## ESHB 2088 - S COMM AMD

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By Committee on Natural Resources, Energy & Water

#### ADOPTED AS AMENDED 04/10/2003

- 1 Strike everything after the enacting clause and insert the 2 following:
- 3 "Sec. 1. RCW 35.67.020 and 1997 c 447 s 8 are each amended to read 4 as follows:
- 5 (1) Every city and town may construct, condemn and purchase, 6 acquire, add to, maintain, conduct, and operate systems of sewerage and 7 systems and plants for refuse collection and disposal together with 8 additions, extensions, and betterments thereto, within and without its limits((<del>, with</del>)). Every city and town has full jurisdiction and 9 authority to manage, regulate, and control them and, except as provided 10 in subsection (3) of this section, to fix, alter, regulate, and control 11 12 the rates and charges for their use.
  - (2) Subject to subsection (3) of this section, the rates charged under this section must be uniform for the same class of customers or service and facilities furnished. In classifying customers served or service and facilities furnished by such system of sewerage, the city or town legislative body may in its discretion consider any or all of the following factors:
- 19  $((\frac{1}{1}))$  (a) The difference in cost of service and facilities to the various customers;
- 21  $((\frac{2}{1}))$  (b) The location of the various customers within and 22 without the city or town;
- 23  $((\frac{3}{3}))$  <u>(c)</u> The difference in cost of maintenance, operation, 24 repair, and replacement of the various parts of the system;
- 25  $((\frac{4}{}))$  <u>(d)</u> The different character of the service and facilities furnished various customers;
- 27  $((\frac{(5)}{)})$  <u>(e)</u> The quantity and quality of the sewage delivered and 28 the time of its delivery;
- 29  $((\frac{(6)}{(6)}))$  (f) The achievement of water conservation goals and the 30 discouragement of wasteful water use practices;

- $((\frac{7}{}))$  (g) Capital contributions made to the system, including but not limited to, assessments;
- $((\frac{(8)}{(8)}))$  (h) The nonprofit public benefit status, as defined in RCW 24.03.490, of the land user; and
- (((+9+))) (i) Any other matters which present a reasonable difference 6 as a ground for distinction.

- (3) The rate a city or town may charge under this section for storm or surface water sewer systems or combined sanitary sewage and storm or surface water sewer systems shall be reduced by a minimum of ten percent for any new or remodeled commercial building that utilizes a permissive rainwater harvesting system. Rainwater harvesting systems shall be properly sized to utilize the available roof surface of the building. The jurisdiction shall consider rate reductions in excess of ten percent dependent upon the amount of rainwater harvested.
- 15 <u>(4)</u> Rates or charges for on-site inspection and maintenance 16 services may not be imposed under this chapter on the development, 17 construction, or reconstruction of property.
  - (5) A city or town may provide assistance to aid low-income persons in connection with services provided under this chapter.
  - (6) Under this chapter, after July 1, 1998, any requirements for pumping the septic tank of an on-site sewage system should be based, among other things, on actual measurement of accumulation of sludge and scum by a trained inspector, trained owner's agent, or trained owner. Training must occur in a program approved by the state board of health or by a local health officer.
  - (7) Before adopting on-site inspection and maintenance utility services, or incorporating residences into an on-site inspection and maintenance or sewer utility under this chapter, notification must be provided, prior to the applicable public hearing, to all residences within the proposed service area that have on-site systems permitted by the local health officer. The notice must clearly state that the residence is within the proposed service area and must provide information on estimated rates or charges that may be imposed for the service.
- 35 <u>(8)</u> A city or town shall not provide on-site sewage system 36 inspection, pumping services, or other maintenance or repair services 37 under this section using city or town employees unless the on-site

- system is connected by a publicly owned collection system to the city or town's sewerage system, and the on-site system represents the first step in the sewage disposal process. Nothing in this section shall affect the authority of state or local health officers to carry out
- 6 **Sec. 2.** RCW 35.92.020 and 1997 c 447 s 9 are each amended to read 7 as follows:

their responsibilities under any other applicable law.

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- (1) A city or town may construct, condemn and purchase, purchase, 8 acquire, add to, alter, maintain, and operate systems, plants, sites, 9 or other facilities of sewerage as defined in RCW 35.67.010, or solid 10 waste handling as defined by RCW 70.95.030((, and)). A city or town 11 shall have full authority to manage, regulate, operate, control, and, 12 except as provided in subsection (3) of this section, to fix the price 13 of service and facilities of those systems, plants, sites, or other 14 facilities within and without the limits of the city or town. 15
  - (2) Subject to subsection (3) of this section, the rates charged shall be uniform for the same class of customers or service and facilities. In classifying customers served or service and facilities furnished by a system or systems of sewerage, the legislative authority of the city or town may in its discretion consider any or all of the following factors:
- 22  $((\frac{1}{1}))$  (a) The difference in cost of service and facilities to customers;
- 24  $((\frac{2}{2}))$  (b) The location of customers within and without the city or town;
- 26 ((<del>(3)</del>)) <u>(c)</u> The difference in cost of maintenance, operation, 27 repair, and replacement of the parts of the system;
- 28  $((\frac{4}{}))$  <u>(d)</u> The different character of the service and facilities furnished to customers;
- 30 (((5))) (e) The quantity and quality of the sewage delivered and the time of its delivery;
- 32 ((<del>(6)</del>)) <u>(f)</u> Capital contributions made to the systems, plants, 33 sites, or other facilities, including but not limited to, assessments;
- $((\frac{7}{}))$  (g) The nonprofit public benefit status, as defined in RCW 24.03.490, of the land user; and

 $((\frac{8}{}))$  (h) Any other factors that present a reasonable difference 2 as a ground for distinction.

- (3) The rate a city or town may charge under this section for storm or surface water sewer systems or combined sanitary sewage and storm or surface water sewer systems shall be reduced by a minimum of ten percent for any new or remodeled commercial building that utilizes a permissive rainwater harvesting system. Rainwater harvesting systems shall be properly sized to utilize the available roof surface of the building. The jurisdiction shall consider rate reductions in excess of ten percent dependent upon the amount of rainwater harvested.
- (4) Rates or charges for on-site inspection and maintenance services may not be imposed under this chapter on the development, construction, or reconstruction of property.
- (5) A city or town may provide assistance to aid low-income persons in connection with services provided under this chapter.
- (6) Under this chapter, after July 1, 1998, any requirements for pumping the septic tank of an on-site sewage system should be based, among other things, on actual measurement of accumulation of sludge and scum by a trained inspector, trained owner's agent, or trained owner. Training must occur in a program approved by the state board of health or by a local health officer.
- (7) Before adopting on-site inspection and maintenance utility services, or incorporating residences into an on-site inspection and maintenance or sewer utility under this chapter, notification must be provided, prior to the applicable public hearing, to all residences within the proposed service area that have on-site systems permitted by the local health officer. The notice must clearly state that the residence is within the proposed service area and must provide information on estimated rates or charges that may be imposed for the service.
- (8) A city or town shall not provide on-site sewage system inspection, pumping services, or other maintenance or repair services under this section using city or town employees unless the on-site system is connected by a publicly owned collection system to the city or town's sewerage system, and the on-site system represents the first step in the sewage disposal process. Nothing in this section shall

- affect the authority of state or local health officers to carry out their responsibilities under any other applicable law.
- **Sec. 3.** RCW 36.89.080 and 1998 c 74 s 1 are each amended to read 4 as follows:
  - (1) Subject to subsections (2) and (3) of this section, any county legislative authority may provide by resolution for revenues by fixing rates and charges for the furnishing of service to those served or receiving benefits or to be served or to receive benefits from any storm water control facility or contributing to an increase of surface water runoff. In fixing rates and charges, the county legislative authority may in its discretion consider:
- $((\frac{1}{1}))$  (a) Services furnished or to be furnished;
- $((\frac{2}{2}))$  (b) Benefits received or to be received;

- $((\frac{3}{3}))$  <u>(c)</u> The character and use of land or its water runoff characteristics;
- $((\frac{4}{1}))$  <u>(d)</u> The nonprofit public benefit status, as defined in RCW 24.03.490, of the land user;
- $((\frac{(5)}{)})$  (e) Income level of persons served or provided benefits 19 under this chapter, including senior citizens and disabled persons; or
- $((\frac{(6)}{)})$  (f) Any other matters which present a reasonable difference 21 as a ground for distinction.
  - (2) The rate a county may charge under this section for storm water control facilities shall be reduced by a minimum of ten percent for any new or remodeled commercial building that utilizes a permissive rainwater harvesting system. Rainwater harvesting systems shall be properly sized to utilize the available roof surface of the building.
- 27 <u>The jurisdiction shall consider rate reductions in excess of ten</u> 28 percent dependent upon the amount of rainwater harvested.
- 29 (3) Rates and charges authorized under this section may not be 30 imposed on lands taxed as forest land under chapter 84.33 RCW or as 31 timber land under chapter 84.34 RCW.
  - (4) The service charges and rates collected shall be deposited in a special fund or funds in the county treasury to be used only for the purpose of paying all or any part of the cost and expense of maintaining and operating storm water control facilities, all or any part of the cost and expense of planning, designing, establishing,

- 1 acquiring, developing, constructing and improving any of such
- 2 facilities, or to pay or secure the payment of all or any portion of
- 3 any issue of general obligation or revenue bonds issued for such
- 4 purpose.

- **Sec. 4.** RCW 36.94.140 and 1997 c 447 s 12 are each amended to read 6 as follows:
  - (1) Every county, in the operation of a system of sewerage and/or water, shall have full jurisdiction and authority to manage, regulate, and control it ((and)). Except as provided in subsection (3) of this section, every county shall have full jurisdiction and authority to fix, alter, regulate, and control the rates and charges for the service and facilities to those to whom such service and facilities are available, and to levy charges for connection to the system.
    - (2) The rates for availability of service and facilities, and connection charges so charged must be uniform for the same class of customers or service and facility. In classifying customers served, service furnished or made available by such system of sewerage and/or water, or the connection charges, the county legislative authority may consider any or all of the following factors:
- $((\frac{1}{1}))$  (a) The difference in cost of service to the various 21 customers within or without the area;
- $((\frac{(2)}{2}))$  (b) The difference in cost of maintenance, operation, 23 repair and replacement of the various parts of the systems;
- $((\frac{3}{3}))$  (c) The different character of the service and facilities furnished various customers;
- $((\frac{4}{}))$  (d) The quantity and quality of the sewage and/or water delivered and the time of its delivery;
- $((\frac{(5)}{)})$  (e) Capital contributions made to the system or systems, 29 including, but not limited to, assessments;
- $((\frac{(6)}{(6)}))$  (f) The cost of acquiring the system or portions of the system in making system improvements necessary for the public health and safety;
- $(((\frac{7}{})))$  (g) The nonprofit public benefit status, as defined in RCW 24.03.490, of the land user; and
- $((\frac{(8)}{(8)}))$  (h) Any other matters which present a reasonable difference as a ground for distinction.

- (3) The rate a county may charge under this section for storm or surface water sewer systems or combined sanitary sewage and storm or surface water sewer systems shall be reduced by a minimum of ten percent for any new or remodeled commercial building that utilizes a permissive rainwater harvesting system. Rainwater harvesting systems shall be properly sized to utilize the available roof surface of the building. The jurisdiction shall consider rate reductions in excess of ten percent dependent upon the amount of rainwater harvested.
- 9 <u>(4)</u> A county may provide assistance to aid low-income persons in connection with services provided under this chapter.
  - (5) The service charges and rates shall produce revenues sufficient to take care of the costs of maintenance and operation, revenue bond and warrant interest and principal amortization requirements, and all other charges necessary for the efficient and proper operation of the system.
- **Sec. 5.** RCW 57.08.005 and 1999 c 153 s 2 are each amended to read 17 as follows:

A district shall have the following powers:

- (1) To acquire by purchase or condemnation, or both, all lands, property and property rights, and all water and water rights, both within and without the district, necessary for its purposes. The right of eminent domain shall be exercised in the same manner and by the same procedure as provided for cities and towns, insofar as consistent with this title, except that all assessment or reassessment rolls to be prepared and filed by eminent domain commissioners or commissioners appointed by the court shall be prepared and filed by the district, and the duties devolving upon the city treasurer are imposed upon the county treasurer;
- (2) To lease real or personal property necessary for its purposes for a term of years for which that leased property may reasonably be needed;
- (3) To construct, condemn and purchase, add to, maintain, and supply waterworks to furnish the district and inhabitants thereof and any other persons, both within and without the district, with an ample supply of water for all uses and purposes public and private with full authority to regulate and control the use, content, distribution, and

price thereof in such a manner as is not in conflict with general law and may construct, acquire, or own buildings and other necessary district facilities. Where a customer connected to the district's system uses the water on an intermittent or transient basis, a district may charge for providing water service to such a customer, regardless of the amount of water, if any, used by the customer. waterworks may include facilities which result in combined water supply and electric generation, if the electricity generated thereby is a byproduct of the water supply system. That electricity may be used by the district or sold to any entity authorized by law to use or distribute electricity. Electricity is deemed a byproduct when the electrical generation is subordinate to the primary purpose of water supply. For such purposes, a district may take, condemn and purchase, acquire, and retain water from any public or navigable lake, river or watercourse, or any underflowing water, and by means of aqueducts or pipeline conduct the same throughout the district and any city or town therein and carry it along and upon public highways, roads, and streets, within and without such district. For the purpose of constructing or laying aqueducts or pipelines, dams, or waterworks or other necessary structures in storing and retaining water or for any other lawful purpose such district may occupy the beds and shores up to the high water mark of any such lake, river, or other watercourse, and may acquire by purchase or condemnation such property or property rights or privileges as may be necessary to protect its water supply from pollution. For the purposes of waterworks which include facilities for the generation of electricity as a byproduct, nothing in this section may be construed to authorize a district to condemn electric generating, transmission, or distribution rights or facilities of entities authorized by law to distribute electricity, or to acquire such rights or facilities without the consent of the owner;

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

(5) To construct, condemn and purchase, add to, maintain, and operate systems of sewers for the purpose of furnishing the district, the inhabitants thereof, and persons outside the district with an adequate system of sewers for all uses and purposes, public and private, including but not limited to on-site sewage disposal facilities, approved septic tanks or approved septic tank systems, onsite sanitary sewerage systems, inspection services and maintenance services for private and public on-site systems, point and nonpoint water pollution monitoring programs that are directly related to the sewerage facilities and programs operated by a district, other facilities, programs, and systems for the collection, interception, treatment, and disposal of wastewater, and for the control of pollution from wastewater with full authority to regulate the use and operation thereof and the service rates to be charged. Under this chapter, after July 1, 1998, any requirements for pumping the septic tank of an onsite sewage system should be based, among other things, on actual measurement of accumulation of sludge and scum by a trained inspector, trained owner's agent, or trained owner. Training must occur in a program approved by the state board of health or by a local health Sewage facilities may include facilities which result in officer. combined sewage disposal or treatment and electric generation, except that the electricity generated thereby is a byproduct of the system of Such electricity may be used by the district or sold to any entity authorized by law to distribute electricity. Electricity is deemed a byproduct when the electrical generation is subordinate to the primary purpose of sewage disposal or treatment. For such purposes a district may conduct sewage throughout the district and throughout other political subdivisions within the district, and construct and lay sewer pipe along and upon public highways, roads, and streets, within and without the district, and condemn and purchase or acquire land and rights of way necessary for such sewer pipe. A district may erect sewage treatment plants within or without the district, and may by purchase or condemnation, properties or privileges necessary to be had to protect any lakes, rivers, or watercourses and also other areas of land from pollution from its sewers or its sewage treatment plant. For the purposes of sewage facilities which include facilities that result in combined sewage disposal or treatment and

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electric generation where the electric generation is a byproduct, nothing in this section may be construed to authorize a district to condemn electric generating, transmission, or distribution rights or facilities of entities authorized by law to distribute electricity, or to acquire such rights or facilities without the consent of the owners;

- (6)(a) To construct, condemn and purchase, add to, maintain, and operate systems of drainage for the benefit and use of the district, the inhabitants thereof, and persons outside the district with an adequate system of drainage, including but not limited to facilities and systems for the collection, interception, treatment, and disposal of storm or surface waters, and for the protection, preservation, and rehabilitation of surface and underground waters, and drainage facilities for public highways, streets, and roads, with full authority to regulate the use and operation thereof and, except as provided in (b) of this subsection, the service rates to be charged.
- (b) The rate a district may charge under this section for storm or surface water sewer systems or combined sanitary sewage and storm or surface water sewer systems shall be reduced by a minimum of ten percent for any new or remodeled commercial building that utilizes a permissive rainwater harvesting system. Rainwater harvesting systems shall be properly sized to utilize the available roof surface of the building. The jurisdiction shall consider rate reductions in excess of ten percent dependent upon the amount of rainwater harvested.
- (c) Drainage facilities may include natural systems. Drainage facilities may include facilities which result in combined drainage facilities and electric generation, except that the electricity generated thereby is a byproduct of the drainage system. Such electricity may be used by the district or sold to any entity authorized by law to distribute electricity. Electricity is deemed a byproduct when the electrical generation is subordinate to the primary purpose of drainage collection, disposal, and treatment. For such purposes, a district may conduct storm or surface water throughout the district and throughout other political subdivisions within the district, construct and lay drainage pipe and culverts along and upon public highways, roads, and streets, within and without the district, and condemn and purchase or acquire land and rights of way necessary for such drainage systems. A district may provide or erect facilities

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

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

- (8) To compel all property owners within the district located within an area served by the district's system of sewers to connect their private drain and sewer systems with the district's system under such penalty as the commissioners shall prescribe by resolution. The district may for such purpose enter upon private property and connect the private drains or sewers with the district system and the cost thereof shall be charged against the property owner and shall be a lien upon property served;
- (9) Where a district contains within its borders, abuts, or is located adjacent to any lake, stream, ground water as defined by RCW 90.44.035, or other waterway within the state of Washington, to provide for the reduction, minimization, or elimination of pollutants from those waters in accordance with the district's comprehensive plan, and to issue general obligation bonds, revenue bonds, local improvement district bonds, or utility local improvement bonds for the purpose of paying all or any part of the cost of reducing, minimizing, or eliminating the pollutants from these waters;
- (10) <u>Subject to subsection (6) of this section</u>, to fix rates and charges for water, sewer, and drain service supplied and to charge property owners seeking to connect to the district's systems, as a condition to granting the right to so connect, in addition to the cost of the connection, such reasonable connection charge as the board of commissioners shall determine to be proper in order that those property owners shall bear their equitable share of the cost of the system. For

the purposes of calculating a connection charge, the board 1 2 commissioners shall determine the pro rata share of the cost of existing facilities and facilities planned for construction within the 3 next ten years and contained in an adopted comprehensive plan and other 4 costs borne by the district which are directly attributable to the 5 improvements required by property owners seeking to connect to the 6 The cost of existing facilities shall not include those 7 portions of the system which have been donated or which have been paid 8 for by grants. The connection charge may include interest charges 9 applied from the date of construction of the system until the 10 connection, or for a period not to exceed ten years, whichever is 11 12 shorter, at a rate commensurate with the rate of interest applicable to 13 the district at the time of construction or major rehabilitation of the system, or at the time of installation of the lines to which the 14 property owner is seeking to connect. A district may permit payment of 15 the cost of connection and the reasonable connection charge to be paid 16 17 with interest in installments over a period not exceeding fifteen The county treasurer may charge and collect a fee of three 18 dollars for each year for the treasurer's services. Those fees shall 19 be a charge to be included as part of each annual installment, and 20 21 shall be credited to the county current expense fund by the county 22 treasurer. Revenues from connection charges excluding permit fees are to be considered payments in aid of construction as defined by 23 department of revenue rule. Rates or charges for on-site inspection 24 25 and maintenance services may not be imposed under this chapter on the 26 development, construction, or reconstruction of property.

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

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A water-sewer district shall not provide on-site sewage system inspection, pumping services, or other maintenance or repair services

under this section using water-sewer district employees unless the onsite system is connected by a publicly owned collection system to the water-sewer district's sewerage system, and the on-site system represents the first step in the sewage disposal process.

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

- 13 (11) To contract with individuals, associations and corporations, 14 the state of Washington, and the United States;
- 15 (12) To employ such persons as are needed to carry out the 16 district's purposes and fix salaries and any bond requirements for 17 those employees;
  - (13) To contract for the provision of engineering, legal, and other professional services as in the board of commissioner's discretion is necessary in carrying out their duties;
    - (14) To sue and be sued;

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- 22 (15) To loan and borrow funds and to issue bonds and instruments 23 evidencing indebtedness under chapter 57.20 RCW and other applicable 24 laws;
  - (16) To transfer funds, real or personal property, property interests, or services subject to RCW 57.08.015;
- 27 (17) To levy taxes in accordance with this chapter and chapters 28 57.04 and 57.20 RCW;
- 29 (18) To provide for making local improvements and to levy and 30 collect special assessments on property benefitted thereby, and for 31 paying for the same or any portion thereof in accordance with chapter 32 57.16 RCW;
  - (19) To establish street lighting systems under RCW 57.08.060;
- 34 (20) To exercise such other powers as are granted to water-sewer 35 districts by this title or other applicable laws; and
- 36 (21) To exercise any of the powers granted to cities and counties

with respect to the acquisition, construction, maintenance, operation of, and fixing rates and charges for waterworks and systems of sewerage and drainage.

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- Sec. 6. RCW 57.08.081 and 1999 c 153 s 11 are each amended to read as follows:
- (1) <u>Subject to RCW 57.08.005(6)</u>, the commissioners of any district shall provide for revenues by fixing rates and charges for furnishing sewer and drainage service and facilities to those to whom service is available or for providing water, such rates and charges to be fixed as deemed necessary by the commissioners, so that uniform charges will be made for the same class of customer or service and facility. Rates and charges may be combined for the furnishing of more than one type of sewer or drainage service and facilities.
- (2) In classifying customers of such water, sewer, or drainage system, the board of commissioners may in its discretion consider any or all of the following factors: The difference in cost to various customers; the location of the various customers within and without the district; the difference in cost of maintenance, operation, repair, and replacement of the various parts of the system; the different character of the service furnished various customers; the quantity and quality of the service and facility furnished; the time of its use; the achievement of water conservation goals and the discouragement of wasteful practices; capital contributions made to the system including but not limited to assessments; and any other matters which present a reasonable difference as a ground for distinction. Rates shall be established as deemed proper by the commissioners and as fixed by resolution and shall produce revenues sufficient to take care of the costs of maintenance and operation, revenue bond and warrant interest and principal amortization requirements, and all other charges necessary for efficient and proper operation of the system. Prior to furnishing services, a district may require a deposit to quarantee payment for services. However, failure to require a deposit does not affect the validity of any lien authorized by this section.
- (3) The commissioners shall enforce collection of connection charges, and rates and charges for water supplied against property owners connecting with the system or receiving such water, and for

sewer and drainage services charged against property to which and its owners to whom the service is available, such charges being deemed charges against the property served, by addition of penalties of not more than ten percent thereof in case of failure to pay the charges at times fixed by resolution. The commissioners may provide by resolution that where either connection charges or rates and charges for services supplied are delinquent for any specified period of time, the district shall certify the delinquencies to the auditor of the county in which the real property is located, and the charges and any penalties added thereto and interest thereon at the rate of not more than the prime lending rate of the district's bank plus four percentage points per year shall be a lien against the property upon which the service was received, subject only to the lien for general taxes.

- (4) The district may, at any time after the connection charges or rates and charges for services supplied or available and penalties are delinquent for a period of sixty days, bring suit in foreclosure by civil action in the superior court of the county in which the real property is located. The court may allow, in addition to the costs and disbursements provided by statute, attorneys' fees, title search and report costs, and expenses as it adjudges reasonable. The action shall be in rem, and may be brought in the name of the district against an individual or against all of those who are delinquent in one action. The laws and rules of the court shall control as in other civil actions.
- (5) In addition to the right to foreclose provided in this section, the district may also cut off all or part of the service after charges for water or sewer service supplied or available are delinquent for a period of thirty days.
- 29 (6) A district may determine how to apply partial payments on past 30 due accounts.
  - (7) A district may provide a real property owner or the owner's designee with duplicate bills for service to tenants, or may notify an owner or the owner's designee that a tenant's service account is delinquent. However, if an owner or the owner's designee notifies the district in writing that a property served by the district is a rental property, asks to be notified of a tenant's delinquency, and has provided, in writing, a complete and accurate mailing address, the

district shall notify the owner or the owner's designee of a tenant's delinquency at the same time and in the same manner the district notifies the tenant of the tenant's delinquency or by mail. district provides a real property owner or the owner's designee with duplicates of tenant utility service bills or notice that a tenant's utility account is delinquent, the district shall notify the tenant that it is providing the duplicate bills or delinquency notice to the owner or the owner's designee. After January 1, 1999, if a district fails to notify the owner of a tenant's delinquency after receiving a written request to do so and after receiving the other information required by this subsection (7), the district shall have no lien against the premises for the tenant's delinquent and unpaid charges.

# **Sec. 7.** RCW 84.33.210 and 2001 c 249 s 6 are each amended to read 14 as follows:

- (1) Any land that is designated as forest land under this chapter at the earlier of the times the legislative authority of a local government adopts a resolution, ordinance, or legislative act (a) to create a local improvement district, in which the land is included or would have been included but for the designation, or (b) to approve or confirm a final special benefit assessment roll relating to a sanitary or storm sewerage system, domestic water supply or distribution system, or road construction or improvement, which roll would have included the land but for the designation, shall be exempt from special benefit assessments ((or)), charges in lieu of assessment, or rates and charges for storm water control facilities under RCW 36.89.080 for such purposes as long as that land remains designated as forest land, except as otherwise provided in RCW 84.33.250.
- (2) Whenever a local government creates a local improvement district, the levying, collection, and enforcement of assessments shall be in the manner and subject to the same procedures and limitations as are provided under the law concerning the initiation and formation of local improvement districts for the particular local government. Notice of the creation of a local improvement district that includes designated forest land shall be filed with the assessor and the legislative authority of the county in which the land is located. The

assessor, upon receiving notice of the creation of a local improvement district, shall send a notice to the owners of the designated forest lands listed on the tax rolls of the applicable treasurer of:

(a) The creation of the local improvement district;

- (b) The exemption of that land from special benefit assessments;
- (c) The fact that the designated forest land may become subject to the special benefit assessments if the owner waives the exemption by filing a notarized document with the governing body of the local government creating the local improvement district before the confirmation of the final special benefit assessment roll; and
- (d) The potential liability, pursuant to RCW 84.33.220, if the exemption is not waived and the land is subsequently removed from designated forest land status.
- (3) When a local government approves and confirms a special benefit assessment roll, from which designated forest land has been exempted under this section, it shall file a notice of this action with the assessor and the legislative authority of the county in which the land is located and with the treasurer of that local government. The notice shall describe the action taken, the type of improvement involved, the land exempted, and the amount of the special benefit assessment that would have been levied against the land if it had not been exempted. The filing of the notice with the assessor and the treasurer of that local government shall constitute constructive notice to a purchaser or encumbrancer of the affected land, and every person whose conveyance or encumbrance is subsequently executed or subsequently recorded, that the exempt land is subject to the charges provided in RCW 84.33.220 and 84.33.230, if the land is removed from its designation as forest land.
- (4) The owner of the land exempted from special benefit assessments under this section may waive that exemption by filing a notarized document to that effect with the legislative authority of the local government upon receiving notice from said local government concerning the assessment roll hearing and before the local government confirms the final special benefit assessment roll. A copy of that waiver shall be filed by the local government with the assessor, but the failure to file this copy shall not affect the waiver.
  - (5) Except to the extent provided in RCW 84.33.250, the local

government shall have no duty to furnish service from the improvement financed by the special benefit assessment to the exempted land.

**Sec. 8.** RCW 86.15.160 and 1986 c 278 s 60 are each amended to read as follows:

For the purposes of this chapter the supervisors may authorize:

- (1) An annual excess ad valorem tax levy within any zone or participating zones when authorized by the voters of the zone or participating zones under RCW 84.52.052 and 84.52.054;
- (2) An assessment upon property, including state property, specially benefited by flood control improvements or storm water control improvements imposed under chapter 86.09 RCW;
- (3) Within any zone or participating zones an annual ad valorem property tax levy of not to exceed fifty cents per thousand dollars of assessed value when the levy will not take dollar rates that other taxing districts may lawfully claim and that will not cause the combined levies to exceed the constitutional and/or statutory limitations, and the additional levy, or any portion thereof, may also be made when dollar rates of other taxing units is released therefor by agreement with the other taxing units from their authorized levies;
- (4) A charge, under RCW 36.89.080, for the furnishing of service to those who are receiving or will receive benefits from storm water control facilities and who are contributing to an increase in surface water runoff. The rate or charge imposed under this section shall be reduced by a minimum of ten percent for any new or remodeled commercial building that utilizes a permissive rainwater harvesting system. Rainwater harvesting systems shall be properly sized to utilize the available roof surface of the building. The jurisdiction shall consider rate reductions in excess of ten percent dependent upon the amount of rainwater harvested;
- (5) Except as otherwise provided in RCW 90.03.525, any public entity and public property, including the state and state property, shall be liable for the charges to the same extent a private person and privately owned property is liable for the charges, and in setting these rates and charges, consideration may be made of in-kind services, such as stream improvements or donation of property;

((<del>(5)</del>)) <u>(6)</u> The creation of local improvement districts and utility local improvement districts, the issuance of improvement district bonds and warrants, and the imposition, collection, and enforcement of special assessments on all property, including any state-owned or other publicly-owned property, specially benefited from improvements in the same manner as provided for counties by chapter 36.94 RCW."

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By Committee on Natural Resources, Energy & Water

## ADOPTED AS AMENDED 04/10/2003

7 On page 1, line 1 of the title, after "charges;" strike the 8 remainder of the title and insert "and amending RCW 35.67.020, 35.92.020, 36.89.080, 36.94.140, 57.08.005, 57.08.081, 84.33.210, and 86.15.160."

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