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ENGROSSED HOUSE BILL 3192

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State of Washington                      59th Legislature                      2006 Regular Session

By Representatives B. Sullivan, Ericks and Sells

Read first time 01/24/2006. Referred to Committee on Local Government.

1            AN ACT Relating to reimbursement by property owners for street,  
2 road, and water or sewer projects; and amending RCW 35.72.020,  
3 35.91.020, and 57.22.020.

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

5            **Sec. 1.** RCW 35.72.020 and 1983 c 126 s 2 are each amended to read  
6 as follows:

7            (1) Except as otherwise provided in subsection (2) of this section,  
8 the contract may provide for the partial reimbursement to the owner or  
9 the owner's assigns for a period not to exceed fifteen years of a  
10 portion of the costs of the project by other property owners who:

11            ~~((1))~~ (a) Are determined to be within the assessment  
12 reimbursement area pursuant to RCW 35.72.040;

13            ~~((2))~~ (b) Are determined to have a reimbursement share based upon  
14 a benefit to the property owner pursuant to RCW 35.72.030;

15            ~~((3))~~ (c) Did not contribute to the original cost of the street  
16 project; and

17            ~~((4))~~ (d) Subsequently develop their property within the  
18 ~~((fifteen-year))~~ period of time that the contract is effective and at

1 the time of development were not required to install similar street  
2 projects because they were already provided for by the contract.

3 Street projects subject to reimbursement may include design,  
4 grading, paving, installation of curbs, gutters, storm drainage,  
5 sidewalks, street lighting, traffic controls, and other similar  
6 improvements, as required by the street standards of the city, town, or  
7 county.

8 (2)(a) The contract may provide for an extension of the  
9 fifteen-year reimbursement period for a time not to exceed the duration  
10 of any moratorium, phasing ordinance, concurrency designation, or other  
11 governmental action that prevents making applications for, or the  
12 approval of, any new development within the benefit area for a period  
13 of six months or more.

14 (b) Upon the extension of the reimbursement period pursuant to (a)  
15 of this subsection, the contract must specify the duration of the  
16 contract extension and must be filed and recorded with the county  
17 auditor. Property owners who are subject to the reimbursement  
18 obligations under subsection (1) of this section shall be notified by  
19 the appropriate county, city, or town of the extension filed under this  
20 subsection.

21 (3) Each contract shall include a provision requiring that every  
22 two years from the date the contract is executed a property owner  
23 entitled to reimbursement under this section provide the appropriate  
24 county, city, or town with information regarding the current contract  
25 name, address, and telephone number of the person, company, or  
26 partnership that originally entered into the contract. If the property  
27 owner fails to comply with the notification requirements of this  
28 subsection within sixty days of the specified time, then the  
29 contracting county, city, or town may collect any reimbursement funds  
30 owed to the property owner under the contract. Such funds must be  
31 deposited in the capital fund of the county, city, or town.

32 **Sec. 2.** RCW 35.91.020 and 1999 c 153 s 38 are each amended to read  
33 as follows:

34 (1) Except as provided under subsection (2) of this section, the  
35 governing body of any city, town, county, water-sewer district, or  
36 drainage district, hereinafter referred to as a "municipality" may  
37 contract with owners of real estate for the construction of storm,

1 sanitary, or combination sewers, pumping stations, and disposal plants,  
2 water mains, hydrants, reservoirs, or appurtenances, hereinafter called  
3 "water or sewer facilities," within their boundaries or (except for  
4 counties) within ten miles from their corporate limits connecting with  
5 the public water or sewerage system to serve the area in which the real  
6 estate of such owners is located, and to provide for a period of not to  
7 exceed fifteen years for the reimbursement of such owners and their  
8 assigns by any owner of real estate who did not contribute to the  
9 original cost of such water or sewer facilities and who subsequently  
10 tap onto or use the same of a fair pro rata share of the cost of the  
11 construction of said water or sewer facilities, including not only  
12 those directly connected thereto, but also users connected to laterals  
13 or branches connecting thereto, subject to such reasonable rules and  
14 regulations as the governing body of such municipality may provide or  
15 contract, and notwithstanding the provisions of any other law.

16 (2)(a) The contract may provide for an extension of the  
17 fifteen-year reimbursement period for a time not to exceed the duration  
18 of any moratorium, phasing ordinance, concurrency designation, or other  
19 governmental action that prevents making applications for, or the  
20 approval of, any new development within the benefit area for a period  
21 of six months or more.

22 (b) Upon the extension of the reimbursement period pursuant to (a)  
23 of this subsection, the contract must specify the duration of the  
24 contract extension and must be filed and recorded with the county  
25 auditor. Property owners who are subject to the reimbursement  
26 obligations under subsection (1) of this section shall be notified by  
27 the contracting municipality of the extension filed under this  
28 subsection.

29 (3) Each contract shall include a provision requiring that every  
30 two years from the date the contract is executed a property owner  
31 entitled to reimbursement under this section provide the contracting  
32 municipality with information regarding the current contract name,  
33 address, and telephone number of the person, company, or partnership  
34 that originally entered into the contract. If the property owner fails  
35 to comply with the notification requirements of this subsection within  
36 sixty days of the specified time, then the contracting municipality may  
37 collect any reimbursement funds owed to the property owner under the

1 contract. Such funds must be deposited in the capital fund of the  
2 municipality.

3 (4) To the extent it may require in the performance of such  
4 contract, such municipality may install said water or sewer facilities  
5 in and along the county streets in the area to be served as hereinabove  
6 provided, subject to such reasonable requirements as to the manner of  
7 occupancy of such streets as the county may by resolution provide. The  
8 provisions of such contract shall not be effective as to any owner of  
9 real estate not a party thereto unless such contract has been recorded  
10 in the office of the county auditor of the county in which the real  
11 estate of such owner is located prior to the time such owner taps into  
12 or connects to said water or sewer facilities.

13 **Sec. 3.** RCW 57.22.020 and 1996 c 230 s 802 are each amended to  
14 read as follows:

15 (1) Except as otherwise provided in subsection (2) of this section,  
16 the contract shall also provide, subject to the terms and conditions in  
17 this section, for the reimbursement to the owner or the owner's assigns  
18 for a period not to exceed fifteen years of a portion of the costs of  
19 the facilities constructed pursuant to such contract from connection  
20 charges received by the district from other property owners who  
21 subsequently connect to or use the facilities within the ((fifteen-  
22 year)) period of time that the contract is effective and who did not  
23 contribute to the original cost of such facilities.

24 (2)(a) The contract may provide for an extension of the  
25 fifteen-year reimbursement period for a time not to exceed the duration  
26 of any moratorium, phasing ordinance, concurrency designation, or other  
27 governmental action that prevents making applications for, or the  
28 approval of, any new development for a period of six months or more  
29 within the benefit area of the system extensions authorized under this  
30 chapter.

31 (b) Upon the extension of the reimbursement period pursuant to (a)  
32 of this subsection, the contract must specify the duration of the  
33 contract extension and must be filed and recorded with the county  
34 auditor. Property owners who are subject to the reimbursement  
35 obligations under subsection (1) of this section shall be notified by  
36 the water-sewer district of the extension filed under this subsection.

1       (3) Each contract shall include a provision requiring that every  
2 two years from the date the contract is executed a property owner  
3 entitled to reimbursement under this section provide the water-sewer  
4 district with information regarding the current contract name, address,  
5 and telephone number of the person, company, or partnership that  
6 originally entered into the contract. If the property owner fails to  
7 comply with the notification requirements of this subsection within  
8 sixty days of the specified time, then the water-sewer district may  
9 collect any reimbursement funds owed to the property owner under the  
10 contract. Such funds must be deposited in the capital fund of the  
11 water-sewer district.

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