
HOUSE BILL 2054

State of Washington

52nd Legislature

1991 Regular Session

By Representative Braddock.

Read first time February 20, 1991. Referred to Committee on Local Government.

1 AN ACT Relating to water districts; amending RCW 57.08.080,
2 57.08.090, and 57.20.020; and reenacting and amending RCW 57.08.010.

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

4 **Sec. 1.** RCW 57.08.010 and 1989 c 389 s 9 and 1989 c 308 s 2 are
5 each reenacted and amended to read as follows:

6 (1)(a) A water district may acquire by purchase or condemnation, or
7 both, all property and property rights and all water and water rights,
8 both within and without the district, necessary for its purposes.

9 (b) A water district may lease real or personal property necessary
10 for its purposes for a term of years for which such leased property may
11 reasonably be needed where in the opinion of the board of water
12 commissioners such property may not be needed permanently or
13 substantial savings to the district can be effected thereby.

14 (c) The right of eminent domain shall be exercised in the same
15 manner and by the same procedure as provided for cities of the third

1 class, insofar as consistent with the provisions of this title, except
2 that all assessment rolls to be prepared and filed by eminent domain
3 commissioners or commissioners appointed by the court shall be prepared
4 and filed by the water district, and the duties devolving upon the city
5 treasurer are hereby imposed upon the county treasurer.

6 (d) A water district may construct, condemn and purchase, purchase,
7 add to, maintain and supply waterworks to furnish the district and
8 inhabitants thereof, and any city or town therein and any other
9 persons, both within and without the district, with an ample supply of
10 water for all uses and purposes public and private with full authority
11 to regulate and control the use, content, distribution, and price
12 (~~thereof~~) of the availability or use of water in such a manner as is
13 not in conflict with general law and may construct, acquire, or own
14 buildings and other necessary district facilities.

15 (e) A water district contiguous to Canada may contract with a
16 Canadian corporation for the purchase of water and for the
17 construction, purchase, maintenance and supply of waterworks to furnish
18 the district and inhabitants thereof and residents of Canada with an
19 ample supply of water under terms approved by the board of
20 commissioners. Such waterworks may include facilities which result in
21 combined water supply and electric generation, provided that the
22 electricity generated thereby is a byproduct of the water supply
23 system.

24 (f) Such electricity may be used by the water district or sold to
25 any entity authorized by law to distribute electricity. Such
26 electricity is a byproduct when the electrical generation is
27 subordinate to the primary purpose of water supply.

28 (g) For such purposes, a water district may take, condemn and
29 purchase, purchase, acquire and retain water from any public or
30 navigable lake, river or watercourse, or any underflowing water and, by

1 means of aqueducts or pipe line conduct the same throughout such water
2 district and any city or town therein and carry it along and upon
3 public highways, roads and streets, within and without such district.

4 (h) For the purpose of constructing or laying aqueducts or pipe
5 lines, dams, or waterworks or other necessary structures in storing and
6 retaining water or for any other lawful purpose such water district may
7 occupy the beds and shores up to the high water mark of any such lake,
8 river, or other watercourse, and may acquire by purchase or
9 condemnation such property or property rights or privileges as may be
10 necessary to protect its water supply from pollution.

11 (i) For the purposes of waterworks which include facilities for the
12 generation of electricity as a byproduct, nothing in this section may
13 be construed to authorize a water district to condemn electric
14 generating, transmission, or distribution rights or facilities of
15 entities authorized by law to distribute electricity, or to acquire
16 such rights or facilities without the consent of the owner.

17 (2) A water district may purchase and take water from any municipal
18 corporation.

19 (3) A water district may fix rates and charges for the use or
20 availability of water (~~supplied~~) and may charge property owners
21 seeking to connect to the district's water supply system, as a
22 condition to granting the right to so connect, in addition to the cost
23 of such connection, such reasonable connection charge as the board of
24 commissioners shall determine to be proper in order that such property
25 owners shall bear their equitable share of the cost of such system.

26 (a) For purposes of calculating a connection charge, the board of
27 commissioners shall determine the pro rata share of the cost of
28 existing facilities and facilities planned for construction within the
29 next ten years and contained in an adopted comprehensive plan and other
30 costs borne by the district which are directly attributable to the

1 improvements required by property owners seeking to connect to the
2 system. The cost of existing facilities shall not include those
3 portions of the system which have been donated or which have been paid
4 for by grants.

5 (b) The connection charge may include interest charges applied from
6 the date of construction of the water system until the connection, or
7 for a period not to exceed ten years, whichever is shorter, at a rate
8 commensurate with the rate of interest applicable to the district at
9 the time of construction or major rehabilitation of the water system,
10 or at the time of installation of the water lines to which the property
11 owner is seeking to connect.

12 (4)(a) A district may permit payment of the cost of connection and
13 the reasonable connection charge to be paid with interest in
14 installments over a period not exceeding fifteen years. The county
15 treasurer may charge and collect a fee of three dollars for each year
16 for the treasurer's services. Such fees shall be a charge to be
17 included as part of each annual installment, and shall be credited to
18 the county current expense fund by the county treasurer.

19 (b) Revenues from connection charges excluding permit fees are to
20 be considered payments in aid of construction as defined by department
21 of revenue rule.

22 **Sec. 2.** RCW 57.08.080 and 1982 1st ex.s. c 17 s 12 are each
23 amended to read as follows:

24 The commissioners shall enforce collection of the water connection
25 charges and rates and charges for use or availability of water
26 (~~((supplied against property owners connecting with the system and/or~~
27 ~~receiving such water))), such charges being deemed charges against the
28 property served, by addition of penalties of not more than ten percent
29 thereof in case of failure to pay the charges at times fixed by~~

1 resolution. The commissioners may provide by resolution that where
2 either water connection charges or rates and charges for water supplied
3 are delinquent for any specified period of time, the district shall
4 certify the delinquencies to the treasurer of the county in which the
5 real property is located, and the charges and any penalties added
6 thereto and interest thereon at the rate of not more than eight percent
7 per year shall be a lien against the property upon which the service
8 was received, subject only to the lien for general taxes.

9 **Sec. 3.** RCW 57.08.090 and 1982 1st ex.s. c 17 s 13 are each
10 amended to read as follows:

11 The district may, at any time after the connection charges or rates
12 and charges for the use or availability of water (~~supplied~~) and
13 penalties are delinquent for a period of sixty days, bring suit in
14 foreclosure by civil action in the superior court of the county in
15 which the real property is located. The court may allow, in addition
16 to the costs and disbursements provided by statute, such an attorney's
17 fee as it adjudges reasonable. The action shall be in rem, and may be
18 brought in the name of the district against an individual, or against
19 all of those who are delinquent in one action, and the laws and rules
20 of the court shall control as in other civil actions.

21 In addition to the right to foreclose provided in this section, the
22 district may also cut off all or part of the service after charges for
23 water supplied are delinquent for a period of sixty days.

24 **Sec. 4.** RCW 57.20.020 and 1983 c 167 s 164 are each amended to
25 read as follows:

26 (1) Whenever any issue or issues of water revenue bonds have been
27 authorized in compliance with the provisions of RCW 57.16.010 through
28 57.16.040, said bonds shall be in bearer form or registered as to

1 principal or interest or both, as provided in RCW 39.46.030, and may
2 provide for conversion between registered and coupon bonds; shall be in
3 such denominations, shall be numbered, shall bear such date, and shall
4 be payable at such time or times up to a maximum period of not to
5 exceed thirty years as shall be determined by the board of water
6 commissioners of the district; shall bear interest at such rate or
7 rates payable at such time or times as authorized by the board; shall
8 be payable at the office of the county treasurer of the county in which
9 the water district is located and may also be payable at such other
10 place or places as the board of water commissioners may determine;
11 shall be executed by the president of the board of water commissioners
12 and attested and sealed by the secretary thereof, one of which
13 signatures may, with the written permission of the signator whose
14 facsimile signature is being used, be a facsimile; and may have
15 facsimile signatures of said president or secretary imprinted on any
16 interest coupons in lieu of original signatures.

17 The water district commissioners shall have power and are required
18 to create a special fund or funds for the sole purpose of paying the
19 interest and principal of such bonds into which special fund or funds
20 the said water district commissioners shall obligate and bind the water
21 district to set aside and pay a fixed proportion of the gross revenues
22 of the water supply system or any fixed amount out of and not exceeding
23 a fixed proportion of such revenues, or a fixed amount or amounts
24 without regard to any fixed proportion and such bonds and the interest
25 thereof shall be payable only out of such special fund or funds, but
26 shall be a lien and charge against all revenues and payments received
27 from any utility local improvement district or districts pledged to
28 secure such bonds, subject only to operating and maintenance expenses.

29 In creating any such special fund or funds the water district
30 commissioners of such water district shall have due regard to the cost

1 of operation and maintenance of the plant or system as constructed or
2 added to and to any proportion or part of the revenue previously
3 pledged as a fund for the payment of bonds, warrants or other
4 indebtedness, and shall not set aside into such special fund a greater
5 amount or proportion of the revenue and proceeds than in their judgment
6 will be available over and above such cost of maintenance and operation
7 and the amount or proportion, if any, of the revenue so previously
8 pledged. Any such bonds and interest thereon issued against any such
9 fund as herein provided shall be a valid claim of the owner thereof
10 only as against the said special fund and its fixed proportion or
11 amount of the revenue pledged to such fund, and shall not constitute an
12 indebtedness of such water district within the meaning of the
13 constitutional provisions and limitations. Each such bond shall state
14 upon its face that it is payable from a special fund, naming the said
15 fund and the resolution creating it. Said bonds shall be sold in such
16 manner, at such price and at such rate or rates of interest as the
17 water district commissioners shall deem for the best interests of the
18 water district, either at public or private sale, and the said
19 commissioners may provide in any contract for the construction and
20 acquirement of the proposed improvement (and for the refunding of
21 outstanding local improvement district obligations, if any) that
22 payment therefor shall be made in such bonds at par value thereof.

23 When any such special fund shall have been heretofore or shall be
24 hereafter created and any such bonds shall have been heretofore or
25 shall hereafter be issued against the same a fixed proportion or a
26 fixed amount out of and not to exceed such fixed proportion, or a fixed
27 amount or amounts without regard to any fixed proportion, of revenue
28 shall be set aside and paid into said special fund as provided in the
29 resolution creating such fund or authorizing such bonds, and in case
30 any water district shall fail thus to set aside and pay said fixed

1 proportion or amount as aforesaid, the owner of any bond payable from
2 such special fund may bring suit or action against the water district
3 and compel such setting aside and payment.

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

6 (3) The water district commissioners of any water district, in the
7 event that such water revenue bonds are issued, shall provide for
8 revenues by fixing rates and charges for the ~~((furnishing of water
9 supply to those receiving such service))~~ use or availability of water,
10 such rates and charges to be fixed as deemed necessary by such water
11 district commissioners, so that uniform charges will be made for the
12 same class of customer or service.

13 In classifying customers served or service furnished by such water
14 supply system, the board of water commissioners may in its discretion
15 consider any or all of the following factors: The difference in cost
16 of service to the various customers; the location of the various
17 customers within and without the district; the difference in cost of
18 maintenance, operation, repair and replacement of the various parts of
19 the system; the different character of the service furnished various
20 customers; the quantity and quality of the water furnished; the time of
21 its use; capital contributions made to the system including but not
22 limited to assessments; and any other matters which present a
23 reasonable difference as a ground for distinction. Such rates shall be
24 made on a monthly basis as may be deemed proper by such commissioners
25 and as fixed by resolution and shall produce revenues sufficient to
26 take care of the costs of maintenance and operation, revenue bond and
27 warrant interest and principal amortization requirements and all other
28 charges necessary for efficient and proper operation of the system.