

1 1031-S.E AAS 4/16/91

2 **ESHB 1031** - S COMM AMD

3 By Committee on Energy & Utilities

4 Adopted as Amended 4/16/91 - Voice Vote

5 Strike everything after the enacting clause and insert the
6 following:

7 "Sec. 1. RCW 56.08.100 and 1981 c 190 s 5 are each amended to read
8 as follows:

9 A sewer district, by a majority vote of its board of commissioners,
10 may enter into contracts to provide health care services and/or group
11 insurance and/or term life insurance and/or social security insurance
12 for the benefit of its employees and may pay all or any part of the
13 cost thereof. Any two or more sewer districts or one or more sewer
14 districts and one or more water districts, by a majority vote of their
15 respective boards of commissioners, may, if deemed expedient, join in
16 the procuring of such health care services and/or group insurance
17 and/or term life insurance, and the board of commissioners of each
18 participating sewer and/or water district may by appropriate resolution
19 authorize their respective district to pay all or any portion of the
20 cost thereof.

21 A sewer district with five thousand or more customers providing
22 health, group, or life insurance to its employees may provide its
23 commissioners with the same coverage: PROVIDED, That the per person
24 amounts for such insurance paid by the district shall not exceed the
25 per person amounts paid by the district for its employees."

26 "Sec. 2. RCW 56.08.140 and 1967 c 178 s 3 are each amended to read
27 as follows:

1 No such lease shall be made unless secured by a bond conditioned on
2 the performance of the terms of the lease, with surety satisfactory to
3 the commissioners, in a penalty of not less than one-sixth of the term
4 of the lease or for one year's rental, whichever is greater; and no
5 such lease shall be made for a term longer than twenty-five years.
6 However, the board of commissioners may require a reasonable security
7 deposit in lieu of a bond on leased real property owned by the water or
8 sewer district."

9 "NEW SECTION. **Sec. 3.** A new section is added to chapter 56.08 RCW
10 to read as follows:

11 A district may operate and maintain a park or recreational
12 facilities on real property that it owns or in which it has an interest
13 that is not immediately necessary for its purposes.

14 If such park or recreational facilities are operated by a person
15 other than the district, including a corporation, partnership, or other
16 business enterprise, the person shall indemnify and hold harmless the
17 district for any injury or damage caused by the action of the person."

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

20 (1) (a) A water district may acquire by purchase or condemnation,
21 or both, all property and property rights and all water and water
22 rights, both within and without the district, necessary for its
23 purposes.

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

1 (c) The right of eminent domain shall be exercised in the same
2 manner and by the same procedure as provided for cities of the third
3 class, insofar as consistent with the provisions of this title, except
4 that all assessment rolls to be prepared and filed by eminent domain
5 commissioners or commissioners appointed by the court shall be prepared
6 and filed by the water district, and the duties devolving upon the city
7 treasurer are hereby imposed upon the county treasurer.

8 (d) A water district may construct, condemn and purchase, purchase,
9 add to, maintain, and supply waterworks to furnish the district and
10 inhabitants thereof, and any city or town therein and any other
11 persons, both within and without the district, with an ample supply of
12 water for all uses and purposes public and private with full authority
13 to regulate and control the use, content, distribution, and price
14 thereof in such a manner as is not in conflict with general law and may
15 construct, acquire, or own buildings and other necessary district
16 facilities. Where a customer connected to the district's system uses
17 the water on an intermittent or transient basis, a district may charge
18 for providing water service to such a customer, regardless of the
19 amount of water, if any, used by the customer.

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

29 (f) Such electricity may be used by the water district or sold to
30 any entity authorized by law to distribute electricity. Such

1 electricity is a byproduct when the electrical generation is
2 subordinate to the primary purpose of water supply.

3 (g) For such purposes, a water district may take, condemn and
4 purchase, purchase, acquire, and retain water from any public or
5 navigable lake, river, or watercourse, or any underflowing water and,
6 by means of aqueducts or pipe line conduct the same throughout such
7 water district and any city or town therein and carry it along and upon
8 public highways, roads, and streets, within and without such district.

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

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

22 (2) A water district may purchase and take water from any municipal
23 corporation.

24 (3) A water district may fix rates and charges for water supplied
25 and may charge property owners seeking to connect to the district's
26 water supply system, as a condition to granting the right to so
27 connect, in addition to the cost of such connection, such reasonable
28 connection charge as the board of commissioners shall determine to be
29 proper in order that such property owners shall bear their equitable
30 share of the cost of such system.

1 (a) For purposes of calculating a connection charge, the board of
2 commissioners shall determine the pro rata share of the cost of
3 existing facilities and facilities planned for construction within the
4 next ten years and contained in an adopted comprehensive plan and other
5 costs borne by the district which are directly attributable to the
6 improvements required by property owners seeking to connect to the
7 system. The cost of existing facilities shall not include those
8 portions of the system which have been donated or which have been paid
9 for by grants.

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

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

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

27 (5) A district may operate and maintain a park or recreational
28 facilities on real property that it owns or in which it has an interest
29 that is not immediately necessary for its purposes.

1 (6) If such park or recreational facilities are operated by a
2 person other than the district, including a corporation, partnership,
3 or other business enterprise, the person shall indemnify and hold
4 harmless the district for any injury or damage caused by the action of
5 the person."

6 **"Sec. 5.** RCW 57.08.100 and 1981 c 190 s 6 are each amended to read
7 as follows:

8 A water district, by a majority vote of its board of commissioners,
9 may enter into contracts to provide health care services and/or group
10 insurance and/or term life insurance and/or social security insurance
11 for the benefit of its employees and may pay all or any part of the
12 cost thereof. Any two or more water districts or any one or more water
13 districts and one or more sewer districts, by a majority vote of their
14 respective boards of commissioners, may, if deemed expedient, join in
15 the procuring of such health care services and/or group insurance
16 and/or term life insurance, and the board of commissioners of each
17 participating sewer and/or water district may by appropriate resolution
18 authorize their respective district to pay all or any portion of the
19 cost thereof.

20 A water district with five thousand or more customers providing
21 health, group, or life insurance to its employees may provide its
22 commissioners with the same coverage: PROVIDED, That the per person
23 amounts for such insurance paid by the district shall not exceed the
24 per person amounts paid by the district for its employees."

25 **"Sec. 6.** RCW 57.08.120 and 1967 ex.s. c 135 s 1 are each amended
26 to read as follows:

27 A water district may lease out real property which it owns or in
28 which it has an interest and which is not immediately necessary for its

1 purposes upon such terms as the board of water commissioners deems
2 proper: PROVIDED, That no such lease shall be made until the water
3 district has first caused notice thereof to be published twice in a
4 newspaper in general circulation in the water district, the first
5 publication to be at least fifteen days and the second at least seven
6 days prior to the making of such lease, which notice shall describe the
7 property proposed to be leased out, to whom, for what purpose, and the
8 rental to be charged therefor. A hearing shall be held pursuant to the
9 terms of the said notice, at which time any and all persons who may be
10 interested shall have the right to appear and to be heard.

11 No such lease shall be for a period longer than twenty-five years,
12 and each lease of real property shall be secured by a bond conditioned
13 to perform the terms of such lease with surety satisfactory to the
14 commissioners, in a penalty not less than the rental for one-sixth of
15 the term: PROVIDED, That the penalty shall not be less than the rental
16 for one year where the term is one year or more. In a lease, the term
17 of which exceeds five years, and when at the option of the
18 commissioners, it is so stipulated in the lease, the commission shall
19 accept, with surety satisfactory to it, a bond conditioned to perform
20 the terms of the lease for some part of the term, in no event less than
21 five years (unless the remainder of the unexpired term is less than
22 five years, in which case for the full remainder) and in every such
23 case the commissioners shall require of the lessee, another or other
24 like bond to be delivered within two years, and not less than one year
25 prior to the expiration of the period covered by the existing bond,
26 covering an additional part of the term in accordance with the
27 foregoing provisions in respect to the original bond, and so on until
28 the end of the term so that there will always be in force a bond
29 securing the performance of the lease, and the penalty in each bond
30 shall be not less than the rental for one-half the period covered

1 thereby, but no bond shall be construed to secure the furnishing of any
2 other bond. However, the board of commissioners may require a
3 reasonable security deposit in lieu of a bond on leased real property
4 owned by a water district.

5 The commissioners may accept as surety on any bond required by this
6 section, either an approved surety company or one or more persons
7 satisfactory to the commissioners, or in lieu of such bond may accept
8 a deposit as security of such property or collateral or the giving of
9 such other form of security as may be satisfactory to the
10 commissioners."

11 "NEW SECTION. Sec. 7. A new section is added to chapter 57.08 RCW
12 to read as follows:

13 A water district may adopt a water conservation plan and emergency
14 water use restrictions. The district may enforce a water conservation
15 plan and emergency water use restrictions by imposing a fine as
16 provided by resolution for failure to comply with any such plan or
17 restrictions. The commissioners may provide by resolution that if a
18 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."

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2 By Committee on Energy & Utilities

3 Adopted as Amended 4/16/91 - Voice Vote

4 On page 1, line 1 of the title, after "districts;" strike the
5 remainder of the title and insert "amending RCW 56.08.100, 56.08.140,
6 57.08.100, and 57.08.120; reenacting and amending RCW 57.08.010; adding
7 a new section to chapter 56.08 RCW; and adding a new section to
8 chapter 57.08 RCW."