))_ sewer district liens, on application
21 therefor, to the record owner of the property. The record owner of the
22 property is the person who held title on the date of issuance of the
23 certificate of delinquency. In the event no claim for the excess is
24 received by the county treasurer within three years after the date of
25 the sale he or she shall at expiration of the three year period deposit
26 such excess in the current expense fund of the county. The county
27 treasurer shall execute to the purchaser of any piece or parcel of land
28 a tax deed. The deed so made by the county treasurer, under the
29 official seal of his or her office, shall be recorded in the same
30 manner as other conveyances of real property, and shall vest in the
31 grantee, his or her heirs and assigns the title to the property therein
32 described, without further acknowledgment or evidence of such
33 conveyance, and shall be substantially in the following form:

34 State of Washington |
35 | ss.
36 County of |

1 This indenture, made this day of,,
2 between, as treasurer of county, state of
3 Washington, party of the first part, and, party of the
4 second part:

5 Witnesseth, that, whereas, at a public sale of real property held
6 on the day of,, pursuant to a real property
7 tax judgment entered in the superior court in the county of
8 on the day of,, in proceedings to foreclose
9 tax liens upon real property and an order of sale duly issued by the
10 court, duly purchased in compliance with the laws of the
11 state of Washington, the following described real property, to wit:
12 (Here place description of real property conveyed) and that the
13 has complied with the laws of the state of Washington
14 necessary to entitle (him, or her or them) to a deed for the real
15 property.

16 Now, therefore, know ye, that, I, county treasurer of
17 the county of, state of Washington, in consideration of the
18 premises and by virtue of the statutes of the state of Washington, in
19 such cases provided, do hereby grant and convey unto, his
20 or her heirs and assigns, forever, the real property hereinbefore
21 described.

22 Given under my hand and seal of office this day of
23, A.D.

24
25 County Treasurer.

26 **Sec. 72.** RCW 84.69.010 and 1961 c 15 s 84.69.010 are each amended
27 to read as follows:

28 As used in this chapter, unless the context indicates otherwise:

29 (1) "Taxing district" means any county, city, town, (~~township~~)
30 port district, school district, road district, metropolitan park
31 district, water-sewer district, or other municipal corporation now or
32 hereafter authorized by law to impose burdens upon property within the
33 district in proportion to the value thereof, for the purpose of
34 obtaining revenue for public purposes, as distinguished from municipal
35 corporations authorized to impose burdens, or for which burdens may be
36 imposed, for such purposes, upon property in proportion to the benefits
37 accruing thereto.

38 (2) "Tax" includes penalties and interest.

1 **Sec. 73.** RCW 87.03.015 and 1979 ex.s. c 185 s 2 are each amended
2 to read as follows:

3 Any irrigation district, operating and maintaining an irrigation
4 system, in addition to other powers conferred by law, shall have
5 authority:

6 (1) To purchase and sell electric power to the inhabitants of the
7 irrigation district for the purposes of irrigation and domestic use, to
8 acquire, construct, and lease dams, canals, plants, transmission lines,
9 and other power equipment and the necessary property and rights
10 therefor and to operate, improve, repair, and maintain the same, for
11 the generation and transmission of electrical energy for use in the
12 operation of pumping plants and irrigation systems of the district and
13 for sale to the inhabitants of the irrigation district for the purposes
14 of irrigation and domestic use; and, as a further and separate grant of
15 authority and in furtherance of a state purpose and policy of
16 developing hydroelectric capability in connection with irrigation
17 facilities, to construct, finance, acquire, own, operate, and maintain,
18 alone or jointly with other irrigation districts, boards of control,
19 other municipal or quasi_municipal corporations or cooperatives
20 authorized to engage in the business of distributing electricity, or
21 electrical companies subject to the jurisdiction of the utilities and
22 transportation commission, hydroelectric facilities including but not
23 limited to dams, canals, plants, transmission lines, other power
24 equipment, and the necessary property and rights therefor, located
25 within or outside the district, for the purpose of utilizing for the
26 generation of electricity, water power made available by and as a part
27 of the irrigation water storage, conveyance, and distribution
28 facilities, waste ways, and drainage water facilities which serve
29 irrigation districts, and to sell any and all the electric energy
30 generated at any such hydroelectric facilities or the irrigation
31 district's share of such energy, to municipal or quasi_municipal
32 corporations and cooperatives authorized to engage in the business of
33 distributing electricity, and electrical companies subject to the
34 jurisdiction of the utilities and transportation commission, or to
35 other irrigation districts, and on such terms and conditions as the
36 board of directors shall determine, and to enter into contracts with
37 other irrigation districts, boards of control, other municipal or
38 quasi_municipal corporations and cooperatives authorized to engage in
39 the business of distributing electricity, and electrical companies

1 subject to the jurisdiction of the utilities and transportation
2 commission: PROVIDED, That no contract entered into by the board of
3 directors of any irrigation district for the sale of electrical energy
4 from such hydroelectric facility for a period longer than forty years
5 from the date of commercial operation of such hydroelectric facility
6 shall be binding on the district until ratified by a majority vote of
7 the electors of the district at an election therein, called, held and
8 canvassed for that purpose in the same manner as that provided by law
9 for district bond elections.

10 (2) To construct, repair, purchase, maintain or lease a system for
11 the sale or lease of water to the owners of irrigated lands within the
12 district for domestic purposes.

13 (3) To construct, repair, purchase, lease, acquire, operate and
14 maintain a system of drains, sanitary sewers, and sewage disposal or
15 treatment plants as herein provided.

16 (4) To assume, as principal or guarantor, any indebtedness to the
17 United States under the federal reclamation laws, on account of
18 district lands.

19 (5) To maintain, repair, construct and reconstruct ditches,
20 laterals, pipe lines and other water conduits used or to be used in
21 carrying water for irrigation of lands located within the boundaries of
22 a city or town or for the domestic use of the residents of a city or
23 town where the owners of land within such city or town shall use such
24 works to carry water to the boundaries of such city or town for
25 irrigation, domestic or other purposes within such city or town, and to
26 charge to such city or town the pro rata proportion of the cost of such
27 maintenance, repair, construction and reconstruction work in proportion
28 to the benefits received by the lands served and located within the
29 boundaries of such city or town, and if such cost is not paid, then and
30 in that event said irrigation district shall have the right to prevent
31 further water deliveries through such works to the lands located within
32 the boundaries of such city or town until such charges have been paid.

33 (6) To acquire, install and maintain as a part of the irrigation
34 district's water system the necessary water mains and fire hydrants to
35 make water available for fire fighting purposes; and in addition any
36 such irrigation district shall have the authority to repair, operate
37 and maintain such hydrants and mains.

38 (7) To enter into contracts with other irrigation districts, boards
39 of control, municipal or quasi_municipal corporations and cooperatives

1 authorized to engage in the business of distributing electricity, and
2 electrical companies subject to the jurisdiction of the utilities and
3 transportation commission to jointly acquire, construct, own, operate,
4 and maintain irrigation water, domestic water, drainage and sewerage
5 works, and electrical power works to the same extent as authorized by
6 subsection (1) of this section, or portions of such works.

7 (8) To acquire from a water-sewer district wholly within the
8 irrigation district's boundaries, by a conveyance without cost, the
9 water-sewer district's water system and to operate the same to provide
10 water for the domestic use of the irrigation district residents. As a
11 part of its acceptance of the conveyance the irrigation district must
12 agree to relieve the water-sewer district of responsibility for
13 maintenance and repair of the system. Any such water-sewer district is
14 authorized to make such a conveyance if all indebtedness of the water-
15 sewer district, except local improvement district bonds, has been paid
16 and the conveyance has been approved by a majority of the water-sewer
17 district's ((electors)) voters voting at a general or special election.

18 This section shall not be construed as in any manner abridging any
19 other powers of an irrigation district conferred by law.

20 **Sec. 74.** RCW 87.03.720 and 1977 ex.s. c 208 s 1 are each amended
21 to read as follows:

22 The board of directors of an irrigation district shall, after being
23 notified by the legislative authority of the county or counties within
24 which the irrigation district lies of the filing of the petition
25 therefor, have the power to assent to the proposed merger with the
26 irrigation district of that portion of a drainage improvement district,
27 joint drainage improvement district, consolidated drainage improvement
28 district, or water-sewer district within its boundaries at a hearing
29 duly called by the board to consider the proposed merger if sufficient
30 objections thereto have not been presented, as hereinafter provided.

31 **Sec. 75.** RCW 87.03.725 and 1977 ex.s. c 208 s 2 are each amended
32 to read as follows:

33 The secretary of the board of directors shall cause a notice of the
34 proposed merger to be posted and published in the same manner and for
35 the same time as notice of a special election for the issue of bonds.
36 The notice shall state that a petition has been filed with the
37 legislative authority of the county or counties within which the

1 irrigation districts lies by the board of supervisors of the drainage
2 improvement district, joint drainage improvement district, or
3 consolidated drainage improvement district or by the board of
4 commissioners of a water-sewer district requesting that the drainage
5 improvement district, joint drainage improvement district, consolidated
6 drainage improvement district, or water-sewer district be merged with
7 the irrigation district or irrigation districts, the names of the
8 petitioners and the prayer thereof, and it shall notify all persons
9 interested in the irrigation district to appear at the office of the
10 board at the time named in the notice, and show cause in writing why
11 the proposed merger should not take place. The time to show cause
12 shall be the regular meeting of the board of directors of the
13 irrigation district next after the expiration of the time for the
14 publication of the notice.

15 NEW SECTION. **Sec. 76.** This act takes effect July 1, 1998."

16 **SHB 1212** - S COMM AMD
17 By Committee on Government Operations

18
19 On page 1, line 1 of the title, after "districts;" strike the
20 remainder of the title and insert "amending RCW 57.04.050, 57.08.005,
21 57.08.014, 57.08.030, 57.08.044, 57.08.047, 57.08.050, 57.08.065,
22 57.08.081, 57.08.085, 57.08.110, 57.08.180, 57.16.060, 57.16.110,
23 57.20.120, 57.20.140, 57.24.040, 57.24.050, 57.28.050, 57.32.023,
24 57.36.040, 57.90.010, 27.12.470, 32.20.070, 32.20.110, 35.13A.010,
25 35.13A.020, 35.13A.030, 35.13A.040, 35.13A.060, 35.13A.090, 35.58.210,
26 35.58.220, 35.58.230, 35.58.410, 35.67.300, 35.91.020, 35.92.012,
27 35.92.170, 35.97.010, 35.97.050, 36.16.138, 36.93.020, 36.93.093,
28 36.93.105, 36.93.185, 36.94.220, 36.94.430, 36.96.010, 36.94.410,
29 36.94.420, 39.69.010, 39.50.010, 39.80.020, 43.20.240, 43.70.195,
30 43.155.030, 44.04.170, 48.62.021, 52.08.011, 53.48.001, 53.48.010,
31 54.04.030, 70.44.400, 70.95B.020, 70.119.020, 79.44.003, 84.04.120,
32 84.33.100, 84.34.310, 84.64.080, 84.69.010, 87.03.015, 87.03.720, and
33 87.03.725; and providing an effective date."

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