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   SHB 1031 - H AMD 038 ADOPTED
                                   3-6-91
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       By Representatives Braddock, Wood and Haugen
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        On page 5, line 1, strike "thereof" and insert "((thereof)) of the
6
   availability or use of water"
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    SHB 1031 - H AMD
8
        By Representative Braddock
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        On page 6, line 9, after "charges for" strike "water supplied" and
    insert "the use or availability of water ((supplied))"
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    SHB 1031 - H AMD
13
       By Representative Braddock
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        On page 11, after line 19, insert the following:
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                 RCW 57.08.080 and 1982 1st ex.s. c 17 s 12 are each
        "Sec. 9.
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    amended to read as follows:
        The commissioners shall enforce collection of the water connection
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    charges and rates and charges for use or availability of water
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    ((supplied against property owners connecting with the system and/or
   receiving such water)), such charges being deemed charges against the
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   property served, by addition of penalties of not more than ten percent
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   thereof in case of failure to pay the charges at times fixed by
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   resolution.
                 The commissioners may provide by resolution that where
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    either water connection charges or rates and charges for water supplied
   are delinquent for any specified period of time, the district shall
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    certify the delinquencies to the treasurer of the county in which the
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real property is located, and the charges and any penalties added

- 1 thereto and interest thereon at the rate of not more than eight percent
- 2 per year shall be a lien against the property upon which the service
- 3 was received, subject only to the lien for general taxes."
- 4 "Sec. 10. RCW 57.08.090 and 1982 1st ex.s. c 17 s 13 are each
- 5 amended to read as follows:
- 6 The district may, at any time after the connection charges or rates
- 7 and charges for the use or availability of water ((supplied)) and
- 8 penalties are delinquent for a period of sixty days, bring suit in
- 9 foreclosure by civil action in the superior court of the county in
- 10 which the real property is located. The court may allow, in addition
- 11 to the costs and disbursements provided by statute, such an attorney's
- 12 fee as it adjudges reasonable. The action shall be in rem, and may be
- 13 brought in the name of the district against an individual, or against
- 14 all of those who are delinquent in one action, and the laws and rules
- 15 of the court shall control as in other civil actions.
- In addition to the right to foreclose provided in this section, the
- 17 district may also cut off all or part of the service after charges for
- 18 water supplied are delinquent for a period of sixty days."
- 19 "Sec. 11. RCW 57.20.020 and 1983 c 167 s 164 are each amended to
- 20 read as follows:
- 21 (1) Whenever any issue or issues of water revenue bonds have been
- 22 authorized in compliance with the provisions of RCW 57.16.010 through
- 23 57.16.040, said bonds shall be in bearer form or registered as to
- 24 principal or interest or both, as provided in RCW 39.46.030, and may
- 25 provide for conversion between registered and coupon bonds; shall be in
- 26 such denominations, shall be numbered, shall bear such date, and shall
- 27 be payable at such time or times up to a maximum period of not to
- 28 exceed thirty years as shall be determined by the board of water
- 29 commissioners of the district; shall bear interest at such rate or

rates payable at such time or times as authorized by the board; shall 1 be payable at the office of the county treasurer of the county in which 2 3 the water district is located and may also be payable at such other 4 place or places as the board of water commissioners may determine; shall be executed by the president of the board of water commissioners 5 6 and attested and sealed by the secretary thereof, one of which signatures may, with the written permission of the signator whose 7 facsimile signature is being used, be a facsimile; and may have 8 facsimile signatures of said president or secretary imprinted on any 9 10 interest coupons in lieu of original signatures.

11 The water district commissioners shall have power and are required to create a special fund or funds for the sole purpose of paying the 12 13 interest and principal of such bonds into which special fund or funds 14 the said water district commissioners shall obligate and bind the water 15 district to set aside and pay a fixed proportion of the gross revenues of the water supply system or any fixed amount out of and not exceeding 16 17 a fixed proportion of such revenues, or a fixed amount or amounts 18 without regard to any fixed proportion and such bonds and the interest 19 thereof shall be payable only out of such special fund or funds, but 20 shall be a lien and charge against all revenues and payments received from any utility local improvement district or districts pledged to 21 secure such bonds, subject only to operating and maintenance expenses. 22 23 In creating any such special fund or funds the water district 24 commissioners of such water district shall have due regard to the cost 25 of operation and maintenance of the plant or system as constructed or added to and to any proportion or part of the revenue previously 26 27 pledged as a fund for the payment of bonds, warrants or other 28 indebtedness, and shall not set aside into such special fund a greater 29 amount or proportion of the revenue and proceeds than in their judgment will be available over and above such cost of maintenance and operation 30

and the amount or proportion, if any, of the revenue so previously

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pledged. Any such bonds and interest thereon issued against any such 1 2 fund as herein provided shall be a valid claim of the owner thereof 3 only as against the said special fund and its fixed proportion or 4 amount of the revenue pledged to such fund, and shall not constitute an indebtedness of such water district within the meaning of the 5 6 constitutional provisions and limitations. Each such bond shall state upon its face that it is payable from a special fund, naming the said 7 fund and the resolution creating it. Said bonds shall be sold in such 8 9 manner, at such price and at such rate or rates of interest as the 10 water district commissioners shall deem for the best interests of the water district, either at public or private sale, and the said 11 12 commissioners may provide in any contract for the construction and acquirement of the proposed improvement (and for the refunding of 13 14 outstanding local improvement district obligations, if any) that 15 payment therefor shall be made in such bonds at par value thereof.

When any such special fund shall have been heretofore or shall be 16 17 hereafter created and any such bonds shall have been heretofore or 18 shall hereafter be issued against the same a fixed proportion or a 19 fixed amount out of and not to exceed such fixed proportion, or a fixed 20 amount or amounts without regard to any fixed proportion, of revenue shall be set aside and paid into said special fund as provided in the 21 resolution creating such fund or authorizing such bonds, and in case 22 any water district shall fail thus to set aside and pay said fixed 23 24 proportion or amount as aforesaid, the owner of any bond payable from 25 such special fund may bring suit or action against the water district and compel such setting aside and payment. 26

- (2) Notwithstanding subsection (1) of this section, such bonds may be issued and sold in accordance with chapter 39.46 RCW.
- (3) The water district commissioners of any water district, in the event that such water revenue bonds are issued, shall provide for revenues by fixing rates and charges for the ((furnishing of water)

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1 supply to those receiving such service)) use or availability of water,
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- 2 such rates and charges to be fixed as deemed necessary by such water
- 3 district commissioners, so that uniform charges will be made for the
- 4 same class of customer or service.
- 5 In classifying customers served or service furnished by such water
- 6 supply system, the board of water commissioners may in its discretion
- 7 consider any or all of the following factors: The difference in cost
- 8 of service to the various customers; the location of the various
- 9 customers within and without the district; the difference in cost of
- 10 maintenance, operation, repair and replacement of the various parts of
- 11 the system; the different character of the service furnished various
- 12 customers; the quantity and quality of the water furnished; the time of
- 13 its use; capital contributions made to the system including but not
- 14 limited to assessments; and any other matters which present a
- 15 reasonable difference as a ground for distinction. Such rates shall be
- 16 made on a monthly basis as may be deemed proper by such commissioners
- 17 and as fixed by resolution and shall produce revenues sufficient to
- 18 take care of the costs of maintenance and operation, revenue bond and
- 19 warrant interest and principal amortization requirements and all other
- 20 charges necessary for efficient and proper operation of the system."
- 21 **SHB 1031** H AMD
- 22 By Representative Braddock
- 23
- 24 In line 2 of the title, after "57.08.120," strike "and 57.12.015;"
- 25 and insert "57.12.015, 57.08.080, 57.08.090, and 57.20.020;"