SENATE BILL 5119

State of Washington65th Legislature2017 Regular SessionBy Senators Takko, Dansel, Sheldon, Angel, Chase, Palumbo, and
Wellman

Read first time 01/13/17. Referred to Committee on Local Government.

AN ACT Relating to water-sewer districts; amending RCW 57.08.016 and 70.95A.020; adding a new section to chapter 57.20 RCW; and adding a new section to chapter 57.08 RCW.

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

5 Sec. 1. RCW 57.08.016 and 2011 c 90 s 1 are each amended to read 6 as follows:

7 (1) ((There shall be no private sale of)) Real property ((where the)) with an estimated value ((exceeds the sum)) of five thousand 8 dollars or more may be sold by public sale only. Estimated value 9 10 shall be determined by the board of commissioners ((and)), based upon a written appraisal report by a state-licensed or state-certified 11 appraiser ((and broker advice as it considers 12 real estate appropriate)), as described and governed by chapter 18.140 RCW, or a 13 14 written brokers price opinion, as defined in RCW 18.140.010 and described in RCW 18.140.020. The appraisal report or brokers price 15 16 opinion must have been prepared less than six months prior to the 17 date of sale. Subject to the provisions of subsection (2) of this section, no real property of the district shall be sold for less than 18 ninety percent of the value thereof. ((Where the estimated value of 19 the real property exceeds five thousand dollars, value shall be 20 21 established by a written broker price opinion made not more than six

1 months prior to the date of sale by three disinterested real estate brokers licensed under the laws of the state or by one professionally 2 designated real estate appraiser as defined in chapter 18.140 RCW. 3 A)) The brokers price opinion ((shall be signed by)) or the ((broker 4 and an)) appraisal <u>report</u> must be ((signed by the appraiser and)) 5 б filed with the secretary of the board of commissioners of the district, who shall keep it at the office of the district open to 7 public inspection. ((Any)) In addition to the requirements of RCW 8 57.08.015, the notice of intention to sell such real property ((of 9 the district)) shall recite the estimated value ((or, if an appraisal 10 11 has been made, the appraised value thereof)) and refer to the 12 appraisal report or the brokers price opinion, as applicable.

(2) If no purchasers can be obtained for the <u>real</u> property at 13 ninety percent or more of its estimated ((or appraised)) value 14 ((after)) within one hundred twenty days of ((offering the property 15 for sale)) publication of the initial notice of intention to sell, 16 17 the board of commissioners of the district may adopt a resolution 18 stating that the district has been unable to sell the property at the ninety percent ((amount)) or more of the estimated value. 19 The district then may sell the property at the highest price it can 20 obtain at public auction. A notice of intention to sell at public 21 auction shall be published once a week for two consecutive weeks in a 22 newspaper of general circulation in the district. The notice shall 23 describe the <u>real</u> property, state the time and place at which it will 24 25 be offered for sale ((and)) at public auction, state the minimum 26 opening bid, if any, state the terms and conditions of sale((, and shall call for bids, fix the conditions thereof)), and reserve the 27 28 right to reject any and all bids for good cause.

29 <u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 57.20
30 RCW to read as follows:

(1) The board of commissioners of a district with revenues of 31 five million dollars or more in each of the preceding three years 32 that were audited in accordance with RCW 43.09.260 may by resolution 33 adopt a policy to issue its own warrants for payment of claims or 34 other obligations of the district. The board of commissioners, after 35 auditing all payrolls and bills, may authorize the issuing of one 36 general certificate to the county treasurer, to be signed by the 37 38 president of the board of commissioners, authorizing the county treasurer to pay all the warrants specified by date, number, name, 39

and amount, and the accounting funds on which the warrants are drawn.
 The district may then issue the warrants specified in the general
 certificate.

(2) The board of commissioners of a district with revenues 4 greater than two hundred fifty thousand dollars and less than five 5 6 million dollars in each of the preceding three years that were audited in accordance with RCW 43.09.260 may upon agreement between 7 the county treasurer and the district commission, with approval of 8 the district commission by resolution, adopt a policy to issue its 9 own warrants for payment of claims or other obligations of the 10 district. The board of commissioners, after auditing all payrolls and 11 12 bills, may authorize the issuing of one general certificate to the county treasurer, to be signed by the president of the board of 13 14 commissioners, authorizing the county treasurer to pay all the warrants specified by date, number, name, and amount, and the 15 16 accounting funds on which the warrants are drawn. The district may 17 then issue the warrants specified in the general certificate.

18 <u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 57.08
19 RCW to read as follows:

20 (1) Any water-sewer district may elect to contract for asset management service of its water storage assets in accordance with 21 this section. If a water-sewer district elects to contract under this 22 subsection for all, some, or one component of water storage asset 23 24 management services for its water storage assets, each water-sewer 25 district shall publish notice of its requirements to procure asset management service of its water storage assets. The announcement must 26 27 concisely state the scope and nature of the water storage asset management service for which a contract is required and encourage 28 firms to submit proposals to meet these requirements. If a water-29 30 sewer district chooses to negotiate a water storage asset management 31 service contract under this section, no otherwise applicable statutory procurement requirement applies. 32

33 (2) The water-sewer district may negotiate a fair and reasonable 34 water storage asset management service contract with the firm that 35 submits the best proposal based on criteria that is established by 36 the water-sewer district.

37 (3) If the water-sewer district is unable to negotiate a 38 satisfactory water storage asset management service contract with the 39 firm that submits the best proposal, negotiations with that firm must

p. 3

1 formally be terminated and the water-sewer district may select 2 another firm in accordance with this section and continue negotiation 3 until a water storage asset management service contract is reached or 4 the selection process is terminated.

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(4) For the purposes of this section:

6 (a) "Water storage asset management services" means the 7 financing, designing, improving, operating, maintaining, repairing, 8 testing, inspecting, cleaning, administering, or managing, or any 9 combination thereof, of a water storage asset.

10 (b) "Water storage asset" means water storage structures and 11 associated distribution systems, such as the water tank, tower, well, 12 meter, or water filter.

13 **Sec. 4.** RCW 70.95A.020 and 1973 c 132 s 3 are each amended to 14 read as follows:

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

16 (1) "Municipality" shall mean any city, town, county, ((or)) port 17 district, or water-sewer district in the state;

18 (2) "Facility" or "facilities" shall mean any land, building, 19 structure, machinery, system, fixture, appurtenance, equipment or any 20 combination thereof, or any interest therein, and all real and 21 personal properties deemed necessary in connection therewith whether 22 or not now in existence, which is used or to be used by any person, 23 corporation or municipality in furtherance of the purpose of abating, 24 controlling or preventing pollution;

(3) "Pollution" shall mean any form of environmental pollution, including but not limited to water pollution, air pollution, land pollution, solid waste disposal, thermal pollution, radiation contamination, or noise pollution;

(4) "Governing body" shall mean the body or bodies in which the legislative powers of the municipality are vested;

31 (5) "Mortgage" shall mean a mortgage or a mortgage and deed of 32 trust or other security device; and

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(6) "Department" shall mean the state department of ecology.

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