

---

**SUBSTITUTE SENATE BILL 6091**

---

**State of Washington****54th Legislature****1996 Regular Session**

**By** Senate Committee on Government Operations (originally sponsored by Senators Haugen, Winsley, Sheldon, Drew, McCaslin, Long, Hale, Snyder, Heavey and Sellar)

Read first time 01/19/96.

1 AN ACT Relating to combining water and sewer districts; amending  
2 RCW 57.02.010, 56.02.110, 57.02.030, 57.02.040, 56.02.070, 56.02.100,  
3 57.02.050, 57.04.001, 57.04.020, 57.04.030, 57.04.050, 57.04.060,  
4 57.04.065, 57.04.070, 56.04.080, 57.04.100, 57.04.110, 56.04.120,  
5 56.04.130, 57.08.011, 57.08.014, 57.08.015, 57.08.016, 57.08.030,  
6 57.08.040, 56.08.060, 57.08.047, 57.08.050, 57.08.060, 57.08.065,  
7 56.08.012, 57.08.100, 57.08.105, 57.08.110, 57.08.120, 57.08.140,  
8 57.08.017, 57.08.180, 57.08.150, 57.08.160, 57.08.170, 57.12.010,  
9 57.12.015, 57.12.039, 57.12.020, 57.16.010, 56.08.030, 57.16.140,  
10 57.16.050, 57.16.060, 57.16.073, 57.16.065, 56.20.030, 57.16.070,  
11 57.16.080, 57.16.100, 57.16.090, 57.16.110, 57.16.150, 57.16.020,  
12 57.20.015, 57.16.030, 57.16.035, 57.16.040, 57.20.020, 57.20.023,  
13 57.20.025, 57.20.027, 57.20.030, 57.20.080, 57.20.090, 57.20.100,  
14 57.20.110, 57.20.120, 57.20.130, 57.20.135, 57.20.140, 57.20.150,  
15 57.20.160, 57.20.165, 57.20.170, 57.22.010, 57.22.020, 57.22.030,  
16 57.22.040, 57.22.050, 57.24.010, 57.24.020, 57.24.040, 57.24.050,  
17 57.24.070, 57.24.090, 57.24.170, 57.24.180, 57.24.190, 57.24.200,  
18 57.24.210, 57.24.220, 57.28.010, 57.28.020, 57.28.030, 57.28.035,  
19 57.28.040, 57.28.050, 57.28.060, 57.28.070, 57.28.080, 57.28.090,  
20 57.28.100, 57.28.110, 57.32.010, 57.32.020, 57.32.021, 57.32.022,  
21 57.32.023, 57.32.024, 57.32.130, 57.32.160, 57.36.010, 57.36.020,

1 57.36.030, 57.36.040, 57.40.135, 57.36.050, 57.42.010, 57.42.020,  
2 57.42.030, 57.46.010, 57.46.020, 57.46.030, 57.90.001, 57.90.010,  
3 57.90.020, 57.90.030, 57.90.040, 57.90.050, 57.90.100, 35.13.900,  
4 35.58.570, 35.97.050, 35A.14.901, 35A.56.010, 35A.70.010, 36.29.160,  
5 36.93.090, 36.94.420, 41.04.190, 43.99F.020, 82.02.020, 84.38.020,  
6 90.03.510, and 90.03.525; adding new sections to chapter 57.02 RCW;  
7 adding new sections to chapter 57.08 RCW; adding new sections to Title  
8 57 RCW; adding new sections to chapter 57.04 RCW; adding new sections  
9 to chapter 57.06 RCW; adding new sections to chapter 57.16 RCW; adding  
10 new sections to chapter 57.20 RCW; adding a new section to chapter  
11 57.36 RCW; creating a new section; recodifying RCW 56.02.070,  
12 56.02.100, 56.02.110, 56.04.080, 56.04.120, 56.04.130, 56.02.030,  
13 56.02.080, 56.36.070, 56.08.060, 56.08.012, 56.08.170, 56.08.030,  
14 56.20.030, 57.16.020, 57.16.030, 57.16.035, 57.16.040, and 57.40.135;  
15 and repealing RCW 56.02.010, 56.02.040, 56.02.050, 56.02.055,  
16 56.02.060, 56.02.120, 56.04.001, 56.04.020, 56.04.030, 56.04.040,  
17 56.04.050, 56.04.060, 56.04.065, 56.04.070, 56.04.090, 56.08.010,  
18 56.08.013, 56.08.014, 56.08.015, 56.08.020, 56.08.040, 56.08.050,  
19 56.08.065, 56.08.070, 56.08.075, 56.08.080, 56.08.090, 56.08.092,  
20 56.08.100, 56.08.105, 56.08.110, 56.08.120, 56.08.130, 56.08.140,  
21 56.08.150, 56.08.160, 56.08.180, 56.08.190, 56.08.200, 56.12.010,  
22 56.12.015, 56.12.020, 56.12.030, 56.12.040, 56.12.050, 56.16.010,  
23 56.16.020, 56.16.030, 56.16.035, 56.16.040, 56.16.050, 56.16.060,  
24 56.16.065, 56.16.070, 56.16.080, 56.16.085, 56.16.090, 56.16.100,  
25 56.16.110, 56.16.115, 56.16.130, 56.16.135, 56.16.140, 56.16.150,  
26 56.16.160, 56.16.165, 56.16.170, 56.20.010, 56.20.015, 56.20.020,  
27 56.20.032, 56.20.033, 56.20.040, 56.20.050, 56.20.060, 56.20.070,  
28 56.20.080, 56.20.090, 56.20.120, 56.22.010, 56.22.020, 56.22.030,  
29 56.22.040, 56.22.050, 56.24.001, 56.24.070, 56.24.080, 56.24.090,  
30 56.24.100, 56.24.110, 56.24.120, 56.24.130, 56.24.140, 56.24.150,  
31 56.24.180, 56.24.190, 56.24.200, 56.24.205, 56.24.210, 56.24.900,  
32 56.28.001, 56.28.010, 56.28.020, 56.32.001, 56.32.010, 56.32.020,  
33 56.32.030, 56.32.040, 56.32.050, 56.32.060, 56.32.070, 56.32.080,  
34 56.32.090, 56.32.100, 56.32.110, 56.32.115, 56.32.120, 56.32.160,  
35 56.36.001, 56.36.010, 56.36.020, 56.36.030, 56.36.040, 56.36.045,  
36 56.36.050, 56.36.060, 56.40.010, 56.40.020, 56.40.030, 57.08.010,  
37 57.08.045, 57.08.080, 57.08.090, 57.08.130, 57.12.030, 57.12.045,  
38 57.40.001, 57.40.100, 57.40.110, 57.40.120, 57.40.130, 57.40.140, and  
39 57.40.150.

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

2 **PART I - GENERAL PROVISIONS**

3 NEW SECTION. **Sec. 101.** A new section is added to chapter 57.02  
4 RCW to read as follows:

5 Every sewer district and every water district previously created  
6 shall be reclassified and shall become a water-sewer district, and  
7 shall be known as the ". . . . Water-Sewer District," or "Water-Sewer  
8 District No. . . . ." or shall continue to be known as a "sewer  
9 district" or a "water district," with the existing name or number  
10 inserted, as appropriate. As used in this title, "district" means a  
11 water-sewer district, a sewer district, or a water district. All  
12 debts, contracts, and obligations previously made or incurred by or in  
13 favor of any water district or sewer district, and all bonds or other  
14 obligations issued or executed by those districts, and all assessments  
15 or levies, and all other things and proceedings done or taken by those  
16 districts or by their respective officers, are declared legal and valid  
17 and of full force and effect.

18 **Sec. 102.** RCW 57.02.010 and 1982 1st ex.s. c 17 s 8 are each  
19 amended to read as follows:

20 Wherever in this title (~~(57-RCW)~~) petitions are required to be  
21 signed by the owners of property, the following rules shall govern the  
22 sufficiency (~~(thereof)~~) of the petitions:

23 (1) The signature of a record owner, as determined by the records  
24 of the county auditor of the county in which the real property is  
25 located, shall be sufficient without the signature of (~~(his or her)~~)  
26 the owner's spouse.

27 (2) (~~(In the case of)~~) For mortgaged property, the signature of the  
28 mortgagor shall be sufficient.

29 (3) (~~(In the case of)~~) For property purchased on contract, the  
30 signature of the contract purchaser, as shown by the records of the  
31 county auditor of the county in which the real property is located,  
32 shall be (~~(deemed)~~) sufficient.

33 (4) Any officer of a corporation owning land in the district duly  
34 authorized to execute deeds or encumbrances on behalf of the  
35 corporation may sign on behalf of (~~(such)~~) that corporation(~~(÷~~

1 PROVIDED)), except that there shall be attached to the petition a  
2 certified excerpt from the bylaws showing such authority.

3 (5) If any property in the district stands in the name of a  
4 deceased person or any person for whom a guardian has been appointed,  
5 the signature of the ~~((executor))~~ personal representative,  
6 administrator, or guardian, as the case may be, shall be equivalent to  
7 the signature of the owner of the property.

8 **Sec. 103.** RCW 56.02.110 and 1979 c 35 s 3 are each amended to read  
9 as follows:

10 ~~((1))~~ The board of commissioners of a ~~((sewer))~~ district may  
11 notify the owner or reputed owner of any tract, parcel of land, or  
12 other property located within the area included in a petition for a  
13 local improvement district or utility local improvement district being  
14 circulated under chapter ~~((56.20))~~ 57.16 RCW or in a petition for  
15 annexation being circulated under chapter ~~((56.24))~~ 57.24 RCW.

16 ~~((2))~~ Upon the request of any person, the board of commissioners  
17 of a ~~((sewer))~~ district may:

18 ~~((a))~~ (1) Review a proposed petition ~~((to check if the petition  
19 is properly drafted))~~ for proper drafting; and

20 ~~((b))~~ (2) Provide information regarding the effects of the  
21 adoption of any proposed petition.

22 **Sec. 104.** RCW 57.02.030 and 1959 c 108 s 19 are each amended to  
23 read as follows:

24 The rule of strict construction shall ~~((have no application))~~ not  
25 apply to this title, ~~((but the same))~~ which shall be liberally  
26 construed to carry out ~~((the))~~ its purposes and objects ~~((for which  
27 this title is intended))~~.

28 **Sec. 105.** RCW 57.02.040 and 1988 c 162 s 7 are each amended to  
29 read as follows:

30 (1) Notwithstanding any provision of law to the contrary, ~~((no  
31 water district shall be formed or reorganized under chapter 57.04 RCW,  
32 nor shall any water district annex territory under chapter 57.24 RCW,  
33 nor shall any water district withdraw territory under chapter 57.28  
34 RCW, nor shall any water district consolidate under chapter 57.32 RCW,  
35 nor shall any water district be merged under chapter 57.36 RCW, nor  
36 shall any sewer district be merged into a water district under chapter~~

1 ~~57.40 RCW, unless such proposed action))~~ the following proposed actions  
2 shall be approved as provided for in RCW 56.02.070 (as recodified by  
3 this act):

4 (a) Formation or reorganization under chapter 57.04 RCW;

5 (b) Annexation of territory under chapter 57.24 RCW;

6 (c) Withdrawal of territory under chapter 57.28 RCW;

7 (d) Consolidation under chapter 57.32 RCW; and

8 (e) Merger under chapter 57.36 RCW.

9 ~~((The county legislative authority shall within thirty days of the~~  
10 ~~date after receiving))~~ (2) At least one of the districts involved shall  
11 give notice of the proposed action~~((, approve such action or hold a~~  
12 ~~hearing on such action. In addition, a copy of such proposed action~~  
13 ~~shall be mailed))~~ to the county legislative authority, state department  
14 of ecology, and ~~((to the))~~ state department of ~~((social and))~~ health  
15 (services)). The county legislative authority shall within thirty  
16 days of receiving notice of the proposed action approve the action or  
17 hold a hearing on the action.

18 (3) The county legislative authority shall decide within sixty days  
19 of a hearing whether to approve or not approve ~~((such))~~ the proposed  
20 action. In approving or not approving the proposed action, the county  
21 legislative authority shall consider the following criteria:

22 ~~((+1))~~ (a) Whether the proposed action in the area under  
23 consideration is in compliance with the development program ~~((which))~~  
24 that is outlined in the county comprehensive plan and its supporting  
25 documents; ~~((and/or~~

26 ~~+2))~~ (b) Whether the proposed action in the area under  
27 consideration is in compliance with the basinwide water and/or sewage  
28 plan as approved by the state department of ecology and the state  
29 department of social and health services; ~~((and/or))~~ and

30 ~~((+3))~~ (c) Whether the proposed action is in compliance with the  
31 policies expressed in the county plan for water and/or sewage  
32 facilities.

33 (4) If the proposed action is inconsistent with subsection~~((s-1),~~  
34 ~~+2), or))~~ (3) (a), (b), or (c) of this section, the county legislative  
35 authority shall not approve it. If ~~((such))~~ the proposed action is  
36 consistent with ~~((all such))~~ subsection~~((s))~~ (3) (a), (b), and (c) of  
37 this section, the county legislative authority shall approve it unless  
38 it finds that ~~((utility))~~ water or sewer service in the area under  
39 consideration will be most appropriately served by the county itself

1 under the provisions of chapter 36.94 RCW, or by ((a)) another  
2 district, city, town, or municipality~~((, or by another existing special~~  
3 ~~purpose district rather than by the proposed action under~~  
4 ~~consideration))~~. If there has not been adopted for the area under  
5 consideration a plan under ~~((any one of subsections (1), (2) or))~~  
6 subsection (3) (a), (b), or (c) of this section, the proposed action  
7 shall not be found inconsistent with such subsection.

8 (5) Where a ~~((water))~~ district is proposed to be formed, and where  
9 no boundary review board ~~((has been))~~ is established, the petition  
10 described in RCW 57.04.030 shall serve as the notice of proposed action  
11 under this section, and the hearing provided for in RCW 57.04.030 shall  
12 serve as the hearing provided for in this section and in RCW 56.02.070  
13 (as recodified by this act).

14 **Sec. 106.** RCW 56.02.070 and 1988 c 162 s 6 are each amended to  
15 read as follows:

16 In any county where a boundary review board, as provided in chapter  
17 36.93 RCW, ~~((has))~~ is not ~~((been))~~ established, the approval of the  
18 proposed action shall be by the county legislative authority pursuant  
19 to RCW ~~((56.02.060 and))~~ 57.02.040~~((,))~~ and shall be final, and the  
20 procedures required to adopt such proposed action shall be followed as  
21 provided by law.

22 In any county where a boundary review board, as provided in chapter  
23 36.93 RCW, ~~((has been))~~ is established, a notice of intention of the  
24 proposed action shall be filed with the board as required by RCW  
25 36.93.090 and ~~((a copy thereof))~~ with the county legislative authority.  
26 The ~~((latter))~~ county legislative authority shall transmit to the board  
27 a report of its approval or disapproval of the proposed action together  
28 with its findings and recommendations ~~((thereon))~~ under ~~((the~~  
29 ~~provisions of RCW 56.02.060 and))~~ 57.02.040. ~~((If))~~ Approval by the  
30 county legislative authority ~~((has approved))~~ of the proposed action~~((,~~  
31 ~~such approval))~~ shall be final and the procedures required to adopt  
32 ~~((such))~~ the proposal shall be followed as provided by law, unless the  
33 board reviews the action under ~~((the provisions of))~~ RCW 36.93.100  
34 through 36.93.180. If the county legislative authority ~~((has))~~ does  
35 not ~~((approved))~~ approve the proposed action, the board shall review  
36 the action under ~~((the provisions of))~~ RCW 36.93.150 through 36.93.180.  
37 The action of the board ~~((after review of the proposed action))~~ shall  
38 supersede approval or disapproval by the county legislative authority.

1       Where a (~~water or sewer~~) district is proposed to be formed, and  
2 where no boundary review board has been established, the hearings  
3 provided for in RCW (~~56.04.040 and~~) 57.04.030 shall serve as the  
4 hearing provided for in this section(~~(, in RCW 56.02.060,)~~) and in RCW  
5 57.02.040.

6       **Sec. 107.** RCW 56.02.100 and 1977 ex.s. c 208 s 3 are each amended  
7 to read as follows:

8       The procedures and provisions of RCW 85.08.830 through 85.08.890,  
9 which are applicable to drainage improvement districts, joint drainage  
10 improvement districts, or consolidated drainage improvement districts  
11 (~~which~~) that desire to merge into (~~an~~) irrigation districts, shall  
12 also apply to (~~sewer~~) districts organized, or reorganized, under this  
13 title (~~which~~) that desire to merge into irrigation districts.

14       The authority granted by this section shall be cumulative and in  
15 addition to any other power or authority granted by law to any  
16 (~~sewer~~) district.

17       **Sec. 108.** RCW 57.02.050 and 1994 c 223 s 66 are each amended to  
18 read as follows:

19       Whenever the boundaries or proposed boundaries of a (~~water~~)  
20 district include or are proposed to include by means of formation,  
21 annexation, consolidation, or merger (~~(including merger with a sewer~~  
22 ~~district))~~ territory in more than one county(~~(,)~~):

23       (1) All duties delegated by this title (~~57-RCW~~) to officers of  
24 the county in which the district is located shall be delegated to the  
25 officers of the county in which the largest land area of the district  
26 is located, except that elections shall be conducted pursuant to  
27 general election law(~~(,)~~);

28       (2) Actions subject to review and approval under RCW 57.02.040  
29 (~~and 56.02.070~~) shall be reviewed and approved only by the officers  
30 or boards in the county in which such actions are proposed to  
31 occur(~~(,)~~);

32       (3) Verification of (~~electors'~~) voters' signatures shall be  
33 conducted by the county election officer of the county in which such  
34 signators reside(~~(,)~~); and

35       (4) Comprehensive plan review and approval or rejection by the  
36 respective county legislative authorities under RCW 57.16.010 shall be  
37 limited to that part of such plans within the respective counties.

PART II - FORMATION AND DISSOLUTION

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35

**Sec. 201.** RCW 57.04.001 and 1989 c 84 s 56 are each amended to read as follows:

Actions taken under this chapter ((57.04-RCW)) may be subject to potential review by a boundary review board under chapter 36.93 RCW.

**Sec. 202.** RCW 57.04.020 and 1982 1st ex.s. c 17 s 9 are each amended to read as follows:

Water-sewer districts ((for the acquirement, construction, maintenance, operation, development and regulation of a water supply system and providing for additions and betterments thereto)) are authorized to be established for the purposes of chapter 57.08 RCW. Such districts may include within their boundaries one or more counties, incorporated cities and towns, or other political subdivisions. No portion or all of any incorporated city or town may be included without the consent by resolution of the city or town legislative authority.

**Sec. 203.** RCW 57.04.030 and 1990 c 259 s 27 are each amended to read as follows:

(1) For the purpose of formation of water-sewer districts, a petition shall be presented to the county legislative authority of each county in which the proposed ((water)) district is located((, which)). The petition shall set forth the ((object)) reasons for the creation of the district, ((shall)) designate the boundaries ((thereof and set forth the further fact)) of the district, and state that establishment of the district will be conducive to the public health, convenience, and welfare and will be of benefit to the property included in the district. The petition shall state the proposed name of the district, which may be ". . . . . Sewer-Water District," ". . . . . Water District," ". . . . . Sewer District" or may be designated by a number such as ". . . . . County Water-Sewer District No. . . . ."  
The petition shall specify the proposed property tax levy assessment, if any, which shall not exceed one dollar and twenty-five cents per thousand dollars of assessed value, for general preliminary expenses of the district. The petition shall be signed by at least ten percent of the registered voters who voted in the last general municipal election,

1 who shall be qualified (~~electors~~) voters on the date of filing the  
2 petition, residing within the district described in the petition.

3 The petition shall be filed with the county auditor of each county  
4 in which the proposed district is located, who shall (~~7~~) within ten  
5 days examine and verify the signatures (~~of the signers residing in the~~  
6 ~~county; and for such purpose the county election official shall have~~  
7 ~~access to all registration books in the possession of the officers of~~  
8 ~~any incorporated city or town in such proposed district~~) on the  
9 petition. No person having signed such a petition shall be allowed to  
10 withdraw (~~his~~) the person's name from the petition after the filing  
11 of the petition with the county election officer. The petition shall  
12 be transmitted to the election officer of the county in which the  
13 largest land area of the district is located who shall certify to the  
14 sufficiency or insufficiency of the number of signatures. If the  
15 petition shall be found to contain a sufficient number of signatures,  
16 the county election officer shall then transmit (~~the same~~) it,  
17 together with a certificate of sufficiency attached thereto to the  
18 county legislative authority of each county in which the proposed  
19 district is located.

20 (2) If in the opinion of the county health officer the existing  
21 water, sewerage, or drainage facilities are inadequate in the district  
22 to be created, and creation of the district is necessary for public  
23 health and safety, then the legislative authority of the county may  
24 declare by resolution that a water-sewer district is a public health  
25 and safety necessity, and the district shall be organized under this  
26 title, without a petition being required.

27 (3) Following receipt of a petition certified to contain a  
28 sufficient number of signatures, or upon declaring a district to be a  
29 public health and safety necessity, at a regular or special meeting the  
30 county legislative authority shall cause to be published once a week  
31 for at least two weeks in one or more newspapers of general circulation  
32 in the proposed district, a notice that such a petition has been  
33 presented, stating the time of the meeting at which the petition shall  
34 be considered, and setting forth the boundaries of the proposed  
35 district. When (~~such~~) a petition is presented for hearing, each  
36 county legislative authority shall hear the petition or may adjourn the  
37 hearing from time to time not exceeding one month in all. Any person,  
38 firm, or corporation may appear before the county legislative authority  
39 and make objections to the establishment of the district or the

1 proposed boundary lines thereof. Upon a final hearing each county  
2 legislative authority shall make such changes in the proposed boundary  
3 lines within the county as it deems to be proper and shall establish  
4 and define the boundaries and shall find whether the proposed ((water))  
5 district will be conducive to the public health, welfare, and  
6 convenience and be of special benefit to the land included within the  
7 boundaries of the proposed district. No lands ((which)) that will not,  
8 in the judgment of the county legislative authority, be ((benefited))  
9 benefitted by inclusion therein, shall be included within the  
10 boundaries of the district. No change shall be made by the county  
11 legislative authority in the boundary lines to include any territory  
12 outside of the boundaries described in the petition, except that the  
13 boundaries of any proposed district may be extended by the county  
14 legislative authority to include other lands in the county upon a  
15 petition signed by the owners of all of the land within the proposed  
16 extension.

17 **Sec. 204.** RCW 57.04.050 and 1994 c 292 s 2 are each amended to  
18 read as follows:

19 Upon entry of the findings of the final hearing on the petition if  
20 one or more county legislative authorities find that the proposed  
21 district will be conducive to the public health, welfare, and  
22 convenience and ((be of special)) will benefit ((to)) the land therein,  
23 they shall call a special election by presenting a resolution to the  
24 county auditor at least forty-five days prior to the proposed election  
25 date. A special election ((will)) shall be held on a date decided by  
26 the commissioners in accordance with RCW 29.13.010 and 29.13.020. The  
27 commissioners shall cause to be published a notice of the election for  
28 four successive weeks in a newspaper of general circulation in the  
29 proposed district, which notice shall state the hours during which the  
30 polls will be open, the boundaries of the district as finally adopted  
31 and the object of the election, and the notice shall also be posted  
32 ((for)) ten days in ten public places in the proposed district. In  
33 submitting the proposition to the voters, it shall be expressed on the  
34 ballots in the following terms:

35 ((Water))            District . . . . . YES 1  
36 ((Water))            District . . . . . NO 1

1 giving the name of the district as provided in the petition. The  
2 proposition to be effective must be approved by a majority of the  
3 voters voting on the proposition.

4 At the same election a proposition shall be submitted to the  
5 voters, for their approval or rejection, authorizing the ~~((water))~~  
6 district, if formed, to levy at the earliest time permitted by law on  
7 all property located in the district a general tax for one year, in  
8 excess of the limitations provided by law, in the amount specified in  
9 the petition to create the district, not to exceed one dollar and  
10 twenty-five cents per thousand dollars of assessed value, for general  
11 preliminary expenses of the district~~((. The proposition may not appear~~  
12 ~~at the September or November election. The proposition shall))~~, that  
13 proposition to be expressed on the ballots in the following terms:

14 One year . . . . . dollars and . . . . . cents per  
15 thousand dollars of assessed value tax . . . . . YES 1  
16 ~~((One year . . . . . dollars and . . . . . cents~~  
17 ~~per thousand dollars of assessed value tax . . . . .))NO 1~~

18 ~~((Such))~~ The proposition to be effective must be approved by at  
19 least three-fifths of the voters voting on the proposition in the  
20 manner set forth in Article VII, section 2(a) of the state Constitution  
21 ~~((of this state))~~, as amended by Amendment 59 and as thereafter  
22 amended.

23 **Sec. 205.** RCW 57.04.060 and 1929 c 114 s 5 are each amended to  
24 read as follows:

25 If at ~~((such))~~ the election a majority of the voters voting upon  
26 ~~((such))~~ the proposition ~~((shall))~~ vote in favor of the formation of  
27 ~~((such))~~ the district the ~~((board of))~~ county ~~((commissioners))~~  
28 legislative authority shall so declare in its canvass of the returns of  
29 ~~((such))~~ the election to be made within ten days after the date of the  
30 election, and ~~((such water))~~ the district shall then be and become a  
31 municipal corporation of the state of Washington, and the name of  
32 ~~((such water))~~ the district shall be ~~((". . . . . Water District"~~  
33 ~~{inserting the name appearing on the ballot}))~~ the name of the district  
34 as provided in the petition and the ballot.

35 **Sec. 206.** RCW 57.04.065 and 1984 c 147 s 7 are each amended to  
36 read as follows:

1 Any (~~water~~) district (~~heretofore or hereafter organized and~~  
2 ~~existing~~) may apply to change its name by filing with the county  
3 legislative authority in which was filed the original petition for  
4 organization of the district, a certified copy of a resolution of its  
5 board of commissioners adopted by majority vote of all of the members  
6 of (~~said~~) that board at a regular meeting thereof providing for such  
7 change of name. After approval of the new name by the county  
8 legislative authority, all proceedings for (~~such~~) the district(~~s~~)  
9 shall be had under (~~such~~) the changed name, but all existing  
10 obligations and contracts of the district entered into under its former  
11 name shall remain outstanding without change and with the validity  
12 thereof unimpaired and unaffected by such change of name(~~, and the~~).  
13 A change of name heretofore made by any existing (~~water~~) district in  
14 this state, substantially in the manner (~~above~~) approved under this  
15 section, is (~~hereby~~) ratified, confirmed, and validated.

16 **Sec. 207.** RCW 57.04.070 and 1985 c 141 s 6 are each amended to  
17 read as follows:

18 Whenever two or more petitions for the formation of a (~~water~~)  
19 district shall be filed as provided in this chapter, the petition  
20 describing the greater area shall supersede all others and an election  
21 shall first be held thereunder, and no lesser (~~water~~) district shall  
22 ever be created within the limits in whole or in part of any (~~water~~)  
23 district, except as provided in RCW (~~57.40.150 and~~) 36.94.420(~~, as~~  
24 ~~now or hereafter amended~~)).

25 **Sec. 208.** RCW 56.04.080 and 1941 c 210 s 40 are each amended to  
26 read as follows:

27 All elections held pursuant to this title, whether general or  
28 special, shall be conducted by the county (~~election board~~) auditor of  
29 the county in which the district is located. Except as provided in  
30 section 405 of this act, the expense of all such elections shall be  
31 paid for out of the funds of (~~such sewer~~) the district.

32 **Sec. 209.** RCW 57.04.100 and 1994 c 81 s 80 are each amended to  
33 read as follows:

34 Any (~~water~~) district (~~organized under this title~~) may be  
35 disincorporated in the same manner (insofar as the same is applicable)  
36 as is provided in RCW 35.07.010 through 35.07.220 for the

1 disincorporation of cities and towns, except that the petition for  
2 disincorporation shall be signed by not less than twenty-five percent  
3 of the voters in the ((water)) district.

4       **Sec. 210.** RCW 57.04.110 and 1955 c 358 s 1 are each amended to  
5 read as follows:

6       A ((water)) district whose boundaries are identical with the  
7 boundaries of an incorporated city or town may be dissolved by summary  
8 dissolution proceedings if the ((water)) district is free from all  
9 debts and liabilities except contractual obligations between the  
10 district and the city or town. Summary dissolution shall take place if  
11 the board of commissioners of the ((water)) district votes unanimously  
12 to dissolve the district and to turn all of its property over to the  
13 city or town within which the district lies, and the council of such  
14 city or town unanimously passes an ordinance accepting the conveyance  
15 of the property and assets of the district tendered to the city or town  
16 by the ((water)) district.

17       **Sec. 211.** RCW 56.04.120 and 1991 c 363 s 136 are each amended to  
18 read as follows:

19       (1) On and after March 16, 1979, any sewerage improvement districts  
20 created under Title 85 RCW and located in a county with a population of  
21 from forty thousand to less than seventy thousand shall become  
22 ((sewer)) districts and shall be operated, maintained, and have the  
23 same powers as ((sewer)) districts created under this title ((56-RCW)),  
24 upon being so ordered by the county legislative authority of the county  
25 in which such district is located after a hearing of which notice is  
26 given by publication in a newspaper of general circulation within the  
27 district and mailed to any known creditors, holders of contracts, and  
28 obligees at least thirty days prior to such hearing. After such  
29 hearing if the county legislative authority finds the converting of  
30 such district to be in the best interest of that district, it shall  
31 order that such sewer improvement district shall become a ((sewer))  
32 district and fix the date of such conversion. All debts, contracts,  
33 and obligations created while attempting to organize or operate a  
34 sewerage improvement district and all other financial obligations and  
35 powers of the district to satisfy such obligations established under  
36 Title 85 RCW are legal and valid until they are fully satisfied or  
37 discharged under Title 85 RCW.

1 (2) The board of supervisors of a sewerage improvement district in  
2 a county with a population of from forty thousand to less than seventy  
3 thousand shall act as the board of commissioners of the ((sewer))  
4 district ((created)) under subsection (1) of this section until other  
5 members of the board of commissioners of the ((sewer)) district are  
6 elected and qualified. There shall be an election on the same date as  
7 the 1979 state general election and the seats of all three members of  
8 the governing authority of every entity which was previously known as  
9 a sewerage improvement district in a county with a population of from  
10 forty thousand to less than seventy thousand shall be up for election.  
11 The election shall be held in the manner provided for in ((RCW  
12 56.12.020)) sections 404 and 405 of this act for the election of the  
13 first board of commissioners of a ((sewer)) district. Thereafter, the  
14 terms of office of the members of the governing body shall be  
15 determined under ((RCW 56.12.020)) sections 404 and 405 of this act.

16 **Sec. 212.** RCW 56.04.130 and 1979 c 35 s 2 are each amended to read  
17 as follows:

18 Any sewerage improvement district which has been operating as a  
19 sewer district shall be a ((sewer)) district under this title as of  
20 March 16, 1979, upon being so ordered by the ((board of)) county  
21 ((commissioners)) legislative authority of the county in which such  
22 district is located after a hearing of which notice is given by  
23 publication in a newspaper of general circulation within the district  
24 and mailed to any known creditors, holders of contracts, and obligees  
25 at least thirty days prior to such hearing. After such hearing if the  
26 ((board of)) county ((commissioners)) legislative authority finds that  
27 the sewerage improvement district was operating as a ((sewer)) district  
28 and that the converting of such district will be in the best interest  
29 of that district, it shall order that such sewer improvement district  
30 shall become a ((sewer)) district immediately upon the passage of the  
31 resolution containing such order. The debts, contracts, and  
32 obligations of any sewerage improvement district which has been  
33 erroneously operating as a ((sewer)) district are recognized as legal  
34 and binding. The members of the government authority of any sewerage  
35 improvement district which has been operating as a ((sewer)) district  
36 and who were erroneously elected as sewer district commissioners shall  
37 be recognized as the governing authority of a ((sewer)) district. The

1 members of the governing authority shall continue in office for the  
2 term for which they were elected.

3

### PART III - POWERS

4 NEW SECTION. **Sec. 301.** A district shall have the following  
5 powers:

6 (1) To acquire by purchase or condemnation, or both, all lands,  
7 property and property rights, and all water and water rights, both  
8 within and without the district, necessary for its purposes. The right  
9 of eminent domain shall be exercised in the same manner and by the same  
10 procedure as provided for cities and towns, insofar as consistent with  
11 this title, except that all assessment or reassessment rolls to be  
12 prepared and filed by eminent domain commissioners or commissioners  
13 appointed by the court shall be prepared and filed by the district, and  
14 the duties devolving upon the city treasurer are imposed upon the  
15 county treasurer;

16 (2) To lease real or personal property necessary for its purposes  
17 for a term of years for which that leased property may reasonably be  
18 needed;

19 (3) To construct, condemn and purchase, add to, maintain, and  
20 supply waterworks to furnish the district and inhabitants thereof, any  
21 city or town therein, and any other persons, both within and without  
22 the district, with an ample supply of water for all uses and purposes  
23 public and private with full authority to regulate and control the use,  
24 content, distribution, and price thereof in such a manner as is not in  
25 conflict with general law and may construct, acquire, or own buildings  
26 and other necessary district facilities. Where a customer connected to  
27 the district's system uses the water on an intermittent or transient  
28 basis, a district may charge for providing water service to such a  
29 customer, regardless of the amount of water, if any, used by the  
30 customer. District waterworks may include facilities which result in  
31 combined water supply and electric generation, if the electricity  
32 generated thereby is a byproduct of the water supply system. That  
33 electricity may be used by the district or sold to any entity  
34 authorized by law to use or distribute electricity. Electricity is  
35 deemed a byproduct when the electrical generation is subordinate to the  
36 primary purpose of water supply. For such purposes, a district may  
37 take, condemn and purchase, acquire, and retain water from any public

1 or navigable lake, river or watercourse, or any underflowing water, and  
2 by means of aqueducts or pipeline conduct the same throughout the  
3 district and any city or town therein and carry it along and upon  
4 public highways, roads, and streets, within and without such district.  
5 For the purpose of constructing or laying aqueducts or pipelines, dams,  
6 or waterworks or other necessary structures in storing and retaining  
7 water or for any other lawful purpose such district may occupy the beds  
8 and shores up to the high water mark of any such lake, river, or other  
9 watercourse, and may acquire by purchase or condemnation such property  
10 or property rights or privileges as may be necessary to protect its  
11 water supply from pollution. For the purposes of waterworks which  
12 include facilities for the generation of electricity as a byproduct,  
13 nothing in this section may be construed to authorize a district to  
14 condemn electric generating, transmission, or distribution rights or  
15 facilities of entities authorized by law to distribute electricity, or  
16 to acquire such rights or facilities without the consent of the owner;

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

24 (5) To construct, condemn and purchase, add to, maintain, and  
25 operate systems of sewers for the purpose of furnishing the district,  
26 the inhabitants thereof, and persons outside the district with an  
27 adequate system of sewers for all uses and purposes, public and  
28 private, including but not limited to on-site sewage disposal  
29 facilities, approved septic tanks or approved septic tank systems,  
30 other facilities and systems for the collection, interception,  
31 treatment, and disposal of wastewater, and for the control of pollution  
32 from wastewater and for the protection, preservation, and  
33 rehabilitation of surface and underground waters, facilities for the  
34 drainage and treatment of storm or surface waters, public highways,  
35 streets, and roads with full authority to regulate the use and  
36 operation thereof and the service rates to be charged. Sewage  
37 facilities may include facilities which result in combined sewage  
38 disposal, treatment, or drainage and electric generation, except that  
39 the electricity generated thereby is a byproduct of the system of

1 sewers. Such electricity may be used by the district or sold to any  
2 entity authorized by law to distribute electricity. Electricity is  
3 deemed a byproduct when the electrical generation is subordinate to the  
4 primary purpose of sewage disposal, treatment, or drainage. For such  
5 purposes a district may conduct sewage throughout the district and  
6 throughout other political subdivisions within the district, and  
7 construct and lay sewer pipe along and upon public highways, roads, and  
8 streets, within and without the district, and condemn and purchase or  
9 acquire land and rights of way necessary for such sewer pipe. A  
10 district may erect sewage treatment plants within or without the  
11 district, and may acquire, by purchase or condemnation, properties or  
12 privileges necessary to be had to protect any lakes, rivers, or  
13 watercourses and also other areas of land from pollution from its  
14 sewers or its sewage treatment plant. For the purposes of sewage  
15 facilities which include facilities that result in combined sewage  
16 disposal, treatment, or drainage and electric generation where the  
17 electric generation is a byproduct, nothing in this section may be  
18 construed to authorize a district to condemn electric generating,  
19 transmission, or distribution rights or facilities of entities  
20 authorized by law to distribute electricity, or to acquire such rights  
21 or facilities without the consent of the owners;

22 (6) To construct, condemn, acquire, and own buildings and other  
23 necessary district facilities;

24 (7) To compel all property owners within the district located  
25 within an area served by the district's system of sewers to connect  
26 their private drain and sewer systems with the district's system under  
27 such penalty as the commissioners shall prescribe by resolution. The  
28 district may for such purpose enter upon private property and connect  
29 the private drains or sewers with the district system and the cost  
30 thereof shall be charged against the property owner and shall be a lien  
31 upon property served;

32 (8) Where a district contains within its borders, abuts, or is  
33 located adjacent to any lake, stream, ground water as defined by RCW  
34 90.44.035, or other waterway within the state of Washington, to provide  
35 for the reduction, minimization, or elimination of pollutants from  
36 those waters in accordance with the district's comprehensive plan, and  
37 to issue general obligation bonds, revenue bonds, local improvement  
38 district bonds, or utility local improvement bonds for the purpose of

1 paying all or any part of the cost of reducing, minimizing, or  
2 eliminating the pollutants from these waters;

3 (9) To fix rates and charges for water, sewer, and drain service  
4 supplied and to charge property owners seeking to connect to the  
5 district's systems, as a condition to granting the right to so connect,  
6 in addition to the cost of the connection, such reasonable connection  
7 charge as the board of commissioners shall determine to be proper in  
8 order that those property owners shall bear their equitable share of  
9 the cost of the system. For the purposes of calculating a connection  
10 charge, the board of commissioners shall determine the pro rata share  
11 of the cost of existing facilities and facilities planned for  
12 construction within the next ten years and contained in an adopted  
13 comprehensive plan and other costs borne by the district which are  
14 directly attributable to the improvements required by property owners  
15 seeking to connect to the system. The cost of existing facilities  
16 shall not include those portions of the system which have been donated  
17 or which have been paid for by grants. The connection charge may  
18 include interest charges applied from the date of construction of the  
19 system until the connection, or for a period not to exceed ten years,  
20 whichever is shorter, at a rate commensurate with the rate of interest  
21 applicable to the district at the time of construction or major  
22 rehabilitation of the system, or at the time of installation of the  
23 lines to which the property owner is seeking to connect. A district  
24 may permit payment of the cost of connection and the reasonable  
25 connection charge to be paid with interest in installments over a  
26 period not exceeding fifteen years. The county treasurer may charge  
27 and collect a fee of three dollars for each year for the treasurer's  
28 services. Those fees shall be a charge to be included as part of each  
29 annual installment, and shall be credited to the county current expense  
30 fund by the county treasurer. Revenues from connection charges  
31 excluding permit fees are to be considered payments in aid of  
32 construction as defined by department of revenue rule.

33 Except as otherwise provided in RCW 90.03.525, any public entity  
34 and public property, including the state of Washington and state  
35 property, shall be subject to rates and charges for sewer, water, storm  
36 water control, drainage, and street lighting facilities to the same  
37 extent private persons and private property are subject to those rates  
38 and charges that are imposed by districts. In setting those rates and

1 charges, consideration may be made of in-kind services, such as stream  
2 improvements or donation of property;

3 (10) To contract with individuals, associations and corporations,  
4 the state of Washington, and the United States;

5 (11) To employ such persons as are needed to carry out the  
6 district's purposes and fix salaries and any bond requirements for  
7 those employees;

8 (12) To contract for the provision of engineering, legal, and other  
9 professional services as in the board of commissioner's discretion is  
10 necessary in carrying out their duties;

11 (13) To sue and be sued;

12 (14) To loan and borrow funds and to issue bonds and instruments  
13 evidencing indebtedness under chapter 57.20 RCW and other applicable  
14 laws;

15 (15) To transfer funds, real or personal property, property  
16 interests, or services subject to RCW 57.08.015;

17 (16) To levy taxes in accordance with this chapter and chapters  
18 57.04 and 57.20 RCW;

19 (17) To provide for making local improvements and to levy and  
20 collect special assessments on property benefitted thereby, and for  
21 paying for the same or any portion thereof in accordance with chapter  
22 57.16 RCW;

23 (18) To establish street lighting systems under RCW 57.08.060;

24 (19) To exercise such other powers as are granted to water-sewer  
25 districts by this title or other applicable laws; and

26 (20) To exercise any of the powers granted to cities and counties  
27 with respect to the acquisition, construction, maintenance, operation  
28 of, and fixing rates and charges for waterworks and systems of sewerage  
29 and drainage.

30 NEW SECTION. **Sec. 302.** Except upon approval of both districts by  
31 resolution, a district may not provide a service within an area in  
32 which that service is available from another district or within an area  
33 in which that service is planned to be made available under an  
34 effective comprehensive plan of another district.

35 **Sec. 303.** RCW 57.08.011 and 1989 c 308 s 14 are each amended to  
36 read as follows:

1 A ((water)) district may enter into a contract with any person,  
2 corporation, or other entity, public or private, that owns a water  
3 system located in the ((water)) district to manage, operate, maintain,  
4 or repair the water system. Such a contract may be entered into only  
5 if the general comprehensive plan of the ((water)) district reflects  
6 the water system that is to be so managed, operated, maintained, or  
7 repaired.

8 A ((water)) district shall be liable to provide the services  
9 provided in such a contract only if the required contractual payments  
10 are made to the district, and such payments shall be secured by a lien  
11 on the property served by the water system to the same extent that  
12 rates and charges imposed by the ((water)) district constitute liens on  
13 the property served by the district. The responsibility for all costs  
14 incurred by the water system in complying with water quality laws,  
15 regulations, and standards shall be solely that of the water system and  
16 not the ((water)) district, except to the extent payments have been  
17 made to the district for the costs of such compliance.

18 A ((water)) district periodically may transfer to another account  
19 surplus moneys that may accumulate in an account established by the  
20 district to receive payments for the provision of services for such a  
21 water system.

22 **Sec. 304.** RCW 57.08.014 and 1983 c 198 s 2 are each amended to  
23 read as follows:

24 In addition to the authority of a ((water)) district to establish  
25 classifications for rates and charges and impose such rates and  
26 charges, ((as provided in RCW 57.08.010 and 57.20.020,)) a ((water))  
27 district may adjust((  )) or delay ((such)) those rates and charges for  
28 ((poor)) low-income persons or classes of ((poor)) low-income persons,  
29 including but not limited to, poor handicapped persons and poor senior  
30 citizens. Other financial assistance available to ((poor)) low-income  
31 persons shall be considered in determining charges and rates under this  
32 section. Notification of special rates or charges established under  
33 this section shall be provided to all persons served by the district  
34 annually and upon initiating service. Information on cost shifts  
35 caused by establishment of the special rates or charges shall be  
36 included in the notification. Any reduction in charges and rates  
37 granted to ((poor)) low-income persons in one part of a service area

1 shall be uniformly extended to (~~poor~~) low-income persons in all other  
2 parts of the service area.

3 **Sec. 305.** RCW 57.08.015 and 1993 c 198 s 19 are each amended to  
4 read as follows:

5 The board of commissioners of a (~~water~~) district may sell, at  
6 public or private sale, property belonging to the district if the board  
7 determines that the property is not and will not be needed for district  
8 purposes and if the board gives notice of intention to sell as in this  
9 section provided(~~(:—PROVIDED, That)~~). However, no such notice of  
10 intention shall be required to sell personal property of less than two  
11 thousand five hundred dollars in value.

12 The notice of intention to sell shall be published once a week for  
13 two consecutive weeks in a newspaper of general circulation in the  
14 district. The notice shall describe the property and state the time  
15 and place at which it will be sold or offered for sale, the terms of  
16 sale, whether the property is to be sold at public or private sale, and  
17 if at public sale the notice shall call for bids, fix the conditions  
18 (~~thereof~~) of the bids and (~~shall~~) reserve the right to reject any  
19 and all bids.

20 **Sec. 306.** RCW 57.08.016 and 1993 c 198 s 20 are each amended to  
21 read as follows:

22 (1) There shall be no private sale of real property where the  
23 appraised value exceeds the sum of two thousand five hundred dollars.  
24 Subject to the provisions of subsection (2) of this section, no real  
25 property (~~valued at two thousand five hundred dollars or more~~) of the  
26 district shall be sold for less than ninety percent of the value  
27 thereof as established by a written appraisal made not more than six  
28 months prior to the date of sale by three disinterested real estate  
29 brokers licensed under the laws of the state or professionally  
30 designated real estate appraisers as defined in RCW 74.46.020. The  
31 appraisal shall be signed by the appraisers and filed with the  
32 secretary of the board of commissioners of the district, who shall keep  
33 it at the office of the district open to public inspection. Any notice  
34 of intention to sell real property of the district shall recite the  
35 appraised value thereof(~~(:—PROVIDED, That there shall be no private~~  
36 ~~sale of real property where the appraised value exceeds the sum of two~~  
37 ~~thousand five hundred dollars)~~)).

1 (2) If no purchasers can be obtained for the property at ninety  
2 percent or more of its appraised value after one hundred twenty days of  
3 offering the property for sale, the board of commissioners of the  
4 ((water)) district may adopt a resolution stating that the district has  
5 been unable to sell the property at the ninety percent amount. The  
6 ((water)) district then may sell the property at the highest price it  
7 can obtain at public auction. A notice of intention to sell at public  
8 auction shall be published once a week for two consecutive weeks in a  
9 newspaper of general circulation in the ((water)) district. The notice  
10 shall describe the property, state the time and place at which it will  
11 be offered for sale and the terms of sale, and shall call for bids, fix  
12 the conditions thereof, and reserve the right to reject any and all  
13 bids.

14 **Sec. 307.** RCW 57.08.030 and 1933 c 142 s 2 are each amended to  
15 read as follows:

16 ~~((Should the commissioners of any such water district decide that  
17 it would be to the advantage of))~~ (1) Whenever any district shall have  
18 installed a distributing system of water mains and laterals, and as a  
19 source of supply of water shall be purchasing or intending to purchase  
20 water from any city or town, and whenever it appears to be advantageous  
21 to the water consumers ((of such water district to make the conveyance  
22 provided for in RCW 57.08.020, they shall cause the proposition of  
23 making such conveyance to be submitted to the electors of the water  
24 district at any general election or at a special election to be called  
25 for the purpose of voting on the same. If at any such election a  
26 majority of the electors voting at such election shall be in favor of  
27 making such conveyance, the water district commissioners)) in the  
28 district that such city or town shall take over the water system of the  
29 district and supply water to those water users, the commissioners of  
30 the district, when authorized as provided in subsection (2) of this  
31 section, shall have the right to convey ((to such city or town the  
32 mains and laterals belonging to the water district upon such city or  
33 town entering into a contract satisfactory to the water commissioners  
34 to)) the distributing system to that city or town if that city or town  
35 is willing to accept, maintain, and repair the same.

36 (2) Should the commissioners of the district decide that it would  
37 be to the advantage of the water consumers of the district to make the  
38 conveyance provided for in subsection (1) of this section, they shall

1 cause the proposition of making that conveyance to be submitted to the  
2 voters of the district at any general election or at a special election  
3 to be called for the purpose of voting on the same. If at the election  
4 a majority of the voters voting on the proposition shall be in favor of  
5 making the conveyance, the district commissioners shall have the right  
6 to convey to the city or town the mains and laterals belonging to the  
7 district upon the city or town entering into a contract satisfactory to  
8 the commissioners to maintain and repair the same.

9 (3) Whenever a city or town located wholly or in part within a  
10 district shall enter into a contract with the commissioners of a  
11 district providing that the city or town shall take over all of the  
12 operation of the facilities of the district located within its  
13 boundaries, the area of the district located within the city or town  
14 shall upon the execution of the contract cease to be served by the  
15 district for water service purposes. However, the affected land within  
16 that city or town shall remain liable for the payment of all  
17 assessments, any lien upon the property at the time of the execution of  
18 the agreement, and for any lien of all general obligation bonds due at  
19 the date of the contract, and the city shall remain liable for its fair  
20 prorated share of the debt of the area for any revenue bonds,  
21 outstanding as of the date of contract.

22 **Sec. 308.** RCW 57.08.040 and 1933 c 142 s 3 are each amended to  
23 read as follows:

24 Whenever any city or town is selling or proposes to sell water to  
25 a ~~((water district organized under the laws of the state of Washington~~  
26 ~~and the provisions of RCW 57.08.020 and 57.08.030 have been complied~~  
27 ~~with, any such))~~ district, the city or town may by ordinance accept a  
28 conveyance of any ((such)) distributing system and enter into a  
29 contract with the ((water)) district for the maintenance and repair of  
30 the system and the supplying of water to the ((water)) district  
31 consumers.

32 **Sec. 309.** RCW 56.08.060 and 1981 c 45 s 4 are each amended to read  
33 as follows:

34 A ~~((sewer))~~ district may enter into contracts with any county,  
35 city, town, ((sewer district, water district,)) or any other municipal  
36 corporation, or with any private person((, firm)) or corporation, for  
37 the acquisition, ownership, use, and operation of any property,

1 facilities, or services, within or without the ((sewer)) district, and  
2 necessary or desirable to carry out the purposes of the ((sewer  
3 district, and a sewer district or a water district duly authorized to  
4 exercise sewer district powers may provide sewer service)) district.  
5 A district may provide services to property owners in areas within or  
6 without the limits of the district((:—PROVIDED, That if any such  
7 area)), except that if the area to be served is located within another  
8 existing district duly authorized to exercise ((sewer)) district powers  
9 in ((such)) that area, then water, sewer, drainage, or street lighting  
10 service may not be so provided by contract or otherwise without the  
11 consent by resolution of the board of commissioners of ((such)) that  
12 other district.

13 **Sec. 310.** RCW 57.08.047 and 1989 c 84 s 57 are each amended to  
14 read as follows:

15 The provision of water or sewer service beyond the boundaries of a  
16 ((water)) district may be subject to potential review by a boundary  
17 review board under chapter 36.93 RCW.

18 **Sec. 311.** RCW 57.08.050 and 1994 c 31 s 2 are each amended to read  
19 as follows:

20 ~~((1) The board of water commissioners shall have authority to  
21 create and fill such positions and fix salaries and bonds thereof as it  
22 may by resolution provide.~~

23 ((2)) All materials purchased and work ordered, the estimated cost  
24 of which is in excess of five thousand dollars, shall be let by  
25 contract. All contract projects, the estimated cost of which is less  
26 than fifty thousand dollars, may be awarded to a contractor using ((a))  
27 the small works roster process provided in RCW 39.04.155 or the process  
28 provided in RCW 39.04.190 for purchases. The board of ((water))  
29 commissioners may set up uniform procedures to prequalify contractors  
30 for inclusion on the small works roster. All contract projects equal  
31 to or in excess of fifty thousand dollars shall be let by competitive  
32 bidding. Before awarding any such contract the board of ((water))  
33 commissioners shall publish a notice in a newspaper of general  
34 circulation where the district is located at least once thirteen days  
35 before the last date upon which bids will be received, inviting sealed  
36 proposals for such work, plans and specifications which must at the  
37 time of publication of such notice be on file in the office of the

1 board of (~~water~~) commissioners subject to the public inspection.  
2 (~~Such~~) The notice shall state generally the work to be done and shall  
3 call for proposals for doing the same to be sealed and filed with the  
4 board of water commissioners on or before the day and hour named  
5 therein.

6 (~~(+3)~~) Each bid shall be accompanied by a certified or cashier's  
7 check or postal money order payable to the order of the county  
8 treasurer for a sum not less than five percent of the amount of the  
9 bid, or accompanied by a bid bond in an amount not less than five  
10 percent of the bid with a corporate surety licensed to do business in  
11 the state, conditioned that the bidder will pay the district as  
12 liquidated damages the amount specified in the bond, unless the bidder  
13 enters into a contract in accordance with (~~his or her~~) the bidder's  
14 bid, and no bid shall be considered unless accompanied by such check,  
15 cash or bid bond. At the time and place named such bids shall be  
16 publicly opened and read and the board of (~~water~~) commissioners shall  
17 proceed to canvass the bids and may let such contract to the lowest  
18 responsible bidder upon plans and specifications on file or to the best  
19 bidder submitting (~~his or her~~) the bidder's own plans and  
20 specifications(~~(: PROVIDED, That)~~). However, no contract shall be let  
21 in excess of the cost of the materials or work. The board of (~~water~~)  
22 commissioners may reject all bids for good cause and readvertise and in  
23 such case all checks, cash or bid bonds shall be returned to the  
24 bidders. If (~~such~~) the contract (~~be~~) is let, then all checks,  
25 cash, or bid bonds shall be returned to the bidders, except that of the  
26 successful bidder, which shall be retained until a contract shall be  
27 entered into for the purchase of such materials or doing (~~such~~) the  
28 work, and a bond to perform such work furnished with sureties  
29 satisfactory to the board of (~~water~~) commissioners in the full amount  
30 of the contract price between the bidder and the commission in  
31 accordance with the bid. If the bidder fails to enter into the  
32 contract in accordance with the bid and furnish (~~such~~) the bond  
33 within ten days from the date at which the bidder is notified that (~~he~~  
34 ~~or she~~) the bidder is the successful bidder, the check, cash, or bid  
35 bonds and the amount thereof shall be forfeited to the (~~water~~)  
36 district(~~(: PROVIDED, That)~~). If the bidder fails to enter into a  
37 contract in accordance with (~~his or her~~) the bidder's bid, and the  
38 board of (~~water~~) commissioners deems it necessary to take legal  
39 action to collect on any bid bond required (~~herein~~) by this section,

1 then the ((water)) district shall be entitled to collect from the  
2 bidder any legal expenses, including reasonable attorneys' fees  
3 occasioned thereby.

4 ((+4)) In the event of an emergency when the public interest or  
5 property of the ((water)) district would suffer material injury or  
6 damage by delay, upon resolution of the board of ((water))  
7 commissioners, or proclamation of an official designated by the board  
8 to act for the board during such emergencies, declaring the existence  
9 of such emergency and reciting the facts constituting the same, the  
10 board((7)) or official acting for the board((7)) may waive the  
11 requirements of this chapter with reference to any purchase or  
12 contract. In addition, these requirements may be waived for purchases  
13 which are clearly and legitimately limited to a single source of supply  
14 and purchases involving special facilities, services, or market  
15 conditions, in which instances the purchase price may be best  
16 established by direct negotiation.

17 **Sec. 312.** RCW 57.08.060 and 1987 c 449 s 11 are each amended to  
18 read as follows:

19 ((+1)) In addition to the powers given ((water)) districts by law,  
20 ((they)) a district shall also have power to acquire, construct,  
21 maintain, operate, and develop street lighting systems.

22 ((+2)) To establish a street lighting system, the board of  
23 ((water)) commissioners shall adopt a resolution proposing a street  
24 lighting system and delineating the boundaries of the area to be served  
25 by the proposed street lighting system. The board shall conduct a  
26 public hearing on the resolution to create a street lighting system.  
27 Notice of the hearing shall be published at least once each week for  
28 two consecutive weeks in one or more newspapers of general circulation  
29 in the area to be served by the proposed street lighting system.  
30 Following the hearing, the board may by resolution establish the street  
31 lighting system.

32 ((+3)) A street lighting system shall not be established if,  
33 within thirty days following the decision of the board, a petition  
34 opposing the street lighting system is filed with the board and  
35 contains the signatures of at least forty percent of the voters  
36 registered in the area to be served by the proposed system.

1       (~~(4)~~) The (~~water~~) district has the same powers of collection  
2 for delinquent street lighting charges as (~~the water district~~) it has  
3 for collection of delinquent (~~water~~) service charges.

4       (~~(5) Any street lighting system established by a water district~~  
5 ~~prior to March 31, 1982, is declared to be legal and valid.~~)

6       **Sec. 313.** RCW 57.08.065 and 1981 c 45 s 11 are each amended to  
7 read as follows:

8       (~~In addition to the powers now given water districts by law,~~  
9 ~~they~~) (1) Districts shall (~~also~~) have power to establish, maintain,  
10 and operate a mutual water (~~and~~), sewer, drainage, and street  
11 lighting system (~~or~~), a (~~separate sewer system within their water~~  
12 ~~district area in the same manner as provided by law for the doing~~  
13 ~~thereof in connection with water supply~~) mutual system of any two or  
14 three of the systems, or separate systems.

15       (~~In addition thereto, a water district constructing, maintaining~~  
16 ~~and operating a sanitary sewer system may exercise all the powers~~  
17 ~~permitted to a sewer district under Title 56 RCW, including, but not~~  
18 ~~limited to, the right to compel connections to the district's system,~~  
19 ~~liens for delinquent sewer connection charges or sewer service charges,~~  
20 ~~and all other powers presently exercised by or which may be hereafter~~  
21 ~~granted to such sewer districts:— PROVIDED, That a water district may~~  
22 ~~not exercise sewer district powers in any area within its boundaries~~  
23 ~~which is part of an existing district which previously shall have been~~  
24 ~~duly authorized to exercise sewer district powers in such area without~~  
25 ~~the consent by resolution of the board of commissioners of such other~~  
26 ~~district:— PROVIDED FURTHER, That no water district shall proceed to~~  
27 ~~exercise the powers herein granted to establish, maintain, construct~~  
28 ~~and operate any sewer system without first obtaining written approval~~  
29 ~~and certification of necessity so to do from the department of ecology~~  
30 ~~and department of social and health services. Any comprehensive plan~~  
31 ~~for a system of sewers or addition thereto or betterment thereof shall~~  
32 ~~be approved by the same county and state officials as are required to~~  
33 ~~approve such plans adopted by a sewer district.~~

34       A water district shall have the power to issue general obligation  
35 bonds for sewer system purposes:— PROVIDED, That a proposition to  
36 authorize general obligation bonds payable from excess tax levies for  
37 sewer system purposes pursuant to chapter 56.16 RCW shall be submitted  
38 to all of the qualified voters within that part of the water district

1 ~~which is not contained within another existing district duly authorized~~  
2 ~~to exercise sewer district powers, and the taxes to pay the principal~~  
3 ~~of and interest on the bonds approved by such voters shall be levied~~  
4 ~~only upon all of the taxable property within such part of the water~~  
5 ~~district.))~~

6 (2) Where any two or more districts include the same territory as  
7 of the effective date of this section, none of the overlapping  
8 districts may provide any service that was made available by any of the  
9 other districts prior to the effective date of this section within the  
10 overlapping territory without the consent by resolution of the board of  
11 commissioners of the other district or districts.

12 (3) No district that was a water district prior to the effective  
13 date of this section may proceed to exercise the powers to establish,  
14 maintain, construct, and operate any sewer system without first  
15 obtaining written approval and certification of necessity from the  
16 department of ecology and department of health. Any comprehensive plan  
17 for a system of sewers or addition thereto or betterment thereof  
18 proposed by a district that was a water district prior to the effective  
19 date of this section shall be approved by the same county and state  
20 officials as were required to approve such plans adopted by a sewer  
21 district immediately prior to the effective date of this section and as  
22 subsequently may be required.

23 NEW SECTION. Sec. 314. The commissioners of any district shall  
24 provide for revenues by fixing rates and charges for the furnishing of  
25 water supply and sewer service to those to whom service is available,  
26 such rates and charges to be fixed as deemed necessary by the  
27 commissioners, so that uniform charges will be made for the same class  
28 of customer or service. Rates and charges may be combined for the  
29 furnishing of more than one type of sewer service, such as but not  
30 limited to storm or surface water and sanitary.

31 In classifying customers served or service furnished by such water  
32 supply or sewer system, the board of commissioners may in its  
33 discretion consider any or all of the following factors: The  
34 difference in cost of service to various customers; the location of the  
35 various customers within and without the district; the difference in  
36 cost of maintenance, operation, repair, and replacement of the various  
37 parts of the system; the different character of the service furnished  
38 various customers; the quantity and quality of the service furnished;

1 the time of its use; the achievement of water conservation goals and  
2 the discouragement of wasteful practices; capital contributions made to  
3 the system including but not limited to assessments; and any other  
4 matters which present a reasonable difference as a ground for  
5 distinction. Rates shall be established as deemed proper by the  
6 commissioners and as fixed by resolution and shall produce revenues  
7 sufficient to take care of the costs of maintenance and operation,  
8 revenue bond and warrant interest and principal amortization  
9 requirements, and all other charges necessary for efficient and proper  
10 operation of the system.

11 The commissioners shall enforce collection of connection charges  
12 and rates and charges for services supplied against property owners  
13 either or both connecting with the system and receiving those services,  
14 such charges being deemed charges against the property served, by  
15 addition of penalties of not more than ten percent thereof in case of  
16 failure to pay the charges at times fixed by resolution. The  
17 commissioners may provide by resolution that where either connection  
18 charges or rates and charges for services supplied are delinquent for  
19 any specified period of time, the district shall certify the  
20 delinquencies to the treasurer of the county in which the real property  
21 is located, and the charges and any penalties added thereto and  
22 interest thereon at the rate of not more than the prime lending rate of  
23 the district's bank plus four percentage points per year shall be a  
24 lien against the property upon which the service was received, subject  
25 only to the lien for general taxes.

26 The district may, at any time after the connection charges or rates  
27 and charges for services supplied and penalties are delinquent for a  
28 period of sixty days, bring suit in foreclosure by civil action in the  
29 superior court of the county in which the real property is located.  
30 The court may allow, in addition to the costs and disbursements  
31 provided by statute, attorneys' fees, title search and report costs,  
32 and expenses as it adjudges reasonable. The action shall be in rem,  
33 and may be brought in the name of the district against an individual or  
34 against all of those who are delinquent in one action. The laws and  
35 rules of the court shall control as in other civil actions.

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

1       **Sec. 315.** RCW 56.08.012 and 1986 c 278 s 59 are each amended to  
2 read as follows:

3       Except as otherwise provided in RCW 90.03.525, any public entity  
4 and public property, including ~~((the))~~ state of Washington ~~((and~~  
5 ~~state))~~ property, shall be subject to rates and charges for storm water  
6 control facilities to the same extent as private persons and private  
7 property are subject to such rates and charges that are imposed by  
8 ~~((sewer))~~ districts pursuant to ~~((RCW 56.08.010 or 56.16.090))~~ section  
9 301 or 314 of this act. In setting ~~((these))~~ those rates and charges,  
10 consideration may be ~~((made of))~~ given to in-kind services, such as  
11 stream improvements or donation of property.

12       **Sec. 316.** RCW 57.08.100 and 1991 sp.s. c 30 s 25 are each amended  
13 to read as follows:

14       Subject to chapter 48.62 RCW, a ~~((water))~~ district, by a majority  
15 vote of its board of commissioners, may enter into contracts to provide  
16 health care services and/or group insurance and/or term life insurance  
17 and/or social security insurance for the benefit of its employees and  
18 may pay all or any part of the cost thereof. Any two or more ~~((water))~~  
19 ~~districts ((or any one or more water districts and one or more sewer~~  
20 ~~districts))~~, by a majority vote of their respective boards of  
21 commissioners, may, if deemed expedient, join in the procuring of such  
22 health care services and/or group insurance and/or term life insurance,  
23 and the board of commissioners of ~~((each))~~ a participating ~~((sewer~~  
24 ~~and/or water))~~ district may by appropriate resolution authorize  
25 ~~((their))~~ its respective district to pay all or any portion of the cost  
26 thereof.

27       A ~~((water))~~ district with five thousand or more customers providing  
28 health, group, or life insurance to its employees may provide its  
29 commissioners with the same coverage~~((:—PROVIDED, That))~~. However,  
30 the per person amounts for such insurance paid by the district shall  
31 not exceed the per person amounts paid by the district for its  
32 employees.

33       **Sec. 317.** RCW 57.08.105 and 1973 c 125 s 7 are each amended to  
34 read as follows:

35       The board of ~~((water))~~ commissioners of each ~~((water))~~ district may  
36 purchase liability insurance with such limits as ~~((they))~~ it may deem  
37 reasonable for the purpose of protecting ~~((their))~~ its officials and

1 employees against liability for personal or bodily injuries and  
2 property damage arising from their acts or omissions while performing  
3 or in good faith purporting to perform their official duties.

4 **Sec. 318.** RCW 57.08.110 and 1995 c 301 s 76 are each amended to  
5 read as follows:

6 To improve the organization and operation of ((water)) districts,  
7 the commissioners of two or more such districts may form an association  
8 or associations thereof, for the purpose of securing and disseminating  
9 information of value to the members of the association and for the  
10 purpose of promoting the more economical and efficient operation of the  
11 comprehensive plans of water supply and sewage treatment and disposal  
12 in their respective districts. The commissioners of ((water))  
13 districts so associated shall adopt articles of association, select  
14 such officers as they may determine, and employ and discharge such  
15 agents and employees as shall be deemed convenient to carry out the  
16 purposes of the association. ((Water)) District commissioners and  
17 employees are authorized to attend meetings of the association. The  
18 expenses of ((the)) an association may be paid from the maintenance or  
19 general funds of the associated districts in such manner as shall be  
20 provided in the articles of association(~~(: PROVIDED, That)~~). However,  
21 the aggregate contributions made to ((the)) an association by ((the))  
22 a district in any calendar year shall not exceed the amount ((which))  
23 that would be raised by a levy of two and one-half cents per thousand  
24 dollars of assessed value against the taxable property of the district.  
25 The financial records of such an association shall be subject to audit  
26 by the state auditor.

27 **Sec. 319.** RCW 57.08.120 and 1991 c 82 s 6 are each amended to read  
28 as follows:

29 A ((water)) district may lease out real property which it owns or  
30 in which it has an interest and which is not immediately necessary for  
31 its purposes upon such terms as the board of ((water)) commissioners  
32 deems proper(~~(: PROVIDED, That)~~). No such lease shall be made until  
33 the ((water)) district has first caused notice thereof to be published  
34 twice in a newspaper in general circulation in the ((water)) district,  
35 the first publication to be at least fifteen days and the second at  
36 least seven days prior to the making of such lease(~~(, which)~~). The  
37 notice shall describe the property (~~(proposed to be leased out, to~~

1 ~~whom, for what purpose, and the rental to be charged therefor)), the~~  
2 lessee, and the lease payments. A hearing shall be held pursuant to  
3 the terms of the ((said)) notice, at which time any and all persons who  
4 may be interested shall have the right to appear and to be heard.

5 No such lease shall be ~~((for a period longer than twenty five~~  
6 ~~years, and each lease of real property shall be))~~ made unless secured  
7 by a bond conditioned ~~((to perform))~~ on the performance of the terms of  
8 ~~((such))~~ the lease, with surety satisfactory to the commissioners~~((, in~~  
9 ~~a penalty not less than the rental for one sixth of the term:~~  
10 ~~PROVIDED, That the penalty shall not be less than the rental for one~~  
11 ~~year where the term is one year or more. In a lease, the term of which~~  
12 ~~exceeds five years, and when at the option of the commissioners, it is~~  
13 ~~so stipulated in the lease, the commission shall accept, with surety~~  
14 ~~satisfactory to it,))~~ and with a penalty of not less than one-sixth of  
15 the term of the lease or for one year's rental, whichever is greater.

16 No such lease shall be made for a term longer than twenty-five  
17 years. In cases involving leases of more than five years, the  
18 commissioners may provide for or stipulate to acceptance of a bond  
19 conditioned ((to perform the terms of the lease for some part of the  
20 term, in no event less than five years (unless the remainder of the  
21 unexpired term is less than five years, in which case for the full  
22 remainder) and in every such case the commissioners shall require of  
23 the lessee, another or other like bond to be delivered within two  
24 years, and not)) on the performance of a part of the term for five  
25 years or more whenever it is further provided that the lessee must  
26 procure and deliver to the commissioners renewal bonds with like terms  
27 and conditions no more than two years prior nor less than one year  
28 prior to the expiration of ((the period covered by the existing bond,  
29 covering an additional part of the term in accordance with the  
30 foregoing provisions in respect to the original bond, and so on until  
31 the end of the term so that there will always be in force a bond  
32 securing the performance of the lease, and the penalty in each bond  
33 shall be not less than the rental for one half the period covered  
34 thereby, but no)) such bond during the entire term of the lease.  
35 However, no such bond shall be construed to secure the furnishing of  
36 any other bond by the same surety or indemnity company. ((However,))  
37 The board of commissioners may require a reasonable security deposit in  
38 lieu of a bond on leased ((real)) property owned by a ((water))  
39 district.

1 The commissioners may accept as surety on any bond required by this  
2 section(~~(, either)~~) an approved surety company (~~(or one or more persons~~  
3 ~~satisfactory to the commissioners, or in lieu of such bond may accept~~  
4 ~~a deposit as security of such property or collateral or the giving of~~  
5 ~~such other form of security as may be satisfactory to the~~  
6 ~~commissioners)), or may accept in lieu thereof a secured interest in  
7 property of a value at least twice the amount of the bond required,  
8 conditioned further that in the event the commissioners determine that  
9 the value of the bond security has become or is about to become  
10 impaired, additional security shall be required from the lessee.~~

11 The authority granted under this section shall not be exercised by  
12 the board of commissioners unless the property is declared by  
13 resolution of the board of commissioners to be property for which there  
14 is a future need by the district and for the use of which provision is  
15 made in the comprehensive plan of the district as the same may be  
16 amended from time to time.

17 **Sec. 320.** RCW 57.08.140 and 1971 ex.s. c 243 s 8 are each amended  
18 to read as follows:

19 The provisions of RCW 57.08.015, 57.08.016, and 57.08.120 (~~(and~~  
20 ~~57.08.130)) shall have no application as to the sale or conveyance of~~  
21 real or personal property or any interest or right therein by a  
22 (~~water~~) district to the county or park and recreation district  
23 wherein such property is located for park and recreational purposes,  
24 but in (~~such~~) those cases the provisions of RCW 39.33.060 shall  
25 govern.

26 **Sec. 321.** RCW 57.08.017 and 1986 c 244 s 16 are each amended to  
27 read as follows:

28 RCW 57.08.015, 57.08.016, 57.08.050, and 57.08.120(~~(, and~~  
29 ~~57.08.130)) shall not apply to agreements entered into under authority~~  
30 of chapter 70.150 RCW (~~provided~~) if there is compliance with the  
31 procurement procedure under RCW 70.150.040.

32 **Sec. 322.** RCW 57.08.180 and 1995 c 376 s 15 are each amended to  
33 read as follows:

34 It is unlawful and a misdemeanor to make, or cause to be made, or  
35 to maintain any connection with any sewer or water system of any  
36 (~~water~~) district, or with any sewer or water system which is

1 connected directly or indirectly with any sewer or water system of any  
2 ((water)) district without having permission from the ((water))  
3 district.

4 **Sec. 323.** RCW 57.08.150 and 1987 c 309 s 4 are each amended to  
5 read as follows:

6 A ((water)) district may not require that a specified engineer  
7 prepare plans or designs for extensions to its systems if the  
8 extensions are to be financed and constructed by a private party, but  
9 may review, and approve or reject, the plans or designs which have been  
10 prepared for such a private party based upon standards and requirements  
11 established by the ((water)) district.

12 **Sec. 324.** RCW 57.08.160 and 1989 c 421 s 5 are each amended to  
13 read as follows:

14 Any district is hereby authorized, within limits established by the  
15 Constitution of the state of Washington, to assist the owners of  
16 structures in financing the acquisition and installation of fixtures,  
17 systems, and equipment, for compensation or otherwise, for the  
18 conservation or more efficient use of water in the structures under a  
19 water conservation plan adopted by the district if the cost per unit of  
20 water saved or conserved by the use of the fixtures, systems, and  
21 equipment is less than the cost per unit of water supplied by the next  
22 least costly new water source available to the district to meet future  
23 demand. Except where otherwise authorized, assistance shall be limited  
24 to:

25 (1) Providing an inspection of the structure, either directly or  
26 through one or more inspectors under contract, to determine and inform  
27 the owner of the estimated cost of purchasing and installing  
28 conservation fixtures, systems, and equipment for which financial  
29 assistance will be approved and the estimated life cycle savings to the  
30 water system and the consumer that are likely to result from the  
31 installation of the fixtures, systems, or equipment;

32 (2) Providing a list of businesses that sell and install the  
33 fixtures, systems, and equipment within or in close proximity to the  
34 service area of the city or town, each of which businesses shall have  
35 requested to be included and shall have the ability to provide the  
36 products in a workmanlike manner and to utilize the fixtures, systems,  
37 and equipment in accordance with the prevailing national standards;

1 (3) Arranging to have approved conservation fixtures, systems, and  
2 equipment installed by a private contractor whose bid is acceptable to  
3 the owner of the structure and verifying the installation; and

4 (4) Arranging or providing financing for the purchase and  
5 installation of approved conservation fixtures, systems, and equipment.  
6 The fixtures, systems, and equipment shall be purchased or installed by  
7 a private business, the owner, or the utility.

8 Pay back shall be in the form of incremental additions to the  
9 utility bill, billed either together with the use charge or separately.

10 Loans shall not exceed one hundred twenty months in length.

11 **Sec. 325.** RCW 57.08.170 and 1991 c 82 s 7 are each amended to read  
12 as follows:

13 A (~~water~~) district may adopt a water conservation plan and  
14 emergency water use restrictions. The district may enforce a water  
15 conservation plan and emergency water use restrictions by imposing a  
16 fine as provided by resolution for failure to comply with any such plan  
17 or restrictions. The commissioners may provide by resolution that if  
18 a fine for failure to comply with the water conservation plan or  
19 emergency water use restrictions is delinquent for a specified period  
20 of time, the district shall certify the delinquency to the treasurer of  
21 the county in which the real property is located and serve notice of  
22 the delinquency on the subscribing water customer who fails to comply,  
23 and the fine is then a separate item for inclusion on the bill of the  
24 party failing to comply with the water conservation plan or emergency  
25 water use restrictions.

26 NEW SECTION. **Sec. 326.** Sections 301, 302, and 314 of this act are  
27 each added to chapter 57.08 RCW.

#### 28 **PART IV - OFFICERS AND ELECTIONS**

29 **Sec. 401.** RCW 57.12.010 and 1985 c 330 s 6 are each amended to  
30 read as follows:

31 The governing body of a district shall be a board of (~~water~~)  
32 commissioners consisting of three members, or five members as provided  
33 in RCW 57.12.015, or more, as provided in the event of merger or  
34 consolidation. The board shall annually elect one of its members as  
35 president and another as secretary.

1 The board shall by resolution adopt rules governing the  
2 transaction of its business and shall adopt an official seal. All  
3 proceedings shall be by resolution recorded in a book kept for that  
4 purpose which shall be a public record.

5 A district shall provide by resolution for the payment of  
6 compensation to each of its commissioners at a rate of fifty dollars  
7 for each day or portion thereof devoted to the business of the  
8 district(~~(:—PROVIDED, That)~~). However the compensation for each  
9 commissioner shall not exceed four thousand eight hundred dollars per  
10 year. In addition, the secretary may be paid a reasonable sum for  
11 clerical services.

12 Any commissioner may waive all or any portion of his or her  
13 compensation payable under this section as to any month or months  
14 during ~~((his or her))~~ the commissioner's term of office, by a written  
15 waiver filed with the district ~~((as provided in this section.—The~~  
16 ~~waiver, to be effective, must be filed))~~ at any time after the  
17 commissioner's election and prior to the date on which the compensation  
18 would otherwise be paid. The waiver shall specify the month or period  
19 of months for which it is made.

20 No commissioner shall be employed full time by the district.  
21 ~~((Each))~~ A commissioner shall be reimbursed for reasonable expenses  
22 actually incurred in connection with ~~((such))~~ district business,  
23 including ~~((his))~~ subsistence and lodging~~((,))~~ while away from the  
24 commissioner's place of residence and mileage for use of a privately-  
25 owned vehicle at the mileage rate authorized in RCW 43.03.060 ~~((as now~~  
26 ~~existing or hereafter amended))~~.

27 ~~((The date for holding elections and taking office as herein~~  
28 ~~provided shall be subject to the provisions of any consolidated~~  
29 ~~election laws that may be made applicable thereto although previously~~  
30 ~~enacted.))~~

31 **Sec. 402.** RCW 57.12.015 and 1994 c 223 s 67 are each amended to  
32 read as follows:

33 (1) In the event a three-member board of commissioners of any  
34 ~~((water))~~ district with any number of customers determines by  
35 resolution that it would be in the best interest of the district to  
36 increase the number of commissioners from three to five, or ~~((in the~~  
37 ~~event))~~ if the board of a district with any number of customers is  
38 presented with a petition signed by ten percent of the registered

1 voters resident within the district who voted in the last general  
2 municipal election calling for an increase in the number of  
3 commissioners of the district, the board shall submit a resolution to  
4 the county auditor requesting that an election be held. Upon receipt  
5 of the resolution, the county auditor shall call a special election to  
6 be held within the ((water)) district ((in accordance with RCW  
7 29.13.010 and 29.13.020)), at which election a proposition in  
8 substantially the following language shall be submitted to the voters:

9        Shall the Board of Commissioners of           (name and/or ((No.))  
10        number of ((water)) district) be increased from three to  
11        five members?

12                Yes . . . . .

13                No . . . . .

14 If the proposition receives a majority approval at the election the  
15 board of commissioners of the ((water)) district shall be increased to  
16 five members.

17        (2) In any ((water)) district with more than ten thousand  
18 customers, if a three-member board of commissioners determines by  
19 resolution that it would be in the best interest of the district to  
20 increase the number of commissioners from three to five, the number of  
21 commissioners shall be so increased without an election, unless within  
22 ninety days of adoption of that resolution a petition requesting an  
23 election and signed by at least ten percent of the registered voters  
24 who voted in the last general municipal election is filed with the  
25 board. If such a petition is received, the board shall submit the  
26 resolution and the petition to the county auditor, who shall call a  
27 special election in the manner described in this section ((and in  
28 accordance with the provisions of RCW 29.13.010 and 29.13.020)).

29        (3) The two additional positions created on boards of ((water))  
30 commissioners by this section shall be filled initially ((either)) as  
31 for a vacancy ((or by nomination under RCW 57.12.039)), except that the  
32 appointees ((or newly elected commissioners)) shall draw lots, one  
33 appointee to serve until the next general ((water)) district election  
34 after the appointment, at which two commissioners shall be elected for  
35 six-year terms, and the other appointee to serve until the second  
36 general ((water)) district election after the appointment, at which two  
37 commissioners shall be elected for six-year terms.

1        NEW SECTION.    **Sec. 403.**    A new section is added to Title 57 RCW to  
2 read as follows:

3        The date for holding elections and taking office as provided in  
4 this chapter is subject to the provisions of any consolidated election  
5 laws that may be made applicable thereto although previously enacted.

6        NEW SECTION.    **Sec. 404.**    A new section is added to Title 57 RCW to  
7 read as follows:

8        At the election held to form a district in an odd-numbered year,  
9 there shall be elected three commissioners who shall assume office  
10 immediately when qualified in accordance with RCW 29.01.135 to hold  
11 office for terms of two, four, and six years, respectively, and until  
12 their successors are elected and qualified and assume office in  
13 accordance with RCW 29.04.170.

14        At the election held to form a district in an even-numbered year,  
15 there shall be elected three commissioners who shall assume office  
16 immediately when qualified in accordance with RCW 29.01.135 to hold  
17 office for terms of one, three, and five years, respectively, and until  
18 their successors are elected and qualified and assume office in  
19 accordance with RCW 29.04.170.

20        The term of each nominee shall be expressed on the ballot and shall  
21 be computed from the first day of January next following if the initial  
22 election of the district commissioners was at a general election as  
23 provided in RCW 29.13.010, or from the first day of January following  
24 the first general election for districts after its creation if the  
25 initial election was on a date other than a general election.  
26 Thereafter, every two years there shall be elected a commissioner for  
27 a term of six years and until the commissioner's successor is elected  
28 and qualified, at the general election held in the odd-numbered years,  
29 as provided in RCW 29.13.020, and conducted by the county auditor.  
30 Each commissioner shall assume office in accordance with RCW 29.04.170.

31        All candidates shall be voted upon by the entire district unless  
32 commissioner districts are formed under RCW 57.12.039.

33        NEW SECTION.    **Sec. 405.**    A new section is added to Title 57 RCW to  
34 read as follows:

35        All expenses for the formation of a district shall be paid by the  
36 county or counties in which the election is held and the expenditure is  
37 declared to be a county purpose, and the money paid for that purpose

1 shall be repaid to the county or counties by the district if formed.  
2 The expenses for all other district elections shall be paid for out of  
3 the funds of the district.

4 **Sec. 406.** RCW 57.12.039 and 1994 c 223 s 70 are each amended to  
5 read as follows:

6 (1) Notwithstanding RCW 57.12.020 and 57.12.030, the board of  
7 commissioners may provide by majority vote that subsequent  
8 commissioners be elected from commissioner districts within the  
9 district. If the board exercises this option, it shall divide the  
10 district into three, or five if the number of commissioners has been  
11 increased under RCW 57.12.015, commissioner districts of approximately  
12 equal population following current precinct and district boundaries.

13 (2) Commissioner districts shall be used as follows: (a) Only a  
14 registered voter who resides in a commissioner district may be a  
15 candidate for, or serve as, a commissioner of the commissioner  
16 district; and (b) only voters of a commissioner district may vote at a  
17 primary to nominate candidates for a commissioner of the commissioner  
18 district. Voters of the entire (~~water~~) district may vote at a  
19 general election to elect a person as a commissioner of the  
20 commissioner district. Commissioner districts shall be redrawn as  
21 provided in chapter 29.70 RCW.

22 (3) In (~~water~~) districts in which commissioners are nominated  
23 from commissioner districts, at the inception of a five-member board of  
24 commissioners, the new commissioner districts shall be numbered one  
25 through five and the three incumbent commissioners shall represent  
26 commissioner districts one through three. If, as a result of redrawing  
27 the district boundaries two or three of the incumbent commissioners  
28 reside in one of the new commissioner districts, the commissioners who  
29 reside in the same commissioner district shall determine by lot which  
30 of the first three numbered commissioner districts they shall represent  
31 for the remainder of their respective terms. A primary shall be held  
32 to nominate candidates from districts four and five where necessary and  
33 commissioners shall be elected at large at the general election. The  
34 persons elected as commissioners from commissioner districts four and  
35 five shall take office immediately after qualification as defined under  
36 RCW 29.01.135.



1 district, and the purchase and maintenance of necessary fire fighting  
2 equipment and apparatus, together with facilities for housing same.  
3 The ~~((water—district))~~ commissioners shall determine a general  
4 comprehensive plan for distributing such water throughout such portion  
5 of the district as may then reasonably be served by means of subsidiary  
6 aqueducts and pipe lines, and the method of distributing the cost and  
7 expense thereof against ~~((such water))~~ the district and against local  
8 improvement districts or utility local improvement districts within  
9 ~~((such water))~~ the district for any lawful purpose, and including any  
10 such local improvement district or utility local improvement district  
11 lying wholly or partially within the limits of any city or town in such  
12 district, and shall determine whether the whole or part of the cost and  
13 expenses shall be paid from ~~((water))~~ revenue or general obligation  
14 bonds. ~~((After July 23, 1989,))~~ When the district adopts a general  
15 comprehensive plan or plans for an area annexed as provided for in RCW  
16 57.16.010, the district shall include a long-term plan for financing  
17 the planned projects. The commissioners may employ such engineering  
18 and legal service as in their discretion is necessary in carrying out  
19 their duties.

20 ~~((The))~~ For a general comprehensive plan for a sewer system, the  
21 commissioners shall investigate all portions and sections of the  
22 district and select a general comprehensive plan for a sewer system for  
23 the district suitable and adequate for present and reasonably  
24 foreseeable future needs thereof. The general comprehensive plan shall  
25 provide for treatment plants and other methods for the disposal of  
26 sewage and industrial and other liquid wastes now produced or which may  
27 reasonably be expected to be produced within the district and shall,  
28 for such portions of the district as may then reasonably be served,  
29 provide for the acquisition or construction and installation of  
30 laterals, trunk sewers, intercepting sewers, syphons, pumping stations  
31 or other sewage collection facilities, septic tanks, septic tank  
32 systems or drainfields, and systems for the transmission and treatment  
33 of wastewater. The general comprehensive plan shall provide the method  
34 of distributing the cost and expense of the sewer system provided  
35 therein against the district and against utility local improvement  
36 districts within the district, including any utility local improvement  
37 districts lying wholly or partially within any other political  
38 subdivision included in the district; and provide whether the whole or

1 some part of the cost and expenses shall be paid from revenue or  
2 general obligation bonds.

3 Any general comprehensive plan or plans shall be adopted by  
4 resolution and submitted to an engineer designated by the legislative  
5 authority of the county in which fifty-one percent or more of the area  
6 of the district is located, and to the director of health of the county  
7 in which the district or any portion thereof is located, and must be  
8 approved in writing by the engineer and director of health. The  
9 general comprehensive plan shall be approved, conditionally approved,  
10 or rejected by the director of health (~~((within sixty days of the plan's~~  
11 ~~receipt))~~) and by the designated engineer within sixty days of (~~((the~~  
12 ~~plan's receipt))~~) their respective receipt of the plan. However, this  
13 sixty-day time limitation may be extended by the director of health or  
14 engineer for up to an additional sixty days if sufficient time is not  
15 available to review adequately the general comprehensive plans.

16 Before becoming effective, the general comprehensive plan shall  
17 also be submitted to, and approved by resolution of, the legislative  
18 authority of every county within whose boundaries all or a portion of  
19 the (~~((water))~~) district lies. The general comprehensive plan shall be  
20 approved, conditionally approved, or rejected by each of (~~((these))~~) the  
21 county legislative authorities pursuant to the criteria in RCW  
22 57.02.040 for approving the formation, reorganization, annexation,  
23 consolidation, or merger of (~~((water))~~) districts(~~((, and))~~). The  
24 resolution, ordinance, or motion of the legislative body (~~((which))~~) that  
25 rejects the comprehensive plan or a part thereof shall specifically  
26 state in what particular the comprehensive plan or part thereof  
27 rejected fails to meet these criteria. The general comprehensive plan  
28 shall not provide for the extension or location of facilities that are  
29 inconsistent with the requirements of RCW 36.70A.110. Nothing in this  
30 chapter shall preclude a county from rejecting a proposed plan because  
31 it is in conflict with the criteria in RCW 57.02.040. Each general  
32 comprehensive plan shall be deemed approved if the county legislative  
33 authority fails to reject or conditionally approve the plan within  
34 ninety days of the plan's submission to the county legislative  
35 authority or within thirty days of a hearing on the plan when the  
36 hearing is held within ninety days of submission to the county  
37 legislative authority. However, a county legislative authority may  
38 extend this ninety-day time limitation by up to an additional ninety  
39 days where a finding is made that ninety days is insufficient to review

1 adequately the general comprehensive plan. In addition, the ((water))  
2 commissioners and the county legislative authority may mutually agree  
3 to an extension of the deadlines in this section. If the district  
4 includes portions or all of one or more cities or towns, the general  
5 comprehensive plan shall be submitted also to, and approved by  
6 resolution of, the ((governing bodies of such)) legislative authorities  
7 of the cities and towns before becoming effective. The general  
8 comprehensive plan shall be deemed approved by the city or town  
9 ((governing body)) legislative authority if the city or town  
10 ((governing body)) legislative authority fails to reject or  
11 conditionally approve the plan within ninety days of the plan's  
12 submission to the city or town or within thirty days of a hearing on  
13 the plan when the hearing is held within ninety days of submission to  
14 the county legislative authority. However, a city or town ((governing  
15 body)) legislative authority may extend this time limitation by up to  
16 an additional ninety days where a finding is made that insufficient  
17 time exists to adequately review the general comprehensive plan within  
18 these time limitations. In addition, the ((sewer-[water]))  
19 commissioners and the city or town ((governing body)) legislative  
20 authority may mutually agree to an extension of the deadlines in this  
21 section.

22 Before becoming effective, the general comprehensive plan shall be  
23 approved by any state agency whose approval may be required by  
24 applicable law. Before becoming effective, any amendment to,  
25 alteration of, or addition to, a general comprehensive plan shall also  
26 be subject to such approval as if it were a new general comprehensive  
27 plan((:—PROVIDED, That)). However, only if the amendment, alteration,  
28 or addition affects a particular city or town, shall the amendment,  
29 alteration, or addition be subject to approval by such particular city  
30 or town governing body.

31 **Sec. 502.** RCW 56.08.030 and 1953 c 250 s 5 are each amended to  
32 read as follows:

33 No expenditure for carrying on any part of ((such)) a general  
34 comprehensive plan shall be made other than the necessary salaries of  
35 engineers, clerical, ((and)) office expenses, and other professional  
36 expenses of the district, and the cost of engineering, surveying,  
37 preparation, and collection of data necessary for making and adopting  
38 a general plan of improvements in the district, until the general

1 comprehensive plan of improvements has been adopted by the  
2 commissioners and approved as provided in RCW ((56.08.020)) 57.16.010.

3 NEW SECTION. Sec. 503. A new section is added to Title 57 RCW to  
4 read as follows:

5 Whenever an area has been annexed to a district after the adoption  
6 of a general comprehensive plan, the commissioners shall adopt by  
7 resolution a plan for additions and betterments to the original  
8 comprehensive plan to provide for the needs of the area annexed.

9 **Sec. 504.** RCW 57.16.140 and 1982 c 213 s 4 are each amended to  
10 read as follows:

11 The construction of or existence of sewer capacity or water supply  
12 ((capacity)) in excess of the needs of the density allowed by zoning  
13 shall not be grounds for any legal challenge to any zoning decision by  
14 the county.

15 **PART VI - IMPROVEMENT DISTRICTS**

16 **Sec. 601.** RCW 57.16.050 and 1987 c 169 s 2 are each amended to  
17 read as follows:

18 ((~~1~~)) A district may establish local improvement districts or  
19 utility local improvement districts within its territory; levy special  
20 assessments ((~~under the mode of~~)) and allow annual installments on the  
21 special assessments extending over a period not exceeding twenty years,  
22 on all property specially benefited by a local improvement, on the  
23 basis of special benefits to pay in whole or in part the damage or  
24 costs of any improvements ordered in the district; and issue local  
25 improvement bonds in the local improvement district to be repaid by the  
26 collection of special assessments. ((~~Such~~)) The bonds may be of any  
27 form, including bearer bonds or registered bonds as provided in RCW  
28 39.46.030. The levying, collection, and enforcement of ((~~such~~))  
29 special assessments and the issuance of bonds shall be as provided for  
30 the levying, collection, and enforcement of special assessments and the  
31 issuance of local improvement district bonds by cities and towns  
32 insofar as is consistent ((~~herewith~~)) with this title. The duties  
33 devolving upon the city or town treasurer are ((~~hereby~~)) imposed upon  
34 the county treasurer of the county in which the real property is

1 located for the purposes hereof. The mode of assessment shall be  
2 determined by the (~~water~~) commissioners by resolution.

3 When in the petition or resolution for the establishment of a local  
4 improvement district, and in the approved comprehensive plan or  
5 approved amendment thereto or plan providing for additions and  
6 betterments to the original plan, previously adopted, it is provided  
7 that, except as set forth in this section, the special assessments  
8 shall be for the (~~sole~~) purpose of payment of improvements and  
9 payment into the revenue bond fund for the payment of revenue bonds,  
10 then the local improvement district shall be designated as a "utility  
11 local improvement district." No warrants or bonds shall be issued in  
12 a utility local improvement district, but the collection of interest  
13 and principal on all special assessments in the utility local  
14 improvement district shall be paid into the revenue bond fund, except  
15 that special assessments paid before the issuance and sale of bonds may  
16 be deposited in a fund for the payment of costs of improvements in the  
17 utility local improvement district.

18 (~~(+2)~~) Such bonds may also be issued and sold in accordance with  
19 chapter 39.46 RCW.

20 **Sec. 602.** RCW 57.16.060 and 1991 c 190 s 7 are each amended to  
21 read as follows:

22 Local improvement districts or utility local improvement districts  
23 to carry out the whole or any portion of the general comprehensive plan  
24 of improvements or plan providing for additions and betterments to  
25 (~~the~~) an original general comprehensive plan previously adopted may  
26 be initiated either by resolution of the board of (~~water~~)  
27 commissioners or by petition signed by the owners according to the  
28 records of the office of the applicable county (~~auditor~~) treasurer of  
29 at least fifty-one percent of the area of the land within the limits of  
30 the (~~local~~) improvement district to be created.

31 In case the board of (~~water~~) commissioners desires to initiate  
32 the formation of a local improvement district or a utility local  
33 improvement district by resolution, it first shall (~~first~~) pass a  
34 resolution declaring its intention to order (~~such~~) the improvement,  
35 setting forth the nature and territorial extent of such proposed  
36 improvement, designating the number of the proposed local improvement  
37 district or utility local improvement district, and describing the  
38 boundaries thereof, stating the estimated cost and expense of the

1 improvement and the proportionate amount thereof which will be borne by  
2 the property within the proposed district, and fixing a date, time, and  
3 place for a public hearing on the formation of the proposed local  
4 district.

5 In case any such local improvement district or utility local  
6 improvement district is initiated by petition, (~~such~~) the petition  
7 shall set forth the nature and territorial extent of the proposed  
8 improvement requested to be ordered and the fact that the signers  
9 thereof are the owners according to the records of the applicable  
10 county auditor of at least fifty-one percent of the area of land within  
11 the limits of the local improvement district or utility local  
12 improvement district to be created. Upon the filing of such petition  
13 the board shall determine whether the petition is sufficient, and the  
14 board's determination thereof shall be conclusive upon all persons. No  
15 person may withdraw his or her name from the petition after it has been  
16 filed with the board of (~~water~~) commissioners. If the board finds  
17 the petition to be sufficient, it shall proceed to adopt a resolution  
18 declaring its intention to order the improvement petitioned for,  
19 setting forth the nature and territorial extent of the improvement,  
20 designating the number of the proposed local district and describing  
21 the boundaries thereof, stating the estimated cost and expense of the  
22 improvement and the proportionate amount thereof which will be borne by  
23 the property within the proposed (~~local~~) improvement district, and  
24 fixing a date, time, and place for a public hearing on the formation of  
25 the proposed local district.

26 Notice of the adoption of the resolution of intention, whether the  
27 resolution was adopted on the initiative of the board or pursuant to a  
28 petition of the property owners, shall be published in at least two  
29 consecutive issues of a newspaper of general circulation in the  
30 proposed (~~local~~) improvement district, the date of the first  
31 publication to be at least fifteen days prior to the date fixed by such  
32 resolution for hearing before the board of (~~water~~) commissioners.  
33 Notice of the adoption of the resolution of intention shall also be  
34 given each owner or reputed owner of any lot, tract, parcel of land, or  
35 other property within the proposed improvement district by mailing the  
36 notice at least fifteen days before the date fixed for the public  
37 hearing to the owner or reputed owner of the property as shown on the  
38 tax rolls of the county treasurer of the county in which the real  
39 property is located at the address shown thereon. Whenever such

1 notices are mailed, the ((water)) commissioners shall maintain a list  
2 of ((such)) the reputed property owners, which list shall be kept on  
3 file at a location within the ((water)) district and shall be made  
4 available for public perusal. The notices shall refer to the  
5 resolution of intention and designate the proposed improvement district  
6 by number. The notices also shall ((also)) set forth the nature of the  
7 proposed improvement, the total estimated cost, the proportion of total  
8 cost to be borne by assessments, and the date, time, and place of the  
9 hearing before the board of ((water)) commissioners. In the case of  
10 improvements initiated by resolution, the notice also shall ((also)):  
11 (1) State that all persons desiring to object to the formation of the  
12 proposed district must file their written protests with the secretary  
13 of the board of ((water)) commissioners no later than ten days after  
14 the public hearing; (2) state that if owners of at least forty percent  
15 of the area of land within the proposed district file written protests  
16 with the secretary of the board, the power of the ((water))  
17 commissioners to proceed with the creation of the proposed district  
18 shall be divested; (3) provide the name and address of the secretary of  
19 the board; and (4) state the hours and location within the ((water))  
20 district where the names of the property owners within the proposed  
21 district are kept available for public perusal. In the case of the  
22 notice given each owner or reputed owner by mail, the notice shall set  
23 forth the estimated amount of the cost and expense of such improvement  
24 to be borne by the particular lot, tract, parcel of land, or other  
25 property.

26 ~~((Whether the improvement is initiated by petition or resolution,~~  
27 ~~the board shall conduct a public hearing at the time and place~~  
28 ~~designated in the notice to property owners. At this hearing the board~~  
29 ~~shall hear objections from any person affected by the formation of the~~  
30 ~~local district and may make such changes in the boundaries of the~~  
31 ~~district or such modifications in the plans for the proposed~~  
32 ~~improvement as shall be deemed necessary. The board may not change the~~  
33 ~~boundaries of the district to include property not previously included~~  
34 ~~in it without first passing a new resolution of intention and giving a~~  
35 ~~new notice to property owners in the manner and form and within the~~  
36 ~~time provided in this chapter for the original notice.~~

37 ~~After the hearing and the expiration of the ten-day period for~~  
38 ~~filing written protests, the commissioners shall have jurisdiction to~~  
39 ~~overrule protests and proceed with any such improvement initiated by~~

1 petition or resolution. The jurisdiction of the commissioners to  
2 proceed with any improvement initiated by resolution shall be divested  
3 by protests filed with the secretary of the board no later than ten  
4 days after the hearing, signed by the owners, according to the records  
5 of the applicable county auditor, of at least forty percent of the area  
6 of land within the proposed local district.

7 If the commissioners find that the district should be formed, they  
8 shall by resolution form the district and order the improvement. After  
9 execution of the resolution forming the district, the secretary of the  
10 board of commissioners shall publish, in a legal publication that  
11 serves the area subject to the district, a notice setting forth that a  
12 resolution has been passed forming the district and that a lawsuit  
13 challenging the jurisdiction or authority of the water district to  
14 proceed with the improvement and creating the district must be filed,  
15 and notice to the water district served, within thirty days of the  
16 publication of the notice. The notice shall set forth the nature of  
17 the appeal. Property owners bringing the appeal shall follow the  
18 procedures as set forth under appeal under RCW 57.16.090. Whenever a  
19 resolution forming a district has been adopted, the formation is  
20 conclusive in all things upon all parties, and cannot be contested or  
21 questioned in any manner in any proceeding whatsoever by any person not  
22 commencing a lawsuit in the manner and within the time provided in this  
23 section, except for lawsuits made under RCW 57.16.090.

24 Following an appeal, if it is unsuccessful or if no appeal is made  
25 under RCW 57.16.090, the commissioners may proceed with the improvement  
26 and provide the general funds of the water district to be applied  
27 thereto, adopt detailed plans of the local improvement district or  
28 utility local improvement district and declare the estimated cost  
29 thereof, acquire all necessary land therefor, pay all damages caused  
30 thereby, and commence in the name of the water district such eminent  
31 domain proceedings as may be necessary to entitle the district to  
32 proceed with the work. The board shall thereupon proceed with the work  
33 and file with the county treasurer of the county in which the real  
34 property is located its roll levying special assessments in the amount  
35 to be paid by special assessment against the property situated within  
36 the improvement district in proportion to the special benefits to be  
37 derived by the property therein from the improvement.))

1       **Sec. 603.** RCW 57.16.073 and 1987 c 315 s 6 are each amended to  
2 read as follows:

3       Whenever it is proposed that a local improvement district or  
4 utility local improvement district finance sanitary sewer or potable  
5 water facilities, additional notice of the public hearing on the  
6 proposed improvement district shall be mailed to the owners of any  
7 property located outside of the proposed improvement district that  
8 would be required as a condition of federal housing administration loan  
9 qualification, at the time of notice, to be connected to the specific  
10 sewer or water facilities installed by the (~~local~~) improvement  
11 district. The notice shall include information about this restriction.

12       **Sec. 604.** RCW 57.16.065 and 1989 c 243 s 11 are each amended to  
13 read as follows:

14       (~~Any~~) Notice given to the public or to the owners of specific  
15 lots, tracts, or parcels of land relating to the formation of a local  
16 improvement district or utility local improvement district shall  
17 contain a statement that actual assessments may vary from assessment  
18 estimates so long as they do not exceed a figure equal to the increased  
19 true and fair value the improvement adds to the property.

20       **Sec. 605.** RCW 56.20.030 and 1991 c 190 s 3 are each amended to  
21 read as follows:

22       Whether the improvement district is initiated by petition or  
23 resolution, the board shall conduct a public hearing at the time and  
24 place designated in the notice to property owners. At this hearing the  
25 board shall hear objections from any person affected by the formation  
26 of the (~~local~~) improvement district and may make such changes in the  
27 boundaries of the district or such modifications in the plans for the  
28 proposed improvement as shall be deemed necessary. The board may not  
29 change the boundaries of the district to include property not  
30 previously included in it without first passing a new resolution of  
31 intention and giving a new notice to property owners in the manner and  
32 form and within the time provided in this chapter for the original  
33 notice.

34       After the hearing and the expiration of the ten-day period for  
35 filing (~~written~~) protests, the commissioners shall have jurisdiction  
36 to overrule protests and proceed with any such improvement district  
37 initiated by petition or resolution. The jurisdiction of the

1 commissioners to proceed with any improvement district initiated by  
2 resolution shall be divested(~~((a))~~) by protests filed with the  
3 secretary of the board (~~((no later than))~~) within ten days after the  
4 public hearing, signed by the owners, according to the records of the  
5 applicable county (~~((auditor))~~) treasurer, of at least forty percent of  
6 the area of land within the proposed local district (~~((or (b) by the~~  
7 ~~commissioners not adopting a resolution ordering the improvement at a~~  
8 ~~public hearing held not more than ninety days from the day the~~  
9 ~~resolution of intention was adopted, unless the commissioners file with~~  
10 ~~the county auditor a copy of the notice required by RCW 56.20.020, and~~  
11 ~~in no event at a hearing held more than two years from the day the~~  
12 ~~resolution of intention was adopted))~~).

13 If the commissioners find that the district should be formed, they  
14 shall by resolution form the improvement district and order the  
15 improvement. After execution of the resolution forming the district,  
16 the secretary of the board of commissioners shall publish, in a legal  
17 publication that serves the area subject to the improvement district,  
18 a notice setting forth that a resolution has been passed forming the  
19 improvement district and that a lawsuit challenging the jurisdiction or  
20 authority of the (~~((sewer))~~) district to proceed with the improvement and  
21 creating the improvement district must be filed, and notice to the  
22 (~~((sewer))~~) district served, within thirty days of the publication of the  
23 notice. The notice shall set forth the nature of the appeal. Property  
24 owners bringing the appeal shall follow the procedures (~~((as))~~) set forth  
25 under (~~((appeal under RCW 56.20.080))~~) RCW 57.16.090. Whenever a  
26 resolution forming (~~((a))~~) an improvement district has been adopted, the  
27 formation is conclusive in all things upon all parties, and cannot be  
28 contested or questioned in any manner in any proceeding whatsoever by  
29 any person not commencing a lawsuit in the manner and within the time  
30 provided in this section, except for lawsuits made under RCW  
31 (~~((56.20.080))~~) 57.16.090.

32 Following an appeal, if it is unsuccessful or if no appeal is made  
33 under RCW (~~((56.20.080))~~) 57.16.090, the commissioners may proceed with  
34 the improvement and provide the general funds of the (~~((sewer))~~) district  
35 to be applied thereto, adopt detailed plans of the local improvement  
36 district or utility local improvement district and declare the  
37 estimated cost thereof, acquire all necessary land therefor, pay all  
38 damages caused thereby, and commence in the name of the (~~((sewer))~~)  
39 district such eminent domain proceedings (~~((and supplemental assessment~~

1 ~~or reassessment proceedings to pay all eminent domain awards~~) as may  
2 be necessary to entitle the district to proceed with the ~~((work))~~  
3 improvements. The board ~~((of sewer commissioners))~~ shall thereupon  
4 proceed with the work and file with the county treasurer of ~~((each))~~  
5 the county in which the real property is ~~((to be assessed))~~ located its  
6 roll levying special assessments in the amount to be paid by special  
7 assessment against the property situated within the ~~((local))~~  
8 improvement district in proportion to the special benefits to be  
9 derived by the property therein from the improvements.

10 **Sec. 606.** RCW 57.16.070 and 1982 1st ex.s. c 17 s 17 are each  
11 amended to read as follows:

12 Before approval of the roll a notice shall be published once a week  
13 for two consecutive weeks in a newspaper of general circulation in the  
14 ~~((local))~~ improvement district, stating that the roll is on file and  
15 open to inspection in the office of the secretary, and fixing the time,  
16 not less than fifteen or more than thirty days from the date of the  
17 first publication of the notice, within which protests must be filed  
18 with the secretary against any assessments shown thereon, and fixing a  
19 time when a hearing will be held by the commissioners on the protests.  
20 Notice shall also be given by mailing, at least fifteen days before the  
21 hearing, a similar notice to the owners or reputed owners of the land  
22 in the ~~((local))~~ improvement district as they appear on the books of  
23 the treasurer of the county in which the real property is located. At  
24 the hearing, or any adjournment thereof, the commissioners may correct,  
25 change, or modify the roll, or any part thereof, or set aside the roll  
26 and order a new assessment, and may then by resolution approve it. If  
27 an assessment is raised a new notice similar to the first shall be  
28 given, after which final approval of the roll may be made. When  
29 property has been entered originally upon the roll and the assessment  
30 thereon is not raised, no objection thereto shall be considered by the  
31 commissioners or by any court on appeal unless the objection is made in  
32 writing at, or prior ~~((7))~~ to, the date fixed for the original hearing  
33 upon the roll.

34 **Sec. 607.** RCW 57.16.080 and 1959 c 18 s 13 are each amended to  
35 read as follows:

36 ~~((In the event that))~~ If any portion of the system after its  
37 installation is not adequate for the purpose for which it was intended,

1 or ~~((that))~~ if for any reason changes, alterations, or betterments are  
2 necessary in any portion of the system after its installation, then ~~((a~~  
3 ~~local))~~ an improvement district with boundaries which may include one  
4 or more existing ~~((local))~~ improvement districts may be created in the  
5 ~~((water))~~ district in the same manner as is provided herein for the  
6 creation of ~~((local))~~ improvement districts~~((;—that))~~. Upon the  
7 organization of such ~~((a local))~~ an improvement district ~~((as provided~~  
8 ~~for in this paragraph))~~, the plan of the improvement and the payment of  
9 the cost of the improvement shall be carried out in the same manner as  
10 is provided herein for the carrying out of and the paying for the  
11 improvement in the ~~((local))~~ improvement districts previously provided  
12 for in this ~~((act))~~ title.

13 **Sec. 608.** RCW 57.16.100 and 1929 c 114 s 14 are each amended to  
14 read as follows:

15 (1) Whenever any assessment roll for local improvements shall have  
16 been confirmed by the ~~((water district commission of such water~~  
17 ~~district as herein provided))~~ district board of commissioners, the  
18 regularity, validity, and correctness of the proceedings relating to  
19 ~~((such))~~ the improvements, and to the assessment therefor, including  
20 the action of the ~~((water))~~ district ~~((commission))~~ commissioners upon  
21 ~~((such))~~ the assessment roll and the confirmation thereof, shall be  
22 conclusive in all things upon all parties, and cannot in any manner be  
23 contested or questioned in any proceeding whatsoever by any person not  
24 filing written objections to such roll in the manner and within the  
25 time provided in this ~~((act))~~ chapter, and not appealing from the  
26 action of the ~~((water district commission))~~ commissioners in confirming  
27 such assessment roll in the manner and within the time in this ~~((act))~~  
28 chapter provided. No proceedings of any kind shall be commenced or  
29 prosecuted for the purpose of defeating or contesting any such  
30 assessment, or the sale of ~~((any))~~ property to pay such assessment, or  
31 any certificate of delinquency issued therefor, or the foreclosure of  
32 any lien issued therefor~~((;—PROVIDED, That))~~. However, this section  
33 shall not be construed as prohibiting the bringing of injunction  
34 proceedings to prevent the sale of any real estate upon the grounds  
35 ~~((+1))~~ (a) that the property about to be sold does not appear upon the  
36 assessment roll, or ~~((+2))~~ (b) that ~~((said))~~ the assessment had been  
37 paid.

1       (2) This section also shall not prohibit the correction of clerical  
2 errors and errors in the computation of assessments in assessment rolls  
3 by the following procedure:

4       (a) The board of commissioners may file a petition with the  
5 superior court of the county wherein the real property is located,  
6 asking that the court enter an order correcting such errors and  
7 directing that the county treasurer pay a portion or all of the  
8 incorrect assessment by the transfer of funds from the district's  
9 maintenance fund, if such relief be necessary.

10       (b) Upon the filing of the petition, the court shall set a date for  
11 hearing and upon the hearing may enter an order as provided in (a) of  
12 this subsection. However, neither the correcting order nor the  
13 corrected assessment roll shall result in an increased assessment to  
14 the property owner.

15       **Sec. 609.** RCW 57.16.090 and 1991 c 190 s 8 are each amended to  
16 read as follows:

17       The decision of the ~~((water))~~ district ~~((commission))~~ board of  
18 commissioners upon any objections made within the time and in the  
19 manner herein prescribed~~((7))~~ may be reviewed by the superior court  
20 upon an appeal thereto taken in the following manner. ~~((Such))~~ The  
21 appeal shall be made by filing written notice of appeal with the  
22 secretary of ~~((said water district commission))~~ the board of  
23 commissioners and with the clerk of the superior court in the county in  
24 which the real property is situated within ten days after publication  
25 of a notice that the resolution confirming such assessment roll has  
26 been adopted, and such notice of appeal shall describe the property and  
27 set forth the objections of such appellant to such assessment~~((and))~~.  
28 Within ten days from the filing of such notice of appeal with the clerk  
29 of the superior court, the appellant shall file with the clerk of the  
30 court~~((7))~~ a transcript consisting of the assessment roll and the  
31 appellant's objections thereto, together with the resolution confirming  
32 ~~((such))~~ the assessment roll and the record of the ~~((water))~~ district  
33 ~~((commission))~~ commissioners with reference to the assessment~~((7~~  
34 which)). The transcript, upon payment of the necessary fees therefor,  
35 shall be furnished by the secretary of the ~~((water district~~  
36 commission)) board of commissioners and shall be certified by the  
37 secretary to contain full, true, and correct copies of all matters and  
38 proceedings required to be included in such transcript. Such fees

1 shall be the same as the fees payable to the county clerk for the  
2 preparation and certification of transcripts on appeal to the supreme  
3 court or the court of appeals in civil actions. At the time of the  
4 filing of the notice of appeal with the clerk of the superior court,  
5 the appellant shall file a sufficient bond in the penal sum of two  
6 hundred dollars, with at least two sureties, to be approved by the  
7 judge of ~~((said))~~ the court, conditioned to prosecute such appeal  
8 without delay, and if unsuccessful to pay all costs to which the  
9 ~~((water))~~ district is put by reason of such appeal. The court may  
10 order the appellant, upon application therefor, to execute and file  
11 such additional bond or bonds as the necessity of the case may require.  
12 Within three days after such transcript is filed in the superior court,  
13 the appellant shall give written notice to the secretary of ~~((such~~  
14 ~~water))~~ the district~~((,))~~ that such transcript is filed. The notice  
15 shall state a time, not less than three days from the service thereof,  
16 when the appellant will call up the cause for hearing~~((, and))~~. The  
17 superior court shall, at ~~((said))~~ such time or at such further time as  
18 may be fixed by order of the court, hear and determine such appeal  
19 without a jury~~((, and such cause))~~. The appeal shall have preference  
20 over all civil causes pending in the court, except ~~((proceedings under~~  
21 ~~an act relating to))~~ eminent domain proceedings and actions of forcible  
22 entry and detainer. The judgment of the court shall confirm, unless  
23 the court shall find from the evidence that such assessment is either  
24 founded upon ~~((the))~~ a fundamentally wrong basis or a decision of the  
25 ~~((council or other legislative body))~~ board of commissioners thereon  
26 was arbitrary or capricious, or both~~((,))~~, in which event the judgment  
27 of the court shall correct, modify, or annul the assessment insofar as  
28 ~~((the same))~~ it affects the property of the appellant. A certified  
29 copy of the decision of the court shall be filed with the officer who  
30 shall have custody of the assessment roll, who shall modify and correct  
31 ~~((such))~~ the assessment roll in accordance with such decision.  
32 Appellate review of the judgment of the superior court may be sought as  
33 in other civil cases. However, the ~~((review))~~ appeal must be sought  
34 within fifteen days after the date of the entry of the judgment of such  
35 superior court. A certified copy of the order of the supreme court or  
36 the court of appeals upon such appeal shall be filed with the officer  
37 having custody of ~~((such))~~ the assessment roll, who shall thereupon  
38 modify and correct ~~((such))~~ the assessment roll in accordance with  
39 ~~((such))~~ the decision.



1       **Sec. 701.** RCW 57.16.020 and 1984 c 186 s 51 are each amended to  
2 read as follows:

3       The commissioners may submit to the voters of the district at any  
4 general or special election, a proposition that the district incur a  
5 general indebtedness payable from annual tax levies to be made in  
6 excess of either the constitutional ~~((and/or))~~ or statutory tax  
7 limitations, or both, for the construction of any part or all of  
8 ~~((the))~~ a general comprehensive plan. Elections shall be held as  
9 provided in RCW 39.36.050. The proposition authorizing both the bond  
10 issue and imposition of excess bond retirement levies ~~((shall))~~ must be  
11 adopted by three-fifths of the voters voting thereon, at which election  
12 the total number of persons voting on the proposition shall constitute  
13 not less than forty percent of the total number of votes cast in the  
14 ~~((water))~~ district at the last preceding general election. ~~((Such))~~  
15 The bonds shall not be issued to run for a period longer than  
16 ~~((twenty))~~ thirty years from the date of the issue. ~~((Such))~~ The bonds  
17 shall be issued and sold in accordance with chapter 39.46 RCW. ~~((When~~  
18 ~~the general comprehensive plan has been adopted the commissioners shall~~  
19 ~~carry it out to the extent specified in the proposition to incur~~  
20 ~~general indebtedness.))~~

21       Whenever the proposition to issue general obligation bonds and  
22 impose such excess bond retirement levies has been approved, there  
23 shall be levied by the officers or governing body charged with the duty  
24 of levying taxes, annual levies in excess of either the constitutional  
25 or statutory tax limitations, or both, sufficient to meet the annual or  
26 semiannual payments of principal and interest on the bonds upon all  
27 taxable property within the district.

28       **Sec. 702.** RCW 57.20.015 and 1984 c 186 s 54 are each amended to  
29 read as follows:

30       (1) The board of ~~((water))~~ commissioners of any ~~((water))~~ district  
31 may by resolution, without submitting the matter to the voters of the  
32 district, provide for the issuance of refunding general obligation  
33 bonds to refund any outstanding general obligation bonds, or any part  
34 thereof, at maturity thereof, or before the maturity thereof if they  
35 are subject to call for prior redemption or all of the owners thereof  
36 consent thereto. Refunding bonds may be combined with an issue of  
37 bonds for other district purposes, as long as those other bonds are  
38 approved in accordance with applicable law.

1 (2) The total cost to the district over the life of the refunding  
2 bonds or refunding portion of an issue of bonds shall not exceed the  
3 total cost to the district which the district would have incurred but  
4 for such refunding over the remainder of the life of the bonds to be  
5 refunded thereby.

6 (3) The refunding bonds may be exchanged for the bonds to be  
7 refunded thereby, or may be sold in such manner as the board of  
8 ~~((water))~~ commissioners deems to be for the best interest of the  
9 district, and the proceeds of such sale used exclusively for the  
10 purpose of paying, retiring, and canceling the bonds to be refunded and  
11 interest thereon. Such bonds may be of any form, including bearer  
12 bonds or registered bonds as provided in RCW 39.46.030.

13 ~~((4) The provisions of RCW 57.20.010, concerning the issuance and  
14 sale of general obligation bonds and providing for annual tax levies in  
15 excess of the constitutional and/or statutory tax limitations shall  
16 apply to the refunding general obligation bonds issued under this  
17 section.))~~

18 **Sec. 703.** RCW 57.16.030 and 1987 c 449 s 14 are each amended to  
19 read as follows:

20 (1) The commissioners may, without submitting a proposition to the  
21 voters, authorize by resolution the district to issue revenue bonds for  
22 the construction costs, interest during the period of construction and  
23 six months thereafter, working capital or other costs of any part or  
24 all of ~~((the))~~ a general comprehensive plan, or for other purposes or  
25 functions of a ~~((water))~~ district authorized by statute. The amount of  
26 the bonds to be issued shall be included in the resolution  
27 ~~((submitted))~~.

28 (2) Any resolution authorizing the issuance of revenue bonds may  
29 include provision for refunding any local improvement district bonds of  
30 a district, out of the proceeds of sale of revenue bonds, and a  
31 district may pay off any outstanding local improvement bonds with such  
32 funds either by purchase in the open market below their par value and  
33 accrued interest or by call at par value and accrued interest at the  
34 next succeeding interest payment date. The bonds may be in any form,  
35 including bearer bonds or registered bonds as provided by RCW  
36 39.46.030.

1       (~~When a resolution authorizing revenue bonds has been adopted the~~  
2 ~~commissioners may forthwith carry out the general comprehensive plan to~~  
3 ~~the extent specified.~~

4       ~~(2))~~ (3) Notwithstanding subsection (1) of this section, ~~((such))~~  
5 district revenue bonds may be issued and sold in accordance with  
6 chapter 39.46 RCW.

7       **Sec. 704.** RCW 57.16.035 and 1977 ex.s. c 299 s 5 are each amended  
8 to read as follows:

9       Whenever a ~~((water))~~ district shall have adopted a general  
10 comprehensive plan and bonds to defray the cost thereof shall have been  
11 authorized by resolution of the board of ~~((water))~~ commissioners, and  
12 before the completion of the improvements the board of ~~((water))~~  
13 commissioners shall find by resolution that the authorized bonds are  
14 not sufficient to defray the cost of such improvements due to the  
15 increase of costs of construction subsequent to the adoption of  
16 ~~((said))~~ the plan, the board of ~~((water))~~ commissioners may by  
17 resolution authorize the issuance and sale of additional ~~((water))~~  
18 revenue bonds for such purpose in excess of those previously issued.

19       **Sec. 705.** RCW 57.16.040 and 1984 c 186 s 52 are each amended to  
20 read as follows:

21       In the same manner as provided for the adoption of ~~((the))~~ an  
22 original general comprehensive plan, a plan providing for additions and  
23 betterments to the original general comprehensive plan may be adopted.  
24 Without limiting its generality "additions and betterments" shall  
25 include any necessary change in, amendment of, or addition to the  
26 general comprehensive plan.

27       The district may incur a general indebtedness payable from annual  
28 tax levies to be made in excess of either the constitutional ~~((and/or))~~  
29 or statutory tax limitations, or both, for the construction of the  
30 additions and betterments in the same way that general indebtedness may  
31 be incurred for the construction of the original general comprehensive  
32 plan after submission to the voters of the entire district in the  
33 manner the original proposition to incur indebtedness was submitted as  
34 provided in RCW 57.16.020 (as recodified by this act). Upon  
35 ratification the additions and betterments may be carried out by the  
36 commissioners to the extent specified or referred to in the proposition  
37 to incur the general indebtedness.

1 The district may issue revenue bonds to pay for the construction of  
2 the additions and the betterments pursuant to resolution of the board  
3 of ((water)) commissioners.

4 **Sec. 706.** RCW 57.20.020 and 1991 c 347 s 20 are each amended to  
5 read as follows:

6 (1) ~~((Whenever any issue or issues of water revenue bonds have been  
7 authorized in compliance with the provisions of RCW 57.16.010 through  
8 57.16.040, said bonds shall be in bearer form or registered as to  
9 principal or interest or both, as provided in RCW 39.46.030, and may  
10 provide for conversion between registered and coupon bonds; shall be in  
11 such denominations, shall be numbered, shall bear such date, and shall  
12 be payable at such time or times up to a maximum period of not to  
13 exceed thirty years as shall be determined by the board of water  
14 commissioners of the district; shall bear interest at such rate or  
15 rates payable at such time or times as authorized by the board; shall  
16 be payable at the office of the county treasurer of the county in which  
17 the water district is located and may also be payable at such other  
18 place or places as the board of water commissioners may determine;  
19 shall be executed by the president of the board of water commissioners  
20 and attested and sealed by the secretary thereof, one of which  
21 signatures may, with the written permission of the signator whose  
22 facsimile signature is being used, be a facsimile; and may have  
23 facsimile signatures of said president or secretary imprinted on any  
24 interest coupons in lieu of original signatures.))~~

25 The ~~((water district))~~ commissioners shall have power and are  
26 required to create a special fund or funds for the sole purpose of  
27 paying the interest and principal of ~~((such))~~ revenue bonds into which  
28 special fund or funds the ~~((said water district))~~ commissioners shall  
29 obligate and bind the ~~((water))~~ district to set aside and pay a fixed  
30 proportion of the gross revenues of the water ~~((supply))~~ or sewer  
31 system or any fixed amount out of and not exceeding a fixed proportion  
32 of such revenues, or a fixed amount or amounts without regard to any  
33 fixed proportion, and such bonds and the interest thereof shall be  
34 payable only out of such special fund or funds, ~~((but))~~ and shall be a  
35 lien and charge against all revenues and payments received from any  
36 utility local improvement district or districts pledged to secure such  
37 bonds, subject only to operating and maintenance expenses.

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

26 When any such special fund shall have been heretofore or shall be  
27 hereafter created and any such bonds shall have been heretofore or  
28 shall hereafter be issued against the same a fixed proportion or a  
29 fixed amount out of and not to exceed such ~~((fixed))~~ proportion, or a  
30 fixed amount or amounts without regard to any fixed proportion, of  
31 revenue shall be set aside and paid into ~~((said))~~ the special fund as  
32 provided in the resolution creating such fund or authorizing such  
33 bonds~~((, and))~~. In case any ~~((water))~~ district shall fail thus to set  
34 aside and pay ~~((said))~~ the fixed proportion or amount ~~((as aforesaid))~~,  
35 the owner of any bond payable from such special fund may bring suit or  
36 action against the ~~((water))~~ district and compel such setting aside and  
37 payment.

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

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

7       ~~In classifying customers served or service furnished by such water~~  
8 ~~supply system, the board of water commissioners may in its discretion~~  
9 ~~consider any or all of the following factors: The difference in cost~~  
10 ~~of service to the various customers; the location of the various~~  
11 ~~customers within and without the district; the difference in cost of~~  
12 ~~maintenance, operation, repair and replacement of the various parts of~~  
13 ~~the system; the different character of the service furnished various~~  
14 ~~customers; the quantity and quality of the water furnished; the time of~~  
15 ~~its use; the achievement of water conservation goals and the~~  
16 ~~discouragement of wasteful practices; capital contributions made to the~~  
17 ~~system including but not limited to assessments; and any other matters~~  
18 ~~which present a reasonable difference as a ground for distinction.~~  
19 ~~Such rates shall be made on a monthly basis as may be deemed proper by~~  
20 ~~such commissioners and as fixed by resolution and shall produce~~  
21 ~~revenues sufficient to take care of the costs of maintenance and~~  
22 ~~operation, revenue bond and warrant interest and principal amortization~~  
23 ~~requirements and all other charges necessary for efficient and proper~~  
24 ~~operation of the system.))~~ Revenue bonds payable from a special fund  
25 may be issued and sold in accordance with chapter 39.46 RCW.

26       **Sec. 707.** RCW 57.20.023 and 1959 c 108 s 12 are each amended to  
27 read as follows:

28       The board of ((water)) commissioners may make such covenants as it  
29 may deem necessary to secure and guarantee the payment of the principal  
30 of and interest on ((water)) revenue bonds of the district, including  
31 but not being limited to covenants for the establishment and  
32 maintenance of adequate reserves to secure or guarantee the payment of  
33 such principal and interest; the protection and disposition of the  
34 proceeds of sale of such bonds; the use and disposition of the gross  
35 revenues of the water supply system or sewer system of the district and  
36 any additions or betterments thereto or extensions thereof; the use and  
37 disposition of any utility local improvement district assessments; the  
38 creation and maintenance of funds for renewals and replacements of the

1 system; the establishment and maintenance of rates and charges adequate  
2 to pay principal and interest of such bonds and to maintain adequate  
3 coverage over debt service; the maintenance, operation and management  
4 of the system and the accounting, insuring and auditing of the business  
5 in connection therewith; the terms upon which such bonds or any of them  
6 may be redeemed at the election of the district; limitations upon the  
7 right of the district to dispose of its system or any part thereof; the  
8 appointment of trustees, depositaries and paying agents to receive,  
9 hold, disburse, invest and reinvest all or any part of the proceeds of  
10 sale of the bonds and all or any part of the income, revenue and  
11 receipts of the district, and the ((board of water)) commissioners may  
12 make such other covenants as it may deem necessary to accomplish the  
13 most advantageous sale of such bonds. The board of ((water))  
14 commissioners may also provide that revenue bonds payable out of the  
15 same source or sources may later be issued on a parity with any revenue  
16 bonds being issued and sold.

17 **Sec. 708.** RCW 57.20.025 and 1977 ex.s. c 299 s 8 are each amended  
18 to read as follows:

19 The board of ((water)) commissioners of any ((water)) district may  
20 by resolution provide for the issuance of refunding revenue bonds to  
21 refund outstanding general obligation bonds and/or revenue bonds, or  
22 any part thereof, and/or all outstanding local improvement district  
23 bonds, at maturity thereof, or before maturity thereof if they are  
24 subject to call for prior redemption or all of the holders thereof  
25 consent thereto. The total interest cost to the district over the life  
26 of the refunding bonds shall not exceed the total cost to the district  
27 which the district would have incurred but for such refunding over the  
28 remainder of the life of the bonds to be refunded thereby. The  
29 refunding bonds may be exchanged for the bonds to be refunded thereby,  
30 or may be sold in such manner as the board of ((water)) commissioners  
31 deems to be for the best interest of the district, and the proceeds  
32 used, except as hereinafter provided, exclusively for the purpose of  
33 paying, retiring, and canceling the bonds to be refunded and interest  
34 thereon.

35 All unpaid utility local improvement district assessments payable  
36 into the revenue bond redemption fund established for payment of the  
37 bonds to be refunded shall thereafter when collected be paid into the

1 revenue bond redemption fund established for payment of the refunding  
2 revenue bonds.

3 Whenever local improvement district bonds have been refunded as  
4 provided by RCW 57.16.030 (~~(as now or hereafter amended)~~) (as  
5 recodified by this act), or pursuant to this section, all local  
6 improvement district assessments remaining unpaid shall thereafter when  
7 collected be paid into the revenue bond redemption fund established for  
8 payment of the refunding revenue bonds, and the cash balance, if any,  
9 in the local improvement guaranty fund of the district and the proceeds  
10 received from any other assets owned by such fund shall be used in  
11 whole or in part as a reserve fund for the refunding revenue bonds or  
12 be transferred in whole or in part to any other funds of the district  
13 as the board of (~~(water)~~) commissioners may determine. (~~(In the event~~  
14 ~~that)~~) If any warrants are outstanding against the local improvement  
15 guaranty fund of the district at the time of the issuance of such  
16 refunding revenue bonds, (~~(said)~~) the bonds shall be issued in an  
17 amount sufficient also to fund and pay such outstanding warrants.

18 The provisions of RCW 57.20.020 shall apply to the refunding  
19 revenue bonds issued under this title.

20 **Sec. 709.** RCW 57.20.027 and 1975 1st ex.s. c 25 s 5 are each  
21 amended to read as follows:

22 (~~(Water)~~) Districts may also issue revenue warrants and revenue  
23 bond anticipation warrants for the same purposes for which such  
24 districts may issue revenue bonds. The provisions of this chapter  
25 relating to the authorization, terms, conditions, covenants, issuance  
26 and sale of revenue bonds (exclusive of provisions relating to  
27 refunding) shall be applicable to such warrants. (~~(Water)~~) Districts  
28 issuing revenue bond anticipation warrants may make covenants relative  
29 to the issuance of revenue bonds to provide funds for the redemption of  
30 part or all of such warrants and may contract for the sale of such  
31 bonds and warrants.

32 **Sec. 710.** RCW 57.20.030 and 1982 1st ex.s. c 17 s 20 are each  
33 amended to read as follows:

34 Every (~~(water)~~) district in the state is (~~(hereby)~~) authorized to  
35 create a fund for the purpose of guaranteeing, to the extent of such  
36 fund, and in the manner hereinafter provided, the payment of all of its  
37 local improvement bonds issued, subsequent to June 9, 1937, to pay for

1 any local improvement within its confines. Such fund shall be  
2 designated "Local Improvement Guaranty Fund, "of the" Sewer-Water  
3 District," ".....Water District," ".....Sewer District," or  
4 ".....District No. ....," and shall be established by resolution of  
5 the board of ((water)) commissioners. For the purpose of maintaining  
6 such fund, every ((water)) district, after the establishment thereof,  
7 shall at all times set aside and pay into such a fund such proportion  
8 of the monthly gross revenues of the water supply or sewer system of  
9 such ((water)) district as the commissioners thereof may direct by  
10 resolution. This proportion may be varied from time to time as the  
11 commissioners deem expedient or necessary(~~(:—PROVIDED, HOWEVER,~~  
12 ~~That)~~). However, under the existence of the conditions set forth in  
13 subsections (1) and (2) (~~next hereunder~~) of this section, then the  
14 proportion must be as (~~therein~~) specified(~~(, to wit)~~) in subsections  
15 (1) and (2) of this section:

16 (1) Whenever any bonds of any local improvement district have been  
17 guaranteed under this ((act)) section and RCW 57.20.080 and 57.20.090  
18 and the guaranty fund does not have a cash balance equal to twenty  
19 percent of all bonds originally guaranteed under this ((act,~~,~~) section  
20 and RCW 57.20.080 and 57.20.090 (excluding issues which have been  
21 retired in full), then twenty percent of the gross monthly revenues  
22 derived from all water and sewer system users in the territory included  
23 in ((said)) the local improvement district (but not necessarily from  
24 users in other parts of the ((water)) district as a whole) shall be set  
25 aside and paid into the guaranty fund(~~(:—PROVIDED, HOWEVER)~~), except  
26 that whenever((,)) under the requirements of this subsection, ((said))  
27 the cash balance accumulates so that it is equal to twenty percent of  
28 all bonds guaranteed, or to the full amount of all bonds guaranteed,  
29 outstanding and unpaid (which amount might be less than twenty percent  
30 of the original total guaranteed), then no further money((s)) need be  
31 set aside and paid into ((said)) the guaranty fund so long as ((said))  
32 the condition shall continue.

33 (2) Whenever any warrants issued against the guaranty fund, as  
34 ((~~hereinbelow~~)) provided in this section, remain outstanding and  
35 uncalled for lack of funds for six months from the date of issuance  
36 thereof; or whenever any coupons or bonds guaranteed under this ((act))  
37 section and RCW 57.20.080 and 57.20.090 have been matured for six  
38 months and have not been redeemed either in cash or by issuance and  
39 delivery of warrants upon the guaranty fund, then twenty percent of the

1 gross monthly revenues (or such portion thereof as the commissioners of  
2 the ((~~water~~)) district determine will be sufficient to retire ((~~said~~))  
3 the warrants or redeem ((~~said~~)) the coupons or bonds in the ensuing six  
4 months) derived from all water and sewer system users in the ((~~water~~))  
5 district shall be set aside and paid into the guaranty fund((~~+~~  
6 ~~PROVIDED, HOWEVER, That~~)). However, whenever under the requirements of  
7 this subsection all warrants, coupons, or bonds specified in this  
8 subsection ((~~above~~)) have been redeemed, no further income needs to be  
9 set aside and paid into ((~~said~~)) the guaranty fund under the  
10 requirements of this subsection until and unless other warrants remain  
11 outstanding and unpaid for six months or other coupons or bonds  
12 default.

13 (3) For the purposes of complying with the requirements of setting  
14 aside and paying into the local improvement guaranty fund a proportion  
15 of the monthly gross revenues of the water or sewer supply system of  
16 any ((~~water~~)) district, as ((~~hereinabove~~)) provided in subsections (1)  
17 and (2) of this section, ((~~said water~~)) that district shall bind and  
18 obligate itself to maintain and operate ((~~said~~)) the applicable system  
19 and further bind and obligate itself to establish, maintain, and  
20 collect such rates for water or sewer as will produce gross revenues  
21 sufficient to maintain and operate ((~~said water supply~~)) that system  
22 and to make necessary provision for the local improvement guaranty fund  
23 as specified by this section and RCW 57.20.080 and 57.20.090. ((~~And~~  
24 ~~said water~~)) The district shall alter its rates for water and sewer  
25 service from time to time and shall vary the same in different portions  
26 of its territory to comply with ((~~the said~~)) those requirements.

27 (4) Whenever any coupon or bond guaranteed by this ((~~aet~~)) section  
28 shall mature and there shall not be sufficient funds in the appropriate  
29 local improvement district bond redemption fund to pay the same, then  
30 the applicable county treasurer shall pay same from the local  
31 improvement guaranty fund of the ((~~water~~)) district; if there shall not  
32 be sufficient funds in the ((~~said~~)) guaranty fund to pay same, then the  
33 same may be paid by issuance and delivery of a warrant upon the local  
34 improvement guaranty fund.

35 (5) Whenever the cash balance in the local improvement guaranty  
36 fund is insufficient for the required purposes, warrants drawing  
37 interest at a rate determined by the commissioners may be issued by the  
38 applicable county auditor, against the ((~~said~~)) fund to meet any  
39 liability accrued against it and must be issued upon demand of the

1 holders of any maturing coupons and/or bonds guaranteed by this  
2 section, or to pay for any certificates of delinquency for delinquent  
3 installments of assessments as provided in subsection (6) of this  
4 section. Guaranty fund warrants shall be a first lien in their order  
5 of issuance upon the gross revenues set aside and paid into ((said))  
6 that fund.

7 (6) Within twenty days after the date of delinquency of any annual  
8 installment of assessments levied for the purpose of paying the local  
9 improvement bonds of any ((water)) district guaranteed under the  
10 provisions of this ((act)) section, it shall be mandatory for the  
11 county treasurer of the county in which the real property is located to  
12 compile a statement of all installments delinquent, together with the  
13 amount of accrued interest and penalty appurtenant to each of ((said))  
14 the installments. Thereupon the applicable county treasurer shall  
15 forthwith purchase (for the ((water)) district) certificates of  
16 delinquency for all such delinquent installments. Payment for all such  
17 certificates of delinquency shall be made from the local improvement  
18 guaranty fund and if there shall not be sufficient money((s)) in  
19 ((said)) the fund to pay for such certificates of delinquency, the  
20 applicable county treasurer shall accept ((said)) the local improvement  
21 guaranty fund warrants in payment therefor. All ((such)) of those  
22 certificates of delinquency shall be issued in the name of the local  
23 improvement guaranty fund and all guaranty fund warrants issued in  
24 payment therefor shall be issued in the name of the appropriate local  
25 improvement district fund. Whenever any market is available and the  
26 commissioners of the ((water)) district so direct, the applicable  
27 county treasurer shall sell any certificates of delinquency belonging  
28 to the local improvement guaranty fund((:—PROVIDED, That)). However,  
29 any such sale must not be for less than face value thereof plus accrued  
30 interest from date of issuance to date of sale.

31 ((Such)) (7) Certificates of delinquency, as ((above)) provided in  
32 subsection (6) of this section, shall be issued by the county treasurer  
33 of the county in which the real property is located, shall bear  
34 interest at the rate of ten percent per annum, shall be in each  
35 instance for the face value of the delinquent installment, plus accrued  
36 interest to date of issuance of certificate of delinquency, plus a  
37 penalty of five percent of such face value, and shall set forth:

- 38 (a) Description of property assessed;
- 39 (b) Date installment of assessment became delinquent;

1 (c) Name of owner or reputed owner, if known.

2 ((Such)) The certificates of delinquency may be redeemed by the  
3 owner of the property assessed at any time up to two years from the  
4 date of foreclosure of such certificate of delinquency. If any such  
5 certificate of delinquency ((be)) is not redeemed on the second  
6 occurring first day of January subsequent to its issuance, the county  
7 treasurer who issued the certificate of delinquency shall then proceed  
8 to foreclose such certificate of delinquency in the manner specified  
9 for the foreclosure of the lien of local improvement assessments,  
10 pursuant to chapter 35.50 RCW and if no redemption be made within the  
11 succeeding two years shall execute and deliver a deed conveying fee  
12 simple title to the property described in the foreclosed certificate of  
13 delinquency.

14 **Sec. 711.** RCW 57.20.080 and 1983 c 167 s 165 are each amended to  
15 read as follows:

16 Whenever there shall be paid out of a guaranty fund any sum on  
17 account of principal or interest upon a local improvement bond, or on  
18 account of purchase of certificates of delinquency, the ((water))  
19 district, as trustee for the fund, shall be subrogated to all rights of  
20 the owner of the bonds, or any interest, or delinquent assessment  
21 installments, so paid; and the proceeds thereof, or of the assessment  
22 or assessments underlying the same, shall become a part of the guaranty  
23 fund. There shall also be paid into ((each)) such guaranty fund the  
24 interest received from the bank deposits of the fund, as well as any  
25 surplus remaining in the local improvement funds guaranteed by the  
26 guaranty fund, after the payment of all outstanding bonds payable  
27 primarily out of such local improvement funds. As among the several  
28 issues of bonds guaranteed by the fund, no preference shall exist, but  
29 defaulted bonds and any defaulted interest payments shall be purchased  
30 out of the fund in the order of their presentation.

31 The commissioners of every ((water)) district ((operating under RCW  
32 57.20.030, 57.20.080, and 57.20.090)) that establishes a guaranty fund  
33 shall prescribe, by resolution, appropriate rules and regulations for  
34 the guaranty fund, not inconsistent herewith. So much of the money of  
35 a guaranty fund as is necessary and is not required for other purposes  
36 under this section and RCW 57.20.030((, 57.20.080,)) and 57.20.090 may,  
37 at the discretion of the commissioners of the ((water)) district, be  
38 used to purchase property at county tax foreclosure sales or from the

1 county after foreclosure in cases where such property is subject to  
2 unpaid local improvement assessments securing bonds guaranteed by the  
3 guaranty fund and such purchase is deemed necessary for the purpose of  
4 protecting the guaranty fund. In such cases the (~~said~~) guaranty fund  
5 shall be subrogated to all rights of the (~~water~~) district. After so  
6 acquiring title to real property, the (~~water~~) district may lease or  
7 resell and convey the same in the same manner that county property is  
8 authorized to be leased or resold and for such prices and on such terms  
9 as may be determined by resolution of the board of (~~water~~)  
10 commissioners. Any provision of law to the contrary notwithstanding,  
11 all proceeds resulting from such resales shall belong to and be paid  
12 into the guaranty fund.

13 **Sec. 712.** RCW 57.20.090 and 1983 c 167 s 166 are each amended to  
14 read as follows:

15 The owner of any local improvement bonds guaranteed under the  
16 provisions of this section and RCW 57.20.030(~~(7)~~) and 57.20.080(~~(7 and~~  
17 ~~57.20.090)~~) shall not have any claim therefor against the (~~water~~)  
18 district by which the same is issued, except for payment from the  
19 special assessments made for the improvement for which (~~said~~) the  
20 local improvement bonds were issued, and except as against the local  
21 improvement guaranty fund of (~~said water~~) the district; and the  
22 (~~water~~) district shall not be liable to any owner of such local  
23 improvement bond for any loss to the guaranty fund occurring in the  
24 lawful operation thereof by the (~~water~~) district. The remedy of the  
25 owner of a local improvement bond, in case of nonpayment, shall be  
26 confined to the enforcement of the assessment and to the guaranty fund.  
27 A copy of the foregoing part of this section shall be plainly written,  
28 printed or engraved on each local improvement bond guaranteed by this  
29 section and RCW 57.20.030(~~(7)~~) and 57.20.080(~~(7 and 57.20.090)~~). The  
30 establishment of a local improvement guaranty fund by any (~~water~~)  
31 district shall not be deemed at variance from any comprehensive plan  
32 heretofore adopted by (~~such water~~) that district.

33 (~~In the event~~) If any local improvement guaranty fund hereunder  
34 authorized at any time has a balance therein in cash, and the  
35 obligations guaranteed thereby have all been paid off, then such  
36 balance shall be transferred to the maintenance fund of the (~~water~~)  
37 district.

1       **Sec. 713.** RCW 57.20.100 and 1984 c 230 s 84 are each amended to  
2 read as follows:

3       A district may, in addition to the levies mentioned in RCW  
4 57.16.020(~~(7)~~) and 57.16.040 (~~(and 57.20.010)~~) (each as recodified by  
5 this act), levy a general tax on all property located in the district  
6 each year not to exceed fifty cents per thousand dollars of assessed  
7 value against the assessed valuation of the property where such  
8 (~~water~~) district maintains a fire department (~~(as authorized by RCW~~  
9 ~~57.16.010 to 57.16.040, inclusive)~~), but such levy shall not be made  
10 where any property within such (~~water~~) district lies within the  
11 boundaries of any fire protection district created under Title 52 RCW.  
12 The taxes so levied shall be certified for collection as other general  
13 taxes, and the proceeds, when collected, shall be placed in such  
14 (~~water~~) district funds as the commissioners may direct and paid out  
15 on warrants issued for (~~water~~) district purposes.

16       **Sec. 714.** RCW 57.20.110 and 1970 ex.s. c 42 s 35 are each amended  
17 to read as follows:

18       (~~Each and every water district that may hereafter be organized~~  
19 ~~pursuant to this act is hereby~~) A district is authorized and empowered  
20 by and through its board of (~~water~~) commissioners to contract  
21 indebtedness for (~~water~~) its purposes, and the maintenance thereof  
22 not exceeding one-half of one percent of the value of the taxable  
23 property in (~~such water~~) the district, as the term "value of the  
24 taxable property" is defined in RCW 39.36.015.

25       **Sec. 715.** RCW 57.20.120 and 1984 c 186 s 55 are each amended to  
26 read as follows:

27       (~~Each and every water district hereafter to be organized pursuant~~  
28 ~~to this title,~~) A district may contract indebtedness in excess of the  
29 amount named in RCW 57.20.110, but not exceeding in amount, together  
30 with existing indebtedness, two and one-half percent of the value of  
31 the taxable property in (~~said~~) that district, as the term "value of  
32 the taxable property" is defined in RCW 39.36.015, whenever  
33 three-fifths of the voters voting at (~~said~~) the election in such  
34 (~~water~~) district assent thereto, at which election the total number  
35 of persons voting on the proposition shall constitute not less than  
36 forty percent of the total number of votes cast in the (~~water~~)  
37 district at the last preceding general election, at an election to be

1 held in (~~said water~~) the district in the manner provided by this  
2 title and RCW 39.36.050(~~(: PROVIDED, That all bonds so to be issued~~  
3 ~~shall be subject to the provisions regarding bonds as set out in RCW~~  
4 ~~57.20.010)~~)).

5 **Sec. 716.** RCW 57.20.130 and 1983 c 167 s 167 are each amended to  
6 read as follows:

7 Any coupons for the payment of interest on (~~said~~) bonds of any  
8 district shall be considered for all purposes as warrants drawn upon  
9 the general fund of the (~~said water~~) district issuing such bonds, and  
10 when presented to the treasurer of the county having custody of the  
11 funds of such (~~water~~) district at maturity, or thereafter, and when  
12 so presented, if there are not funds in the treasury to pay the  
13 (~~said~~) coupons, it shall be the duty of the county treasurer to  
14 endorse (~~said~~) the coupons as presented for payment, in the same  
15 manner as county warrants are indorsed, and thereafter (~~said~~) the  
16 coupons shall bear interest at the same rate as the bonds to which (~~it~~  
17 ~~was~~) they were attached. When there are no funds in the treasury to  
18 make interest payments on bonds not having coupons, the overdue  
19 interest payment shall continue bearing interest at the bond rate until  
20 it is paid, unless otherwise provided in the proceedings authorizing  
21 the sale of the bonds.

22 **Sec. 717.** RCW 57.20.135 and 1988 c 162 s 11 are each amended to  
23 read as follows:

24 Upon obtaining the approval of the county treasurer, the board of  
25 commissioners of a (~~water~~) district with more than twenty-five  
26 hundred water customers or sewer customers may designate by resolution  
27 some other person having experience in financial or fiscal matters as  
28 the treasurer of the district. Such a treasurer shall possess all of  
29 the powers, responsibilities, and duties of, and shall be subject to  
30 the same restrictions as provided by law for, the county treasurer with  
31 regard to a (~~water~~) district, and the county auditor with regard to  
32 (~~water~~) district financial matters. Such treasurer shall be bonded  
33 for not less than twenty-five thousand dollars. Approval by the county  
34 treasurer authorizing such a (~~water~~) district to designate its  
35 treasurer shall not be arbitrarily or capriciously withheld.

1       **Sec. 718.** RCW 57.20.140 and 1983 c 57 s 3 are each amended to read  
2 as follows:

3       (~~Unless the board of commissioners of a water district designates~~  
4 ~~a treasurer under RCW 57.20.135, the county~~) The district treasurer  
5 designated under RCW 57.20.135 shall create and maintain a separate  
6 fund designated as the maintenance fund or general fund of the district  
7 into which shall be paid all money received by (~~him~~) the treasurer  
8 from the collection of taxes other than taxes levied for the payment of  
9 general obligation bonds of the district and all revenues of the  
10 district other than assessments levied in local improvement districts  
11 or utility local improvement districts, and no money shall be disbursed  
12 therefrom except upon warrants of the county auditor issued by  
13 authority of the commissioners or upon a resolution of the  
14 commissioners ordering a transfer to any other fund of the district.  
15 The county treasurer or district treasurer also shall (~~also~~) maintain  
16 such other special funds as may be prescribed by the (~~water~~)  
17 district, into which shall be placed such money(~~s~~) as the board of  
18 (~~water~~) commissioners may by its resolution direct, and from which  
19 disbursements shall be made upon proper warrants of the county auditor  
20 issued against the same by authority of the board of (~~water~~)  
21 commissioners.

22       **Sec. 719.** RCW 57.20.150 and 1959 c 108 s 15 are each amended to  
23 read as follows:

24       Whenever a (~~water~~) district has accumulated money(~~s~~) in the  
25 maintenance fund or general fund of the district in excess of the  
26 requirements of (~~such~~) that fund, the board of (~~water~~)  
27 commissioners may in its discretion use any of (~~such~~) that surplus  
28 money(~~s~~) for any of the following purposes: (1) Redemption or  
29 servicing of outstanding obligations of the district(~~t~~); (2)  
30 maintenance expenses of the district(~~t~~); (3) construction or  
31 acquisition of any facilities necessary to carry out the purposes of  
32 the district; or (4) any other proper district purpose.

33       **Sec. 720.** RCW 57.20.160 and 1986 c 294 s 13 are each amended to  
34 read as follows:

35       Whenever there shall have accumulated in any general or special  
36 fund of a (~~water~~) district money(~~s~~), the disbursement of which is  
37 not yet due, the board of (~~water~~) commissioners may, by resolution,

1 authorize the county treasurer to deposit or invest such money((s)) in  
2 qualified public depositories, or to invest such money((s)) in any  
3 investment permitted at any time by RCW 36.29.020(~~(:—PROVIDED, That)~~).  
4 However, the county treasurer may refuse to invest any district  
5 money((s)) the disbursement of which will be required during the period  
6 of investment to meet outstanding obligations of the district.

7 **Sec. 721.** RCW 57.20.165 and 1981 c 24 s 2 are each amended to read  
8 as follows:

9 ((Water)) District money((s)) shall be deposited by the district in  
10 ((an)) any account, which may be interest-bearing, subject to such  
11 requirements and conditions as may be prescribed by the state auditor.  
12 The account shall be in the name of the district except((r)) upon  
13 request by the treasurer, the accounts shall be in the name of the  
14 ".....(name of county)..... county treasurer." The treasurer may  
15 instruct the financial institutions holding the deposits to transfer  
16 them to the treasurer at such times as the treasurer may deem  
17 appropriate, consistent with regulations governing and policies of the  
18 financial institution.

19 **Sec. 722.** RCW 57.20.170 and 1959 c 108 s 17 are each amended to  
20 read as follows:

21 The board of ((water)) commissioners of any ((water)) district may,  
22 by resolution, authorize and direct a loan or loans from maintenance  
23 funds or general funds of the district to construction funds or other  
24 funds of the district(~~(:—PROVIDED, That such)~~), so long as that loan  
25 ((does)) or loans do not, in the opinion of the board of ((water))  
26 commissioners, impair the ability of the district to operate and  
27 maintain its water ((supply)) or sewer system.

28 **PART VIII - WATER AND SEWER SYSTEM EXTENSIONS**

29 **Sec. 801.** RCW 57.22.010 and 1989 c 389 s 11 are each amended to  
30 read as follows:

31 If the ((water)) district approves an extension to the ((water))  
32 system, the district shall contract with owners of real estate located  
33 within the district boundaries, at an owner's request, for the purpose  
34 of permitting extensions to the district's ((water)) system to be  
35 constructed by such owner at such owner's sole cost where such

1 extensions are required as a prerequisite to further property  
2 development. The contract shall contain such conditions as the  
3 district may require pursuant to the district's adopted policies and  
4 standards. The district shall request comprehensive plan approval for  
5 such extension, if required, and connection of the extension to the  
6 district system is conditioned upon:

7 (1) Construction of such extension according to plans and  
8 specifications approved by the district;

9 (2) Inspection and approval of such extension by the district;

10 (3) Transfer to the district of such extension without cost to the  
11 district upon acceptance by the district of such extension;

12 (4) Payment of all required connection charges to the district;

13 (5) Full compliance with the owner's obligations under such  
14 contract and with the district's rules and regulations;

15 (6) Provision of sufficient security to the district to ensure  
16 completion of the extension and other performance under the contract;

17 (7) Payment by the owner to the district of all of the district's  
18 costs associated with such extension including, but not limited to, the  
19 district's engineering, legal, and administrative costs; and

20 (8) Verification and approval of all contracts and costs related to  
21 such extension.

22 **Sec. 802.** RCW 57.22.020 and 1989 c 389 s 12 are each amended to  
23 read as follows:

24 The contract shall also provide, subject to the terms and  
25 conditions in this section, for the reimbursement to the owner or the  
26 owner's assigns for a period not to exceed fifteen years of a portion  
27 of the costs of the ((water)) facilities constructed pursuant to such  
28 contract from connection charges received by the district from other  
29 property owners who subsequently connect to or use the ((water))  
30 facilities within the fifteen-year period and who did not contribute to  
31 the original cost of such ((water)) facilities.

32 **Sec. 803.** RCW 57.22.030 and 1989 c 389 s 13 are each amended to  
33 read as follows:

34 The reimbursement shall be a pro rata share of construction and  
35 ((reimbursement of)) contract administration costs of the ((water))  
36 project. Reimbursement for ((water)) projects shall include, but not  
37 be limited to, design, engineering, installation, and restoration.



1 county auditor shall have access to all registration books in the  
2 possession of the officers of any city or town in the proposed  
3 district. If the petition contains a sufficient number of valid  
4 signatures, the county auditor of the county in which the real property  
5 proposed to be annexed is located shall transmit it, together with a  
6 certificate of sufficiency attached thereto, to the ((water))  
7 commissioners of the district.

8 If there are no registered voters residing in the territory to be  
9 annexed, the petition may be signed by such a number as appear of  
10 record to own at least a majority of the acreage in the territory, and  
11 the petition shall disclose the total number of acres of land in the  
12 territory and the names of all record owners of land therein. If the  
13 commissioners are satisfied as to the sufficiency of the petition and  
14 concur therein, they shall send it, together with their certificate of  
15 concurrence attached thereto to the county legislative authority of  
16 each county in which the territory proposed to be annexed is located.

17 The county legislative authority, upon receipt of a petition  
18 certified to contain a sufficient number of signatures of registered  
19 voters, or upon receipt of a petition signed by such a number as own at  
20 least a majority of the acreage, together with a certificate of  
21 concurrence signed by the ((water)) commissioners, at a regular or  
22 special meeting shall cause to be published once a week for at least  
23 two weeks in a newspaper in general circulation throughout the  
24 territory proposed to be annexed a notice that the petition has been  
25 filed, stating the time of the meeting at which it shall be presented,  
26 and setting forth the boundaries of the territory proposed to be  
27 annexed.

28 **Sec. 902.** RCW 57.24.020 and 1982 1st ex.s. c 17 s 22 are each  
29 amended to read as follows:

30 When such petition is presented for hearing, the legislative  
31 authority of each county in which the territory proposed to be annexed  
32 is located shall hear the petition or may adjourn the hearing from time  
33 to time not exceeding one month in all, and any person, firm, or  
34 corporation may appear before the county legislative authority and make  
35 objections to the proposed boundary lines or to annexation of the  
36 territory described in the petition. Upon a final hearing each county  
37 legislative authority shall make such changes in the proposed boundary  
38 lines within the county as ((they)) it deems to be proper and shall

1 establish and define such boundaries and shall find whether the  
2 proposed annexation as established by the county legislative authority  
3 to the ((water)) district will be conducive to the public health,  
4 welfare and convenience and will be of special benefit to the land  
5 included within the boundaries of the territory proposed to be annexed  
6 to the ((~~water district of the territory proposed to be annexed to the~~  
7 ~~water~~)) district. No lands which will not, in the judgment of the  
8 county legislative authority, be benefited by inclusion therein, shall  
9 be included within the boundaries of the territory as so established  
10 and defined. No change shall be made by the county legislative  
11 authority in the boundary lines, including any territory outside of the  
12 boundary lines described in the petition. No person having signed such  
13 petition shall be allowed to withdraw ((his)) such person's name  
14 therefrom after the filing of the petition with the board of ((water))  
15 commissioners.

16 Upon the entry of the findings of the final hearing each county  
17 legislative authority, if ((they)) it finds the proposed annexation to  
18 be conducive to the public health, welfare, and convenience and to be  
19 of special benefit to the land proposed to be annexed and included  
20 within the boundaries of the district, shall give notice of a special  
21 election to be held within the boundaries of the territory proposed to  
22 be annexed to the ((water)) district for the purpose of determining  
23 whether the same shall be annexed to the ((water)) district. The  
24 notice shall particularly describe the boundaries established by the  
25 county legislative authority, and shall state the name of the ((water))  
26 district to which the territory is proposed to be annexed, and the  
27 notice shall be published in a newspaper of general circulation in the  
28 territory proposed to be annexed at least once a week for a minimum of  
29 two successive weeks prior to the election and shall be posted for the  
30 same period in at least four public places within the boundaries of the  
31 territory proposed to be annexed, which notice shall designate the  
32 places within the territory proposed to be annexed where the election  
33 shall be held, and the proposition to the voters shall be expressed on  
34 ballots which contain the words:

35 For Annexation to ((Water)) District  
36 or  
37 Against Annexation to ((Water)) District

1 The county legislative authority shall name the persons to act as  
2 judges at ~~((such))~~ that election.

3 **Sec. 903.** RCW 57.24.040 and 1929 c 114 s 16 are each amended to  
4 read as follows:

5 The ~~((said))~~ annexation election shall be held on the date  
6 designated in ~~((such))~~ the notice and shall be conducted in accordance  
7 with the general election laws of the state. ~~((In the event))~~ If the  
8 original petition for annexation is signed by qualified ~~((electors))~~  
9 voters, then only qualified ~~((electors,))~~ voters at the date of  
10 election~~((,))~~ residing in the territory proposed to be annexed, shall  
11 be permitted to vote at the ~~((said))~~ election. ~~((In the event))~~ If the  
12 original petition for annexation is signed by property owners as  
13 provided for in this ~~((act))~~ chapter, then no person shall be entitled  
14 to vote at ~~((such))~~ that election unless at the time of the filing of  
15 the original petition he or she owned land in the district of record  
16 and in addition thereto at the date of election shall be a qualified  
17 ~~((elector))~~ voter of the county in which such district is located. It  
18 shall be the duty of the county auditor, upon request of the county  
19 ~~((commissioners))~~ legislative authority, to certify to the election  
20 officers of any such election~~((,))~~ the names of all persons owning land  
21 in the district at the date of the filing of the original petition as  
22 shown by the records of ~~((his))~~ the auditor's office; and at any such  
23 election the election officers may require any such ~~((landowner))~~  
24 property owner offering to vote to take an oath that ~~((he))~~ the  
25 property owner is a qualified ~~((elector))~~ voter of the county before  
26 ~~((he))~~ the property owner shall be allowed to vote~~((; PROVIDED, That))~~.  
27 However, at any election held under the provisions of this ~~((act))~~  
28 chapter an officer or agent of any corporation having its principal  
29 place of business in ~~((said))~~ the county and owning land at the date of  
30 filing the original petition in the district duly authorized  
31 ~~((thereto))~~ in writing may cast a vote on behalf of such corporation.  
32 When so voting ~~((he))~~ the person shall file with the election officers  
33 such a written instrument of ~~((his))~~ that person's authority. The  
34 judge or judges at ~~((such))~~ that election shall make return thereof to  
35 the board of ~~((water))~~ commissioners, who shall canvass such return and  
36 cause a statement of the result of such election to be entered on the  
37 record of ~~((such))~~ those commissioners. If the majority of the votes  
38 cast upon the question of such election shall be for annexation, then

1 ((such)) the territory concerned shall immediately be and become  
2 annexed to such ((water)) district and the same shall then forthwith be  
3 a part of the ((said water)) district, the same as though originally  
4 included in ((such)) that district.

5 **Sec. 904.** RCW 57.24.050 and 1929 c 114 s 17 are each amended to  
6 read as follows:

7 All elections held pursuant to this ((act)) chapter, whether  
8 general or special, shall be conducted by the county election board of  
9 the county in which the district is located. The expense of all such  
10 elections shall be paid for out of the funds of such ((water))  
11 district.

12 **Sec. 905.** RCW 57.24.070 and 1985 c 141 s 8 are each amended to  
13 read as follows:

14 A petition for annexation of an area contiguous to a ((water))  
15 district may be made in writing, addressed to and filed with the board  
16 of commissioners of the district to which annexation is desired. It  
17 must be signed by the owners, according to the records of the county  
18 auditor, of not less than sixty percent of the area of land for which  
19 annexation is petitioned, excluding county and state rights of way,  
20 parks, tidelands, lakes, retention ponds, and stream and water courses.  
21 Additionally, the petition shall set forth a description of the  
22 property according to government legal subdivisions or legal plats, and  
23 shall be accompanied by a plat which outlines the boundaries of the  
24 property sought to be annexed. ((Such)) Those county and state  
25 properties shall be excluded from local improvement districts or  
26 utility local improvement districts in the annexed area and from  
27 special assessments, rates, or charges of the district except where  
28 service has been regulated and provided to such properties. The owners  
29 of such property shall be invited to be included within local  
30 improvement districts or utility local improvement districts at the  
31 time they are proposed for formation.

32 **Sec. 906.** RCW 57.24.090 and 1953 c 251 s 20 are each amended to  
33 read as follows:

34 Following the hearing the board of commissioners shall determine by  
35 resolution whether annexation shall be made. It may annex all or any  
36 portion of the proposed area but may not include in the annexation any

1 property not described in the petition. Upon passage of the resolution  
2 a certified copy shall be filed with the ((board of county  
3 commissioners)) legislative authority of the county in which the  
4 annexed property is located.

5 **Sec. 907.** RCW 57.24.170 and 1982 c 146 s 4 are each amended to  
6 read as follows:

7 When there is, within a ((water)) district, unincorporated  
8 territory containing less than one hundred acres and having at least  
9 eighty percent of the boundaries of such area contiguous to the  
10 ((water)) district, the board of commissioners may resolve to annex  
11 ((such)) that territory to the ((water)) district. The resolution  
12 shall describe the boundaries of the area to be annexed, state the  
13 number of voters residing therein as nearly as may be, and set a date  
14 for a public hearing on such resolution for annexation. Notice of the  
15 hearing shall be given by publication of the resolution at least once  
16 a week for two weeks prior to the date of the hearing, in one or more  
17 newspapers of general circulation within the ((water)) district and one  
18 or more newspapers of general circulation within the area to be  
19 annexed.

20 **Sec. 908.** RCW 57.24.180 and 1982 c 146 s 5 are each amended to  
21 read as follows:

22 On the date set for hearing under RCW 57.24.170, residents or  
23 property owners of the area included in the resolution for annexation  
24 shall be afforded an opportunity to be heard. The board of  
25 commissioners may provide by resolution for annexation of the territory  
26 described in the resolution, but the effective date of the resolution  
27 shall be not less than forty-five days after the passage thereof. The  
28 board of commissioners shall cause notice of the proposed effective  
29 date of the annexation, together with a description of the property to  
30 be annexed, to be published at least once each week for two weeks  
31 subsequent to passage of the resolution, in one or more newspapers of  
32 general circulation within the ((water)) district and in one or more  
33 newspapers of general circulation within the area to be annexed. Upon  
34 the filing of a timely and sufficient referendum petition under RCW  
35 57.24.190, a referendum election shall be held under RCW 57.24.190, and  
36 the annexation shall be deemed approved by the voters unless a majority  
37 of the votes cast on the proposition are in opposition thereto. After

1 the expiration of the forty-fifth day from(~~(7)~~) but excluding the date  
2 of passage of the annexation resolution, if no timely and sufficient  
3 referendum petition has been filed, under RCW 57.24.190, the area  
4 annexed shall become a part of the (~~(water)~~) district upon the date  
5 fixed in the resolution of annexation.

6 **Sec. 909.** RCW 57.24.190 and 1990 c 259 s 32 are each amended to  
7 read as follows:

8 (~~(Such)~~) The annexation resolution under RCW 57.24.180 shall be  
9 subject to referendum for forty-five days after the passage thereof.  
10 Upon the filing of a timely and sufficient referendum petition with the  
11 board of commissioners, signed by registered voters in number equal to  
12 not less than ten percent of the registered voters in the area to be  
13 annexed who voted in the last general municipal election, the question  
14 of annexation shall be submitted to the voters of such area in a  
15 general election if one is to be held within ninety days or at a  
16 special election called for that purpose by the board of commissioners  
17 in accordance with RCW 29.13.010 and 29.13.020. Notice of (~~(such)~~)  
18 that election shall be given under RCW 57.24.020 and the election shall  
19 be conducted under RCW 57.24.040. The annexation shall be deemed  
20 approved by the voters unless a majority of the votes cast on the  
21 proposition are in opposition thereto.

22 After the expiration of the forty-fifth day from but excluding the  
23 date of passage of the annexation resolution, if no timely and  
24 sufficient referendum petition has been filed, the area annexed shall  
25 become a part of the (~~(water)~~) district upon the date fixed in the  
26 resolution of annexation upon transmitting the resolution to the county  
27 legislative authority.

28 **Sec. 910.** RCW 57.24.200 and 1986 c 258 s 2 are each amended to  
29 read as follows:

30 (~~(Water)~~) A district(~~(s)~~) may expend funds to inform residents in  
31 areas proposed for annexation into the district of the following:

- 32 (1) Technical information and data;
- 33 (2) The fiscal impact of the proposed improvement; and
- 34 (3) The types of improvements planned.

35 Expenditures under this section shall be limited to research,  
36 preparation, printing, and mailing of the information.



1 five percent of the qualified (~~electors~~) voters residing within the  
2 territory so designated who are qualified (~~electors~~) voters on the  
3 date of filing such petition. The petition shall set forth that the  
4 territory proposed to be withdrawn is of such location or character  
5 that water and sewer services cannot be furnished to it by (~~such~~  
6 ~~water~~) the district at reasonable cost, and shall further set forth  
7 that the withdrawal of such territory will be of benefit to such  
8 territory and conducive to the general welfare of the balance of the  
9 district.

10 **Sec. 1002.** RCW 57.28.020 and 1982 1st ex.s. c 17 s 23 are each  
11 amended to read as follows:

12 The petition for withdrawal shall be filed with the county election  
13 officer of each county in which the (~~water~~) district is located, and  
14 after the filing no person having signed the petition shall be allowed  
15 to withdraw (~~his~~) the person's name therefrom. Within ten days after  
16 such filing, each county election officer shall examine and verify the  
17 signatures of signers residing in the respective county. For such  
18 purpose the county election officer shall have access to all  
19 appropriate registration books in the possession of the election  
20 officers of any incorporated city or town within the (~~water~~)  
21 district. The petition shall be transmitted to the election officer of  
22 the county in which the largest land area of the district is located,  
23 who shall certify to the sufficiency or insufficiency of the  
24 signatures. If such petition be found by such county election officer  
25 to contain sufficient signatures, the petition, together with a  
26 certificate of sufficiency attached thereto, shall be transmitted to  
27 the board of commissioners of the (~~water~~) district.

28 **Sec. 1003.** RCW 57.28.030 and 1941 c 55 s 3 are each amended to  
29 read as follows:

30 In the event there are no qualified (~~electors~~) voters residing  
31 within the territory proposed to be withdrawn, (~~then~~) the petition  
32 for withdrawal may be signed by such persons as appear of record to own  
33 at least a majority of the acreage within such territory, in which  
34 event the petition shall also state the total number of acres and the  
35 names of all record owners of the land within such territory. The  
36 petition so signed shall be filed with the board of commissioners of

1 the ((water)) district, and after such filing no person having signed  
2 the same shall be allowed to withdraw ((his)) that person's name.

3 **Sec. 1004.** RCW 57.28.035 and 1985 c 153 s 1 are each amended to  
4 read as follows:

5 As an alternative procedure to those set forth in RCW 57.28.010  
6 through 57.28.030, the withdrawal of territory within a ((water))  
7 district may be commenced by a resolution of the board of commissioners  
8 that sets forth boundaries of the territory to be withdrawn and sets a  
9 date for the public hearing required under RCW 57.28.050. Upon the  
10 final hearing, the board of commissioners shall make such changes in  
11 the proposed boundaries as they deem proper, except that no changes in  
12 the boundary lines may be made by the board of commissioners to include  
13 lands not within the boundaries of the territory as described in such  
14 resolution.

15 Whenever the board of commissioners proposes to commence the  
16 withdrawal of any portion of ((their)) its territory located within a  
17 city or town using the alternative procedures herein authorized,  
18 ((they)) it shall first notify such city or town of their intent to  
19 withdraw ((said)) the territory. If the legislative authority of the  
20 city or town takes no action within sixty days of receipt of  
21 notification, the district may proceed with the resolution method.

22 If the city or town legislative authority disapproves of use of the  
23 alternative procedures, the board of commissioners may proceed using  
24 the process established ((pursuant to)) under RCW 57.28.010 through  
25 57.28.030.

26 A withdrawal procedure commenced under this section shall be  
27 subject to the procedures and requirements set forth in RCW 57.28.040  
28 through 57.28.110.

29 **Sec. 1005.** RCW 57.28.040 and 1985 c 469 s 59 are each amended to  
30 read as follows:

31 Upon receipt by the board of commissioners of a petition and  
32 certificate of sufficiency of the auditor, or if the petition is signed  
33 by landowners and the board of commissioners ((are)) is satisfied as to  
34 the sufficiency of the signatures thereon, ((they)) it shall at a  
35 regular or special meeting fix a date for hearing on the petition and  
36 give notice that the petition has been filed, stating the time and  
37 place of the meeting of the board of commissioners at which the

1 petition will be heard and setting forth the boundaries of the  
2 territory proposed to be withdrawn. The notice shall be published at  
3 least once a week for two successive weeks in a newspaper of general  
4 circulation therein, and if no such newspaper is printed in the county,  
5 then in some newspaper of general circulation in the county and  
6 district. Any additional notice of the hearing may be given as the  
7 board of commissioners may by resolution direct.

8 Prior to fixing the time for a hearing on any such petition, the  
9 board of commissioners in ~~((their))~~ its discretion may require the  
10 petitioners to furnish a satisfactory bond conditioned that the  
11 petitioners shall pay all costs incurred by the ~~((water))~~ district in  
12 connection with the petition, including the cost of an election if one  
13 is held pursuant thereto, and should the petitioners fail or refuse to  
14 post such a bond, if one is required by the ~~((water))~~ district board of  
15 commissioners, then there shall be no duty on the part of the board of  
16 commissioners to act upon the petition.

17 **Sec. 1006.** RCW 57.28.050 and 1986 c 109 s 1 are each amended to  
18 read as follows:

19 The petition for withdrawal shall be heard at the time and place  
20 specified in such notice or the hearing may be adjourned from time to  
21 time, not exceeding one month in all, and any person may appear at such  
22 hearing and make objections to the withdrawal of such territory or to  
23 the proposed boundary lines thereof. Upon final hearing on the  
24 petition for withdrawal, the board of commissioners of the ~~((water))~~  
25 district shall make such changes in the proposed boundary lines as  
26 ~~((they))~~ it deems to be proper, except that no changes in the boundary  
27 lines shall be made by the board of commissioners to include lands not  
28 within the boundaries of the territory as described in such petition.  
29 In establishing and defining such boundaries the board of commissioners  
30 shall exclude any property which is then being furnished with water or  
31 sewer service by the ~~((water))~~ district or which is included in any  
32 distribution or collection system the construction of ~~((which has been~~  
33 ~~duly authorized or))~~ which is included within any duly established  
34 local improvement district or utility local improvement district, and  
35 the territory as finally established and defined must be substantial in  
36 area and consist of adjoining or contiguous properties. The board of  
37 commissioners shall thereupon make and by resolution adopt findings of  
38 fact as to the following questions:

1 (1) Would the withdrawal of such territory be of benefit to such  
2 territory?

3 (2) Would such withdrawal be conducive to the general welfare of  
4 the balance of the district?

5 Such findings shall be entered in the records of the ((water))  
6 district, together with any recommendations the board of commissioners  
7 may by resolution adopt.

8 **Sec. 1007.** RCW 57.28.060 and 1982 1st ex.s. c 17 s 24 are each  
9 amended to read as follows:

10 Within ten days after the final hearing the board of commissioners  
11 of the ((water)) district shall transmit to the county legislative  
12 authority of each county in which the ((water)) district is located the  
13 petition for withdrawal, together with a copy of the findings and  
14 recommendations of the board of commissioners of the ((water)) district  
15 certified by the secretary of the ((water)) district to be a true and  
16 correct copy of such findings and recommendations as the same appear on  
17 the records of the ((water)) district.

18 **Sec. 1008.** RCW 57.28.070 and 1982 1st ex.s. c 17 s 25 are each  
19 amended to read as follows:

20 Upon receipt of the petition and certified copy of the findings and  
21 recommendations adopted by the ((water)) district commissioners, the  
22 county legislative authority of each county in which the district is  
23 located at a regular or special meeting shall fix a time and place for  
24 hearing thereon and shall cause to be published at least once a week  
25 for two or more weeks in successive issues of a newspaper of general  
26 circulation in the ((water)) district, a notice that such petition has  
27 been presented to the county legislative authority stating the time and  
28 place of the hearing thereon, setting forth the boundaries of the  
29 territory proposed to be withdrawn as such boundaries are established  
30 and defined in the findings or recommendations of the board of  
31 commissioners of the ((water)) district.

32 **Sec. 1009.** RCW 57.28.080 and 1941 c 55 s 8 are each amended to  
33 read as follows:

34 ((Such)) The petition shall be heard at the time and place  
35 specified in ((such)) the notice, or the hearing may be adjourned from  
36 time to time, not exceeding one month in all, and any person may appear

1 at ~~((such))~~ the hearing and make objections to the withdrawal of  
2 ~~((such))~~ the territory. Upon final hearing on ~~((such))~~ the petition  
3 the ~~((said))~~ county ~~((commissioners))~~ legislative authority shall  
4 thereupon make, enter, and by resolution adopt ~~((their))~~ its findings  
5 of fact on the questions ~~((above))~~ set forth in RCW 57.28.050. If  
6 ~~((such))~~ the findings of fact answer ~~((said))~~ the questions  
7 affirmatively, and if they are the same as the findings made by the  
8 ~~((water))~~ district commissioners, then the county ~~((commissioners))~~  
9 legislative authority shall by resolution declare that ~~((such))~~ the  
10 territory be withdrawn from ~~((such water))~~ that district, and thereupon  
11 ~~((such))~~ the territory shall be withdrawn and excluded from ~~((such~~  
12 ~~water))~~ that district the same as if it had never been included therein  
13 except for the lien of taxes as hereinafter set forth ~~((, provided,~~  
14 ~~that))~~. However, the boundaries of the territory withdrawn shall be  
15 the boundaries established and defined by the ~~((said water))~~ district  
16 board of commissioners and shall not be altered or changed by the  
17 county ~~((commissioners))~~ legislative authority unless the unanimous  
18 consent of the ~~((water))~~ district commissioners be given in writing to  
19 any such alteration or change.

20 **Sec. 1010.** RCW 57.28.090 and 1982 1st ex.s. c 17 s 26 are each  
21 amended to read as follows:

22 If the findings of any county legislative authority answer any of  
23 ~~((such))~~ the questions of fact set forth in RCW 57.28.050 in the  
24 negative, or if any of the findings of the county legislative authority  
25 are not the same as the findings of the ~~((water))~~ district board of  
26 commissioners upon the same question, then in either of such events,  
27 the petition for withdrawal shall be deemed denied. Thereupon, and in  
28 such event, the county legislative authority of each county in which  
29 the district is located shall by resolution cause a special election to  
30 be held not less than thirty days or more than sixty days from the date  
31 of the final hearing of any county legislative authority upon the  
32 petition for withdrawal, at which election the proposition expressed on  
33 the ballots shall be substantially as follows:

34 "Shall the territory established and defined by the ~~((water))~~  
35 district board of commissioners at ~~((their))~~ its meeting held on the  
36 . . . . . (insert date of final hearing of ~~((water))~~ district board  
37 of commissioners upon the petition for withdrawal) be withdrawn from  
38 ~~((water))~~ district . . . . . (naming it).

1

YES I

NO I "

2       **Sec. 1011.** RCW 57.28.100 and 1982 1st ex.s. c 17 s 27 are each  
3 amended to read as follows:

4       Notice of ~~((such))~~ the election shall be posted and published in  
5 the same manner provided by law for the posting and publication of  
6 notice of elections to annex territory to ~~((water))~~ districts. The  
7 territory described in the notice shall be that established and defined  
8 by the ~~((water))~~ district board of commissioners. All qualified voters  
9 residing within the ~~((water))~~ district shall have the right to vote at  
10 the election. If a majority of the votes cast favor the withdrawal  
11 from the ~~((water))~~ district of such territory, then within ten days  
12 after the official canvass of ~~((such))~~ the election the county  
13 legislative authority of each county in which the district is  
14 located~~((7))~~ shall by resolution establish that the territory has been  
15 withdrawn, and the territory shall thereupon be withdrawn and excluded  
16 from the ~~((water))~~ district the same as if it had never been included  
17 therein except for the lien of any taxes as hereinafter set forth.

18       **Sec. 1012.** RCW 57.28.110 and 1941 c 55 s 11 are each amended to  
19 read as follows:

20       ~~((Any and all))~~ Taxes or assessments levied or assessed against  
21 property located in territory withdrawn from a ~~((water))~~ district shall  
22 remain a lien and be ~~((collectible))~~ collected as by law provided when  
23 ~~((such))~~ the taxes or assessments are levied or assessed prior to  
24 ~~((such))~~ the withdrawal or when ~~((such))~~ the levies or assessments are  
25 duly made to provide revenue for the payment of general obligations or  
26 general obligation bonds of the ~~((water))~~ district duly incurred or  
27 issued prior to ~~((such))~~ the withdrawal.

28       **PART XI - CONSOLIDATION OF DISTRICTS AND TRANSFER OF TERRITORY**

29       **Sec. 1101.** RCW 57.32.010 and 1989 c 308 s 11 are each amended to  
30 read as follows:

31       Two or more ~~((water))~~ districts may be joined into one consolidated  
32 ~~((water))~~ district. The consolidation may be initiated in either of  
33 the following ways: (1) Ten percent of the ~~((legal electors))~~ voters  
34 residing within each of the ~~((water))~~ districts proposed to be  
35 consolidated may petition the board of ~~((water))~~ commissioners of

1 ((each-of)) their respective ((water)) districts to cause the question  
2 to be submitted to the((legal-electors)) voters of the ((water))  
3 districts proposed to be consolidated; or (2) the board((s)) of  
4 ((water)) commissioners of each of the ((water)) districts proposed to  
5 be consolidated may by resolution determine that the consolidation of  
6 the districts shall be conducive to the public health, welfare, and  
7 convenience and to be of special benefit to the lands of the districts.

8 **Sec. 1102.** RCW 57.32.020 and 1982 1st ex.s. c 17 s 30 are each  
9 amended to read as follows:

10 If the consolidation proceedings are initiated by petitions, upon  
11 the filing of such petitions with the boards of ((water)) commissioners  
12 of the ((water)) districts, the boards of ((water)) commissioners of  
13 each district shall file such petitions with the election officer of  
14 ((each)) the county in which ((any)) the respective district is  
15 located, who shall within ten days examine and verify the signatures of  
16 the signers residing in the county. The petition shall be transmitted  
17 by the other county election officers to the county election officer of  
18 the county in which the largest land area involved in the petitions is  
19 located, who shall certify to the sufficiency or insufficiency of the  
20 signatures. If all of such petitions shall be found to contain a  
21 sufficient number of signatures, the county election officer shall  
22 transmit the same, together with a certificate of sufficiency attached  
23 thereto, to the board((s)) of ((water)) commissioners of each of the  
24 districts proposed for consolidation. ((In the event that)) If there  
25 are no ((legal-electors)) voters residing in one or more of the  
26 ((water)) districts proposed to be consolidated, such petitions may be  
27 signed by such a number of landowners as appear of record to own at  
28 least a majority of the acreage in the pertinent ((water)) district,  
29 and the petitions shall disclose the total number of acres of land in  
30 ((the-said-water)) that district and shall also contain the names of  
31 all record owners of land therein.

32 **Sec. 1103.** RCW 57.32.021 and 1967 ex.s. c 39 s 8 are each amended  
33 to read as follows:

34 Upon receipt by the boards of ((water)) commissioners of the  
35 districts proposed for consolidation, hereinafter referred to as the  
36 "consolidating districts", of the county ((auditor's)) election  
37 officer's certificate of sufficiency of the petitions, or upon adoption

1 by the boards of (~~water~~) commissioners of the consolidating districts  
2 of their resolutions for consolidation, the boards of (~~water~~)  
3 commissioners of the consolidating districts shall, within ninety days,  
4 enter into an agreement providing for consolidation. The agreement  
5 shall set forth the method and manner of consolidation, a comprehensive  
6 plan or scheme of water supply and sewer services for the consolidated  
7 district, and(~~)~~ if the comprehensive plan or scheme of water supply  
8 and sewer services provides that one or more of the consolidating  
9 districts or the proposed consolidated district issue revenue bonds for  
10 either the construction (~~and/or~~) or other costs of any part or all of  
11 (~~said~~) the comprehensive plan, or both, then the details thereof  
12 shall be set forth. The requirement that a comprehensive plan or  
13 scheme of water supply and sewer services for the consolidated district  
14 be set forth in the agreement for consolidation(~~)~~ shall be satisfied  
15 if the existing comprehensive plans or schemes of the consolidating  
16 districts are incorporated therein by reference and any changes or  
17 additions thereto are set forth in detail.

18 **Sec. 1104.** RCW 57.32.022 and 1994 c 223 s 71 are each amended to  
19 read as follows:

20 The (~~respective~~) boards of (~~water~~) commissioners of the  
21 consolidating districts shall certify the agreement to the county  
22 election officers of (~~each county~~) the respective counties in which  
23 the districts are located. A special election shall be called by the  
24 county election officers for the purpose of submitting to the voters of  
25 each of the consolidating districts the proposition of whether or not  
26 the several districts shall be consolidated into one (~~water~~)  
27 district. The proposition shall give the title of the proposed  
28 consolidated district. Notice of the election shall be given and the  
29 election conducted in accordance with the general election laws.

30 **Sec. 1105.** RCW 57.32.023 and 1994 c 223 s 72 are each amended to  
31 read as follows:

32 If at the election a majority of the voters in each of the  
33 consolidating districts vote in favor of the consolidation, the county  
34 canvassing board shall so declare in its canvass and the return of such  
35 election shall be made within ten days after the date thereof. Upon  
36 the return the consolidation shall be effective and the consolidating  
37 districts shall cease to exist and shall then be and become a new

1 ((water)) district and municipal corporation of the state of  
2 Washington. The name of ((such)) the new ((water)) district shall be  
3 "((Water District No. . . . .)) Water-Sewer District," ". . . . .  
4 Water District," ". . . . . Sewer District," or ". . . . . District  
5 No.,"((7)) which shall be the name appearing on the ballot. The  
6 district shall have all and every power, right, and privilege possessed  
7 by other water-sewer, sewer, or water districts of the state of  
8 Washington. The district may issue revenue bonds to pay for the  
9 construction of any additions and betterments set forth in the  
10 comprehensive plan of water supply and sewer services contained in the  
11 agreement for consolidation and any future additions and betterments to  
12 the comprehensive plan of water supply and sewer services, as its board  
13 of ((water)) district commissioners shall by resolution adopt, without  
14 submitting a proposition therefor to the voters of the district.

15 **Sec. 1106.** RCW 57.32.024 and 1967 ex.s. c 39 s 11 are each amended  
16 to read as follows:

17 Upon the formation of any consolidated ((water)) district, all  
18 funds, rights, and property, real and personal, of the former  
19 districts, shall vest in and become the property of the consolidated  
20 district. Unless the agreement for consolidation provides to the  
21 contrary, any outstanding indebtedness of any form, owed by the  
22 districts, shall remain the obligation of the area of the original  
23 debtor district and the ((water)) board of commissioners of the  
24 consolidated ((water)) district shall make such levies, assessments, or  
25 charges for service upon that area or the ((water)) users therein as  
26 shall pay off the indebtedness at maturity.

27 **Sec. 1107.** RCW 57.32.130 and 1985 c 141 s 9 are each amended to  
28 read as follows:

29 The ((water)) commissioners of ((all-water)) the districts  
30 consolidated into any new consolidated ((water)) district shall become  
31 ((water)) commissioners thereof until their respective terms of office  
32 expire or until they resign from office if the resignation is before  
33 the expiration of their terms of office. At each election of ((water))  
34 commissioners following the consolidation, only one position shall be  
35 filled, so that as the terms of office expire, the total number of  
36 ((water)) commissioners in the consolidated ((water)) district shall be  
37 reduced to three. If one or both of the districts have five

1 commissioners, the agreement providing for consolidation shall provide  
2 for the number of commissioners in the consolidated district and the  
3 method of reducing the number of commissioners to five or three, as  
4 applicable.

5 **Sec. 1108.** RCW 57.32.160 and 1987 c 449 s 18 are each amended to  
6 read as follows:

7 A part of one (~~water or sewer~~) district may be transferred into  
8 an adjacent (~~water~~) district if the area can be better served  
9 thereby. Such transfer can be accomplished by a petition, directed to  
10 both districts, signed by the owners according to the records of the  
11 county (~~auditor~~) election officer of not less than sixty percent of  
12 the area of land to be transferred. If a majority of the commissioners  
13 of each district approves the petition, copies of the approving  
14 resolutions shall be filed with the county legislative authority which  
15 shall act upon the petition as a proposed action in accordance with RCW  
16 57.02.040.

17 **PART XII - MERGER OF DISTRICTS**

18 **Sec. 1201.** RCW 57.36.010 and 1989 c 308 s 12 are each amended to  
19 read as follows:

20 Whenever two (~~water~~) districts desire to merge, either district,  
21 hereinafter referred to as the "merging district", may merge into the  
22 other district, hereinafter referred to as the "merger district", and  
23 the merger district (~~will~~) shall survive under its original number.

24 **Sec. 1202.** RCW 57.36.020 and 1967 ex.s. c 39 s 4 are each amended  
25 to read as follows:

26 A merger of two (~~water~~) districts may be initiated in either of  
27 the following ways:

28 (1) Whenever the boards of (~~water~~) commissioners of both (~~such~~)  
29 districts determine by resolution that the merger of such districts  
30 shall be conducive to the public health, welfare, and convenience and  
31 to be of special benefit to the lands of such districts.

32 (2) Whenever ten percent of the (~~legal electors~~) voters residing  
33 within the merging district petition the board of (~~water~~)  
34 commissioners of the merging (~~water~~) district for a merger, and the  
35 board of (~~water~~) commissioners of the merger district determines by

1 resolution that the merger of the districts shall be conducive to the  
2 public health, welfare, and convenience of the two districts.

3 **Sec. 1203.** RCW 57.36.030 and 1982 1st ex.s. c 17 s 33 are each  
4 amended to read as follows:

5 Whenever a merger is initiated in either of the two ways provided  
6 under this chapter, the boards of ~~((water))~~ commissioners of the two  
7 districts shall enter into an agreement providing for the merger.  
8 ~~((Said))~~ The agreement must be entered into within ninety days  
9 following completion of the last act in initiation of the merger.

10 The respective boards of ~~((water))~~ commissioners shall certify the  
11 agreement to the county election officer of each county in which the  
12 districts are located. ~~((The))~~ Each county election officer shall call  
13 a special election for the purpose of submitting to the voters of the  
14 ~~((merging))~~ respective districts the proposition of whether the merging  
15 district shall be merged into the merger district. Notice of the  
16 elections shall be given and the elections conducted in accordance with  
17 the general election laws.

18 **Sec. 1204.** RCW 57.36.040 and 1982 c 104 s 2 are each amended to  
19 read as follows:

20 If at such election a majority of the voters of the merging  
21 ~~((water))~~ district shall vote in favor of the merger, the county  
22 canvassing board shall so declare in its canvass and the return of such  
23 election shall be made within ten days after the date thereof, and upon  
24 such return the merger shall be effective and the merging ~~((water))~~  
25 district shall cease to exist and shall become a part of the merger  
26 ~~((water))~~ district. The ~~((water))~~ commissioners of the merging  
27 district shall hold office as commissioners of the new ~~((consolidated~~  
28 ~~water))~~ merged district until their respective terms of office expire  
29 or until they resign from office if the resignation is before the  
30 expiration of their terms of office. At the district election  
31 immediately preceding the time when the ~~((total number of))~~ remaining  
32 ~~((water))~~ commissioners ~~((is reduced to))~~ have only two ~~((through))~~  
33 years before the expiration of their terms of office, one ~~((water))~~  
34 commissioner shall be elected for a four-year term of office. At the  
35 next district election, one ~~((water))~~ commissioner shall be elected for  
36 a four-year term of office and one shall be elected for a six-year term  
37 of office. Thereafter, each ~~((water))~~ commissioner shall be elected

1 for a six-year term of office in the manner provided by RCW 57.12.020  
2 and ~~((57.12.030))~~ sections 404 and 405 of this act for elections in an  
3 existing district. If the merger district has a five-member board of  
4 commissioners, at the district election immediately preceding the time  
5 when the remaining commissioners have only two years before the  
6 expiration of their terms of office, two commissioners shall be elected  
7 for a six-year term of office and one commissioner shall be elected for  
8 a four-year term of office. At the next district election, two  
9 commissioners shall be elected for a six-year term of office.  
10 Thereafter, each commissioner shall be elected for a six-year term of  
11 office in the manner provided by sections 404 and 405 of this act for  
12 election in an existing district.

13 **Sec. 1205.** RCW 57.40.135 and 1988 c 162 s 4 are each amended to  
14 read as follows:

15 A person who serves on the board of commissioners of a ~~((sewer))~~  
16 merging district ~~((that merges under this chapter into a water~~  
17 ~~district, for which the person also serves on the board of~~  
18 ~~commissioners, shall only hold one position on the board of~~  
19 ~~commissioners of the district that results from the merger))~~ and a  
20 merger district shall hold only one position on the board of  
21 commissioners of the merger district and shall only receive  
22 compensation, expenses, and benefits that are available to a single  
23 commissioner.

24 **Sec. 1206.** RCW 57.36.050 and 1967 ex.s. c 39 s 7 are each amended  
25 to read as follows:

26 All funds and property, real and personal, of the merging district,  
27 shall vest in and become the property of the merger district. Unless  
28 the agreement of merger provides to the contrary, any outstanding  
29 indebtedness of any form, owed by the districts, shall remain the  
30 obligation of the area of the original debtor district; and the  
31 ~~((water))~~ commissioners of the merger ~~((water))~~ district shall make  
32 such levies, assessments, or charges for service upon ~~((said))~~ such  
33 area or the ~~((water))~~ users therein as shall pay off such indebtedness  
34 at maturity.

35 **PART XIII - DISPOSITION OF PROPERTY**

1       **Sec. 1301.** RCW 57.42.010 and 1973 1st ex.s. c 56 s 1 are each  
2 amended to read as follows:

3       Subject to the provisions of RCW 57.42.020 and 57.42.030, any  
4 ((~~water~~)) district created under the provisions of this title may sell,  
5 transfer, exchange, lease or otherwise dispose of any property, real or  
6 personal, or property rights, including but not limited to the title to  
7 real property, to a public utility district in the same county on such  
8 terms as may be mutually agreed upon by the board of commissioners of  
9 each district.

10       **Sec. 1302.** RCW 57.42.020 and 1973 1st ex.s. c 56 s 2 are each  
11 amended to read as follows:

12       No ((~~water~~)) district shall dispose of its property to a public  
13 utility district unless the respective board of commissioners of each  
14 district shall determine by resolution that such disposition is in the  
15 public interest and conducive to the public health, welfare, and  
16 convenience. Copies of each resolution, together with copies of the  
17 proposed disposition agreement, shall be filed with the legislative  
18 authority of the county in which the ((~~water~~)) district is located((~~7~~))  
19 and with the superior court of that county. Unless the proposed  
20 agreement provides otherwise, any outstanding indebtedness of any  
21 form((~~7~~)) owed by the water district((~~7~~)) shall remain the obligation  
22 of the area of the ((~~water~~)) district, and the board of commissioners  
23 of the public utility district ((~~commissioners~~)) shall be empowered to  
24 make such levies, assessments, or charges upon that area or the water  
25 or sewer users therein as shall pay off the indebtedness at maturity.

26       **Sec. 1303.** RCW 57.42.030 and 1973 1st ex.s. c 56 s 3 are each  
27 amended to read as follows:

28       Within ninety days after the resolutions and proposed agreement  
29 have been filed with the court, the court shall fix a date for a  
30 hearing and shall direct that notice of the hearing be given by  
31 publication. After reviewing the proposed agreement and considering  
32 other evidence presented at the hearing, the court may determine by  
33 decree that the proposed disposition is in the public interest and  
34 conducive to the public health, welfare, and convenience. In addition,  
35 the decree shall authorize the payment of all or a portion of the  
36 indebtedness of the ((~~water~~)) district relating to property disposed of  
37 under such decree. Pursuant to the court decree, the ((~~water~~))

1 district shall dispose of its property under the terms of the  
2 disposition agreement with the public utility district.

3 **PART XIV - LOW-INCOME CUSTOMER ASSISTANCE**

4 **Sec. 1401.** RCW 57.46.010 and 1995 c 399 s 149 are each amended to  
5 read as follows:

6 A (~~water~~) district may include along with, or as part of its  
7 regular customer billings, a request for voluntary contributions to  
8 assist qualified low-income residential customers of the district in  
9 paying their (~~water~~) district bills. All funds received by the  
10 district in response to such requests shall be transmitted to the  
11 grantee of the department of community, trade, and economic development  
12 which administers federally funded energy assistance programs for the  
13 state in the district's service area or to a charitable organization  
14 within the district's service area. All such funds shall be used  
15 solely to supplement assistance to low-income residential customers of  
16 the district in paying their (~~water~~) district bills. The grantee or  
17 charitable organization shall be responsible to determine which of the  
18 district's customers are qualified for low-income assistance and the  
19 amount of assistance to be provided to those who are qualified.

20 **Sec. 1402.** RCW 57.46.020 and 1995 c 399 s 150 are each amended to  
21 read as follows:

22 All assistance provided under this chapter shall be disbursed by  
23 the grantee or charitable organization. Where possible the (~~water~~)  
24 district (~~will~~) shall be paid on behalf of the customer by the  
25 grantee or the charitable organization. When direct vendor payment is  
26 not feasible, a check (~~will~~) shall be issued jointly payable to the  
27 customer and the (~~water~~) district. The availability of funds for  
28 assistance to a district's low-income customers as a result of  
29 voluntary contributions shall not reduce the amount of assistance for  
30 which the district's customers are eligible under the federally funded  
31 energy assistance programs administered by the grantee of the  
32 department of community, trade, and economic development within the  
33 district's service area. The grantee or charitable organization shall  
34 provide the district with a quarterly report on January 15th, April  
35 15th, July 15th, and October 15th which includes information concerning  
36 the total amount of funds received from the district, the names of all

1 recipients of assistance from these funds, the amount received by each  
2 recipient, and the amount of funds received from the district currently  
3 on hand and available for future low-income assistance.

4 **Sec. 1403.** RCW 57.46.030 and 1993 c 45 s 7 are each amended to  
5 read as follows:

6 Contributions received under a program implemented by a (~~water~~)  
7 district in compliance with this chapter shall not be considered a  
8 commingling of funds.

9 **PART XV - DISINCORPORATION**

10 **Sec. 1501.** RCW 57.90.001 and 1989 c 84 s 63 are each amended to  
11 read as follows:

12 Actions taken under this chapter (~~(57.90-RCW)~~) may be subject to  
13 potential review by a boundary review board under chapter 36.93 RCW.

14 **Sec. 1502.** RCW 57.90.010 and 1991 c 363 s 137 are each amended to  
15 read as follows:

16 Water-sewer, sewer, water, (~~(sewer,)~~) park and recreation,  
17 metropolitan park, county rural library, cemetery, flood control,  
18 mosquito control, diking and drainage, irrigation or reclamation, weed,  
19 health, or fire protection districts, and any air pollution control  
20 authority, hereinafter referred to as "special districts(~~(#)~~)," which  
21 are located wholly or in part within a county with a population of two  
22 hundred ten thousand or more may be disincorporated when the district  
23 has not actively carried out any of the special purposes or functions  
24 for which it was formed within the preceding consecutive five-year  
25 period.

26 **Sec. 1503.** RCW 57.90.020 and 1982 1st ex.s. c 17 s 35 are each  
27 amended to read as follows:

28 Upon the filing with the county legislative authority of each  
29 county in which the district is located of a resolution of any  
30 governmental unit calling for the disincorporation of a special  
31 district, or upon the filing with the county legislative authority of  
32 each county in which the district is located of the petition of twenty  
33 percent of the (~~(qualified electors)~~) voters within a special district  
34 calling for the disincorporation of (~~(a)~~) the special district, the

1 county legislative authority shall hold public hearings to determine  
2 whether or not any services have been provided within a consecutive  
3 five year period and whether the best interests of all persons  
4 concerned will be served by the proposed dissolution of the special  
5 district.

6 **Sec. 1504.** RCW 57.90.030 and 1963 c 55 s 3 are each amended to  
7 read as follows:

8 If the (~~board of~~) county (~~commissioners~~) legislative authority  
9 finds that no services have been provided within the preceding  
10 consecutive five-year period and that the best interests of all persons  
11 concerned will be served by disincorporating the special district, it  
12 shall order that such action be taken, specify the manner in which it  
13 is to be accomplished and supervise the liquidation of any assets and  
14 the satisfaction of any outstanding indebtedness.

15 **Sec. 1505.** RCW 57.90.040 and 1963 c 55 s 4 are each amended to  
16 read as follows:

17 (~~In the event~~) If a special district is disincorporated the  
18 proceeds of the sale of any of its assets, together with money(~~s~~) on  
19 hand in the treasury of the special district, shall after payment of  
20 all costs and expenses and all outstanding indebtedness be paid to the  
21 county treasurer to be placed to the credit of the school district, or  
22 districts, in which such special district is situated.

23 **Sec. 1506.** RCW 57.90.050 and 1963 c 55 s 5 are each amended to  
24 read as follows:

25 (~~In the event~~) If a special district is disincorporated and the  
26 proceeds of the sale of any of its assets, together with money(~~s~~) on  
27 hand in the treasury of the special district, are insufficient to  
28 retire any outstanding indebtedness, together with all costs and  
29 expenses of liquidation, the (~~board of~~) county (~~commissioners~~)  
30 legislative authority shall levy assessments in the manner provided by  
31 law against the property in the special district in amounts sufficient  
32 to retire (~~said~~) the indebtedness and pay (~~such~~) the costs and  
33 expenses.

34 **Sec. 1507.** RCW 57.90.100 and 1971 ex.s. c 125 s 1 are each amended  
35 to read as follows:

1 Whenever as the result of abandonment of an irrigation district  
2 right of way real property held by an irrigation district is to be sold  
3 or otherwise disposed of, notice shall be given to the owners of the  
4 lands adjoining that real property and such owners shall have ((a)) the  
5 right of first refusal to purchase at the appraised price all or any  
6 part of the real property to be sold or otherwise disposed of which  
7 adjoins or is adjacent to their land.

8 Real property to be sold or otherwise disposed of under this  
9 section shall have been first appraised by the county assessor or by a  
10 person designated by ((him)) the county assessor.

11 Notice under this section shall be sufficient if sent by registered  
12 mail to the owner((, and)) at the address((, as)) shown in the tax  
13 records of the county in which the land is situated. Notice under this  
14 section shall be in addition to any ((other)) notice required by law.

15 After sixty days from the date of sending of notice, if no  
16 applications for purchase have been received by the irrigation district  
17 or other person or entity sending notice, the rights of first refusal  
18 of owners of adjoining lands shall be deemed to have been waived, and  
19 the real property may be ((sold or otherwise)) disposed of or sold.

20 If two or more owners of adjoining lands apply to purchase the same  
21 real property, or apply to purchase overlapping parts of the real  
22 property, the respective rights of the applicants may be determined in  
23 the superior court of the county in which the real property is  
24 situated((, and)). The court may divide the real property in question  
25 between some or all of the applicants or award the whole to one  
26 applicant, as justice may require.

27 **PART XVI - TECHNICAL CORRECTIONS**

28 **Sec. 1601.** RCW 35.13.900 and 1995 c 279 s 3 are each amended to  
29 read as follows:

30 Nothing in this chapter precludes or otherwise applies to an  
31 annexation by a city or town of unincorporated territory as authorized  
32 by RCW ((56.24.180, 56.24.200, and 56.24.205, or)) 57.24.170,  
33 57.24.190, and 57.24.210.

34 **Sec. 1602.** RCW 35.58.570 and 1989 c 389 s 1 are each amended to  
35 read as follows:

1 (1) A metropolitan municipal corporation that is engaged in the  
2 transmission, treatment, and disposal of sewage may impose a capacity  
3 charge on users of the metropolitan municipal corporation's sewage  
4 facilities when the user connects, reconnects, or establishes a new  
5 service. The capacity charge shall be approved by the council of the  
6 metropolitan municipal corporation and reviewed and reapproved  
7 annually.

8 (2) The capacity charge shall be based upon the cost of the sewage  
9 facilities' excess capacity that is necessary to provide sewerage  
10 treatment for new users to the system. The capacity charge, which may  
11 be collected over a period of fifteen years, shall not exceed:

12 (a) Seven dollars per month per residential customer equivalent for  
13 connections and reconnections occurring prior to January 1, 1996; and

14 (b) Ten dollars and fifty cents per month per residential customer  
15 equivalent for connections and reconnections occurring after January 1,  
16 1996, and prior to January 1, 2001.

17 For connections and reconnections occurring after January 1, 2001,  
18 the capacity charge shall not exceed fifty percent of the basic sewer  
19 rate per residential customer equivalent established by the  
20 metropolitan municipal corporation at the time of the connection or  
21 reconnection.

22 (3) The capacity charge for a building other than a single-family  
23 residence shall be based on the projected number of residential  
24 customer equivalents to be represented by the building, considering its  
25 intended use.

26 (4) The council of the metropolitan municipal corporation shall  
27 enforce the collection of the capacity charge in the same manner  
28 provided for the collection, enforcement, and payment of rates and  
29 charges for water-sewer districts provided in ((~~RCW 56.16.100 and~~  
30 ~~56.16.110~~) section 314 of this act. At least thirty days before  
31 commencement of an action to foreclose a lien for a capacity charge,  
32 the metropolitan municipal corporation shall send written notice of  
33 delinquency in payment of the capacity charge to any first mortgage or  
34 deed of trust holder of record at the address of record.

35 (5) As used in this section, "sewage facilities" means capital  
36 projects identified since January 1, 1982, to July 23, 1989, in the  
37 metropolitan municipal corporation's comprehensive water pollution  
38 abatement plan. "Residential customer equivalent" shall have the same

1 meaning used by the metropolitan municipal corporation in determining  
2 rates and charges at the time the capacity charge is imposed.

3 **Sec. 1603.** RCW 35.97.050 and 1983 c 216 s 5 are each amended to  
4 read as follows:

5 If the legislative authority of a municipality deems it advisable  
6 that the municipality purchase, acquire, or construct a heating system,  
7 or make any additions or extensions to a heating system, the  
8 legislative authority shall so provide by an ordinance or a resolution  
9 specifying and adopting the system or plan proposed, declaring the  
10 estimated cost thereof, as near as may be, and specifying the method of  
11 financing and source of funds. Any construction, alteration, or  
12 improvement of a heating system by any county, city, town, irrigation  
13 district, water-sewer district, (~~sewer district,~~) or port district  
14 shall be in compliance with the appropriate competitive bidding  
15 requirements in Titles 35, 36, 53, (~~56,~~) 57, or 87 RCW.

16 **Sec. 1604.** RCW 35A.14.901 and 1995 c 279 s 4 are each amended to  
17 read as follows:

18 Nothing in this chapter precludes or otherwise applies to an  
19 annexation by a code city of unincorporated territory as authorized by  
20 RCW (~~56.24.180, 56.24.200, and 56.24.205, or~~) 57.24.170, 57.24.190,  
21 and 57.24.210.

22 **Sec. 1605.** RCW 35A.56.010 and 1987 c 331 s 79 are each amended to  
23 read as follows:

24 Except as otherwise provided in this title, state laws relating to  
25 special service or taxing districts shall apply to, grant powers, and  
26 impose duties upon code cities and their officers to the same extent as  
27 such laws apply to and affect other classes of cities and towns and  
28 their employees, including, without limitation, the following: (1)  
29 Chapter 70.94 RCW, relating to air pollution control; (2) chapter 68.52  
30 RCW, relating to cemetery districts; (3) chapter 29.68 RCW, relating to  
31 congressional districts; (4) chapters 14.07 and 14.08 RCW, relating to  
32 municipal airport districts; (5) chapter 36.88 RCW, relating to county  
33 road improvement districts; (6) Title 85 RCW, relating to diking  
34 districts, drainage districts, and drainage improvement districts; (7)  
35 chapter 36.54 RCW, relating to ferry districts; (8) Title 52 RCW,  
36 relating to fire protection districts; (9) Title 86 RCW, relating to

1 flood control districts and flood control; (10) chapter 70.46 RCW,  
2 relating to health districts; (11) chapters 87.03 through 87.84 and  
3 89.12 RCW, relating to irrigation districts; (12) chapter 35.61 RCW,  
4 relating to metropolitan park districts; (13) chapter 35.58 RCW,  
5 relating to metropolitan municipalities; (14) chapter 17.28 RCW,  
6 relating to mosquito control districts; (15) chapter 17.12 RCW,  
7 relating to agricultural pest districts; (16) (~~chapter 13.12 RCW,~~  
8 ~~relating to parental or truant schools; (17))~~) Title 53 RCW, relating  
9 to port districts; (~~(18))~~) (17) chapter 70.44 RCW, relating to public  
10 hospital districts; (~~(19))~~) (18) Title 54 RCW, relating to public  
11 utility districts; (~~(20))~~) (19) chapter 91.08 RCW, relating to public  
12 waterway districts; (~~(21) Title 56 RCW for sewer districts; (22))~~)  
13 (20) chapter 89.12 RCW, relating to reclamation districts; (~~(23))~~)  
14 (21) chapters 57.02 through 57.36 RCW, relating to water-sewer  
15 districts; and (~~(24))~~) (22) chapter 17.04 RCW, relating to weed  
16 districts.

17       **Sec. 1606.** RCW 35A.70.010 and 1967 ex.s. c 119 s 35A.70.010 are  
18 each amended to read as follows:

19       Every code city shall have authority to protect waters within the  
20 city or comprising part of the city's water supply pursuant to the  
21 authority provided therefor by RCW 9.66.050, 54.16.050, (~~(56-08.010,)~~)  
22 69.30.130, 57.08.010, 8.12.030, 70.54.010 and 70.54.030.

23       **Sec. 1607.** RCW 36.29.160 and 1963 c 4 s 36.29.160 are each amended  
24 to read as follows:

25       The county treasurer shall make segregation, collect, and receive  
26 from any owner or owners of any subdivision or portion of any lot,  
27 tract or parcel of land upon which assessments or charges have been  
28 made or may be made hereafter in public utility districts, (~~(sewer~~  
29 ~~districts,)~~) water-sewer districts, or county road improvement  
30 districts, under the terms of Title 54 RCW, (~~(Title 56 RCW,)~~) Title 57  
31 RCW, or chapter 36.88 RCW, such portion of the assessments or charges  
32 levied or to be levied against such lot, tract or parcel of land in  
33 payment of such assessment or charges as the board of commissioners of  
34 the public utility district, (~~(sewer district,)~~) the water-sewer  
35 district commissioners or the board of county commissioners,  
36 respectively, shall certify to be chargeable to such subdivision, which  
37 certificate shall state that such property as segregated is sufficient

1 security for the assessment or charges. Upon making collection upon  
2 any such subdivision the county treasurer shall note such payment upon  
3 his records and give receipt therefor.

4 **Sec. 1608.** RCW 36.93.090 and 1995 c 131 s 1 are each amended to  
5 read as follows:

6 Whenever any of the following described actions are proposed in a  
7 county in which a board has been established, the initiators of the  
8 action shall file within one hundred eighty days a notice of intention  
9 with the board: PROVIDED, That when the initiator is the legislative  
10 body of a governmental unit, the notice of intention may be filed  
11 immediately following the body's first acceptance or approval of the  
12 action. The board may review any such proposed actions pertaining to:

13 (1) The: (a) Creation, incorporation, or change in the boundary,  
14 other than a consolidation, of any city, town, or special purpose  
15 district; (b) consolidation of special purpose districts, but not  
16 including consolidation of cities and towns; or (c) dissolution or  
17 disincorporation of any city, town, or special purpose district, except  
18 that a board may not review the dissolution or disincorporation of a  
19 special purpose district which was dissolved or disincorporated  
20 pursuant to the provisions of chapter 36.96 RCW: PROVIDED, That the  
21 change in the boundary of a city or town arising from the annexation of  
22 contiguous city or town owned property held for a public purpose shall  
23 be exempted from the requirements of this section; or

24 (2) The assumption by any city or town of all or part of the  
25 assets, facilities, or indebtedness of a special purpose district which  
26 lies partially within such city or town; or

27 (3) The establishment of or change in the boundaries of a mutual  
28 water and sewer system or separate sewer system by a water-sewer  
29 district pursuant to RCW 57.08.065 or chapter 57.40 RCW(~~(, as now or~~  
30 ~~hereafter amended)~~); or

31 (4) (~~The establishment of or change in the boundaries of a mutual~~  
32 ~~sewer and water system or separate water system by a sewer district~~  
33 ~~pursuant to RCW 56.20.015 or chapter 56.36 RCW, as now or hereafter~~  
34 ~~amended; or~~

35 (5)) The extension of permanent water or sewer service outside of  
36 its existing service area by a city, town, or special purpose district.  
37 The service area of a city, town, or special purpose district shall  
38 include all of the area within its corporate boundaries plus, (a) for

1 extensions of water service, the area outside of the corporate  
2 boundaries which it is designated to serve pursuant to a coordinated  
3 water system plan approved in accordance with RCW 70.116.050; and (b)  
4 for extensions of sewer service, the area outside of the corporate  
5 boundaries which it is designated to serve pursuant to a comprehensive  
6 sewerage plan approved in accordance with chapter 36.94 RCW and RCW  
7 90.48.110.

8 **Sec. 1609.** RCW 36.94.420 and 1985 c 141 s 1 are each amended to  
9 read as follows:

10 If so provided in the transfer agreement, the area served by the  
11 system shall, upon completion of the transfer, be deemed annexed to and  
12 become a part of the water-sewer (~~(or sewer)~~) district acquiring the  
13 system. The county shall provide notice of the hearing by the county  
14 legislative authority on the ordinance executing the transfer agreement  
15 under RCW 36.94.330 as follows: (1) By mailed notice to all ratepayers  
16 served by the system at least fifteen days prior to the hearing; and  
17 (2) by notice in a newspaper of general circulation once at least  
18 fifteen days prior to the hearing.

19 In the event of an annexation under this section resulting from the  
20 transfer of a system of sewerage or combined water and sewer systems  
21 from a county to a water-sewer district governed by Title 57 RCW, the  
22 water-sewer district shall have all the powers of a water-sewer  
23 district provided by chapter 57.36 RCW (~~(57.40.150)~~), as if a water-  
24 sewer district had been merged into a water-sewer district. (~~(In the~~  
25 ~~event of an annexation under this section as a result of the transfer~~  
26 ~~of a system of water or combined water and sewer systems from a county~~  
27 ~~to a sewer district governed by Title 56 RCW, the sewer district shall~~  
28 ~~have all the powers of a sewer district provided by RCW 56.36.060 as if~~  
29 ~~a water district had been merged into the sewer district.)~~)

30 **Sec. 1610.** RCW 41.04.190 and 1992 c 146 s 13 are each amended to  
31 read as follows:

32 The cost of a policy or plan to a public agency or body is not  
33 additional compensation to the employees or elected officials covered  
34 thereby. The elected officials to whom this section applies include  
35 but are not limited to commissioners elected under chapters 28A.315,  
36 52.14, 53.12, 54.12, (~~(56.12,)~~) 57.12, 70.44, and 87.03 RCW, as well as  
37 any county elected officials who are provided insurance coverage under

1 RCW 41.04.180. Any officer authorized to disburse such funds may pay  
2 in whole or in part to an insurance carrier or health care service  
3 contractor the amount of the premiums due under the contract.

4 **Sec. 1611.** RCW 43.99F.020 and 1990 1st ex.s. c 15 s 9 are each  
5 amended to read as follows:

6 For the purpose of providing funds to public bodies for the  
7 planning, design, acquisition, construction, and improvement of public  
8 waste disposal and management facilities, or for purposes of assisting  
9 a public body to obtain an ownership interest in waste disposal and  
10 management facilities and/or to defray a part of the payments made by  
11 a public body to a service provider under a service agreement entered  
12 into pursuant to RCW 70.150.060, in this state, the state finance  
13 committee is authorized to issue general obligation bonds of the state  
14 of Washington in the sum of three hundred thirty million dollars, or so  
15 much thereof as may be required, to finance the improvements defined in  
16 this chapter and all costs incidental thereto. The department may not  
17 use or permit the use of any funds derived from the sale of bonds  
18 authorized by this chapter for: (1) the support of a solid waste  
19 recycling activity or service in a locale if the department determines  
20 that the activity or service is reasonably available to persons within  
21 that locale from private enterprise; or (2) the construction of  
22 municipal wastewater facilities unless said facilities have been  
23 approved by a general purpose unit of local government in accordance  
24 with chapter 36.94 RCW, chapter 35.67 RCW, or RCW ((56.08.020))  
25 57.16.010. These bonds shall be paid and discharged within thirty  
26 years of the date of issuance. No bonds authorized by this chapter  
27 shall be offered for sale without prior legislative appropriation of  
28 the proceeds of the bonds to be sold.

29 **Sec. 1612.** RCW 82.02.020 and 1990 1st ex.s. c 17 s 42 are each  
30 amended to read as follows:

31 Except only as expressly provided in RCW 67.28.180 and 67.28.190  
32 and the provisions of chapter 82.14 RCW, the state preempts the field  
33 of imposing taxes upon retail sales of tangible personal property, the  
34 use of tangible personal property, parimutuel wagering authorized  
35 pursuant to RCW 67.16.060, conveyances, and cigarettes, and no county,  
36 town, or other municipal subdivision shall have the right to impose  
37 taxes of that nature. Except as provided in RCW 82.02.050 through

1 82.02.090, no county, city, town, or other municipal corporation shall  
2 impose any tax, fee, or charge, either direct or indirect, on the  
3 construction or reconstruction of residential buildings, commercial  
4 buildings, industrial buildings, or on any other building or building  
5 space or appurtenance thereto, or on the development, subdivision,  
6 classification, or reclassification of land. However, this section  
7 does not preclude dedications of land or easements within the proposed  
8 development or plat which the county, city, town, or other municipal  
9 corporation can demonstrate are reasonably necessary as a direct result  
10 of the proposed development or plat to which the dedication of land or  
11 easement is to apply.

12 This section does not prohibit voluntary agreements with counties,  
13 cities, towns, or other municipal corporations that allow a payment in  
14 lieu of a dedication of land or to mitigate a direct impact that has  
15 been identified as a consequence of a proposed development,  
16 subdivision, or plat. A local government shall not use such voluntary  
17 agreements for local off-site transportation improvements within the  
18 geographic boundaries of the area or areas covered by an adopted  
19 transportation program authorized by chapter 39.92 RCW. Any such  
20 voluntary agreement is subject to the following provisions:

21 (1) The payment shall be held in a reserve account and may only be  
22 expended to fund a capital improvement agreed upon by the parties to  
23 mitigate the identified, direct impact;

24 (2) The payment shall be expended in all cases within five years of  
25 collection; and

26 (3) Any payment not so expended shall be refunded with interest at  
27 the rate applied to judgments to the property owners of record at the  
28 time of the refund; however, if the payment is not expended within five  
29 years due to delay attributable to the developer, the payment shall be  
30 refunded without interest.

31 No county, city, town, or other municipal corporation shall require  
32 any payment as part of such a voluntary agreement which the county,  
33 city, town, or other municipal corporation cannot establish is  
34 reasonably necessary as a direct result of the proposed development or  
35 plat.

36 Nothing in this section prohibits cities, towns, counties, or other  
37 municipal corporations from collecting reasonable fees from an  
38 applicant for a permit or other governmental approval to cover the cost  
39 to the city, town, county, or other municipal corporation of processing

1 applications, inspecting and reviewing plans, or preparing detailed  
2 statements required by chapter 43.21C RCW.

3 This section does not limit the existing authority of any county,  
4 city, town, or other municipal corporation to impose special  
5 assessments on property specifically benefitted thereby in the manner  
6 prescribed by law.

7 Nothing in this section prohibits counties, cities, or towns from  
8 imposing or permits counties, cities, or towns to impose water, sewer,  
9 natural gas, drainage utility, and drainage system charges: PROVIDED,  
10 That no such charge shall exceed the proportionate share of such  
11 utility or system's capital costs which the county, city, or town can  
12 demonstrate are attributable to the property being charged: PROVIDED  
13 FURTHER, That these provisions shall not be interpreted to expand or  
14 contract any existing authority of counties, cities, or towns to impose  
15 such charges.

16 Nothing in this section prohibits a transportation benefit district  
17 from imposing fees or charges authorized in RCW 36.73.120 nor prohibits  
18 the legislative authority of a county, city, or town from approving the  
19 imposition of such fees within a transportation benefit district.

20 Nothing in this section prohibits counties, cities, or towns from  
21 imposing transportation impact fees authorized pursuant to chapter  
22 39.92 RCW.

23 Nothing in this section prohibits counties, cities, or towns from  
24 requiring property owners to provide relocation assistance to tenants  
25 under RCW 59.18.440 and 59.18.450.

26 This section does not apply to special purpose districts formed and  
27 acting pursuant to Titles 54, (~~56~~) 57, or 87 RCW, nor is the  
28 authority conferred by these titles affected.

29 **Sec. 1613.** RCW 84.38.020 and 1995 c 329 s 1 are each amended to  
30 read as follows:

31 Unless a different meaning is plainly required by the context, the  
32 following words and phrases as hereinafter used in this chapter shall  
33 have the following meanings:

34 (1) "Claimant" means a person who either elects or is required  
35 under RCW 84.64.050 to defer payment of the special assessments and/or  
36 real property taxes accrued on the claimant's residence by filing a  
37 declaration to defer as provided by this chapter.

1       When two or more individuals of a household file or seek to file a  
2 declaration to defer, they may determine between them as to who the  
3 claimant shall be.

4       (2) "Department" means the state department of revenue.

5       (3) "Equity value" means the amount by which the fair market value  
6 of a residence as determined from the records of the county assessor  
7 exceeds the total amount of any liens or other obligations against the  
8 property.

9       (4) "Real property taxes" means ad valorem property taxes levied on  
10 a residence in this state in the preceding calendar year.

11       (5) "Residence" has the meaning given in RCW 84.36.383, except that  
12 a residence includes any additional property up to a total of five  
13 acres that comprises the residential parcel if this larger parcel size  
14 is required under land use regulations.

15       (6) "Special assessment" means the charge or obligation imposed by  
16 a city, town, county, or other municipal corporation upon property  
17 specially benefited by a local improvement, including assessments under  
18 chapters 35.44, 36.88, 36.94, 53.08, 54.16, (~~56.207~~) 57.16, 86.09,  
19 and 87.03 RCW and any other relevant chapter.

20       **Sec. 1614.** RCW 90.03.510 and 1986 c 278 s 63 are each amended to  
21 read as follows:

22       Whenever a county, city, town, water-sewer district, or flood  
23 control zone district imposes rates or charges to fund storm water  
24 control facilities or improvements and the operation and maintenance of  
25 such facilities or improvements under RCW 35.67.020, 35.92.020,  
26 36.89.080, 36.94.140, (~~56.08.010, or 56.16.090~~) section 301 of this  
27 act, or section 314 of this act, it may provide a credit for the value  
28 of storm water control facilities or improvements that a person or  
29 entity has installed or located that mitigate or lessen the impact of  
30 storm water which otherwise would occur.

31       **Sec. 1615.** RCW 90.03.525 and 1986 c 278 s 54 are each amended to  
32 read as follows:

33       The rate charged by a local government utility to the department of  
34 transportation with respect to state highway right of way or any  
35 section of state highway right of way for the construction, operation,  
36 and maintenance of storm water control facilities under chapters 35.67,  
37 35.92, 36.89, 36.94, (~~56.08~~) 57.08, and 86.15 RCW, shall be thirty

1 percent of the rate for comparable real property, except as otherwise  
2 provided in this section. The rate charged to the department with  
3 respect to state highway right of way or any section of state highway  
4 right of way within a local government utility's jurisdiction shall  
5 not, however, exceed the rate charged for comparable city street or  
6 county road right of way within the same jurisdiction. The legislature  
7 finds that the aforesaid rates are presumptively fair and equitable  
8 because of the traditional and continuing expenditures of the  
9 department of transportation for the construction, operation, and  
10 maintenance of storm water control facilities designed to control  
11 surface water or storm water runoff from state highway rights of way.  
12 The utility imposing the charge and the department of transportation  
13 may, however, agree to either higher or lower rates with respect to the  
14 construction, operation, or maintenance of any specific storm water  
15 control facilities based upon the extent and adequacy of storm water  
16 control facilities constructed by the department and upon the actual  
17 benefits to state highway rights of way from the storm water control  
18 facilities constructed by the local government utility. If a different  
19 rate is agreed to, a report so stating shall be submitted to the  
20 legislative transportation committee. If the local government utility  
21 and the department of transportation cannot agree upon the proper rate,  
22 and after a report has been submitted to the legislative transportation  
23 committee and after ninety days from submission of such report, either  
24 may commence an action in the superior court for the county in which  
25 the state highway right of way is located to establish the proper rate.  
26 The court in establishing the proper rate shall take into account the  
27 extent and adequacy of storm water control facilities constructed by  
28 the department and the actual benefits to the sections of state highway  
29 rights of way from storm water control facilities constructed,  
30 operated, and maintained by the local government utility. Control of  
31 surface water runoff and storm water runoff from state highway rights  
32 of way shall be deemed an actual benefit to the state highway rights of  
33 way. The rate for sections of state highway right of way as determined  
34 by the court shall be set forth in terms of the percentage of the rate  
35 for comparable real property, but shall in no event exceed the rate  
36 charged for comparable city street or county road right of way within  
37 the same jurisdiction.

38

**PART XVII - MISCELLANEOUS**

1        NEW SECTION.    **Sec. 1700.** Part headings as used in this act do not  
2 constitute any part of the law.

3        NEW SECTION.    **Sec. 1701.** (1) RCW 56.02.070, 56.02.100, and  
4 56.02.110, as amended by this act, are each recodified as sections in  
5 chapter 57.02 RCW.

6        (2) RCW 56.04.080, 56.04.120, and 56.04.130, as amended by this  
7 act, are each recodified as sections in chapter 57.04 RCW.

8        (3) RCW 56.02.030, 56.02.080, and 56.36.070 are each recodified as  
9 sections in chapter 57.06 RCW.

10       (4) RCW 56.08.060 and 56.08.012, as amended by this act, and  
11 56.08.170 are each recodified as sections in chapter 57.08 RCW.

12       (5) RCW 56.08.030, as amended by this act, is recodified as a  
13 section in chapter 57.16 RCW.

14       (6) RCW 56.20.030, as amended by this act, is recodified as a  
15 section in chapter 57.16 RCW.

16       (7) RCW 57.16.020, 57.16.030, 57.16.035, and 57.16.040 are each  
17 recodified as sections in chapter 57.20 RCW.

18       (8) RCW 57.40.135, as amended by this act, is recodified as a  
19 section in chapter 57.36 RCW.

20       NEW SECTION.    **Sec. 1702.** The following acts or parts of acts are  
21 each repealed:

22       (1) RCW 56.02.010 and 1953 c 250 s 26;

23       (2) RCW 56.02.040 and 1959 c 103 s 18;

24       (3) RCW 56.02.050 and 1971 ex.s. c 272 s 12;

25       (4) RCW 56.02.055 and 1982 1st ex.s. c 17 s 1;

26       (5) RCW 56.02.060 and 1988 c 162 s 5 & 1971 ex.s. c 139 s 1;

27       (6) RCW 56.02.120 and 1982 1st ex.s. c 17 s 2;

28       (7) RCW 56.04.001 and 1989 c 84 s 50;

29       (8) RCW 56.04.020 and 1974 ex.s. c 58 s 1, 1971 ex.s. c 272 s 1,  
30 1945 c 140 s 1, 1943 c 74 s 1, & 1941 c 210 s 1;

31       (9) RCW 56.04.030 and 1990 c 259 s 21, 1987 c 33 s 1, 1945 c 140 s  
32 2, & 1941 c 210 s 2;

33       (10) RCW 56.04.040 and 1945 c 140 s 3 & 1941 c 210 s 3;

34       (11) RCW 56.04.050 and 1990 c 259 s 22, 1987 c 33 s 2, 1973 1st  
35 ex.s. c 195 s 61, 1953 c 250 s 1, 1945 c 140 s 4, & 1941 c 210 s 4;

36       (12) RCW 56.04.060 and 1945 c 140 s 5 & 1941 c 210 s 6;

37       (13) RCW 56.04.065 and 1983 c 88 s 1;

1 (14) RCW 56.04.070 and 1985 c 141 s 2, 1981 c 45 s 3, & 1941 c 210  
2 s 5;  
3 (15) RCW 56.04.090 and 1994 c 81 s 79, 1945 c 140 s 16, & 1941 c  
4 210 s 47;  
5 (16) RCW 56.08.010 and 1989 c 389 s 2, 1989 c 308 s 1, & 1987 c 449  
6 s 1;  
7 (17) RCW 56.08.013 and 1985 c 98 s 1 & 1977 ex.s. c 146 s 1;  
8 (18) RCW 56.08.014 and 1983 c 198 s 1;  
9 (19) RCW 56.08.015 and 1984 c 147 s 6 & 1969 c 119 s 1;  
10 (20) RCW 56.08.020 and 1990 1st ex.s. c 17 s 34, 1982 c 213 s 1,  
11 1979 c 23 s 1, 1977 ex.s. c 300 s 1, 1971 ex.s. c 272 s 2, 1959 c 103  
12 s 2, 1953 c 250 s 4, 1947 c 212 s 2, 1945 c 140 s 10, 1943 c 74 s 2, &  
13 1941 c 210 s 11;  
14 (21) RCW 56.08.040 and 1953 c 250 s 6, 1951 c 129 s 1, 1943 c 74 s  
15 3, & 1941 c 210 s 13;  
16 (22) RCW 56.08.050 and 1977 ex.s. c 300 s 2, 1953 c 250 s 7, & 1941  
17 c 210 s 15;  
18 (23) RCW 56.08.065 and 1989 c 84 s 51;  
19 (24) RCW 56.08.070 and 1994 c 31 s 1;  
20 (25) RCW 56.08.075 and 1987 c 449 s 2 & 1982 c 105 s 2;  
21 (26) RCW 56.08.080 and 1993 c 198 s 17, 1989 c 308 s 5, 1984 c 172  
22 s 1, & 1953 c 51 s 1;  
23 (27) RCW 56.08.090 and 1993 c 198 s 18, 1989 c 308 s 6, 1988 c 162  
24 s 1, 1984 c 103 s 2, & 1953 c 51 s 2;  
25 (28) RCW 56.08.092 and 1986 c 244 s 15;  
26 (29) RCW 56.08.100 and 1991 sp.s. c 30 s 24, 1991 c 82 s 1, 1981 c  
27 190 s 5, 1973 c 24 s 1, & 1961 c 261 s 1;  
28 (30) RCW 56.08.105 and 1973 c 125 s 6;  
29 (31) RCW 56.08.110 and 1995 c 301 s 75, 1973 1st ex.s. c 195 s 62,  
30 1970 ex.s. c 47 s 4, & 1961 c 267 s 1;  
31 (32) RCW 56.08.120 and 1967 c 178 s 1;  
32 (33) RCW 56.08.130 and 1967 c 178 s 2;  
33 (34) RCW 56.08.140 and 1991 c 82 s 2 & 1967 c 178 s 3;  
34 (35) RCW 56.08.150 and 1967 c 178 s 4;  
35 (36) RCW 56.08.160 and 1967 c 178 s 5;  
36 (37) RCW 56.08.180 and 1982 c 213 s 3;  
37 (38) RCW 56.08.190 and 1987 c 309 s 3;  
38 (39) RCW 56.08.200 and 1995 c 376 s 14 & 1991 c 190 s 1;

1 (40) RCW 56.12.010 and 1985 c 330 s 5, 1980 c 92 s 1, 1969 ex.s. c  
2 148 s 7, 1959 c 103 s 4, 1955 c 373 s 1, 1945 c 140 s 8, & 1941 c 210  
3 s 9;

4 (41) RCW 56.12.015 and 1994 c 223 s 62, 1991 c 190 s 2, 1990 c 259  
5 s 23, & 1987 c 449 s 3;

6 (42) RCW 56.12.020 and 1994 c 223 s 63, 1979 ex.s. c 126 s 38, 1963  
7 c 200 s 17, 1955 c 55 s 12, & 1953 c 110 s 1;

8 (43) RCW 56.12.030 and 1994 c 223 s 64, 1990 c 259 s 24, 1986 c 41  
9 s 1, 1985 c 141 s 3, 1981 c 169 s 2, 1953 c 250 s 9, 1947 c 212 s 1,  
10 1945 c 140 s 7, & 1941 c 210 s 8;

11 (44) RCW 56.12.040 and 1987 c 449 s 4;

12 (45) RCW 56.12.050 and 1994 c 223 s 65;

13 (46) RCW 56.16.010 and 1984 c 186 s 46, 1973 1st ex.s. c 195 s 63,  
14 1953 c 250 s 10, 1951 2nd ex.s. c 26 s 1, & 1941 c 210 s 14;

15 (47) RCW 56.16.020 and 1987 c 449 s 5, 1977 ex.s. c 300 s 3, 1959  
16 c 103 s 5, 1953 c 250 s 11, 1951 c 129 s 2, & 1941 c 210 s 16;

17 (48) RCW 56.16.030 and 1989 c 389 s 3, 1984 c 186 s 47, 1977 ex.s.  
18 c 300 s 4, 1973 1st ex.s. c 195 s 64, 1959 c 103 s 6, 1953 c 250 s 12,  
19 1951 2nd ex.s. c 26 s 2, 1951 c 129 s 3, 1945 c 140 s 11, & 1941 c 210  
20 s 17;

21 (49) RCW 56.16.035 and 1977 ex.s. c 300 s 5 & 1959 c 103 s 7;

22 (50) RCW 56.16.040 and 1984 c 186 s 48, 1983 c 167 s 155, 1973 1st  
23 ex.s. c 195 s 65, 1970 ex.s. c 56 s 80, 1969 ex.s. c 232 s 85, 1953 c  
24 250 s 13, 1951 2nd ex.s. c 26 s 3, 1945 c 140 s 12, & 1941 c 210 s 18;

25 (51) RCW 56.16.050 and 1984 c 186 s 49, 1970 ex.s. c 42 s 34, 1945  
26 c 140 s 15, & 1941 c 210 s 42;

27 (52) RCW 56.16.060 and 1983 c 167 s 156, 1975 1st ex.s. c 25 s 1,  
28 1971 ex.s. c 272 s 4, 1970 ex.s. c 56 s 81, 1969 ex.s. c 232 s 86, 1959  
29 c 103 s 8, & 1941 c 210 s 19;

30 (53) RCW 56.16.065 and 1975 1st ex.s. c 25 s 4;

31 (54) RCW 56.16.070 and 1959 c 103 s 9 & 1941 c 210 s 20;

32 (55) RCW 56.16.080 and 1983 c 167 s 157, 1975 1st ex.s. c 25 s 2,  
33 1970 ex.s. c 56 s 82, & 1941 c 210 s 21;

34 (56) RCW 56.16.085 and 1959 c 103 s 10;

35 (57) RCW 56.16.090 and 1991 c 347 s 19, 1974 ex.s. c 58 s 3, 1959  
36 c 103 s 11, & 1941 c 210 s 22;

37 (58) RCW 56.16.100 and 1977 ex.s. c 300 s 6, 1971 ex.s. c 272 s 5,  
38 1953 c 250 s 14, & 1941 c 210 s 23;

1 (59) RCW 56.16.110 and 1977 ex.s. c 300 s 7, 1971 ex.s. c 272 s 6,  
2 1953 c 250 s 15, & 1941 c 210 s 24;  
3 (60) RCW 56.16.115 and 1984 c 186 s 50, 1977 ex.s. c 300 s 8, 1973  
4 1st ex.s. c 195 s 66, 1959 c 103 s 12, & 1953 c 250 s 16;  
5 (61) RCW 56.16.130 and 1983 c 167 s 158 & 1941 c 210 s 45;  
6 (62) RCW 56.16.135 and 1988 c 162 s 10 & 1983 c 57 s 2;  
7 (63) RCW 56.16.140 and 1983 c 57 s 1, 1971 ex.s. c 272 s 7, 1959 c  
8 103 s 13, & 1941 c 210 s 46;  
9 (64) RCW 56.16.150 and 1959 c 103 s 14;  
10 (65) RCW 56.16.160 and 1986 c 294 s 12, 1983 c 66 s 21, 1981 c 24  
11 s 3, 1973 1st ex.s. c 140 s 2, & 1959 c 103 s 15;  
12 (66) RCW 56.16.165 and 1981 c 24 s 1;  
13 (67) RCW 56.16.170 and 1959 c 103 s 16;  
14 (68) RCW 56.20.010 and 1987 c 169 s 1, 1971 ex.s. c 272 s 8, & 1941  
15 c 210 s 26;  
16 (69) RCW 56.20.015 and 1983 c 167 s 159, 1981 c 45 s 5, 1980 c 12  
17 s 1, 1977 ex.s. c 300 s 9, & 1974 ex.s. c 58 s 4;  
18 (70) RCW 56.20.020 and 1986 c 256 s 1, 1977 ex.s. c 300 s 10, 1974  
19 ex.s. c 58 s 5, 1965 ex.s. c 40 s 1, 1953 c 250 s 17, & 1941 c 210 s  
20 27;  
21 (71) RCW 56.20.032 and 1989 c 243 s 10;  
22 (72) RCW 56.20.033 and 1987 c 315 s 5;  
23 (73) RCW 56.20.040 and 1953 c 250 s 19 & 1941 c 210 s 29;  
24 (74) RCW 56.20.050 and 1941 c 210 s 30;  
25 (75) RCW 56.20.060 and 1941 c 210 s 31;  
26 (76) RCW 56.20.070 and 1971 ex.s. c 272 s 10, 1969 c 126 s 1, &  
27 1941 c 210 s 33;  
28 (77) RCW 56.20.080 and 1991 c 190 s 4, 1971 ex.s. c 272 s 11, 1971  
29 c 81 s 125, 1965 ex.s. c 40 s 2, & 1941 c 210 s 32;  
30 (78) RCW 56.20.090 and 1953 c 250 s 20;  
31 (79) RCW 56.20.120 and 1987 c 449 s 7;  
32 (80) RCW 56.22.010 and 1989 c 389 s 4;  
33 (81) RCW 56.22.020 and 1989 c 389 s 5;  
34 (82) RCW 56.22.030 and 1989 c 389 s 6;  
35 (83) RCW 56.22.040 and 1989 c 389 s 7;  
36 (84) RCW 56.22.050 and 1989 c 389 s 8;  
37 (85) RCW 56.24.001 and 1989 c 84 s 52;  
38 (86) RCW 56.24.070 and 1990 c 259 s 25, 1989 c 308 s 3, 1988 c 162  
39 s 13, 1985 c 469 s 56, 1982 1st ex.s. c 17 s 3, & 1967 ex.s. c 11 s 1;

1 (87) RCW 56.24.080 and 1985 c 469 s 57 & 1967 ex.s. c 11 s 2;  
2 (88) RCW 56.24.090 and 1967 ex.s. c 11 s 3;  
3 (89) RCW 56.24.100 and 1967 ex.s. c 11 s 4;  
4 (90) RCW 56.24.110 and 1967 ex.s. c 11 s 5;  
5 (91) RCW 56.24.120 and 1985 c 141 s 4 & 1967 ex.s. c 11 s 6;  
6 (92) RCW 56.24.130 and 1967 ex.s. c 11 s 7;  
7 (93) RCW 56.24.140 and 1967 ex.s. c 11 s 8;  
8 (94) RCW 56.24.150 and 1967 ex.s. c 11 s 9;  
9 (95) RCW 56.24.180 and 1982 c 146 s 1;  
10 (96) RCW 56.24.190 and 1982 c 146 s 2;  
11 (97) RCW 56.24.200 and 1990 c 259 s 26 & 1982 c 146 s 3;  
12 (98) RCW 56.24.205 and 1995 c 279 s 1 & 1987 c 449 s 8;  
13 (99) RCW 56.24.210 and 1986 c 258 s 1;  
14 (100) RCW 56.24.900 and 1967 ex.s. c 11 s 11;  
15 (101) RCW 56.28.001 and 1989 c 84 s 53;  
16 (102) RCW 56.28.010 and 1953 c 250 s 27;  
17 (103) RCW 56.28.020 and 1985 c 153 s 2;  
18 (104) RCW 56.32.001 and 1989 c 84 s 54;  
19 (105) RCW 56.32.010 and 1989 c 308 s 9, 1975 1st ex.s. c 86 s 1, &  
20 1967 c 197 s 2;  
21 (106) RCW 56.32.020 and 1975 1st ex.s. c 86 s 2 & 1967 c 197 s 3;  
22 (107) RCW 56.32.030 and 1975 1st ex.s. c 86 s 3 & 1967 c 197 s 4;  
23 (108) RCW 56.32.040 and 1975 1st ex.s. c 86 s 4 & 1967 c 197 s 5;  
24 (109) RCW 56.32.050 and 1975 1st ex.s. c 86 s 5 & 1967 c 197 s 6;  
25 (110) RCW 56.32.060 and 1967 c 197 s 7;  
26 (111) RCW 56.32.070 and 1985 c 141 s 5 & 1967 c 197 s 8;  
27 (112) RCW 56.32.080 and 1989 c 308 s 10, 1975 1st ex.s. c 86 s 6,  
28 & 1967 c 197 s 9;  
29 (113) RCW 56.32.090 and 1967 c 197 s 10;  
30 (114) RCW 56.32.100 and 1975 1st ex.s. c 86 s 7 & 1967 c 197 s 11;  
31 (115) RCW 56.32.110 and 1994 c 289 s 1, 1975 1st ex.s. c 86 s 8, &  
32 1967 c 197 s 12;  
33 (116) RCW 56.32.115 and 1975 1st ex.s. c 86 s 9;  
34 (117) RCW 56.32.120 and 1967 c 197 s 13;  
35 (118) RCW 56.32.160 and 1987 c 449 s 9;  
36 (119) RCW 56.36.001 and 1989 c 84 s 55;  
37 (120) RCW 56.36.010 and 1982 1st ex.s. c 17 s 4 & 1969 ex.s. c 148  
38 s 1;  
39 (121) RCW 56.36.020 and 1969 ex.s. c 148 s 2;

- 1 (122) RCW 56.36.030 and 1971 ex.s. c 146 s 7 & 1969 ex.s. c 148 s  
2 3;  
3 (123) RCW 56.36.040 and 1982 c 104 s 1, 1981 c 45 s 6, & 1969 ex.s.  
4 c 148 s 4;  
5 (124) RCW 56.36.045 and 1988 c 162 s 3;  
6 (125) RCW 56.36.050 and 1969 ex.s. c 148 s 5;  
7 (126) RCW 56.36.060 and 1981 c 45 s 7 & 1969 ex.s. c 148 s 6;  
8 (127) RCW 56.40.010 and 1995 c 399 s 147 & 1993 c 45 s 1;  
9 (128) RCW 56.40.020 and 1995 c 399 s 148 & 1993 c 45 s 2; and  
10 (129) RCW 56.40.030 and 1993 c 45 s 3.

11 NEW SECTION. **Sec. 1703.** The following acts or parts of acts are  
12 each repealed:

- 13 (1) RCW 57.08.010 and 1994 c 81 s 81 & 1991 c 82 s 4;  
14 (2) RCW 57.08.045 and 1981 c 45 s 10, 1959 c 108 s 4, & 1953 c 251  
15 s 3;  
16 (3) RCW 57.08.080 and 1982 1st ex.s. c 17 s 12 & 1959 c 108 s 2;  
17 (4) RCW 57.08.090 and 1982 1st ex.s. c 17 s 13, 1977 ex.s. c 299 s  
18 1, & 1959 c 108 s 3;  
19 (5) RCW 57.08.130 and 1967 ex.s. c 135 s 2;  
20 (6) RCW 57.12.030 and 1994 c 223 s 69, 1982 1st ex.s. c 17 s 14,  
21 1979 ex.s. c 126 s 39, & 1959 c 18 s 4;  
22 (7) RCW 57.12.045 and 1987 c 449 s 13;  
23 (8) RCW 57.40.001 and 1989 c 84 s 62;  
24 (9) RCW 57.40.100 and 1982 1st ex.s. c 17 s 34 & 1971 ex.s. c 146  
25 s 1;  
26 (10) RCW 57.40.110 and 1971 ex.s. c 146 s 2;  
27 (11) RCW 57.40.120 and 1971 ex.s. c 146 s 3;  
28 (12) RCW 57.40.130 and 1982 c 104 s 3, 1981 c 45 s 12, & 1971 ex.s.  
29 c 146 s 4;  
30 (13) RCW 57.40.140 and 1971 ex.s. c 146 s 5; and  
31 (14) RCW 57.40.150 and 1981 c 45 s 13 & 1971 ex.s. c 146 s 6.

--- END ---