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**SUBSTITUTE HOUSE BILL 1140**

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**State of Washington**

**53rd Legislature**

**1993 Regular Session**

**By** House Committee on Local Government (originally sponsored by Representatives Locke, Horn, H. Myers, Eide, Valle, Rust, Leonard, Basich, Franklin, Shin, Springer and J. Kohl)

Read first time 02/24/93.

1 AN ACT Relating to metropolitan municipal corporations; amending  
2 RCW 35.58.030, 35.58.040, 35.58.090, 35.58.120, 35.58.210, 35.58.230,  
3 35.58.270, 35.58.300, 35.58.320, 35.58.340, 35.58.350, 35.58.410,  
4 39.36.020, 35.58.450, 35.58.460, 35.58.490, 35.58.500, 35.58.520, and  
5 35.58.530; and repealing RCW 35.58.118, 35.58.440, and 35A.57.010.

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

7 **Sec. 1.** RCW 35.58.030 and 1965 c 7 s 35.58.030 are each amended to  
8 read as follows:

9 Any area of the state containing two or more cities, at least one  
10 of which is (~~a city of the first class~~) of ten thousand or more  
11 population, may organize as a metropolitan municipal corporation for  
12 the performance of certain functions, as provided in this chapter. The  
13 boundaries of a metropolitan municipal corporation may not be expanded  
14 to include territory located in a county other than a component county  
15 except as a result of the consolidation of two or more contiguous  
16 metropolitan municipal corporations.

17 **Sec. 2.** RCW 35.58.040 and 1991 c 363 s 39 are each amended to read  
18 as follows:

1 At the time of its formation no metropolitan municipal corporation  
2 shall include only a part of any city, and every city shall be either  
3 wholly included or wholly excluded from the boundaries of such  
4 corporation. If subsequent to the formation of a metropolitan  
5 municipal corporation a part only of any city shall be included within  
6 the boundaries of a metropolitan municipal corporation such part shall  
7 be deemed to be "unincorporated" for the purpose of selecting a member  
8 of the metropolitan council pursuant to RCW 35.58.120(3) and such city  
9 shall neither select nor participate in the selection of a member on  
10 the metropolitan council pursuant to RCW 35.58.120.

11 Any metropolitan municipal corporation now existing (~~(or hereafter~~  
12 ~~created,)~~) within a county with a population of (~~(from two hundred ten~~  
13 ~~thousand to less than one million bordering a county with a population~~  
14 ~~of one million or more, or within a county with a population of))~~ one  
15 million or more(~~(,)~~) shall, upon May 21, 1971, (~~(as to metropolitan~~  
16 ~~corporations existing on such date or upon the date of formation as to~~  
17 ~~metropolitan corporations formed after May 21, 1971,)~~) have the same  
18 boundaries as those of the respective central county of such  
19 metropolitan corporation(~~(: PROVIDED, That))~~). The boundaries of such  
20 metropolitan corporation may not be enlarged or diminished after such  
21 date by annexation as provided in chapter 35.58 RCW (~~(as now or~~  
22 ~~hereafter amended))~~ and any purported annexation of territory shall be  
23 deemed void. Any contiguous metropolitan municipal corporations may be  
24 consolidated into a single metropolitan municipal corporation upon such  
25 terms, for the purpose of performing such metropolitan function or  
26 functions, and to be effective at such time as may be approved by  
27 resolutions of the respective metropolitan councils. In the event of  
28 such consolidation the component city with the largest population shall  
29 be the central city of such consolidated metropolitan municipal  
30 corporation and the component county with the largest population shall  
31 be the central county of such consolidated metropolitan municipal  
32 corporation.

33 **Sec. 3.** RCW 35.58.090 and 1973 1st ex.s. c 195 s 23 are each  
34 amended to read as follows:

35 The election on the formation of the metropolitan municipal  
36 corporation shall be conducted by the auditor of the central county in  
37 accordance with the general election laws of the state and the results  
38 thereof shall be canvassed by the county canvassing board of the

1 central county, which shall certify the result of the election to the  
2 (~~board of~~) county (~~commissioners~~) legislative authority of the  
3 central county, and shall cause a certified copy of such canvass to be  
4 filed in the office of the secretary of state. Notice of the election  
5 shall be published in one or more newspapers of general circulation in  
6 each component county in the manner provided in the general election  
7 laws. No person shall be entitled to vote at such election unless  
8 (~~he~~) that person is a qualified voter under the laws of the state in  
9 effect at the time of such election and has resided within the  
10 metropolitan area for at least thirty days preceding the date of the  
11 election. The ballot proposition shall be in substantially the  
12 following form:

13 "FORMATION OF METROPOLITAN  
14 MUNICIPAL CORPORATION

15 Shall a metropolitan municipal corporation be established for  
16 the area described in a resolution of the (~~board of~~  
17 ~~commissioners~~) county legislative authority of . . . . .  
18 county adopted on the . . . . day of . . . . ., 19. . . ., to  
19 perform the metropolitan functions of . . . . . (here insert  
20 the title of each of the functions to be authorized as set  
21 forth in the petition or initial resolution).

22 YES . . . . . 1  
23 NO . . . . . 1 "

24 If a majority of the persons voting on the proposition residing  
25 within the central city shall vote in favor thereof and a majority of  
26 the persons voting on the proposition residing in the metropolitan area  
27 outside of the central city shall vote in favor thereof, the  
28 metropolitan municipal corporation shall thereupon be established and  
29 the (~~board of commissioners~~) county legislative authority of the  
30 central county shall adopt a resolution setting a time and place for  
31 the first meeting of the metropolitan council which shall be held not  
32 later than (~~thirty~~) sixty days after the date of such election. A  
33 copy of such resolution shall be transmitted to the legislative body of  
34 each component city and county and of each special district which shall  
35 be affected by the particular metropolitan functions authorized.

36 At the same election there shall be submitted to the voters  
37 residing within the metropolitan area, for their approval or rejection,

1 a proposition authorizing the metropolitan municipal corporation, if  
2 formed, to levy at the earliest time permitted by law on all taxable  
3 property located within the metropolitan municipal corporation a  
4 general tax, for one year, of twenty-five cents per thousand dollars of  
5 assessed value in excess of any constitutional or statutory limitation  
6 for authorized purposes of the metropolitan municipal corporation. The  
7 proposition shall be expressed on the ballots in substantially the  
8 following form:

9 "ONE YEAR TWENTY-FIVE CENTS  
10 PER THOUSAND DOLLARS OF  
11 ASSESSED VALUE LEVY

12 Shall the metropolitan municipal corporation, if formed, levy  
13 a general tax of twenty-five cents per thousand dollars of  
14 assessed value for one year upon all the taxable property  
15 within said corporation in excess of the constitutional and/or  
16 statutory tax limits for authorized purposes of the  
17 corporation?

18 YES . . . . . 1  
19 NO . . . . . 1 "

20 Such proposition to be effective must be approved by a majority of at  
21 least three-fifths of the persons voting on the proposition to levy  
22 such tax, with a forty percent validation requirement, in the manner  
23 set forth in Article VII, section 2(a) of the Constitution of this  
24 state(~~(, as amended by Amendment 59 and as thereafter amended)~~).

25 **Sec. 4.** RCW 35.58.120 and 1983 c 92 s 1 are each amended to read  
26 as follows:

27 Unless the rights, powers, functions, and obligations of a  
28 metropolitan municipal corporation have been assumed by a county as  
29 provided in chapter 36.56 RCW, a metropolitan municipal corporation  
30 shall be governed by a metropolitan council composed of (~~the~~  
31 following:

32 ~~(1) One member (a) who shall be the elected county executive of the~~  
33 ~~central county, or (b) if there shall be no elected county executive,~~  
34 ~~one member who shall be selected by, and from, the board of~~  
35 ~~commissioners of the central county.~~

1       ~~(2) One additional member for each county commissioner district or~~  
2 ~~county council district which shall contain fifteen thousand or more~~  
3 ~~persons residing within the metropolitan municipal corporation, who~~  
4 ~~shall be the county commissioner or county councilman from such~~  
5 ~~district;~~

6       ~~(3) One additional member selected by the board of commissioners or~~  
7 ~~county council of each component county for each county commissioner~~  
8 ~~district or county council district containing fifteen thousand or more~~  
9 ~~persons residing in the unincorporated portion of such commissioner~~  
10 ~~district lying within the metropolitan municipal corporation each such~~  
11 ~~appointee to be a resident of such unincorporated portion;~~

12       ~~(4) One member from each component city which shall have a~~  
13 ~~population of fifteen thousand or more persons, who shall be the mayor~~  
14 ~~of such city, if such city shall have the mayor council form of~~  
15 ~~government, and in other cities shall be selected by, and from, the~~  
16 ~~mayor and city council of each of such cities.~~

17       ~~(5) One member representing all component cities which have less~~  
18 ~~than fifteen thousand population each, to be selected by and from the~~  
19 ~~mayors of such smaller cities in the following manner: The mayors of~~  
20 ~~all such cities shall meet prior to July 1 of each even numbered year~~  
21 ~~at a time and place to be fixed by the metropolitan council. The~~  
22 ~~chairperson of the metropolitan council shall preside. After~~  
23 ~~nominations are made, successive ballots shall be taken until one~~  
24 ~~candidate receives a majority of all votes cast.~~

25       ~~(6) One additional member selected by the city council of each~~  
26 ~~component city containing a population of fifteen thousand or more for~~  
27 ~~each fifty thousand population over and above the first fifteen~~  
28 ~~thousand, such members to be selected from such city council until all~~  
29 ~~councilmen are members and thereafter to be selected from other~~  
30 ~~officers of such city.~~

31       ~~(7) For any metropolitan municipal corporation which shall be~~  
32 ~~authorized to perform the function of metropolitan water pollution~~  
33 ~~abatement, two additional members who shall be commissioners of a sewer~~  
34 ~~district or a water district which is operating a sewer system and is~~  
35 ~~a component part of the metropolitan municipal corporation and shall~~  
36 ~~participate only in those council actions which relate to the~~  
37 ~~performance of the function of metropolitan water pollution abatement.~~  
38 ~~The commissioners of all such sewer districts and water districts which~~  
39 ~~are component parts of the metropolitan municipal corporation shall~~

1 meet on the first Tuesday of the month following May 21, 1971 and  
2 thereafter on the second Tuesday of June of each even numbered year at  
3 seven o'clock p.m. at the office of the board of county commissioners  
4 of the central county. After election of a chairman, nominations shall  
5 be made to select members to serve on the metropolitan council and  
6 successive ballots taken for each member until one candidate receives  
7 a majority of votes cast. The two members so selected shall not be  
8 from districts whose boundaries come within ten miles of each other.

9 (8) One member, who shall be chairman of the metropolitan council,  
10 selected by the other members of the council. The member shall not  
11 hold any public office of or be an employee of any component city or  
12 component county of the metropolitan municipal corporation)) elected  
13 officials of the component counties and component cities, and possibly  
14 other persons, as determined by agreement of each of the component  
15 counties and the component cities equal in number to at least twenty-  
16 five percent of the total number of component cities that have at least  
17 seventy-five percent of the combined component city populations. The  
18 agreement shall remain in effect until altered in the same manner as  
19 the initial composition is determined.

20 **Sec. 5.** RCW 35.58.210 and 1974 ex.s. c 70 s 7 are each amended to  
21 read as follows:

22 If a metropolitan municipal corporation shall be authorized to  
23 perform the function of metropolitan water pollution abatement, the  
24 metropolitan council shall, prior to the effective date of the  
25 assumption of such function, cause a metropolitan water pollution  
26 abatement advisory committee to be formed by notifying the legislative  
27 body of each component city and county which operates a sewer system to  
28 appoint one person to serve on such advisory committee and the board of  
29 commissioners of each sewer district and water district which operates  
30 a sewer system, any portion of which lies within the metropolitan area,  
31 to appoint one person to serve on such committee who shall be a  
32 commissioner of such a sewer or water district. The metropolitan water  
33 pollution abatement advisory committee shall meet at the time and place  
34 provided in the notice and elect a chairman. The members of such  
35 committee shall serve at the pleasure of the appointing bodies and  
36 shall receive no compensation other than reimbursement for expenses  
37 actually incurred in the performance of their duties. The function of  
38 such advisory committee shall be to advise the metropolitan council in

1 matters relating to the performance of the water pollution  
2 (~~abatement~~) abatement function.

3 The requirement to create a metropolitan water pollution abatement  
4 advisory committee shall not apply to a county that has assumed the  
5 rights, powers, functions, and obligations of the metropolitan  
6 municipal corporation under chapter 36.56 RCW.

7 **Sec. 6.** RCW 35.58.230 and 1965 c 7 s 35.58.230 are each amended to  
8 read as follows:

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

26 The requirement to create a metropolitan water advisory committee  
27 shall not apply to a county that has assumed the rights, powers,  
28 functions, and obligations of the metropolitan municipal corporation  
29 under chapter 36.56 RCW.

30 **Sec. 7.** RCW 35.58.270 and 1967 c 105 s 12 are each amended to read  
31 as follows:

32 If a metropolitan municipal corporation shall be authorized to  
33 perform the function of metropolitan transportation with a commission  
34 form of management, a metropolitan transit commission shall be formed  
35 prior to the effective date of the assumption of such function. Except  
36 as provided in this section, the metropolitan transit commission shall  
37 exercise all powers of the metropolitan municipal corporation with

1 respect to metropolitan transportation facilities, including but not  
2 limited to the power to construct, acquire, maintain, operate, extend,  
3 alter, repair, control and manage a local public transportation system  
4 within and without the metropolitan area, to establish new passenger  
5 transportation services and to alter, curtail, or abolish any services  
6 as the commission may deem desirable and to fix tolls and fares.

7 The comprehensive plan for public transportation service and any  
8 amendments thereof shall be adopted by the metropolitan council and the  
9 metropolitan transit commission shall provide transportation facilities  
10 and service consistent with such plan. The metropolitan transit  
11 commission shall authorize expenditures for transportation purposes  
12 within the budget adopted by the metropolitan council. Tolls and fares  
13 may be fixed or altered by the commission only after approval thereof  
14 by the metropolitan council. Bonds of the metropolitan municipal  
15 corporation for public transportation purposes shall be issued by the  
16 metropolitan council as provided in this chapter.

17 The metropolitan transit commission shall consist of seven members.  
18 Six of such members shall be appointed by the metropolitan council and  
19 the seventh member shall be the chairman of the metropolitan council  
20 who shall be ex officio the chairman of the metropolitan transit  
21 commission. Three of the six appointed members of the commission shall  
22 be residents of the central city and three shall be residents of the  
23 metropolitan area outside of the central city. The three central city  
24 members of the first metropolitan transit commission shall be selected  
25 from the existing transit commission of the central city, if there be  
26 a transit commission in such city. The terms of first appointees shall  
27 be for one, two, three, four, five and six years, respectively.  
28 Thereafter, commissioners shall serve for a term of four years.  
29 Compensation of transit commissioners shall be determined by the  
30 metropolitan council.

31 The requirement to create a metropolitan transit commission shall  
32 not apply to a county that has assumed the rights, powers, functions,  
33 and obligations of the metropolitan municipal corporation under chapter  
34 36.56 RCW.

35 **Sec. 8.** RCW 35.58.300 and 1965 c 7 s 35.58.300 are each amended to  
36 read as follows:

37 If a metropolitan municipal corporation shall be authorized to  
38 perform the function of metropolitan parks and parkways, a metropolitan



1 park board shall be formed prior to the effective date of the  
2 assumption of such function. Except as provided in this section, the  
3 metropolitan park board shall exercise all powers of the metropolitan  
4 municipal corporation with respect to metropolitan park and parkway  
5 facilities.

6 The metropolitan park board shall authorize expenditures for park  
7 and parkway purposes within the budget adopted by the metropolitan  
8 council. Bonds of the metropolitan municipal corporation for park and  
9 parkway purposes shall be issued by the metropolitan council as  
10 provided in this chapter.

11 The metropolitan park board shall consist of five members appointed  
12 by the metropolitan council at least two of whom shall be residents of  
13 the central city. The terms of first appointees shall be for one, two,  
14 three, four and five years, respectively. Thereafter members shall  
15 serve for a term of four years. Compensation of park board members  
16 shall be determined by the metropolitan council.

17 The requirement to create a metropolitan park board shall not apply  
18 to a county that has assumed the rights, powers, functions, and  
19 obligations of the metropolitan municipal corporation under chapter  
20 36.56 RCW.

21 **Sec. 9.** RCW 35.58.320 and 1965 c 7 s 35.58.320 are each amended to  
22 read as follows:

23 A metropolitan municipal corporation shall have power to acquire by  
24 purchase and condemnation all lands and property rights, both within  
25 and without the metropolitan area, which are necessary for its  
26 purposes. Such right of eminent domain shall be exercised by the  
27 metropolitan council in the same manner and by the same procedure as is  
28 or may be provided by law for cities (~~of the first class~~), except  
29 insofar as such laws may be inconsistent with the provisions of this  
30 chapter.

31 **Sec. 10.** RCW 35.58.340 and 1965 c 7 s 35.58.340 are each amended  
32 to read as follows:

33 Except as otherwise provided herein, a metropolitan municipal  
34 corporation may sell, or otherwise dispose of any real or personal  
35 property acquired in connection with any authorized metropolitan  
36 function and which is no longer required for the purposes of the  
37 metropolitan municipal corporation in the same manner as provided for

1 cities (~~of the first class~~). When the metropolitan council  
2 determines that a metropolitan facility or any part thereof which has  
3 been acquired from a component city or county without compensation is  
4 no longer required for metropolitan purposes, but is required as a  
5 local facility by the city or county from which it was acquired, the  
6 metropolitan council shall by resolution transfer it to such city or  
7 county.

8 **Sec. 11.** RCW 35.58.350 and 1965 c 7 s 35.58.350 are each amended  
9 to read as follows:

10 All the powers and functions of a metropolitan municipal  
11 corporation shall be vested in the metropolitan council unless  
12 expressly vested in specific officers, boards, or commissions by this  
13 chapter, or vested in the county legislative authority of a county that  
14 has assumed the rights, powers, functions, and obligations of a  
15 metropolitan municipal corporation as provided in chapter 36.56 RCW.  
16 Without limitation of the foregoing authority, or of other powers given  
17 it by this chapter, the metropolitan council shall have the following  
18 powers:

19 (1) To establish offices, departments, boards and commissions in  
20 addition to those provided by this chapter which are necessary to carry  
21 out the purposes of the metropolitan municipal corporation, and to  
22 prescribe the functions, powers and duties thereof.

23 (2) To appoint or provide for the appointment of, and to remove or  
24 to provide for the removal of, all officers and employees of the  
25 metropolitan municipal corporation except those whose appointment or  
26 removal is otherwise provided by this chapter.

27 (3) To fix the salaries, wages and other compensation of all  
28 officers and employees of the metropolitan municipal corporation unless  
29 the same shall be otherwise fixed in this chapter.

30 (4) To employ such engineering, legal, financial, or other  
31 specialized personnel as may be necessary to accomplish the purposes of  
32 the metropolitan municipal corporation.

33 **Sec. 12.** RCW 35.58.410 and 1965 c 7 s 35.58.410 are each amended  
34 to read as follows:

35 On or before the third Monday in June of each year, each  
36 metropolitan municipal corporation shall (~~adopt a budget for the~~  
37 ~~following calendar year~~) prepare an estimate of all revenues to be

1 collected during the following calendar year, including any surplus  
2 funds remaining unexpended from the preceding year, for each authorized  
3 metropolitan function. If estimated revenues are insufficient to make  
4 all debt service payments falling due in the following calendar year on  
5 all general indebtedness issued by a metropolitan municipal corporation  
6 prior to January 1, 1994, the remaining funds required to make such  
7 debt service payments shall be designated as "supplemental income" and  
8 shall be obtained from component cities and component counties under  
9 RCW 35.58.420. Such budget shall include a separate section for each  
10 authorized metropolitan function. Expenditures shall be segregated as  
11 to operation and maintenance expenses and capital and betterment  
12 outlays. Administrative and other expense general to the corporation  
13 shall be allocated between the authorized metropolitan functions. The  
14 budget shall contain an estimate of all revenues to be collected during  
15 the following budget year, including any surplus funds remaining  
16 unexpended from the preceding year. ((The remaining funds required to  
17 meet budget expenditures, if any, shall be designated as "supplemental  
18 income" and shall be obtained from the component cities and counties in  
19 the manner provided in this chapter.)) The metropolitan council shall  
20 not be required to confine capital or betterment expenditures made from  
21 bond proceeds or emergency expenditures to items provided in the  
22 budget. The affirmative vote of three-fourths of all members of the  
23 metropolitan council shall be required to authorize emergency  
24 expenditures.

25 **Sec. 13.** RCW 39.36.020 and 1971 ex.s. c 218 s 1 are each amended  
26 to read as follows:

27 (1) Except as otherwise expressly provided by law or in subsections  
28 (2), (3) and (4) of this section, no taxing district shall for any  
29 purpose become indebted in any manner to an amount exceeding  
30 three-eighths of one percent of the value of the taxable property in  
31 such taxing district without the assent of three-fifths of the voters  
32 therein voting at an election to be held for that purpose, nor in cases  
33 requiring such assent shall the total indebtedness incurred at any time  
34 exceed one and one-fourth percent on the value of the taxable property  
35 therein.

36 (2) Counties, cities, towns, and public hospital districts are  
37 limited to an indebtedness amount not exceeding three-fourths of one  
38 percent of the value of the taxable property in such counties, cities,

1 towns, or public hospital districts without the assent of three-fifths  
2 of the voters therein voting at an election held for that purpose. In  
3 cases requiring such assent counties, cities, towns, and public  
4 hospital districts are limited to a total indebtedness of two and one-  
5 half percent of the value of the taxable property therein. However,  
6 any county that has assumed the rights, powers, functions, and  
7 obligations of a metropolitan municipal corporation under chapter 36.56  
8 RCW may become indebted to a larger amount for its authorized  
9 metropolitan functions, as provided under chapter 35.58 RCW, but not  
10 exceeding an additional three-fourths of one percent of the value of  
11 the taxable property in the county without the assent of three-fifths  
12 of the voters therein voting at an election held for that purpose, and  
13 in cases requiring such assent not exceeding an additional two and one-  
14 half percent of the value of the taxable property in the county.

15 (3) School districts are limited to an indebtedness amount not  
16 exceeding three-eighths of one percent of the value of the taxable  
17 property in such district without the assent of three-fifths of the  
18 voters therein voting at an election held for that purpose. In cases  
19 requiring such assent school districts are limited to a total  
20 indebtedness of two and one-half percent of the value of the taxable  
21 property therein.

22 (4) No part of the indebtedness allowed in this chapter shall be  
23 incurred for any purpose other than strictly county, city, town, school  
24 district, township, port district, metropolitan park district, or other  
25 municipal purposes: PROVIDED, That a city or town, with such assent,  
26 may become indebted to a larger amount, but not exceeding two and one-  
27 half percent additional, determined as herein provided, for supplying  
28 such city or town with water, artificial light, and sewers, when the  
29 works for supplying such water, light, and sewers shall be owned and  
30 controlled by the city or town; and a city or town, with such assent,  
31 may become indebted to a larger amount, but not exceeding two and one-  
32 half percent additional for acquiring or developing open space and park  
33 facilities: PROVIDED FURTHER, That any school district may become  
34 indebted to a larger amount but not exceeding two and one-half percent  
35 additional for capital outlays.

36 (5) Such indebtedness may be authorized in any total amount in one  
37 or more propositions and the amount of such authorization may exceed  
38 the amount of indebtedness which could then lawfully be incurred. Such  
39 indebtedness may be incurred in one or more series of bonds from time

1 to time out of such authorization but at no time shall the total  
2 general indebtedness of any taxing district exceed the above  
3 limitation.

4 The term "value of the taxable property" as used in this section  
5 shall have the meaning set forth in RCW 39.36.015.

6 **Sec. 14.** RCW 35.58.450 and 1984 c 186 s 18 are each amended to  
7 read as follows:

8 Notwithstanding the limitations of chapter 39.36 RCW and any other  
9 statutory limitations otherwise applicable and limiting municipal debt,  
10 a metropolitan municipal corporation shall have the power to contract  
11 indebtedness and issue general obligation bonds and to pledge the full  
12 faith and credit of the corporation to the payment thereof, for any  
13 authorized capital purpose of the metropolitan municipal corporation,  
14 not to exceed an amount, together with any outstanding nonvoter  
15 approved general indebtedness, equal to three-fourths of one percent of  
16 the value of the taxable property within the metropolitan municipal  
17 corporation, as the term "value of the taxable property" is defined in  
18 RCW 39.36.015. A metropolitan municipal corporation may additionally  
19 contract indebtedness and issue general obligation bonds, for any  
20 authorized capital purpose of a metropolitan municipal corporation,  
21 together with any other outstanding general indebtedness, not to exceed  
22 an amount equal to five percent of the value of the taxable property  
23 within the corporation, as the term "value of the taxable property" is  
24 defined in RCW 39.36.015, when a proposition authorizing the  
25 indebtedness has been approved by three-fifths of the persons voting on  
26 said proposition at said election at which such election the total  
27 number of persons voting on such bond proposition shall constitute not  
28 less than forty percent of the total number of ((votes cast)) voters  
29 voting within the area of said metropolitan municipal corporation at  
30 the last preceding state general election. Such general obligation  
31 bonds may be authorized in any total amount in one or more propositions  
32 and the amount of such authorization may exceed the amount of bonds  
33 which could then lawfully be issued. Such bonds may be issued in one  
34 or more series from time to time out of such authorization. The  
35 elections shall be held pursuant to RCW 39.36.050.

36 Whenever the voters of a metropolitan municipal corporation have,  
37 pursuant to RCW 84.52.056, approved excess property tax levies to  
38 retire such bond issues, both the principal of and interest on such

1 general obligation bonds may be made payable from annual tax levies to  
2 be made upon all the taxable property within the metropolitan municipal  
3 corporation in excess of the constitutional and/or statutory tax  
4 limit. The principal of and interest on any general obligation bond  
5 may be made payable from any other taxes or any special assessments  
6 which the metropolitan municipal corporation may be authorized to levy  
7 or from any otherwise unpledged revenue which may be derived from the  
8 ownership or operation of properties or facilities incident to the  
9 performance of the authorized function for which such bonds are issued  
10 or may be made payable from any combination of the foregoing sources.  
11 The metropolitan council may include in the principal amount of such  
12 bond issue an amount for engineering, architectural, planning,  
13 financial, legal, urban design and other services incident to  
14 acquisition or construction solely for authorized capital purposes  
15 (~~and may include an amount to establish a guaranty fund for revenue~~  
16 ~~bonds issued solely for capital purposes~~)).

17 General obligation bonds shall be issued and sold by the  
18 metropolitan council as provided in chapter 39.46 RCW and shall mature  
19 in not to exceed forty years from the date of issue.

20 **Sec. 15.** RCW 35.58.460 and 1983 c 167 s 48 are each amended to  
21 read as follows:

22 (1) A metropolitan municipal corporation may issue revenue bonds to  
23 provide funds to carry out its authorized metropolitan water pollution  
24 abatement, water supply, garbage disposal or transportation purposes,  
25 without submitting the matter to the voters of the metropolitan  
26 municipal corporation. The metropolitan council shall create a special  
27 fund or funds for the sole purpose of paying the principal of and  
28 interest on the bonds of each such issue, into which fund or funds the  
29 metropolitan council may obligate the metropolitan municipal  
30 corporation to pay such amounts of the gross revenue of the particular  
31 utility constructed, acquired, improved, added to, or repaired out of  
32 the proceeds of sale of such bonds, as the metropolitan council shall  
33 determine and may obligate the metropolitan municipal corporation to  
34 pay such amounts out of otherwise unpledged revenue which may be  
35 derived from the ownership, use or operation of properties or  
36 facilities owned, used or operated incident to the performance of the  
37 authorized function for which such bonds are issued or out of otherwise  
38 unpledged fees, tolls, charges, tariffs, fares, rentals, special taxes

1 or other sources of payment lawfully authorized for such purpose, as  
2 the metropolitan council shall determine. The principal of, and  
3 interest on, such bonds shall be payable only out of such special fund  
4 or funds, and the owners of such bonds shall have a lien and charge  
5 against the gross revenue of such utility or any other revenue, fees,  
6 tolls, charges, tariffs, fares, special taxes or other authorized  
7 sources pledged to the payment of such bonds.

8 Such revenue bonds and the interest thereon issued against such  
9 fund or funds shall be a valid claim of the owners thereof only as  
10 against such fund or funds and the revenue pledged therefor, and shall  
11 not constitute a general indebtedness of the metropolitan municipal  
12 corporation.

13 Each such revenue bond shall state upon its face that it is payable  
14 from such special fund or funds, and all revenue bonds issued under  
15 this chapter shall be negotiable securities within the provisions of  
16 the law of this state. Such revenue bonds may be registered either as  
17 to principal only or as to principal and interest as provided in RCW  
18 39.46.030, or may be bearer bonds; shall be in such denominations as  
19 the metropolitan council shall deem proper; shall be payable at such  
20 time or times and at such places as shall be determined by the  
21 metropolitan council; shall bear interest at such rate or rates as  
22 shall be determined by the metropolitan council; shall be signed by the  
23 chairman and attested by the secretary of the metropolitan council,  
24 (~~one~~) any of which signatures may be (~~a~~) facsimile signatures, and  
25 the seal of the metropolitan municipal corporation shall be impressed  
26 or imprinted thereon; any attached interest coupons shall be signed by  
27 the facsimile signatures of said officials.

28 Such revenue bonds shall be sold in such manner, at such price and  
29 at such rate or rates of interest as the metropolitan council shall  
30 deem to be for the best interests of the metropolitan municipal  
31 corporation, either at public or private sale.

32 The metropolitan council may at the time of the issuance of such  
33 revenue bonds make such covenants with the owners of said bonds as it  
34 may deem necessary to secure and guarantee the payment of the principal  
35 thereof and the interest thereon, including but not being limited to  
36 covenants to set aside adequate reserves to secure or guarantee the  
37 payment of such principal and interest, to maintain rates sufficient to  
38 pay such principal and interest and to maintain adequate coverage over  
39 debt service, to appoint a trustee or trustees for the bond owners to

1 safeguard the expenditure of the proceeds of sale of such bonds and to  
2 fix the powers and duties of such trustee or trustees and to make such  
3 other covenants as the metropolitan council may deem necessary to  
4 accomplish the most advantageous sale of such bonds. The metropolitan  
5 council may also provide that revenue bonds payable out of the same  
6 source may later be issued on a parity with revenue bonds being issued  
7 and sold.

8 The metropolitan council may include in the principal amount of any  
9 such revenue bond issue an amount to establish necessary reserves, an  
10 amount for working capital and an amount necessary for interest during  
11 the period of construction of any such metropolitan facilities plus six  
12 months. The metropolitan council may, if it deems it to the best  
13 interest of the metropolitan municipal corporation, provide in any  
14 contract for the construction or acquisition of any metropolitan  
15 facilities or additions or improvements thereto or replacements or  
16 extensions thereof that payment therefor shall be made only in such  
17 revenue bonds at the par value thereof.

18 If the metropolitan municipal corporation shall fail to carry out  
19 or perform any of its obligations or covenants made in the  
20 authorization, issuance and sale of such bonds, the owner of any such  
21 bond may bring action against the metropolitan municipal corporation  
22 and compel the performance of any or all of such covenants.

23 (2) Notwithstanding subsection (1) of this section, such bonds may  
24 be issued and sold in accordance with chapter 39.46 RCW.

25 **Sec. 16.** RCW 35.58.490 and 1965 c 7 s 35.58.490 are each amended  
26 to read as follows:

27 ~~((If a metropolitan municipal corporation shall have been  
28 authorized to levy a general tax on all taxable property located within  
29 the metropolitan municipal corporation in the manner provided in this  
30 chapter, either at the time of the formation of the metropolitan  
31 municipal corporation or subsequently, the))~~ A metropolitan council  
32 shall have the power to authorize the issuance of interest bearing  
33 warrants on such terms and conditions as the metropolitan council shall  
34 provide(~~(, same to be repaid from the proceeds of such tax when  
35 collected))~~ and to repay the interest bearing warrants with any moneys  
36 legally authorized for such purposes, including tax receipts where  
37 appropriate.



1       **Sec. 17.** RCW 35.58.500 and 1965 c 7 s 35.58.500 are each amended  
2 to read as follows:

3       The metropolitan municipal corporation shall have the power to levy  
4 special assessments payable over a period of not exceeding twenty years  
5 on all property within the metropolitan area specially benefited by any  
6 improvement, on the basis of special benefits conferred, to pay in  
7 whole, or in part, the damages or costs of any such improvement, and  
8 for such purpose may establish local improvement districts and enlarged  
9 local improvement districts, issue local improvement warrants and bonds  
10 to be repaid by the collection of local improvement assessments and  
11 generally to exercise with respect to any improvements which it may be  
12 authorized to construct or acquire the same powers as may now or  
13 hereafter be conferred by law upon cities (~~((of the first class))~~). Such  
14 local improvement districts shall be created and such special  
15 assessments levied and collected and local improvement warrants and  
16 bonds issued and sold in the same manner as shall now or hereafter be  
17 provided by law for cities (~~((of the first class))~~). The duties imposed  
18 upon the city treasurer under such acts shall be imposed upon the  
19 treasurer of the county in which such local improvement district shall  
20 be located.

21       A metropolitan municipal corporation may provide that special  
22 benefit assessments levied in any local improvement district may be  
23 paid into such revenue bond redemption fund or funds as may be  
24 designated by the metropolitan council to secure the payment of revenue  
25 bonds issued to provide funds to pay the cost of improvements for which  
26 such assessments were levied. If local improvement district  
27 assessments shall be levied for payment into a revenue bond fund, the  
28 local improvement district created therefor shall be designated a  
29 utility local improvement district. A metropolitan municipal  
30 corporation that creates a utility local improvement district shall  
31 conform with the laws relating to utility local improvement districts  
32 created by a city.

33       **Sec. 18.** RCW 35.58.520 and 1965 c 7 s 35.58.520 are each amended  
34 to read as follows:

35       A metropolitan municipal corporation shall have the power to invest  
36 its funds held in reserves or sinking funds or any such funds which are  
37 not required for immediate disbursement, in (~~((property or securities in~~  
38 ~~which mutual savings banks may legally invest funds subject to their~~

1 ~~control~~) any investments in which a city is authorized to invest, as  
2 provided in RCW 35.39.030.

3 **Sec. 19.** RCW 35.58.530 and 1969 ex.s. c 135 s 3 are each amended  
4 to read as follows:

5 Territory located within a component county that is annexed to a  
6 component city after the establishment of a metropolitan municipal  
7 corporation shall by such act be annexed to (~~such~~) the metropolitan  
8 municipal corporation. Territory within a metropolitan municipal  
9 corporation may be annexed to a city which is not within such  
10 metropolitan municipal corporation in the manner provided by law and in  
11 such event either (1) such city may be annexed to such metropolitan  
12 municipal corporation by ordinance of the legislative body of the city  
13 concurred in by resolution of the metropolitan council, or (2) if such  
14 city shall not be so annexed such territory shall remain within the  
15 metropolitan municipal corporation unless such city shall by resolution  
16 of its legislative body request the withdrawal of such territory  
17 subject to any outstanding indebtedness of the metropolitan corporation  
18 and the metropolitan council shall by resolution consent to such  
19 withdrawal.

20 Any territory located within a component county that is contiguous  
21 to a metropolitan municipal corporation and lying wholly within an  
22 incorporated city or town may be annexed to such metropolitan municipal  
23 corporation by ordinance of the legislative body of such city or town  
24 requesting such annexation concurred in by resolution of the  
25 metropolitan council.

26 Any other territory located within a component county that is  
27 adjacent to a metropolitan municipal corporation may be annexed thereto  
28 by vote of the qualified electors residing in the territory to be  
29 annexed, in the manner provided in this chapter. An election to annex  
30 such territory may be called pursuant to a petition or resolution in  
31 the following manner:

32 (1) A petition calling for such an election shall be signed by at  
33 least four percent of the qualified voters residing within the  
34 territory to be annexed and shall be filed with the auditor of the  
35 central county.

36 (2) A resolution calling for such an election may be adopted by the  
37 metropolitan council.

1 Any resolution or petition calling for such an election shall  
2 describe the boundaries of the territory to be annexed, and state that  
3 the annexation of such territory to the metropolitan municipal  
4 corporation will be conducive to the welfare and benefit of the persons  
5 or property within the metropolitan municipal corporation and within  
6 the territory proposed to be annexed.

7 Upon receipt of such a petition, the auditor shall examine the same  
8 and certify to the sufficiency of the signatures thereon. (~~For the~~  
9 ~~purpose of examining the signatures on such petition, the auditor shall~~  
10 ~~be permitted access to the voter registration books of each city within~~  
11 ~~the territory proposed to be annexed and of each county a portion of~~  
12 ~~which shall be located within the territory proposed to be annexed. No~~  
13 ~~person may withdraw his name from a petition after it has been filed~~  
14 ~~with the auditor.)) Within thirty days following the receipt of such  
15 petition, the auditor shall transmit the same to the metropolitan  
16 council, together with his certificate as to the sufficiency thereof.~~

17 NEW SECTION. **Sec. 20.** The following acts or parts of acts are  
18 each repealed:

- 19 (1) RCW 35.58.118 and 1971 ex.s. c 303 s 4 & 1967 c 105 s 10;  
20 (2) RCW 35.58.440 and 1965 c 7 s 35.58.440; and  
21 (3) RCW 35A.57.010 and 1967 ex.s. c 119 s 35A.57.010.

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