

2 **SB 5650 - H AMD 517 ADOPTED 4-10-97**

3 By Representative D. Schmidt

4

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

7 "NEW SECTION. **Sec. 1.** A new section is added to chapter 35.13A
8 RCW to read as follows:

9 The board of commissioners of a water-sewer district, with fewer
10 than one hundred twenty customers on the effective date of this act,
11 may by resolution declare that it is in the best interests of the
12 district for a city, with a population greater than one hundred
13 thousand on the effective date of this act, to assume jurisdiction of
14 the district. None of the territory or assessed valuation of the
15 district need be included within the corporate boundaries of the city.
16 If the city legislative body agrees to assume jurisdiction of the
17 district, the district and the city shall enter into a contract under
18 RCW 35.13A.070, acceptable to both the district and the city, to carry
19 out the assumption. The contract must provide for the transfer to the
20 city of all real and personal property, franchises, rights, assets,
21 taxes levied but not collected for the district for other than
22 indebtedness, water and sewer lines, and all other facilities and
23 equipment of the district. The transfers are subject to all financial,
24 statutory, or contractual obligations of the district for the security
25 or performance of which the property may have been pledged. The city
26 may manage, control, maintain, and operate the property, facilities,
27 and equipment and fix and collect service and other charges from owners
28 and occupants of properties so served by the city. However, the
29 actions of the city are subject to any outstanding indebtedness, bonded
30 or otherwise, of the district payable from taxes, assessments, or
31 revenues of any kind or nature and to any other contractual obligations
32 of the district, including but not limited to the contract entered into
33 by the city and the district under RCW 35.13A.070.

34 Under the contract, the city may assume the obligation of paying
35 the district indebtedness and of levying and collecting or causing to
36 be collected the district taxes, assessments, and utility rates and

1 charges of any kind or nature to pay and secure the payment of the
2 indebtedness, according to all terms, conditions, and covenants
3 incident to the indebtedness. The city shall assume and perform all
4 other outstanding contractual obligations of the district in accordance
5 with all of their terms, conditions, and covenants. The assumption
6 does not impair the obligation of any indebtedness or other contractual
7 obligation entered into after the effective date of this act. Until
8 the outstanding indebtedness of the district has been discharged, the
9 territory of the district and the owners and occupants of property in
10 it, continue to be liable for its and their proportionate share of the
11 indebtedness, including outstanding assessments levied by a local
12 improvement district or utility local improvement district within the
13 water-sewer district. The city shall assume the obligation of paying
14 the indebtedness, collecting the assessments and charges, and observing
15 and performing the other district contractual obligations. The
16 legislative body of the city shall act as the officers of the district
17 for the purpose of certifying the amount of any property tax to be
18 levied and collected in the district, and causing service and other
19 charges and assessments to be collected from the property or owners or
20 occupants of it, enforcing the collection, and performing all other
21 acts necessary to insure performance of the district's contractual
22 obligations.

23 When the city assumes the obligation of paying the outstanding
24 indebtedness, and if property taxes or assessments have been levied and
25 service or other charges have accrued for that purpose but have not
26 been collected by the district before the assumption, the taxes,
27 assessments, and charges collected belong and must be paid to the city
28 and used by the city so far as necessary for payment of indebtedness of
29 the district that existed and was unpaid on the date the city elected
30 to assume the indebtedness. Funds received by the city that have been
31 collected for the purpose of paying bonded or other indebtedness of the
32 district must be used for the purpose for which they were collected and
33 for no other purpose. Outstanding indebtedness must be paid as
34 provided in the bond covenants. The city shall use funds of the
35 district on deposit with the county treasurer at the time of title
36 transfer solely for the benefit of the utility, and shall not transfer
37 them to or use them for the benefit of the city's general fund.

38 This section expires December 31, 1998.

1 **Sec. 2.** RCW 35.13A.070 and 1971 ex.s. c 95 s 7 are each amended to
2 read as follows:

3 Notwithstanding any provision of this chapter to the contrary, one
4 or more cities and one or more (~~water districts or sewer~~) districts
5 may, through their legislative authorities, authorize a contract with
6 respect to the rights, powers, duties, and obligation of such cities,
7 or districts with regard to the use and ownership of property, the
8 providing of services, the maintenance and operation of facilities,
9 allocation of cost, financing and construction of new facilities,
10 application and use of assets, disposition of liabilities and debts,
11 the performance of contractual obligations, and any other matters
12 arising out of the inclusion, in whole or in part, of the district or
13 districts within any city or cities, or the assumption by the city of
14 jurisdiction of a district under section 1 of this act. The contract
15 may provide for the furnishing of services by any party thereto and the
16 use of city or district facilities or real estate for such purpose, and
17 may also provide for the time during which such district or districts
18 may continue to exercise any rights, privileges, powers, and functions
19 provided by law for such district or districts as if the district or
20 districts or portions thereof were not included within a city or were
21 not subject to an assumption of jurisdiction under section 1 of this
22 act, including but not by way of limitation, the right to promulgate
23 rules and regulations, to levy and collect special assessments, rates,
24 charges, service charges, and connection fees, (~~and~~) to adopt and
25 carry out the provisions of a comprehensive plan, and amendments
26 thereto, for a system of improvements, and to issue general obligation
27 bonds or revenue bonds in the manner provided by law. The contract may
28 provide for the transfer to a city of district facilities, property,
29 rights, and powers as provided in RCW 35.13A.030 (~~and~~), 35.13A.050,
30 and section 1 of this act, whether or not sixty percent or any of the
31 area or assessed valuation of real estate lying within the district or
32 districts is included within such city. The contract may provide that
33 any party thereto may authorize, issue, and sell revenue bonds to
34 provide funds for new water or sewer improvements or to refund any
35 water revenue, sewer revenue, or combined water and sewer revenue bonds
36 outstanding of any city, or district which is a party to such contract
37 if such refunding is deemed necessary, providing such refunding will
38 not increase interest costs. The contract may provide that any party
39 thereto may authorize and issue, in the manner provided by law, general

1 obligation or revenue bonds of like amounts, terms, conditions, and
2 covenants as the outstanding bonds of any other party to the contract,
3 and such new bonds may be substituted or exchanged for such outstanding
4 bonds(~~(: PROVIDED, That)~~). However, no such exchange or substitution
5 shall be effected in such a manner as to impair the obligation or
6 security of any such outstanding bonds.

7 **Sec. 3.** RCW 35.13A.080 and 1971 ex.s. c 95 s 8 are each amended to
8 read as follows:

9 In any of the cases provided for in RCW 35.13A.020, 35.13A.030,
10 (~~and~~) 35.13A.050, and section 1 of this act, and notwithstanding any
11 other method of dissolution provided by law, dissolution proceedings
12 may be initiated by either the city or the district, or both, when the
13 legislative body of the city and the governing body of the district
14 agree to, and petition for, dissolution of the district.

15 The petition for dissolution shall be signed by the chief
16 administrative officer of the city and the district, upon authorization
17 of the legislative body of the city and the governing body of the
18 district, respectively and such petition shall be presented to the
19 superior court of the county in which the city is situated.

20 If the petition is thus authorized by both the city and district,
21 and title to the property, facilities, and equipment of the district
22 has passed to the city pursuant to action taken under this chapter, all
23 indebtedness and local improvement district or utility local
24 improvement district assessments of the district have been discharged
25 or assumed by and transferred to the city, and the petition contains a
26 statement of the distribution of assets and liabilities mutually agreed
27 upon by the city and the district and a copy of the agreement between
28 such city and the district is attached thereto, a hearing shall not be
29 required and the court shall, if the interests of all interested
30 parties have been protected, enter an order dissolving the district.

31 In any of the cases provided for in RCW 35.13A.020 (~~and~~),
32 35.13A.030, and section 1 of this act, if the petition for an order of
33 dissolution is signed on behalf of the city alone or the district
34 alone, or there is no mutual agreement on the distribution of assets
35 and liabilities, the superior court shall enter an order fixing a
36 hearing date not less than sixty days from the day the petition is
37 filed, and the clerk of the court of the county shall give notice of
38 such hearing by publication in a newspaper of general circulation in

1 the district once a week for three successive weeks and by posting in
2 three public places in the district at least twenty-one days before the
3 hearing. The notice shall set forth the filing of the petition, its
4 purposes, and the date and place of hearing thereon.

5 After the hearing the court shall enter its order with respect to
6 the dissolution of the district. If the court finds that such district
7 should be dissolved and the functions performed by the city, the court
8 shall provide for the transfer of assets and liabilities to the city.
9 The court may provide for the dissolution of the district upon such
10 conditions as the court may deem appropriate. A certified copy of the
11 court order dissolving the district shall be filed with the county
12 auditor. If the court does not dissolve the district, it shall state
13 the reasons for declining to do so.

14 **Sec. 4.** RCW 57.04.050 and 1996 c 230 s 204 are each amended to
15 read as follows:

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

36 District YES |
37 District NO |

1 giving the name of the district as provided in the petition. The
2 proposition to be effective must be)) The district shall be created if
3 the ballot proposition authorizing the district to be created is
4 approved by a majority of the voters voting on the proposition.

5 A separate ballot proposition authorizing the district, if created,
6 to impose a single-year excess levy for the preliminary expenses of the
7 district shall be submitted to voters for their approval or rejection
8 at the same special election ((a proposition shall be submitted to the
9 voters, for their approval or rejection, authorizing the district, if
10 formed, to impose on all property located in the district a general tax
11 for one year, in excess of the limitations provided by law)), if the
12 petition to create the district also proposed that a ballot proposition
13 authorizing an excess levy be submitted to voters for their approval or
14 rejection. The excess levy shall be proposed in the amount specified
15 in the petition to create the district, not to exceed one dollar and
16 twenty-five cents per thousand dollars of assessed value, ((for general
17 preliminary expenses of the district, that proposition to be expressed
18 on the ballots in the following terms:

19 One year dollars and cents per
20 thousand dollars of assessed value tax YES |
21 | NO |

22 Such a ballot proposition)) and may only be submitted to voters for
23 their approval or rejection if the special election is held in
24 February, March, April, or May. The proposition to be effective must
25 be approved ((by at least three-fifths of the voters voting on the
26 proposition)) in the manner set forth in Article VII, section 2(a) of
27 the state Constitution.

28 **Sec. 5.** RCW 57.08.005 and 1996 c 230 s 301 are each amended to
29 read as follows:

30 A district shall have the following powers:
31 (1) To acquire by purchase or condemnation, or both, all lands,
32 property and property rights, and all water and water rights, both
33 within and without the district, necessary for its purposes. The right
34 of eminent domain shall be exercised in the same manner and by the same
35 procedure as provided for cities and towns, insofar as consistent with
36 this title, except that all assessment or reassessment rolls to be
37 prepared and filed by eminent domain commissioners or commissioners

1 appointed by the court shall be prepared and filed by the district, and
2 the duties devolving upon the city treasurer are imposed upon the
3 county treasurer;

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

7 (3) To construct, condemn and purchase, add to, maintain, and
8 supply waterworks to furnish the district and inhabitants thereof and
9 any other persons, both within and without the district, with an ample
10 supply of water for all uses and purposes public and private with full
11 authority to regulate and control the use, content, distribution, and
12 price thereof in such a manner as is not in conflict with general law
13 and may construct, acquire, or own buildings and other necessary
14 district facilities. Where a customer connected to the district's
15 system uses the water on an intermittent or transient basis, a district
16 may charge for providing water service to such a customer, regardless
17 of the amount of water, if any, used by the customer. District
18 waterworks may include facilities which result in combined water supply
19 and electric generation, if the electricity generated thereby is a
20 byproduct of the water supply system. That electricity may be used by
21 the district or sold to any entity authorized by law to use or
22 distribute electricity. Electricity is deemed a byproduct when the
23 electrical generation is subordinate to the primary purpose of water
24 supply. For such purposes, a district may take, condemn and purchase,
25 acquire, and retain water from any public or navigable lake, river or
26 watercourse, or any underflowing water, and by means of aqueducts or
27 pipeline conduct the same throughout the district and any city or town
28 therein and carry it along and upon public highways, roads, and
29 streets, within and without such district. For the purpose of
30 constructing or laying aqueducts or pipelines, dams, or waterworks or
31 other necessary structures in storing and retaining water or for any
32 other lawful purpose such district may occupy the beds and shores up to
33 the high water mark of any such lake, river, or other watercourse, and
34 may acquire by purchase or condemnation such property or property
35 rights or privileges as may be necessary to protect its water supply
36 from pollution. For the purposes of waterworks which include
37 facilities for the generation of electricity as a byproduct, nothing in
38 this section may be construed to authorize a district to condemn
39 electric generating, transmission, or distribution rights or facilities

1 of entities authorized by law to distribute electricity, or to acquire
2 such rights or facilities without the consent of the owner;

3 (4) To purchase and take water from any municipal corporation,
4 private person, or entity. A district contiguous to Canada may
5 contract with a Canadian corporation for the purchase of water and for
6 the construction, purchase, maintenance, and supply of waterworks to
7 furnish the district and inhabitants thereof and residents of Canada
8 with an ample supply of water under the terms approved by the board of
9 commissioners;

10 (5) To construct, condemn and purchase, add to, maintain, and
11 operate systems of sewers for the purpose of furnishing the district,
12 the inhabitants thereof, and persons outside the district with an
13 adequate system of sewers for all uses and purposes, public and
14 private, including but not limited to on-site sewage disposal
15 facilities, approved septic tanks or approved septic tank systems,
16 other facilities and systems for the collection, interception,
17 treatment, and disposal of wastewater, and for the control of pollution
18 from wastewater (~~and for the protection, preservation, and~~
19 ~~rehabilitation of surface and underground waters, facilities for the~~
20 ~~drainage and treatment of storm or surface waters, public highways,~~
21 ~~streets, and roads~~)) with full authority to regulate the use and
22 operation thereof and the service rates to be charged. Sewage
23 facilities may include facilities which result in combined sewage
24 disposal(~~(or)~~) or treatment(~~(or drainage)~~) and electric generation,
25 except that the electricity generated thereby is a byproduct of the
26 system of sewers. Such electricity may be used by the district or sold
27 to any entity authorized by law to distribute electricity. Electricity
28 is deemed a byproduct when the electrical generation is subordinate to
29 the primary purpose of sewage disposal(~~(or)~~) or treatment(~~(or drainage)~~). For such purposes a district may conduct sewage throughout
30 the district and throughout other political subdivisions within the
31 district, and construct and lay sewer pipe along and upon public
32 highways, roads, and streets, within and without the district, and
33 condemn and purchase or acquire land and rights of way necessary for
34 such sewer pipe. A district may erect sewage treatment plants within
35 or without the district, and may acquire, by purchase or condemnation,
36 properties or privileges necessary to be had to protect any lakes,
37 rivers, or watercourses and also other areas of land from pollution
38 from its sewers or its sewage treatment plant. For the purposes of
39

1 sewage facilities which include facilities that result in combined
2 sewage disposal(~~(-)~~) or treatment(~~(-, or drainage)~~) and electric
3 generation where the electric generation is a byproduct, nothing in
4 this section may be construed to authorize a district to condemn
5 electric generating, transmission, or distribution rights or facilities
6 of entities authorized by law to distribute electricity, or to acquire
7 such rights or facilities without the consent of the owners;

8 (6) To construct, condemn and purchase, add to, maintain, and
9 operate systems of drainage for the benefit and use of the district,
10 the inhabitants thereof, and persons outside the district with an
11 adequate system of drainage, including but not limited to facilities
12 and systems for the collection, interception, treatment, and disposal
13 of storm or surface waters, and for the protection, preservation, and
14 rehabilitation of surface and underground waters, and drainage
15 facilities for public highways, streets, and roads, with full authority
16 to regulate the use and operation thereof and the service rates to be
17 charged. Drainage facilities may include natural systems. Drainage
18 facilities may include facilities which result in combined drainage
19 facilities and electric generation, except that the electricity
20 generated thereby is a byproduct of the drainage system. Such
21 electricity may be used by the district or sold to any entity
22 authorized by law to distribute electricity. Electricity is deemed a
23 byproduct when the electrical generation is subordinate to the primary
24 purpose of drainage collection, disposal, and treatment. For such
25 purposes, a district may conduct storm or surface water throughout the
26 district and throughout other political subdivisions within the
27 district, construct and lay drainage pipe and culverts along and upon
28 public highways, roads, and streets, within and without the district,
29 and condemn and purchase or acquire land and rights of way necessary
30 for such drainage systems. A district may provide or erect facilities
31 and improvements for the treatment and disposal of storm or surface
32 water within or without the district, and may acquire, by purchase or
33 condemnation, properties or privileges necessary to be had to protect
34 any lakes, rivers, or watercourses and also other areas of land from
35 pollution from storm or surface waters. For the purposes of drainage
36 facilities which include facilities that also generate electricity as
37 a byproduct, nothing in this section may be construed to authorize a
38 district to condemn electric generating, transmission, or distribution
39 rights or facilities of entities authorized by law to distribute

1 electricity, or to acquire such rights or facilities without the
2 consent of the owners;

3 (7) To construct, condemn, acquire, and own buildings and other
4 necessary district facilities;

5 ~~((+7))~~ (8) To compel all property owners within the district
6 located within an area served by the district's system of sewers to
7 connect their private drain and sewer systems with the district's
8 system under such penalty as the commissioners shall prescribe by
9 resolution. The district may for such purpose enter upon private
10 property and connect the private drains or sewers with the district
11 system and the cost thereof shall be charged against the property owner
12 and shall be a lien upon property served;

13 ~~((+8))~~ (9) Where a district contains within its borders, abuts, or
14 is located adjacent to any lake, stream, ground water as defined by RCW
15 90.44.035, or other waterway within the state of Washington, to provide
16 for the reduction, minimization, or elimination of pollutants from
17 those waters in accordance with the district's comprehensive plan, and
18 to issue general obligation bonds, revenue bonds, local improvement
19 district bonds, or utility local improvement bonds for the purpose of
20 paying all or any part of the cost of reducing, minimizing, or
21 eliminating the pollutants from these waters;

22 ~~((+9))~~ (10) To fix rates and charges for water, sewer, and drain
23 service supplied and to charge property owners seeking to connect to
24 the district's systems, as a condition to granting the right to so
25 connect, in addition to the cost of the connection, such reasonable
26 connection charge as the board of commissioners shall determine to be
27 proper in order that those property owners shall bear their equitable
28 share of the cost of the system. For the purposes of calculating a
29 connection charge, the board of commissioners shall determine the pro
30 rata share of the cost of existing facilities and facilities planned
31 for construction within the next ten years and contained in an adopted
32 comprehensive plan and other costs borne by the district which are
33 directly attributable to the improvements required by property owners
34 seeking to connect to the system. The cost of existing facilities
35 shall not include those portions of the system which have been donated
36 or which have been paid for by grants. The connection charge may
37 include interest charges applied from the date of construction of the
38 system until the connection, or for a period not to exceed ten years,
39 whichever is shorter, at a rate commensurate with the rate of interest

1 applicable to the district at the time of construction or major
2 rehabilitation of the system, or at the time of installation of the
3 lines to which the property owner is seeking to connect. A district
4 may permit payment of the cost of connection and the reasonable
5 connection charge to be paid with interest in installments over a
6 period not exceeding fifteen years. The county treasurer may charge
7 and collect a fee of three dollars for each year for the treasurer's
8 services. Those fees shall be a charge to be included as part of each
9 annual installment, and shall be credited to the county current expense
10 fund by the county treasurer. Revenues from connection charges
11 excluding permit fees are to be considered payments in aid of
12 construction as defined by department of revenue rule.

13 Except as otherwise provided in RCW 90.03.525, any public entity
14 and public property, including the state of Washington and state
15 property, shall be subject to rates and charges for sewer, water, storm
16 water control, drainage, and street lighting facilities to the same
17 extent private persons and private property are subject to those rates
18 and charges that are imposed by districts. In setting those rates and
19 charges, consideration may be made of in-kind services, such as stream
20 improvements or donation of property;

21 ~~((10))~~ (11) To contract with individuals, associations and
22 corporations, the state of Washington, and the United States;

23 ~~((11))~~ (12) To employ such persons as are needed to carry out the
24 district's purposes and fix salaries and any bond requirements for
25 those employees;

26 ~~((12))~~ (13) To contract for the provision of engineering, legal,
27 and other professional services as in the board of commissioner's
28 discretion is necessary in carrying out their duties;

29 ~~((13))~~ (14) To sue and be sued;

30 ~~((14))~~ (15) To loan and borrow funds and to issue bonds and
31 instruments evidencing indebtedness under chapter 57.20 RCW and other
32 applicable laws;

33 ~~((15))~~ (16) To transfer funds, real or personal property,
34 property interests, or services subject to RCW 57.08.015;

35 ~~((16))~~ (17) To levy taxes in accordance with this chapter and
36 chapters 57.04 and 57.20 RCW;

37 ~~((17))~~ (18) To provide for making local improvements and to levy
38 and collect special assessments on property benefitted thereby, and for

1 paying for the same or any portion thereof in accordance with chapter
2 57.16 RCW;

3 ~~((18))~~ (19) To establish street lighting systems under RCW
4 57.08.060;

5 ~~((19))~~ (20) To exercise such other powers as are granted to
6 water-sewer districts by this title or other applicable laws; and

7 ~~((20))~~ (21) To exercise any of the powers granted to cities and
8 counties with respect to the acquisition, construction, maintenance,
9 operation of, and fixing rates and charges for waterworks and systems
10 of sewerage and drainage.

11 **Sec. 6.** RCW 57.08.014 and 1996 c 230 s 304 are each amended to
12 read as follows:

13 In addition to the authority of a district to establish
14 classifications for rates and charges and impose such rates and
15 charges, a district may adjust or delay those rates and charges for
16 low-income persons or classes of low-income persons, including but not
17 limited to, ~~((peer))~~ low-income handicapped persons and ~~((peer))~~ low-
18 income senior citizens. Other financial assistance available to low-
19 income persons shall be considered in determining charges and rates
20 under this section. Notification of special rates or charges
21 established under this section shall be provided to all persons served
22 by the district annually and upon initiating service. Information on
23 cost shifts caused by establishment of the special rates or charges
24 shall be included in the notification. Any reduction in charges and
25 rates granted to low-income persons in one part of a service area shall
26 be uniformly extended to low-income persons in all other parts of the
27 service area.

28 **Sec. 7.** RCW 57.08.030 and 1996 c 230 s 307 are each amended to
29 read as follows:

30 (1) Whenever any district shall have installed a distributing
31 system of water mains and laterals, and as a source of supply of water
32 shall be purchasing or intending to purchase water from any city or
33 town, and whenever it appears to be advantageous to the water consumers
34 in the district that such city or town shall take over the water system
35 of the district and supply water to those water users, the
36 commissioners of the district, when authorized as provided in
37 subsection (2) of this section, shall have the right to convey the

1 distributing system to that city or town if that city or town is
2 willing to accept, maintain, and repair the same.

3 (2) Should the commissioners of the district decide that it would
4 be to the advantage of the water consumers of the district to make the
5 conveyance provided for in subsection (1) of this section, they shall
6 cause the proposition of making that conveyance to be submitted to the
7 voters of the district at any general election or at a special election
8 to be called for the purpose of voting on the same. If at the election
9 a majority of the voters voting on the proposition shall be in favor of
10 making the conveyance, the district commissioners shall have the right
11 to convey to the city or town the mains and laterals belonging to the
12 district upon the city or town entering into a contract satisfactory to
13 the commissioners to maintain and repair the same.

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

27 **Sec. 8.** RCW 57.08.044 and 1996 c 230 s 309 are each amended to
28 read as follows:

29 A district may enter into contracts with any county, city, town, or
30 any other municipal or quasi-municipal corporation, or with any private
31 person or corporation, for the acquisition, ownership, use, and
32 operation of any property, facilities, or services, within or without
33 the district, and necessary or desirable to carry out the purposes of
34 the district. A district may provide water, sewer, drainage, or street
35 lighting services to property owners in areas within or without the
36 limits of the district, except that if the area to be served is located
37 within another existing district duly authorized to exercise district
38 powers in that area, then water, sewer, drainage, or street lighting

1 service may not be so provided by contract or otherwise without the
2 consent by resolution of the board of commissioners of that other
3 district.

4 **Sec. 9.** RCW 57.08.047 and 1996 c 230 s 310 are each amended to
5 read as follows:

6 The provision of water ~~((or))~~, sewer, or drainage service beyond
7 the boundaries of a district may be subject to potential review by a
8 boundary review board under chapter 36.93 RCW.

9 **Sec. 10.** RCW 57.08.050 and 1996 c 230 s 311 and 1996 c 18 s 14 are
10 each reenacted and amended to read as follows:

11 (1) All ~~((work))~~ projects ordered, the estimated cost of which is
12 in excess of ~~((five))~~ ten thousand dollars, shall be let by contract.
13 The cost of a project is the aggregate amount to be paid for all labor,
14 materials, supplies, and equipment of a continuous or interrelated
15 project if the work is to be performed simultaneously or in close
16 sequence. All contract projects, the estimated cost of which is less
17 than fifty thousand dollars, may be awarded to a contractor using the
18 small works roster process provided in RCW 39.04.155. The board of
19 commissioners may set up uniform procedures to prequalify contractors
20 for inclusion on the small works roster. All contract projects equal
21 to or in excess of fifty thousand dollars shall be let by competitive
22 bidding. Before awarding any such contract the board of commissioners
23 shall publish a notice in a newspaper of general circulation where the
24 district is located at least once thirteen days before the last date
25 upon which bids will be received, inviting sealed proposals for such
26 work, plans and specifications ~~((which))~~. The work plans and
27 specifications must at the time of publication of such notice be on
28 file in the office of the board of commissioners and be subject to
29 ~~((the))~~ public inspection. The notice shall state generally the work
30 to be done and shall call for proposals for doing the same to be sealed
31 and filed with the board of water commissioners on or before the day
32 and hour named therein.

33 Each bid shall be accompanied by a certified or cashier's check or
34 postal money order payable to the order of the county treasurer for a
35 sum not less than five percent of the amount of the bid, or accompanied
36 by a bid bond in an amount not less than five percent of the bid with
37 a corporate surety licensed to do business in the state, conditioned

1 that the bidder will pay the district as liquidated damages the amount
2 specified in the bond, unless the bidder enters into a contract in
3 accordance with the bidder's bid, and no bid shall be considered unless
4 accompanied by such check, cash or bid bond. At the time and place
5 named such bids shall be publicly opened and read and the board of
6 commissioners shall proceed to canvass the bids and may let such
7 contract to the lowest responsible bidder upon plans and specifications
8 on file or to the best bidder submitting the bidder's own plans and
9 specifications. (~~However, no contract shall be let in excess of the~~
10 ~~cost of the materials or work.~~) The board of commissioners may reject
11 all bids for good cause and readvertise and in such case all checks,
12 cash or bid bonds shall be returned to the bidders. If the contract is
13 let, then all checks, cash, or bid bonds shall be returned to the
14 bidders, except that of the successful bidder, which shall be retained
15 until a contract shall be entered into for doing the work, and a bond
16 to perform such work furnished with sureties satisfactory to the board
17 of commissioners in the full amount of the contract price between the
18 bidder and the commission in accordance with the bid. If the bidder
19 fails to enter into the contract in accordance with the bid and furnish
20 the bond within ten days from the date at which the bidder is notified
21 that the bidder is the successful bidder, the check, cash, or bid bonds
22 and the amount thereof shall be forfeited to the district. If the
23 bidder fails to enter into a contract in accordance with the bidder's
24 bid, and the board of commissioners deems it necessary to take legal
25 action to collect on any bid bond required by this section, then the
26 district shall be entitled to collect from the bidder any legal
27 expenses, including reasonable attorneys' fees occasioned thereby. A
28 low bidder who claims error and fails to enter into a contract is
29 prohibited from bidding on the same project if a second or subsequent
30 call for bids is made for the project.

31 (2) Any purchase of materials, supplies, or equipment, with an
32 estimated cost in excess of ten thousand dollars, shall be by contract.
33 Any purchase of materials, supplies, or equipment, with an estimated
34 cost (~~of from five~~) in excess of ten thousand dollars (~~to~~) but less
35 than fifty thousand dollars shall be made using the process provided in
36 RCW (~~39.04.155~~) 39.04.190 or by competitive bidding following the
37 procedure for letting contracts for projects under subsection (1) of
38 this section. Any purchase of materials, supplies, or equipment with
39 an estimated cost of fifty thousand dollars or more shall be made by

1 competitive bidding following the procedure for letting contracts for
2 projects under subsection (1) of this section.

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

15 **Sec. 11.** RCW 57.08.081 and 1996 c 230 s 314 are each amended to
16 read as follows:

17 The commissioners of any district shall provide for revenues by
18 fixing rates and charges for furnishing sewer and drainage service to
19 those to whom service is available or for providing water, such rates
20 and charges to be fixed as deemed necessary by the commissioners, so
21 that uniform charges will be made for the same class of customer or
22 service. Rates and charges may be combined for the furnishing of more
23 than one type of sewer service or drainage service, such as but not
24 limited to storm or surface water and sanitary sewer service.

25 In classifying customers of such water, sewer, or drainage system,
26 the board of commissioners may in its discretion consider any or all of
27 the following factors: The difference in cost of service to various
28 customers; the location of the various customers within and without the
29 district; the difference in cost of maintenance, operation, repair, and
30 replacement of the various parts of the system; the different character
31 of the service furnished various customers; the quantity and quality of
32 the service furnished; the time of its use; the achievement of water
33 conservation goals and the discouragement of wasteful practices;
34 capital contributions made to the system including but not limited to
35 assessments; and any other matters which present a reasonable
36 difference as a ground for distinction. Rates shall be established as
37 deemed proper by the commissioners and as fixed by resolution and shall
38 produce revenues sufficient to take care of the costs of maintenance

1 and operation, revenue bond and warrant interest and principal
2 amortization requirements, and all other charges necessary for
3 efficient and proper operation of the system.

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

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

31 In addition to the right to foreclose provided in this section, the
32 district may also cut off all or part of the service after charges for
33 water or sewer service supplied or available are delinquent for a
34 period of sixty days.

35 **Sec. 12.** RCW 57.08.085 and 1996 c 230 s 315 are each amended to
36 read as follows:

37 Except as otherwise provided in RCW 90.03.525, any public entity
38 and public property, including state of Washington property, shall be

1 subject to rates and charges for (~~storm water control~~) drainage
2 facilities to the same extent as private persons and private property
3 are subject to such rates and charges that are imposed by districts
4 pursuant to RCW 57.08.005 or 57.08.081. In setting those rates and
5 charges, consideration may be given to in-kind services, such as stream
6 improvements or donation of property.

7 **Sec. 13.** RCW 57.08.110 and 1996 c 230 s 318 are each amended to
8 read as follows:

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

29 **Sec. 14.** RCW 57.08.180 and 1996 c 230 s 322 are each amended to
30 read as follows:

31 It is unlawful and a misdemeanor to make, or cause to be made, or
32 to maintain any connection with any sewer, drainage, or water system of
33 any district, or with any sewer, drainage, or water system which is
34 connected directly or indirectly with any sewer, drainage, or water
35 system of any district without having permission from the district.

1 **Sec. 15.** RCW 57.16.060 and 1996 c 230 s 602 are each amended to
2 read as follows:

3 Local improvement districts or utility local improvement districts
4 to carry out the whole or any portion of the general comprehensive plan
5 of improvements or plan providing for additions and betterments to an
6 original general comprehensive plan previously adopted may be initiated
7 either by resolution of the board of commissioners or by petition
8 signed by the owners according to the records of the office of the
9 applicable county auditor of at least fifty-one percent of the area of
10 the land within the limits of the improvement district to be created.

11 In case the board of commissioners desires to initiate the
12 formation of an improvement district by resolution, it first shall pass
13 a resolution declaring its intention to order the improvement, setting
14 forth the nature and territorial extent of such proposed improvement,
15 designating the number of the proposed improvement district, and
16 describing the boundaries thereof, stating the estimated cost and
17 expense of the improvement and the proportionate amount thereof which
18 will be borne by the property within the proposed improvement district,
19 and fixing a date, time, and place for a public hearing on the
20 formation of the proposed improvement district.

21 In case any such improvement district is initiated by petition, the
22 petition shall set forth the nature and territorial extent of the
23 proposed improvement requested to be ordered and the fact that the
24 signers thereof are the owners according to the records of the
25 applicable county auditor of at least fifty-one percent of the area of
26 land within the limits of the improvement district to be created. Upon
27 the filing of such petition the board shall determine whether the
28 petition is sufficient, and the board's determination thereof shall be
29 conclusive upon all persons. No person may withdraw his or her name
30 from the petition after it has been filed with the board of
31 commissioners. If the board finds the petition to be sufficient, it
32 shall proceed to adopt a resolution declaring its intention to order
33 the improvement petitioned for, setting forth the nature and
34 territorial extent of the improvement, designating the number of the
35 proposed improvement district and describing the boundaries thereof,
36 stating the estimated cost and expense of the improvement and the
37 proportionate amount thereof which will be borne by the property within
38 the proposed improvement district, and fixing a date, time, and place

1 for a public hearing on the formation of the proposed improvement
2 district.

3 Notice of the adoption of the resolution of intention, whether the
4 resolution was adopted on the initiative of the board or pursuant to a
5 petition of the property owners, shall be published in at least two
6 consecutive issues of a newspaper of general circulation in the
7 proposed improvement district, the date of the first publication to be
8 at least fifteen days prior to the date fixed by such resolution for
9 hearing before the board of commissioners. Notice of the adoption of
10 the resolution of intention shall also be given each owner or reputed
11 owner of any lot, tract, parcel of land, or other property within the
12 proposed improvement district by mailing the notice at least fifteen
13 days before the date fixed for the public hearing to the owner or
14 reputed owner of the property as shown on the tax rolls of the county
15 (~~auditor~~) treasurer of the county in which the real property is
16 located at the address shown thereon. Whenever such notices are
17 mailed, the commissioners shall maintain a list of the reputed property
18 owners, which list shall be kept on file at a location within the
19 district and shall be made available for public perusal. The notices
20 shall refer to the resolution of intention and designate the proposed
21 improvement district by number. The notices also shall set forth the
22 nature of the proposed improvement, the total estimated cost, the
23 proportion of total cost to be borne by assessments, and the date,
24 time, and place of the hearing before the board of commissioners. In
25 the case of improvements initiated by resolution, the notice also
26 shall: (1) State that all persons desiring to object to the formation
27 of the proposed district must file their written protests with the
28 secretary of the board of commissioners no later than ten days after
29 the public hearing; (2) state that if owners of at least forty percent
30 of the area of land within the proposed improvement district file
31 written protests with the secretary of the board, the power of the
32 commissioners to proceed with the creation of the proposed improvement
33 district shall be divested; (3) provide the name and address of the
34 secretary of the board; and (4) state the hours and location within the
35 district where the names of the property owners within the proposed
36 improvement district are kept available for public perusal. In the
37 case of the notice given each owner or reputed owner by mail, the
38 notice shall set forth the estimated amount of the cost and expense of

1 such improvement to be borne by the particular lot, tract, parcel of
2 land, or other property.

3 **Sec. 16.** RCW 57.16.110 and 1996 c 230 s 610 are each amended to
4 read as follows:

5 Whenever any land against which there has been levied any special
6 assessment by any district shall have been sold in part or
7 (~~subdivided~~) divided, the board of commissioners of the district
8 shall have the power to order a segregation of the assessment.

9 Any person desiring to have a special assessment against a tract of
10 land segregated to apply to smaller parts thereof shall apply to the
11 board of commissioners of the district that levied the assessment. If
12 the commissioners determine that a segregation should be made, they
13 shall by resolution order the treasurer of the county in which the real
14 property is located to make segregation on the original assessment roll
15 as directed in the resolution. The segregation shall be made as nearly
16 as possible on the same basis as the original assessment was levied,
17 and the total of the segregated parts of the assessment shall equal the
18 assessment before segregation. The resolution shall describe the
19 original tract and the amount and date of the original assessment, and
20 shall define the boundaries of the divided parts and the amount of the
21 assessment chargeable to each part. A certified copy of the resolution
22 shall be delivered to the treasurer of the county in which the real
23 property is located who shall proceed to make the segregation ordered
24 upon being tendered a fee of three dollars for each tract of land for
25 which a segregation is to be made. In addition to the charge the board
26 of commissioners may require as a condition to the order of segregation
27 that the person seeking it pay the district the reasonable engineering
28 and clerical costs incident to making the segregation.

29 **Sec. 17.** RCW 57.20.120 and 1996 c 230 s 714 are each amended to
30 read as follows:

31 A district may contract indebtedness in excess of the amount named
32 in RCW 57.20.110, but not exceeding in amount, together with existing
33 indebtedness, two and one-half percent of the value of the taxable
34 property in that district, as the term "value of the taxable property"
35 is defined in RCW 39.36.015, and impose excess property tax levies to
36 retire the indebtedness whenever (~~three-fifths of the voters voting at~~
37 ~~the election in such district assent thereto, at which election the~~

1 ~~total number of persons voting on the proposition shall constitute not~~
2 ~~less than forty percent of the total number of votes cast in the~~
3 ~~district at the last preceding general election))~~ a ballot proposition
4 authorizing the indebtedness and excess levies is approved as provided
5 under Article VII, section 2, and Article VIII, section 6, of the state
6 Constitution, at an election to be held in the district in the manner
7 provided by this title and RCW 39.36.050.

8 **Sec. 18.** RCW 57.20.140 and 1996 c 230 s 717 are each amended to
9 read as follows:

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

25 **Sec. 19.** RCW 57.24.040 and 1996 c 230 s 904 are each amended to
26 read as follows:

27 (1) The annexation election shall be held on the date designated in
28 the notice and shall be conducted in accordance with the general
29 election laws of the state. If the original petition for annexation is
30 signed by qualified voters, then only qualified voters at the date of
31 election residing in the territory proposed to be annexed, shall be
32 permitted to vote at the election.

33 (2) If the original petition for annexation is signed by property
34 owners as provided for in this chapter, then no person shall be
35 entitled to vote at that election unless at the time of the filing of
36 the original petition he or she owned land in the district of record
37 and in addition thereto at the date of election shall be a qualified

1 voter of the county in which such district is located. It shall be the
2 duty of the county auditor, upon request of the county legislative
3 authority, to certify the names of all persons owning land in the
4 district at the date of the filing of the original petition as shown by
5 the records of the auditor's office; and at any such election the
6 county auditor may require any such property owner offering to vote to
7 take an oath that the property owner is a qualified voter of the county
8 before the property owner shall be allowed to vote. However, at any
9 election held under the provisions of this chapter an officer or agent
10 of any corporation having its principal place of business in the county
11 and owning land at the date of filing the original petition in the
12 district duly authorized in writing may cast a vote on behalf of such
13 corporation. When so voting the person shall file with the county
14 auditor such a written instrument of that person's authority.

15 (3) If the majority of the votes cast upon the question of such
16 election shall be for annexation, then the territory concerned shall
17 immediately be and become annexed to such district and the same shall
18 then forthwith be a part of the district, the same as though originally
19 included in that district.

20 **Sec. 20.** RCW 57.24.050 and 1996 c 230 s 905 are each amended to
21 read as follows:

22 All elections held pursuant to this chapter, whether general or
23 special, shall be conducted by the county (~~(election board)~~) auditor of
24 the county in which the district is located. The expense of all such
25 elections shall be paid for out of the funds of such district.

26 **Sec. 21.** RCW 57.28.050 and 1996 c 230 s 1007 are each amended to
27 read as follows:

28 The petition for withdrawal shall be heard at the time and place
29 specified in such notice or the hearing may be adjourned from time to
30 time, not exceeding one month in all, and any person may appear at such
31 hearing and make objections to the withdrawal of such territory or to
32 the proposed boundary lines thereof. Upon final hearing on the
33 petition for withdrawal, the board of commissioners of the district
34 shall make such changes in the proposed boundary lines as it deems to
35 be proper, except that no changes in the boundary lines shall be made
36 by the board of commissioners to include lands not within the
37 boundaries of the territory as described in such petition. In

1 establishing and defining such boundaries the board of commissioners
2 shall exclude any property which is then being furnished with water
3 ~~((or))~~, sewer, or drainage service by the district or which is included
4 in any distribution or collection system the construction of which is
5 included within any duly established local improvement district or
6 utility local improvement district, and the territory as finally
7 established and defined must be substantial in area and consist of
8 adjoining or contiguous properties. The board of commissioners shall
9 thereupon make and by resolution adopt findings of fact as to the
10 following questions:

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

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

15 Such findings shall be entered in the records of the district,
16 together with any recommendations the board of commissioners may by
17 resolution adopt.

18 **Sec. 22.** RCW 57.32.023 and 1996 c 230 s 1106 are each amended to
19 read as follows:

20 If at the election a majority of the voters in each of the
21 consolidating districts vote in favor of the consolidation, the
22 ~~((county canvassing board shall so declare in its canvass and the
23 return of such election shall be made within ten days after the date
24 thereof. Upon the return))~~ consolidation shall be authorized. The
25 consolidation shall be effective and the consolidating districts shall
26 cease to exist and shall then be and become a new district and
27 municipal corporation of the state of Washington, upon the
28 certification of the election results. The name of the new district
29 shall be ". . . . Water-Sewer District," ". . . . Water District,"
30 ". . . . Sewer District," or ". . . . District No.,"
31 which shall be the name appearing on the ballot. The district shall
32 have all and every power, right, and privilege possessed by other
33 water-sewer, sewer, or water districts of the state of Washington. The
34 district may issue revenue bonds to pay for the construction of any
35 additions and betterments set forth in the comprehensive plan of water
36 supply, sewer, and drainage services contained in the agreement for
37 consolidation and any future additions and betterments to the
38 comprehensive plan of water supply, sewer, and drainage services, as

1 its board of district commissioners shall by resolution adopt, without
2 submitting a proposition therefor to the voters of the district.

3 **Sec. 23.** RCW 57.36.040 and 1996 c 230 s 1205 are each amended to
4 read as follows:

5 If at such election a majority of the voters of the merging
6 district or districts shall vote in favor of the merger, the ((county
7 canvassing board shall so declare in its canvass and the return of such
8 election shall be made within ten days after the date thereof, and upon
9 such return)) merger shall be authorized. The merger shall be
10 effective and the merging district or districts shall cease to exist
11 and shall become a part of the merger district, upon the certification
12 of the election results. The commissioners of the merging district or
13 districts shall hold office as commissioners of the new merged district
14 until their respective terms of office expire or until they resign from
15 office if the resignation is before the expiration of their terms of
16 office. The election of commissioners in the merger district after the
17 merger shall occur as provided in RCW 57.32.130 in a consolidated
18 district after the consolidation.

19 **Sec. 24.** RCW 57.90.010 and 1996 c 230 s 1502 are each amended to
20 read as follows:

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

30 **Sec. 25.** RCW 27.12.470 and 1994 c 198 s 2 are each amended to read
31 as follows:

32 A rural partial-county library district may be created in a portion
33 of the unincorporated area of a county as provided in this section if
34 a rural county library district, intercounty rural library district, or
35 island library district has not been created in the county.

1 The procedure to create a rural partial-county library district is
2 initiated by the filing of petitions with the county auditor proposing
3 the creation of the district that have been signed by at least ten
4 percent of the registered voters residing in the area proposed to be
5 included in the rural partial-county library district. The county
6 auditor shall review the petitions and certify the sufficiency or
7 insufficiency of the signatures to the county legislative authority.

8 If the petitions are certified as having sufficient valid
9 signatures, the county legislative authority shall hold a public
10 hearing on the proposed rural partial-county library district, may
11 adjust the boundaries of the proposed district, and may cause a ballot
12 proposition to be submitted to the voters of the proposed rural
13 partial-county library district authorizing its creation if the county
14 legislative authority finds that the creation of the rural partial-
15 county library district is in the public interest. A subsequent public
16 hearing shall be held if additional territory is added to the proposed
17 rural partial-county library district by action of the county
18 legislative authority.

19 The rural partial-county library district shall be created if the
20 ballot proposition authorizing the creation of the district is approved
21 by a simple majority vote of the voters voting on the proposition.
22 Immediately after creation of the rural partial-county library district
23 the county legislative authority shall appoint a board of library
24 trustees for the district as provided under RCW 27.12.190.

25 Except as provided in this section, a rural partial-county library
26 district is subject to all the provisions of law applicable to a rural
27 county library district and shall have all the powers, duties, and
28 authorities of a rural county library district, including, but not
29 limited to, the authority to impose property taxes, incur debt, and
30 annex a city or town with a population of less than one hundred
31 thousand at the time of the annexation that is located in the same
32 county as the rural partial-county library district.

33 Adjacent unincorporated territory in the county may be annexed to
34 a rural partial-county library district in the same manner as territory
35 is annexed to a water-sewer district, except that an annexation is not
36 subject to potential review by a boundary review board.

37 If, at the time of creation, a rural partial-county library
38 district has an assessed valuation of less than fifty million dollars,
39 it may provide library services only by contracting for the services

1 through an interlocal agreement with an adjacent library district, or
2 an adjacent city or town that maintains its own library. If the
3 assessed valuation of the rural partial-county library district
4 subsequently reaches fifty million dollars as a result of annexation or
5 appreciation, the fifty million dollar limitation shall not apply.

6 If a ballot proposition is approved creating a rural county library
7 district in the county, every rural partial-county library district in
8 that county shall be dissolved and its assets and liabilities
9 transferred to the rural county library district. Where a rural
10 partial-county library district has annexed a city or town, the voters
11 of the city or town shall be allowed to vote on the proposed creation
12 of a rural county library district and, if created, the rural county
13 library district shall include each city and town that was annexed to
14 the rural partial-county library district.

15 Nothing in this section authorizes the consolidation of a rural
16 partial-county library district with any rural county library district;
17 island library district; city, county, or regional library; intercounty
18 library district; or other rural partial-county library district,
19 unless, in addition to any other requirements imposed by statute, the
20 boards of all library districts involved approve the consolidation.

21 **Sec. 26.** RCW 32.20.070 and 1955 c 13 s 32.20.070 are each amended
22 to read as follows:

23 A mutual savings bank may invest its funds in the valid warrants or
24 bonds of any county, city, town, school district, port district, water_
25 sewer district, or other municipal corporation in the state of
26 Washington issued pursuant to law and for the payment of which the
27 faith and credit of such county, municipality, or district is pledged
28 and taxes are leviable upon all taxable property within its limits.

29 A mutual savings bank may invest its funds in the water revenue,
30 sewer revenue, or electric revenue bonds of any city or public utility
31 district of this state for the payment of which the entire revenue of
32 the city's or district's water system, sewer system, or electric
33 system, less maintenance and operating costs, is irrevocably pledged.

34 **Sec. 27.** RCW 32.20.110 and 1955 c 13 s 32.20.110 are each amended
35 to read as follows:

36 A mutual savings bank may invest its funds in the bonds of any port
37 district, (~~(water district,~~) sanitary district, water-sewer district,

1 tunnel district, bridge district, flood control district, park
2 district, or highway district in the United States which has a
3 population as shown by the last decennial federal census of not less
4 than one hundred fifty thousand inhabitants, and has taxable real
5 property with an assessed valuation in excess of two hundred million
6 dollars and has power to levy taxes on the taxable real property
7 therein for the payment of the bonds without limitation of rate or
8 amount.

9 **Sec. 28.** RCW 35.13A.010 and 1971 ex.s. c 95 s 1 are each amended
10 to read as follows:

11 Whenever used in this chapter, the following words shall have the
12 following meanings:

13 (1) The word "district" shall mean a water-sewer district ((~~or~~
14 ~~sewer district as indicated by the context of the section in which~~
15 ~~used~~)).

16 (2) The word "city" shall mean a city or town of any class and
17 shall also include any code city as defined in chapter 35A.01 RCW.

18 (3) The words "included with" shall mean the inclusion of all or
19 part of the territory of a district, as indicated by the context,
20 within the corporate limits of a city either by incorporation of a
21 city, annexation to a city, consolidation of cities or any combination
22 thereof.

23 (4) The word "indebtedness" shall include general obligation,
24 revenue, and special indebtedness and temporary, emergency, and interim
25 loans.

26 **Sec. 29.** RCW 35.13A.020 and 1971 ex.s. c 95 s 2 are each amended
27 to read as follows:

28 Whenever all of the territory of a ((~~water district or sewer~~))
29 district is included within the corporate boundaries of a city, and the
30 city legislative body has elected by resolution or ordinance to assume
31 jurisdiction thereof, all real and personal property, franchises,
32 rights, assets, taxes levied but not collected for the district for
33 other than indebtedness, water and sewer lines, and all other
34 facilities and equipment of the district shall become the property of
35 such city subject to all financial, statutory, or contractual
36 obligations of the district for the security or performance of which
37 such property may have been pledged. Such city, in addition to its

1 other powers, shall have the power to manage, control, maintain and
2 operate such property, facilities and equipment and to fix and collect
3 service and other charges from owners and occupants of properties so
4 served by the city, subject, however, to any outstanding indebtedness,
5 bonded or otherwise, of the district payable from taxes, assessments or
6 revenues of any kind or nature and to any other contractual obligations
7 of the district.

8 Such city may by resolution of its legislative body, assume the
9 obligation of paying such district indebtedness and of levying and of
10 collecting or causing to be collected such district taxes, assessments
11 and utility rates and charges of any kind or nature to pay and secure
12 the payment of such indebtedness, according to all of the terms,
13 conditions and covenants incident to such indebtedness, and shall
14 assume and perform all other outstanding contractual obligation of the
15 district in accordance with all of its terms, conditions and covenants.
16 No such assumption shall be deemed to impair the obligation of any
17 indebtedness or other contractual obligation entered into after August
18 9, 1971. During the period until the outstanding indebtedness of the
19 district has been discharged, the territory of the district and the
20 owners and occupants of property therein, shall continue to be liable
21 for its and their proportionate share of such indebtedness, including
22 any outstanding assessments levied within any local improvement
23 district or utility local improvement district thereof. The city shall
24 assume the obligation of causing the payment of such indebtedness,
25 collecting such taxes, assessments and charges and observing and
26 performing the other district contractual obligations. The legislative
27 body of the city shall act as the officers of the district for the
28 purpose of certifying the amount of any property tax to be levied and
29 collected therein, and causing service and other charges and
30 assessments to be collected from such property or owners or occupants
31 thereof, enforcing such collection and performing all other acts
32 necessary to insure performance of the district's contractual
33 obligations in the same manner and by the same means as if the
34 territory of the district had not been included within the boundaries
35 of a city.

36 When a city assumes the obligation of paying the outstanding
37 indebtedness, and if property taxes or assessments have been levied and
38 service and other charges have accrued for such purpose but have not
39 been collected by the district prior to such election, the same when

1 collected shall belong and be paid to the city and be used by such city
2 so far as necessary for payment of the indebtedness of the district
3 existing and unpaid on the date such city elects to assume the
4 indebtedness. Any funds received by the city which have been collected
5 for the purpose of paying any bonded or other indebtedness of the
6 district, shall be used for the purpose for which they were collected
7 and for no other purpose. Any outstanding indebtedness shall be paid
8 as provided in the bond covenants. All funds of the district on
9 deposit with the county treasurer at the time of title transfer shall
10 be used by the city solely for the benefit of the utility and shall not
11 be transferred to or used for the benefit of the city's general fund.

12 **Sec. 30.** RCW 35.13A.030 and 1971 ex.s. c 95 s 3 are each amended
13 to read as follows:

14 Whenever a portion of a (~~water district or sewer~~) district equal
15 to at least sixty percent of the area or sixty percent of the assessed
16 valuation of the real property lying within such district, is included
17 within the corporate boundaries of a city, the city may either:

18 (1) Assume by ordinance the full and complete management and
19 control of that portion of the entire district that is contiguous to
20 the city and not included within another city, (~~whereupon~~) if the
21 district voters of such an area approve a ballot proposition
22 authorizing the assumption requested by the city, submitted to these
23 voters by the board of commissioners of the district. The provisions
24 of RCW 35.13A.020 shall be operative if the city proceeds under this
25 subsection, and any rates that are charged for service outside of the
26 city shall be reasonable to all parties; or

27 (2) The city may proceed directly under the provisions of RCW
28 35.13A.050.

29 The city or district may petition to dissolve the district under
30 the provisions of RCW 35.13A.080.

31 **Sec. 31.** RCW 35.13A.040 and 1971 ex.s. c 95 s 4 are each amended
32 to read as follows:

33 Whenever the portion of a (~~water or sewer~~) district included
34 within the corporate boundaries of a city is less than sixty percent of
35 the area of the district and less than sixty percent of the assessed
36 valuation of the real property within the district, the city may elect
37 to proceed under the provisions of RCW 35.13A.050.

1 **Sec. 32.** RCW 35.13A.050 and 1971 ex.s. c 95 s 5 are each amended
2 to read as follows:

3 When electing under RCW 35.13A.030 or 35.13A.040 to proceed under
4 this section, the city may assume, by ordinance, jurisdiction of the
5 district's responsibilities, property, facilities and equipment within
6 the corporate limits of the city(~~(: PROVIDED, That)~~).

7 If on the effective date of such an ordinance the territory of the
8 district included within the city contains any facilities serving or
9 designed to serve any portion of the district outside the corporate
10 limits of the city or if the territory lying within the district and
11 outside the city contains any facilities serving or designed to serve
12 territory included within the city (which facilities are hereafter in
13 this section called the "serving facilities"), the city or district
14 shall for the economically useful life of any such serving facilities
15 make available sufficient capacity therein to serve the sewage,
16 drainage, or water requirements of such territory, to the extent that
17 such facilities were designed to serve such territory at a rate charged
18 to the municipality being served which is reasonable to all parties.

19 In the event a city proceeds under this section, the (~~district may~~
20 ~~elect upon a favorable vote of a majority of all voters within the~~
21 ~~district voting upon such propositions to require the~~) city shall be
22 required to assume responsibility for (~~the operation and maintenance~~
23 ~~of~~) operating and maintaining the district's property, facilities, and
24 equipment throughout that portion of the entire district that is
25 contiguous to the city but not included in any other city, and (~~to~~)
26 the district shall pay the city a charge for such operation and
27 maintenance which is reasonable under all of the circumstances, if the
28 voters of the district who reside in such an area approve a ballot
29 proposition providing for this transfer of responsibility, submitted to
30 the voters by the board of commissioners of the district.

31 A city acquiring property, facilities and equipment under the
32 provisions of this section shall acquire such property, facilities and
33 equipment, and fix and collect service and other charges from owners
34 and occupants of properties served by the city, subject, to any
35 contractual obligations of the district which relate to the property,
36 facilities, or equipment so acquired by the city or which are secured
37 by taxes, assessments or revenues from the territory of the district
38 included within the city. In such cases, the property included within
39 the city and the owners and occupants thereof shall continue to be

1 liable for payment of its and their proportionate share of any
2 outstanding district indebtedness. The district and its officers shall
3 continue to levy taxes and assessments on and to collect service and
4 other charges from such property, or owners or occupants thereof, to
5 enforce such collections, and to perform all other acts necessary to
6 insure performance of the district's contractual obligations in the
7 same manner and by the same means as if the territory of the district
8 had not been included within the boundaries of a city.

9 The city or district may petition to dissolve the district under
10 the provisions of RCW 35.13A.080.

11 **Sec. 33.** RCW 35.13A.060 and 1971 ex.s. c 95 s 6 are each amended
12 to read as follows:

13 Whenever more than one city, in whole or in part, is included
14 within a (~~water district or sewer~~) district, the city which has
15 within its boundaries sixty percent or more of the area of the assessed
16 valuation of the district (in this section referred to as the
17 "principal city") may, with the approval of any other city containing
18 part of such district, assume responsibility for operation and
19 maintenance of the district's property, facilities and equipment within
20 such other city and make and enforce such charges for operation,
21 maintenance and retirement of indebtedness as may be reasonable under
22 all the circumstances.

23 Any other city having less than sixty percent in area or assessed
24 valuation of such district, within its boundaries may install
25 facilities and create local improvement districts or otherwise finance
26 the cost of installation of such facilities and if such facilities have
27 been installed in accordance with reasonable standards fixed by the
28 principal city, such other city may connect such facilities to the
29 utility system of such district operated by the principal city upon
30 providing for payment by the owners or occupants of properties served
31 thereby, of such charges established by the principal city as may be
32 reasonable under the circumstances.

33 **Sec. 34.** RCW 35.13A.090 and 1971 ex.s. c 95 s 9 are each amended
34 to read as follows:

35 Whenever a city acquires all of the facilities of a (~~water~~
36 ~~district or sewer~~) district, pursuant to this chapter, such a city
37 shall offer to employ every full time employee of the district who is

1 engaged in the operation of such a district's facilities on the date on
2 which such city acquires the district facilities. When a city acquires
3 any portion of the facilities of such a district, such a city shall
4 offer to employ full time employees of the district as of the date of
5 the acquisition of the facilities of the district who are not longer
6 needed by the district.

7 Whenever a city employs a person who was employed immediately prior
8 thereto by the district, arrangements shall be made:

9 ~~(1) ((For the retention of service credits under the pension plan
10 of the district pursuant to RCW 41.04.070 through 41.04.110.~~

11 ~~(2))~~ For the retention of all sick leave standing to the
12 employee's credit in the plan of such district.

13 ~~((3))~~ (2) For a vacation with pay during the first year of
14 employment equivalent to that to which he would have been entitled if
15 he had remained in the employment of the district.

16 NEW SECTION. Sec. 35. A new section is added to chapter 35.51 RCW
17 to read as follows:

18 Assessments for local improvements in a local improvement district
19 created by a municipality may be pledged and applied when collected to
20 the payment of its obligations under a loan agreement entered into
21 pursuant to chapter 39.69 RCW to pay costs of improvements in such a
22 local improvement district.

23 NEW SECTION. Sec. 36. A new section is added to chapter 35.51 RCW
24 to read as follows:

25 The authority granted by section 35 of this act is supplemental and
26 in addition to the authority granted by Title 35 RCW and to any other
27 authority granted to cities, towns, or municipal corporations to levy,
28 pledge, and apply special assessments.

29 Sec. 37. RCW 35.58.210 and 1974 ex.s. c 70 s 7 are each amended to
30 read as follows:

31 If a metropolitan municipal corporation shall be authorized to
32 perform the function of metropolitan water pollution abatement, the
33 metropolitan council shall, prior to the effective date of the
34 assumption of such function, cause a metropolitan water pollution
35 abatement advisory committee to be formed by notifying the legislative
36 body of each component city and county which operates a sewer system to

1 appoint one person to serve on such advisory committee and the board of
2 commissioners of each water-sewer district (~~((and water district))~~) which
3 operates a sewer system, any portion of which lies within the
4 metropolitan area, to appoint one person to serve on such committee who
5 shall be a commissioner of such a water-sewer (~~((or water))~~) district.
6 The metropolitan water pollution abatement advisory committee shall
7 meet at the time and place provided in the notice and elect a chairman.
8 The members of such committee shall serve at the pleasure of the
9 appointing bodies and shall receive no compensation other than
10 reimbursement for expenses actually incurred in the performance of
11 their duties. The function of such advisory committee shall be to
12 advise the metropolitan council in matters relating to the performance
13 of the water pollution (~~{{abatement}}~~) abatement function.

14 **Sec. 38.** RCW 35.58.220 and 1965 c 7 s 35.58.220 are each amended
15 to read as follows:

16 If a metropolitan municipal corporation shall be authorized to
17 perform the function of metropolitan water supply, it shall have the
18 following powers in addition to the general powers granted by this
19 chapter:

20 (1) To prepare a comprehensive plan for the development of sources
21 of water supply, trunk supply mains and water treatment and storage
22 facilities for the metropolitan area.

23 (2) To acquire by purchase, condemnation, gift or grant and to
24 lease, construct, add to, improve, replace, repair, maintain, operate
25 and regulate the use of metropolitan facilities for water supply within
26 or without the metropolitan area, including buildings, structures,
27 water sheds, wells, springs, dams, settling basins, intakes, treatment
28 plants, trunk supply mains and pumping stations, together with all
29 lands, property, equipment and accessories necessary to enable the
30 metropolitan municipal corporation to obtain and develop sources of
31 water supply, treat and store water and deliver water through trunk
32 supply mains. Water supply facilities which are owned by a city or
33 special district may be acquired or used by the metropolitan municipal
34 corporation only with the consent of the legislative body of the city
35 or special district owning such facilities. Cities and special
36 districts are hereby authorized to convey or lease such facilities to
37 metropolitan municipal corporations or to contract for their joint use
38 on such terms as may be fixed by agreement between the legislative body

1 of such city or special district and the metropolitan council, without
2 submitting the matter to the voters of such city or special district.

3 (3) To fix rates and charges for water supplied by the metropolitan
4 municipal corporation.

5 (4) To acquire by purchase, condemnation, gift or grant and to
6 lease, construct, add to, improve, replace, repair, maintain, operate
7 and regulate the use of facilities for the local distribution of water
8 in portions of the metropolitan area not contained within any city, or
9 water-sewer district that operates a water system, and, with the
10 consent of the legislative body of any city or the water-sewer
11 district, to exercise such powers within such city or water-sewer
12 district and for such purpose to have all the powers conferred by law
13 upon such city or water-sewer district with respect to such local
14 distribution facilities. All costs of such local distribution
15 facilities shall be paid for by the area served thereby.

16 **Sec. 39.** RCW 35.58.230 and 1993 c 240 s 5 are each amended to read
17 as follows:

18 If a metropolitan municipal corporation shall be authorized to
19 perform the function of metropolitan water supply, the metropolitan
20 council shall, prior to the effective date of the assumption of such
21 function, cause a metropolitan water advisory committee to be formed by
22 notifying the legislative body of each component city which operates a
23 water system to appoint one person to serve on such advisory committee
24 and the board of commissioners of each water-sewer district that
25 operates a water system, any portion of which lies within the
26 metropolitan area, to appoint one person to serve on such committee who
27 shall be a water-sewer district commissioner. The metropolitan water
28 advisory committee shall meet at the time and place provided in the
29 notice and elect a chairman. The members of such committee shall serve
30 at the pleasure of the appointing bodies and shall receive no
31 compensation other than reimbursement for expenses actually incurred in
32 the performance of their duties. The function of such advisory
33 committee shall be to advise the metropolitan council with respect to
34 matters relating to the performance of the water supply function.

35 The requirement to create a metropolitan water advisory committee
36 shall not apply to a county that has assumed the rights, powers,
37 functions, and obligations of the metropolitan municipal corporation
38 under chapter 36.56 RCW.

1 **Sec. 40.** RCW 35.58.410 and 1993 c 240 s 11 are each amended to
2 read as follows:

3 (1) On or before the third Monday in June of each year, each
4 metropolitan municipal corporation shall adopt a budget for the
5 following calendar year. Such budget shall include a separate section
6 for each authorized metropolitan function. Expenditures shall be
7 segregated as to operation and maintenance expenses and capital and
8 betterment outlays. Administrative and other expense general to the
9 corporation shall be allocated between the authorized metropolitan
10 functions. The budget shall contain an estimate of all revenues to be
11 collected during the following budget year, including any surplus funds
12 remaining unexpended from the preceding year. The metropolitan council
13 shall not be required to confine capital or betterment expenditures
14 made from bond proceeds or emergency expenditures to items provided in
15 the budget. The affirmative vote of three-fourths of all members of
16 the metropolitan council shall be required to authorize emergency
17 expenditures.

18 (2) Subsection (1) of this section shall not apply to a county that
19 has assumed the rights, powers, functions, and obligations of a
20 metropolitan municipal corporation under chapter 36.56 RCW. This
21 subsection (2) shall apply only to each county that has assumed the
22 rights, powers, functions, and obligations of a metropolitan municipal
23 corporation under chapter 36.56 RCW.

24 Each county that has assumed the rights, powers, functions, and
25 obligations of a metropolitan municipal corporation under chapter 36.56
26 RCW shall, on or before the third Monday in June of each year, prepare
27 an estimate of all revenues to be collected during the following
28 calendar year, including any surplus funds remaining unexpended from
29 the preceding year for each authorized metropolitan function.

30 By June 30 of each year, the county shall adopt the rate for sewage
31 disposal that will be charged to component cities and water-sewer
32 districts during the following budget year.

33 As long as any general obligation indebtedness remains outstanding
34 that was issued by the metropolitan municipal corporation prior to the
35 assumption by the county, the county shall continue to impose the taxes
36 authorized by RCW 82.14.045 and 35.58.273(5) at the maximum rates and
37 on all of the taxable events authorized by law. If, despite the
38 continued imposition of those taxes, the estimate of revenues made on
39 or before the third Monday in June shows that estimated revenues will

1 be insufficient to make all debt service payments falling due in the
2 following calendar year on all general obligation indebtedness issued
3 by the metropolitan municipal corporation prior to the assumption by
4 the county of the rights, powers, functions, and obligations of the
5 metropolitan municipal corporation, the remaining amount required to
6 make the debt service payments shall be designated as "supplemental
7 income" and shall be obtained from component cities and component
8 counties as provided under RCW 35.58.420.

9 The county shall prepare and adopt a budget each year in accordance
10 with applicable general law or county charter. If supplemental income
11 has been designated under this subsection, the supplemental income
12 shall be reflected in the budget that is adopted. If during the budget
13 year the actual tax revenues from the taxes imposed under the authority
14 of RCW 82.14.045 and 35.58.273(5) exceed the estimates upon which the
15 supplemental income was based, the difference shall be refunded to the
16 component cities and component counties in proportion to their payments
17 promptly after the end of the budget year. A county that has assumed
18 the rights, powers, functions, and obligations of a metropolitan
19 municipal corporation under chapter 36.56 RCW shall not be required to
20 confine capital or betterment expenditures for authorized metropolitan
21 functions from bond proceeds or emergency expenditures to items
22 provided in the budget.

23 **Sec. 41.** RCW 35.67.300 and 1965 c 7 s 35.67.300 are each amended
24 to read as follows:

25 Any city, town, or organized and established water-sewer district
26 owning or operating its own sewer system, whenever topographic
27 conditions shall make it feasible and whenever such existing sewer
28 system shall be adequate therefor in view of the sewerage and drainage
29 requirements of the property in such city, town, or water-sewer
30 district, served or to be served by such system, may contract with any
31 other city, town, or organized and established water-sewer district for
32 the discharge into its sewer system of sewage from all or any part or
33 parts of such other city, town, or water-sewer district upon such terms
34 and conditions and for such periods of time as may be deemed
35 reasonable.

36 Any city, town, or organized and established water-sewer district
37 may contract with any other city, town, or organized and established
38 water-sewer district for the construction and/or operation of any sewer

1 or sewage disposal facilities for the joint use and benefit of the
2 contracting parties upon such terms and conditions and for such period
3 of time as the governing bodies of the contracting parties may
4 determine. Any such contract may provide that the responsibility for
5 the management of the construction and/or maintenance and operation of
6 any sewer disposal facilities or part thereof covered by such contract
7 shall be vested solely in one of the contracting parties, with the
8 other party or parties thereto paying to the managing party such
9 portion of the expenses thereof as shall be agreed upon.

10 **Sec. 42.** RCW 35.91.020 and 1981 c 313 s 11 are each amended to
11 read as follows:

12 The governing body of any city, town, county, water-sewer district,
13 (~~water district,~~) or drainage district, hereinafter referred to as a
14 "municipality" may contract with owners of real estate for the
15 construction of storm, sanitary, or combination sewers, pumping
16 stations, and disposal plants, water mains, hydrants, reservoirs, or
17 appurtenances, hereinafter called "water or sewer facilities," within
18 their boundaries or (except for counties) within ten miles from their
19 corporate limits connecting with the public water or sewerage system to
20 serve the area in which the real estate of such owners is located, and
21 to provide for a period of not to exceed fifteen years for the
22 reimbursement of such owners and their assigns by any owner of real
23 estate who did not contribute to the original cost of such water or
24 sewer facilities and who subsequently tap onto or use the same of a
25 fair pro rata share of the cost of the construction of said water or
26 sewer facilities, including not only those directly connected thereto,
27 but also users connected to laterals or branches connecting thereto,
28 subject to such reasonable rules and regulations as the governing body
29 of such municipality may provide or contract, and notwithstanding the
30 provisions of any other law. To the extent it may require in the
31 performance of such contract, such municipality may install said water
32 or sewer facilities in and along the county streets in the area to be
33 served as hereinabove provided, subject to such reasonable requirements
34 as to the manner of occupancy of such streets as the county may by
35 resolution provide. The provisions of such contract shall not be
36 effective as to any owner of real estate not a party thereto unless
37 such contract has been recorded in the office of the county auditor of
38 the county in which the real estate of such owner is located prior to

1 the time such owner taps into or connects to said water or sewer
2 facilities. (~~The power of the governing body of such municipality to~~
3 ~~so contract also applies to water or sewer facilities in process of~~
4 ~~construction on June 10, 1959, or which have not been finally approved~~
5 ~~or accepted for full maintenance and operation by such municipality~~
6 ~~upon June 10, 1959.))~~

7 **Sec. 43.** RCW 35.92.012 and 1965 c 7 s 35.92.012 are each amended
8 to read as follows:

9 A city or town, whose boundaries are identical with those of a
10 water-sewer district, or within which a water-sewer district is
11 entirely located, which is free from all debts and liabilities except
12 contractual obligations between the district and the town, may accept
13 the property and assets of the ((~~water~~)) district and operate such
14 property and assets as a municipal waterworks, if the district and the
15 city or town each participate in a summary dissolution proceedings for
16 the district as provided in RCW 57.04.110.

17 **Sec. 44.** RCW 35.92.170 and 1965 c 7 s 35.92.170 are each amended
18 to read as follows:

19 When a city or town owns or operates a municipal waterworks system
20 and desires to extend such utility beyond its corporate limits it may
21 acquire, construct and maintain any addition to or extension of the
22 system, and dispose of and distribute water to any other municipality,
23 water-sewer district, community, or person desiring to purchase it.

24 **Sec. 45.** RCW 35.97.010 and 1987 c 522 s 4 are each amended to read
25 as follows:

26 Unless the context clearly requires otherwise, the definitions in
27 this section apply throughout this chapter.

28 (1) "Biomass energy system" means a system that provides for the
29 production or collection of organic materials such as wood and
30 agricultural residues and municipal solid waste that are primarily
31 organic materials and the conversion or use of that material for the
32 production of heat or substitute fuels through several processes
33 including, but not limited to, burning, pyrolysis, or anaerobic
34 digestion.

35 (2) "Cogeneration" means the sequential generation of two or more
36 forms of energy from a common fuel or energy source.

1 (3) "Cogeneration facility" means any machinery, equipment,
2 structure, process, or property or any part thereof, installed or
3 acquired for the primary purpose of cogeneration by a person or
4 corporation.

5 (4) "Geothermal heat" means the natural thermal energy of the
6 earth.

7 (5) "Waste heat" means the thermal energy which otherwise would be
8 released to the environment from an industrial process, electric
9 generation, or other process.

10 (6) "Heat" means thermal energy.

11 (7) "Heat source" includes but is not limited to (a) any integral
12 part of a heat production or heat rejection system of an industrial
13 facility, cogeneration facility, or electric power generation facility,
14 (b) geothermal well or spring, (c) biomass energy system, (d) solar
15 collection facility, and (e) hydrothermal resource or heat extraction
16 process.

17 (8) "Municipality" means a county, city, town, irrigation district
18 which distributes electricity, water-sewer district, ((~~water~~
19 ~~district~~)) port district, or metropolitan municipal corporation.

20 (9) "Heating facilities or heating systems" means all real and
21 personal property, or interests therein, necessary or useful for: (a)
22 The acquisition, production, or extraction of heat; (b) the storage of
23 heat; (c) the distribution of heat from its source to the place of
24 utilization; (d) the extraction of heat at the place of utilization
25 from the medium by which the heat is distributed; (e) the distribution
26 of heat at the place of utilization; and (f) the conservation of heat.

27 (10) "Hydrothermal resource" means the thermal energy available in
28 wastewater, sewage effluent, wells, or other water sources, natural or
29 manmade.

30 **Sec. 46.** RCW 35.97.050 and 1996 c 230 s 1603 are each amended to
31 read as follows:

32 If the legislative authority of a municipality deems it advisable
33 that the municipality purchase, acquire, or construct a heating system,
34 or make any additions or extensions to a heating system, the
35 legislative authority shall so provide by an ordinance or a resolution
36 specifying and adopting the system or plan proposed, declaring the
37 estimated cost thereof, as near as may be, and specifying the method of
38 financing and source of funds. Any construction, alteration, or

1 improvement of a heating system by any ((~~county, city, town, irrigation~~
2 ~~district, water-sewer district, or port district~~)) municipality shall
3 be in compliance with the appropriate competitive bidding requirements
4 in Titles 35, 36, 53, 57, or 87 RCW.

5 **Sec. 47.** RCW 36.16.138 and 1975 c 16 s 1 are each amended to read
6 as follows:

7 Any board of commissioners, council, or board of directors or other
8 governing board of any county, city, town, school district, port
9 district, public utility district, water-sewer district, ((~~water~~
10 ~~district,~~)) irrigation district, or other municipal corporation or
11 political subdivision is authorized to purchase insurance to protect
12 and hold personally harmless any of its commissioners, council members,
13 directors, or other governing board members, and any of its other
14 officers, employees, and agents from any action, claim, or proceeding
15 instituted against the foregoing individuals arising out of the
16 performance, purported performance, or failure of performance, in good
17 faith of duties for, or employment with, such institutions and to hold
18 these individuals harmless from any expenses connected with the
19 defense, settlement, or monetary judgments from such actions, claims,
20 or proceedings. The purchase of such insurance for any of the
21 foregoing individuals and the policy limits shall be discretionary with
22 the municipal corporation or political subdivision, and such insurance
23 shall not be considered to be compensation for these individuals.

24 The provisions of this section are cumulative and in addition to
25 any other provision of law authorizing any municipal corporation or
26 political subdivision to purchase liability insurance.

27 **Sec. 48.** RCW 36.93.020 and 1979 ex.s. c 30 s 5 are each amended to
28 read as follows:

29 As used herein:

30 (1) "Governmental unit" means any incorporated city or town,
31 metropolitan municipal corporation, or any special purpose district as
32 defined in this section.

33 (2) "Special purpose district" means any water-sewer district,
34 ((~~water-district,~~)) fire protection district, drainage improvement
35 district, drainage and diking improvement district, flood control zone
36 district, irrigation district, metropolitan park district, drainage
37 district, or public utility district engaged in water distribution.

1 (3) "Board" means a boundary review board created by or pursuant to
2 this chapter.

3 **Sec. 49.** RCW 36.93.093 and 1971 ex.s. c 127 s 2 are each amended
4 to read as follows:

5 Whenever a (~~sewer or~~) water-sewer district files with the board
6 a notice of intention as required by RCW 36.93.090, the board shall
7 send a copy of such notice of intention to the legislative authority of
8 the county wherein such action is proposed to be taken and one copy to
9 the state department of ecology.

10 **Sec. 50.** RCW 36.93.105 and 1989 c 84 s 4 are each amended to read
11 as follows:

12 The following actions shall not be subject to potential review by
13 a boundary review board:

14 (1) Annexations of territory to a water (~~or~~) sewer district
15 pursuant to RCW 36.94.410 through 36.94.440;

16 (2) Revisions of city or town boundaries pursuant to RCW 35.21.790
17 or 35A.21.210;

18 (3) Adjustments to city or town boundaries pursuant to RCW
19 35.13.340; and

20 (4) Adjustments to city and town boundaries pursuant to RCW
21 35.13.300 through 35.13.330.

22 **Sec. 51.** RCW 36.93.185 and 1989 c 308 s 13 are each amended to
23 read as follows:

24 The proposal by a (~~water district or~~) water-sewer district to
25 annex territory that is not adjacent to the district shall not be
26 deemed to be violative of the objectives of a boundary review board
27 solely due to the fact that the territory is not adjacent to the
28 (~~water district or~~) water-sewer district. The proposed consolidation
29 or merger of two or more (~~water districts or two or more~~) water-sewer
30 districts that are not adjacent to each other shall not be deemed to be
31 violative of the objectives of a boundary review board solely due to
32 the fact that the districts are not adjacent.

33 **Sec. 52.** RCW 36.94.220 and 1981 c 313 s 3 are each amended to read
34 as follows:

1 (1) A county shall have the power to establish utility local
2 improvement districts and local improvement districts within the area
3 of a sewerage and/or water general plan and to levy special assessments
4 under a mode of annual installments extending over a period not
5 exceeding twenty years on all property specially benefited by any local
6 improvement on the basis of the special benefits to pay in whole or in
7 part the damages or costs of any improvements ordered in such county.

8 (2) Utility local improvement districts and local improvement
9 districts may include territory within a city or town only with the
10 written consent of the city or town, but if the local district is
11 formed before such area is included within the city or town, no such
12 consent shall be necessary. Utility local improvement districts and
13 local improvement districts used to provide sewerage disposal systems
14 may include territory within a (~~sewer district or within a~~) water-
15 sewer district providing sewerage disposal systems only with the
16 written consent of (~~the sewer district or~~) such a water-sewer
17 district, but if the local district is formed before such area is
18 included within (~~the sewer district or~~) such a water-sewer district,
19 no consent is necessary. Utility local improvement districts and local
20 improvement districts used to provide water systems may include
21 territory within (~~a water district or within~~) a water-sewer district
22 providing water systems only with the written consent of (~~the water~~
23 ~~district or~~) such a water-sewer district, but if the local district is
24 formed before such area is included within (~~the water district or~~)
25 such a water-sewer district, no consent is necessary.

26 (3) The levying, collection, and enforcement of all public
27 assessments hereby authorized shall be in the manner now and hereafter
28 provided by law for the levying, collection, and enforcement of local
29 improvement assessments by cities and towns, insofar as the same shall
30 not be inconsistent with the provisions of this chapter. In addition,
31 the county shall file the preliminary assessment roll at the time and
32 in the manner prescribed in RCW 35.50.005. The duties devolving upon
33 the city or town treasurer under such laws are imposed upon the county
34 treasurer for the purposes of this chapter. The mode of assessment
35 shall be in the manner to be determined by the county legislative
36 authority by ordinance or resolution. As an alternative to equal
37 annual assessment installments of principal provided for cities and
38 towns, a county legislative authority may provide for the payment of
39 such assessments in equal annual installments of principal and

1 interest. Assessments in any local district may be made on the basis
2 of special benefits up to but not in excess of the total cost of any
3 sewerage and/or water improvement made with respect to that local
4 district and the share of any general sewerage and/or water facilities
5 allocable to that district. In utility local improvement districts,
6 assessments shall be deposited into the revenue bond fund or general
7 obligation bond fund established for the payment of bonds issued to pay
8 such costs which bond payments are secured in part by the pledge of
9 assessments, except pending the issuance and sale of such bonds,
10 assessments may be deposited in a fund for the payment of such costs.
11 In local improvement districts, assessments shall be deposited into a
12 fund for the payment of such costs and local improvement bonds issued
13 to finance the same or into the local improvement guaranty fund as
14 provided by applicable statute.

15 **Sec. 53.** RCW 36.94.430 and 1984 c 147 s 3 are each amended to read
16 as follows:

17 The provisions of RCW 36.94.410 and 36.94.420 provide an
18 alternative method of accomplishing the transfer permitted by those
19 sections and do not impose additional conditions upon the exercise of
20 powers vested in water ((and))_ sewer districts and counties.

21 **Sec. 54.** RCW 36.96.010 and 1979 ex.s. c 5 s 1 are each amended to
22 read as follows:

23 As used in this chapter, unless the context requires otherwise:

24 (1) "Special purpose district" means every municipal and quasi-
25 municipal corporation other than counties, cities, and towns. Such
26 special purpose districts shall include, but are not limited to, water_
27 sewer districts, fire protection districts, port districts, public
28 utility districts, county park and recreation service areas, flood
29 control zone districts, diking districts, drainage improvement
30 districts, and solid waste collection districts, but shall not include
31 industrial development districts created by port districts, and shall
32 not include local improvement districts, utility local improvement
33 districts, and road improvement districts;

34 (2) "Governing authority" means the commission, council, or other
35 body which directs the affairs of a special purpose district;

1 (3) "Inactive" means that a special purpose district, other than a
2 public utility district, is characterized by either of the following
3 criteria:

4 (a) Has not carried out any of the special purposes or functions
5 for which it was formed within the preceding consecutive five-year
6 period; or

7 (b) No election has been held for the purpose of electing a member
8 of the governing body within the preceding consecutive seven-year
9 period or, in those instances where members of the governing body are
10 appointed and not elected, where no member of the governing body has
11 been appointed within the preceding seven-year period.

12 A public utility district is inactive when it is characterized by both
13 criteria (a) and (b) of this subsection.

14 **Sec. 55.** RCW 36.94.410 and 1984 c 147 s 1 are each amended to read
15 as follows:

16 A system of sewerage, system of water or combined water and
17 sewerage systems operated by a county under the authority of this
18 chapter may be transferred from that county to a water ~~((or))~~ sewer
19 district in the same manner as is provided for the transfer of those
20 functions from a water ~~((or))~~ sewer district to a county in RCW
21 36.94.310 through 36.94.340.

22 **Sec. 56.** RCW 36.94.420 and 1996 c 230 s 1609 are each amended to
23 read as follows:

24 If so provided in the transfer agreement, the area served by the
25 system shall, upon completion of the transfer, be deemed annexed to and
26 become a part of the water-sewer district acquiring the system. The
27 county shall provide notice of the hearing by the county legislative
28 authority on the ordinance executing the transfer agreement under RCW
29 36.94.330 as follows: (1) By mailed notice to all ratepayers served by
30 the system at least fifteen days prior to the hearing; and (2) by
31 notice in a newspaper of general circulation once at least fifteen days
32 prior to the hearing.

33 In the event of an annexation under this section resulting from the
34 transfer of a system of sewerage, a system of water, or combined water
35 and sewer systems from a county to a water-sewer district ~~((governed by
36 Title 57 RCW))~~, the water-sewer district shall ~~((have all the powers of
37 a water-sewer district provided by chapter 57.36 RCW, as if a water-~~

1 ~~sewer district had been merged into a water sewer district))~~ operate
2 the system or systems under the provisions of Title 57 RCW.

3 **Sec. 57.** RCW 39.69.010 and 1987 c 19 s 1 are each amended to read
4 as follows:

5 As used in this chapter, "municipal corporation" includes counties,
6 cities, towns, port districts, (~~sewer districts,~~) water-sewer
7 districts, school districts, metropolitan park districts, or such other
8 units of local government which are authorized to issue obligations.

9 **Sec. 58.** RCW 39.80.020 and 1981 c 61 s 2 are each amended to read
10 as follows:

11 Unless the context clearly requires otherwise, the definitions in
12 this section shall apply throughout this chapter.

13 (1) "State agency" means any department, agency, commission,
14 bureau, office, or any other entity or authority of the state
15 government.

16 (2) "Local agency" means any city and any town, county, special
17 district, municipal corporation, agency, port district or authority, or
18 political subdivision of any type, or any other entity or authority of
19 local government in corporate form or otherwise.

20 (3) "Special district" means a local unit of government, other than
21 a city, town, or county, authorized by law to perform a single function
22 or a limited number of functions, and including but not limited to,
23 water-sewer districts, irrigation districts, fire districts, school
24 districts, community college districts, hospital districts, (~~sewer~~
25 ~~districts,~~) transportation districts, and metropolitan municipal
26 corporations organized under chapter 35.58 RCW.

27 (4) "Agency" means both state and local agencies and special
28 districts as defined in subsection(~~{s}~~)s (1), (2), and (3) of this
29 section.

30 (5) "Architectural and engineering services" or "professional
31 services" means professional services rendered by any person, other
32 than as an employee of the agency, contracting to perform activities
33 within the scope of the general definition of professional practice in
34 chapters 18.08, 18.43, or 18.96 RCW.

35 (6) "Person" means any individual, organization, group,
36 association, partnership, firm, joint venture, corporation, or any
37 combination thereof.

1 (7) "Consultant" means any person providing professional services
2 who is not an employee of the agency for which the services are
3 provided.

4 (8) "Application" means a completed statement of qualifications
5 together with a request to be considered for the award of one or more
6 contracts for professional services.

7 **Sec. 59.** RCW 39.50.010 and 1985 c 332 s 8 are each amended to read
8 as follows:

9 As used in this chapter, the following terms have the meanings
10 indicated unless the context clearly requires otherwise.

11 (1) "Governing body" means the legislative authority of a municipal
12 corporation by whatever name designated;

13 (2) "Local improvement district" includes local improvement
14 districts, utility local improvement districts, road improvement
15 districts, and other improvement districts that a municipal corporation
16 is authorized by law to establish;

17 (3) "Municipal corporation" means any city, town, county, (~~water~~
18 ~~district,~~) water-sewer district, school district, port district,
19 public utility district, metropolitan municipal corporation, public
20 transportation benefit area, park and recreation district, irrigation
21 district, or fire protection district or any other municipal or quasi-
22 municipal corporation described as such by statute, except joint
23 operating agencies under chapter 43.52 RCW;

24 (4) "Ordinance" means an ordinance of a city or town or resolution
25 or other instrument by which the governing body of the municipal
26 corporation exercising any power under this chapter takes formal action
27 and adopts legislative provisions and matters of some permanency; and

28 (5) "Short-term obligations" are warrants, notes, or other
29 evidences of indebtedness, except bonds.

30 **Sec. 60.** RCW 43.20.240 and 1990 c 132 s 3 are each amended to read
31 as follows:

32 (1) The department shall have primary responsibility among state
33 agencies to receive complaints from persons aggrieved by the failure of
34 a public water system. If the remedy to the complaint is not within
35 the jurisdiction of the department, the department shall refer the
36 complaint to the state or local agency that has the appropriate
37 jurisdiction. The department shall take such steps as are necessary to

1 inform other state agencies of their primary responsibility for such
2 complaints and the implementing procedures.

3 (2) Each county shall designate a contact person to the department
4 for the purpose of receiving and following up on complaint referrals
5 that are within county jurisdiction. In the absence of any such
6 designation, the county health officer shall be responsible for
7 performing this function.

8 (3) The department and each county shall establish procedures for
9 providing a reasonable response to complaints received from persons
10 aggrieved by the failure of a public water system.

11 (4) The department and each county shall use all reasonable efforts
12 to assist customers of public water systems in obtaining a dependable
13 supply of water at all times. The availability of resources and the
14 public health significance of the complaint shall be considered when
15 determining what constitutes a reasonable effort.

16 (5) The department shall, in consultation with local governments,
17 water utilities, water-sewer districts, public utility districts, and
18 other interested parties, develop a booklet or other single document
19 that will provide to members of the public the following information:

20 (a) A summary of state law regarding the obligations of public
21 water systems in providing drinking water supplies to their customers;

22 (b) A summary of the activities, including planning, rate setting,
23 and compliance, that are to be performed by both local and state
24 agencies;

25 (c) The rights of customers of public water systems, including
26 identification of agencies or offices to which they may address the
27 most common complaints regarding the failures or inadequacies of public
28 water systems.

29 This booklet or document shall be available to members of the
30 public no later than January 1, 1991.

31 **Sec. 61.** RCW 43.70.195 and 1994 c 292 s 3 are each amended to read
32 as follows:

33 (1) In any action brought by the secretary of health or by a local
34 health officer pursuant to chapter 7.60 RCW to place a public water
35 system in receivership, the petition shall include the names of one or
36 more suitable candidates for receiver who have consented to assume
37 operation of the water system. The department shall maintain a list of
38 interested and qualified individuals, municipal entities, special

1 purpose districts, and investor-owned water companies with experience
2 in the provision of water service and a history of satisfactory
3 operation of a water system. If there is no other person willing and
4 able to be named as receiver, the court shall appoint the county in
5 which the water system is located as receiver. The county may
6 designate a county agency to operate the system, or it may contract
7 with another individual or public water system to provide management
8 for the system. If the county is appointed as receiver, the secretary
9 of health and the county health officer shall provide regulatory
10 oversight for the agency or other person responsible for managing the
11 water system.

12 (2) In any petition for receivership under subsection (1) of this
13 section, the department shall recommend that the court grant to the
14 receiver full authority to act in the best interests of the customers
15 served by the public water system. The receiver shall assess the
16 capability, in conjunction with the department and local government,
17 for the system to operate in compliance with health and safety
18 standards, and shall report to the court and the petitioning agency its
19 recommendations for the system's future operation, including the
20 formation of a water-sewer district or other public entity, or
21 ownership by another existing water system capable of providing
22 service.

23 (3) If a petition for receivership and verifying affidavit executed
24 by an appropriate departmental official allege an immediate and serious
25 danger to residents constituting an emergency, the court shall set the
26 matter for hearing within three days and may appoint a temporary
27 receiver ex parte upon the strength of such petition and affidavit
28 pending a full evidentiary hearing, which shall be held within fourteen
29 days after receipt of the petition.

30 (4) A bond, if any is imposed upon a receiver, shall be minimal and
31 shall reasonably relate to the level of operating revenue generated by
32 the system. Any receiver appointed pursuant to this section shall not
33 be held personally liable for any good faith, reasonable effort to
34 assume possession of, and to operate, the system in compliance with the
35 court's orders.

36 (5) The court shall authorize the receiver to impose reasonable
37 assessments on a water system's customers to recover expenditures for
38 improvements necessary for the public health and safety.

1 (6) No later than twelve months after appointment of a receiver,
2 the petitioning agency, in conjunction with the county in which the
3 system is located, and the appropriate state and local health agencies,
4 shall develop and present to the court a plan for the disposition of
5 the system. The report shall include the recommendations of the
6 receiver made pursuant to subsection (2) of this section. The report
7 shall include all reasonable and feasible alternatives. After
8 receiving the report, the court shall provide notice to interested
9 parties and conduct such hearings as are necessary. The court shall
10 then order the parties to implement one of the alternatives, or any
11 combination thereof, for the disposition of the system. Such order
12 shall include a date, or proposed date, for the termination of the
13 receivership. Nothing in this section authorizes a court to require a
14 city, town, public utility district, water-sewer district, or
15 irrigation district to accept a system that has been in receivership
16 unless the city, town, public utility district, water-sewer district,
17 or irrigation district agrees to the terms and conditions outlined in
18 the plan adopted by the court.

19 (7) The court shall not terminate the receivership, and order the
20 return of the system to the owners, unless the department of health
21 approves of such an action. The court may impose reasonable conditions
22 upon the return of the system to the owner, including the posting of a
23 bond or other security, routine performance and financial audits,
24 employment of qualified operators and other staff or contracted
25 services, compliance with financial viability requirements, or other
26 measures sufficient to ensure the ongoing proper operation of the
27 system.

28 (8) If, as part of the ultimate disposition of the system, an
29 eminent domain action is commenced by a public entity to acquire the
30 system, the court shall oversee any appraisal of the system conducted
31 under Title 7 RCW to assure that the appraised value properly reflects
32 any reduced value because of the necessity to make improvements to the
33 system. The court shall have the authority to approve the appraisal,
34 and to modify it based on any information provided at an evidentiary
35 hearing. The court's determination of the proper value of the system,
36 based on the appraisal, shall be final, and only appealable if not
37 supported by substantial evidence. If the appraised value is appealed,
38 the court may order that the system's ownership be transferred upon
39 payment of the approved appraised value.

1 **Sec. 62.** RCW 43.155.030 and 1985 c 446 s 9 are each amended to
2 read as follows:

3 (1) The public works board is hereby created.

4 (2) The board shall be composed of thirteen members appointed by
5 the governor for terms of four years, except that five members
6 initially shall be appointed for terms of two years. The board shall
7 include: (a) Three members, two of whom shall be elected officials and
8 one shall be a public works manager, appointed from a list of at least
9 six persons nominated by the association of Washington cities or its
10 successor; (b) three members, two of whom shall be elected officials
11 and one shall be a public works manager, appointed from a list of at
12 least six persons nominated by the Washington state association of
13 counties or its successor; (c) three members appointed from a list of
14 at least six persons nominated jointly by the (~~Washington state~~
15 ~~association of water districts, the~~) Washington public utility
16 districts association(~~(7)~~) and (~~the Washington~~) a state association
17 of water-sewer districts, or their successors; and (d) four members
18 appointed from the general public. In appointing the four general
19 public members, the governor shall endeavor to balance the geographical
20 composition of the board and to include members with special expertise
21 in relevant fields such as public finance, architecture and civil
22 engineering, and public works construction. The governor shall appoint
23 one of the general public members of the board as chair. The term of
24 the chair shall coincide with the term of the governor.

25 (3) Staff support to the board shall be provided by the department.

26 (4) Members of the board shall receive no compensation but shall be
27 reimbursed for travel expenses under RCW 43.03.050 and 43.03.060.

28 (5) If a vacancy on the board occurs by death, resignation, or
29 otherwise, the governor shall fill the vacant position for the
30 unexpired term. Each vacancy in a position appointed from lists
31 provided by the associations under subsection (2) of this section shall
32 be filled from a list of at least three persons nominated by the
33 relevant association or associations. Any members of the board,
34 appointive or otherwise, may be removed by the governor for cause in
35 accordance with RCW 43.06.070 and 43.06.080.

36 **Sec. 63.** RCW 44.04.170 and 1970 ex.s. c 69 s 2 are each amended to
37 read as follows:

1 It shall be the duty of each association of municipal corporations
2 or municipal officers, which is recognized by law and utilized as an
3 official agency for the coordination of the policies and/or
4 administrative programs of municipal corporations, to submit
5 biennially, or oftener as necessary, to the governor and to the
6 legislature the joint recommendations of such participating
7 municipalities regarding changes which would affect the efficiency of
8 such municipal corporations. Such associations shall include but shall
9 not be limited to the Washington state association of fire
10 commissioners, (~~the Washington~~) a state association of
11 water/wastewater districts, (~~the Washington state association of sewer~~
12 ~~districts,~~) and the Washington state school directors' association.

13 **Sec. 64.** RCW 48.62.021 and 1991 sp.s. c 30 s 2 are each amended to
14 read as follows:

15 Unless the context clearly requires otherwise, the definitions in
16 this section apply throughout this chapter.

17 (1) "Local government entity" or "entity" means every unit of local
18 government, both general purpose and special purpose, and includes, but
19 is not limited to, counties, cities, towns, port districts, public
20 utility districts, (~~water districts,~~) water-sewer districts, school
21 districts, fire protection districts, irrigation districts,
22 metropolitan municipal corporations, conservation districts, and other
23 political subdivisions, governmental subdivisions, municipal
24 corporations, and quasi-municipal corporations.

25 (2) "Risk assumption" means a decision to absorb the entity's
26 financial exposure to a risk of loss without the creation of a formal
27 program of advance funding of anticipated losses.

28 (3) "Self-insurance" means a formal program of advance funding and
29 management of entity financial exposure to a risk of loss that is not
30 transferred through the purchase of an insurance policy or contract.

31 (4) "Health and welfare benefits" means a plan or program
32 established by a local government entity or entities for the purpose of
33 providing its employees and their dependents, and in the case of school
34 districts, its district employees, students, directors, or any of their
35 dependents, with health care, accident, disability, death, and salary
36 protection benefits.

37 (5) "Property and liability risks" includes the risk of property
38 damage or loss sustained by a local government entity and the risk of

1 claims arising from the tortious or negligent conduct or any error or
2 omission of the local government entity, its officers, employees,
3 agents, or volunteers as a result of which a claim may be made against
4 the local government entity.

5 (6) "State risk manager" means the state risk manager of the
6 division of risk management within the department of general
7 administration.

8 **Sec. 65.** RCW 52.08.011 and 1984 c 230 s 54 are each amended to
9 read as follows:

10 Territory within a fire protection district may be withdrawn from
11 the district in the same manner provided by law for withdrawal of
12 territory from water-sewer districts, as provided by chapter 57.28 RCW.

13 **Sec. 66.** RCW 53.48.001 and 1989 c 84 s 46 are each amended to read
14 as follows:

15 The dissolution of a metropolitan park district, fire protection
16 district, (~~(sewer district,~~) water-sewer district, or flood control
17 zone district under chapter 53.48 RCW may be subject to potential
18 review by a boundary review board under chapter 36.93 RCW.

19 **Sec. 67.** RCW 53.48.010 and 1986 c 278 s 17 are each amended to
20 read as follows:

21 The following words and terms shall, whenever used in this chapter,
22 have the meaning set forth in this section:

23 (1) The term "district" as used herein, shall include all municipal
24 and quasi-municipal corporations having a governing body, other than
25 cities, towns, counties, and townships, such as port districts, school
26 districts, water-sewer districts, fire protection districts, and all
27 other special districts of similar organization, but shall not include
28 local improvement districts, diking, drainage and irrigation districts,
29 special districts as defined in RCW 85.38.010, nor public utility
30 districts.

31 (2) The words "board of commissioners," as used herein, shall mean
32 the governing authority of any district as defined in subdivision (1)
33 of this section.

34 **Sec. 68.** RCW 54.04.030 and 1931 c 1 s 12 are each amended to read
35 as follows:

1 (~~This act~~) Chapter 1, Laws of 1931, shall not be deemed or
2 construed to repeal or affect any existing act, or any part thereof,
3 relating to the construction, operation and maintenance of public
4 utilities by irrigation or water-sewer districts or other municipal
5 corporations, but shall be supplemental thereto and concurrent
6 therewith. No public utility district created hereunder shall include
7 therein any municipal corporation, or any part thereof, where such
8 municipal corporation already owns or operates all the utilities herein
9 authorized: PROVIDED, that in case it does not own or operate all such
10 utilities it may be included within such public utility district for
11 the purpose of establishing or operating therein such utilities as it
12 does not own or operate: PROVIDED, FURTHER, That no property situated
13 within any irrigation or water-sewer districts or other municipal
14 corporations shall ever be taxed or assessed to pay for any utility, or
15 part thereof, of like character to any utility, owned or operated by
16 such irrigation or water districts or other municipal corporations.

17 **Sec. 69.** RCW 70.44.400 and 1984 c 100 s 1 are each amended to read
18 as follows:

19 Territory within a public hospital district may be withdrawn
20 therefrom in the same manner provided by law for withdrawal of
21 territory from water-sewer districts, as provided by chapter 57.28 RCW.
22 For purposes of conforming with such procedure, the public hospital
23 district shall be deemed to be the water-sewer district and the public
24 hospital board of commissioners shall be deemed to be the water-sewer
25 district board of commissioners.

26 **Sec. 70.** RCW 70.95B.020 and 1995 c 269 s 2901 are each amended to
27 read as follows:

28 As used in this chapter unless context requires another meaning:

29 (1) "Director" means the director of the department of ecology.

30 (2) "Department" means the department of ecology.

31 (3) "Certificate" means a certificate of competency issued by the
32 director stating that the operator has met the requirements for the
33 specified operator classification of the certification program.

34 (4) "Wastewater treatment plant" means a facility used to treat any
35 liquid or waterborne waste of domestic origin or a combination of
36 domestic, commercial or industrial origin, and which by its design
37 requires the presence of an operator for its operation. It shall not

1 include any facility used exclusively by a single family residence,
2 septic tanks with subsoil absorption, industrial wastewater treatment
3 plants, or wastewater collection systems.

4 (5) "Operator in responsible charge" means an individual who is
5 designated by the owner as the person on-site in responsible charge of
6 the routine operation of a wastewater treatment plant.

7 (6) "Nationally recognized association of certification
8 authorities" shall mean that organization which serves as an
9 information center for certification activities, recommends minimum
10 standards and guidelines for classification of potable water treatment
11 plants, water distribution systems and wastewater facilities and
12 certification of operators, facilitates reciprocity between state
13 programs and assists authorities in establishing new certification
14 programs and updating existing ones.

15 (7) "Wastewater collection system" means any system of lines,
16 pipes, manholes, pumps, liftstations, or other facilities used for the
17 purpose of collecting and transporting wastewater.

18 (8) "Operating experience" means routine performance of duties, on-
19 site in a wastewater treatment plant, that affects plant performance or
20 effluent quality.

21 (9) "Owner" means in the case of a town or city, the city or town
22 acting through its chief executive officer or the lessee if operated
23 pursuant to a lease or contract; in the case of a county, the chairman
24 of the county legislative authority or the chairman's designee; in the
25 case of a water-sewer district, board of public utilities, association,
26 municipality or other public body, the president or chairman of the
27 body or the president's or chairman's designee; in the case of a
28 privately owned wastewater treatment plant, the legal owner.

29 (10) "Wastewater certification program coordinator" means an
30 employee of the department who administers the wastewater treatment
31 plant operators' certification program.

32 **Sec. 71.** RCW 70.119.020 and 1995 c 269 s 2904 are each amended to
33 read as follows:

34 As used in this chapter unless context requires another meaning:

35 (1) "Certificate" means a certificate of competency issued by the
36 secretary stating that the operator has met the requirements for the
37 specified operator classification of the certification program.

1 (2) "Certified operator" means an individual holding a valid
2 certificate and employed or appointed by any county, water-sewer
3 district, municipality, public or private corporation, company,
4 institution, person, or the state of Washington and who is designated
5 by the employing or appointing officials as the person responsible for
6 active daily technical operation.

7 (3) "Department" means the department of health.

8 (4) "Distribution system" means that portion of a public water
9 system which stores, transmits, pumps and distributes water to
10 consumers.

11 (5) "Ground water under the direct influence of surface water"
12 means any water beneath the surface of the ground with:

13 (a) Significant occurrence of insects or other macroorganisms,
14 algae, or large diameter pathogens such as giardia lamblia; or

15 (b) Significant and relatively rapid shifts in water
16 characteristics such as turbidity, temperature, conductivity, or pH
17 which closely correlate to climatological or surface water conditions.

18 (6) "Group A water system" means a system with fifteen or more
19 service connections, regardless of the number of people; or a system
20 serving an average of twenty-five or more people per day for sixty or
21 more days within a calendar year, regardless of the number of service
22 connections. Group A water system does not include a system serving
23 fewer than fifteen single-family residences, regardless of the number
24 of people.

25 (7) "Nationally recognized association of certification
26 authorities" shall mean an organization which serves as an information
27 center for certification activities, recommends minimum standards and
28 guidelines for classification of potable water treatment plants, water
29 distribution systems and waste water facilities and certification of
30 operators, facilitates reciprocity between state programs and assists
31 authorities in establishing new certification programs and updating
32 existing ones.

33 (8) "Public water system" means any system, excluding a system
34 serving only one single-family residence and a system with four or
35 fewer connections all of which serve residences on the same farm,
36 providing piped water for human consumption, including any collection,
37 treatment, storage, or distribution facilities under control of the
38 purveyor and used primarily in connection with the system; and

1 collection or pretreatment storage facilities not under control of the
2 purveyor but primarily used in connection with the system.

3 (9) "Purification plant" means that portion of a public water
4 system which treats or improves the physical, chemical or
5 bacteriological quality of the system's water to bring the water into
6 compliance with state board of health standards.

7 (10) "Secretary" means the secretary of the department of health.

8 (11) "Service" means a connection to a public water system designed
9 to serve a single-family residence, dwelling unit, or equivalent use.
10 If the facility has group home or barracks-type accommodations, three
11 persons will be considered equivalent to one service.

12 (12) "Surface water" means all water open to the atmosphere and
13 subject to surface runoff.

14 **Sec. 72.** RCW 79.44.003 and 1989 c 243 s 13 are each amended to
15 read as follows:

16 As used in this chapter "assessing district" means:

17 (1) Incorporated cities and towns;

18 (2) Diking districts;

19 (3) Drainage districts;

20 (4) Port districts;

21 (5) Irrigation districts;

22 (6) Water-sewer districts;

23 (7) (~~Sewer districts;~~

24 ~~+8~~)) Counties; and

25 (~~+9~~)) (8) Any municipal corporation or public agency having power
26 to levy local improvement or other assessments, rates, or charges which
27 by statute are expressly made applicable to lands of the state.

28 **Sec. 73.** RCW 84.04.120 and 1961 c 15 s 84.04.120 are each amended
29 to read as follows:

30 "Taxing district" shall be held and construed to mean and include
31 the state and any county, city, town, (~~township,~~) port district,
32 school district, road district, metropolitan park district, water-sewer
33 district or other municipal corporation, now or hereafter existing,
34 having the power or authorized by law to impose burdens upon property
35 within the district in proportion to the value thereof, for the purpose
36 of obtaining revenue for public purposes, as distinguished from
37 municipal corporations authorized to impose burdens, or for which

1 burdens may be imposed, for such purposes, upon property in proportion
2 to the benefits accruing thereto.

3 **Sec. 74.** RCW 84.33.100 and 1992 c 52 s 6 are each amended to read
4 as follows:

5 As used in RCW 84.33.110 through 84.33.140 and 84.33.210 through
6 84.33.270:

7 (1) "Forest land" is synonymous with timberland and means all land
8 in any contiguous ownership of twenty or more acres which is primarily
9 devoted to and used for growing and harvesting timber and means the
10 land only.

11 (2) "Owner" means the party or parties having the fee interest in
12 land, except where land is subject to a real estate contract "owner"
13 means the contract vendee.

14 (3) "Local government" shall mean any city, town, county, (~~sewer~~
15 ~~district,~~) water-sewer district, public utility district, port
16 district, irrigation district, flood control district, or any other
17 municipal corporation, quasi-municipal corporation, or other political
18 subdivision authorized to levy special benefit assessments for sanitary
19 or storm sewerage systems, domestic water supply or distribution
20 systems, or road construction or improvement purposes.

21 (4) "Local improvement district" shall mean any local improvement
22 district, utility local improvement district, local utility district,
23 road improvement district, or any similar unit created by a local
24 government for the purpose of levying special benefit assessments
25 against property specially benefited by improvements relating to such
26 districts.

27 (5) The term "average rate of inflation" shall mean the annual rate
28 of inflation as determined by the department of revenue averaged over
29 the period of time as provided in RCW 84.33.220 (1) and (2). Such
30 determination shall be published not later than January 1 of each year
31 for use in that assessment year.

32 (6) "Special benefit assessments" shall mean special assessments
33 levied or capable of being levied in any local improvement district or
34 otherwise levied or capable of being levied by a local government to
35 pay for all or part of the costs of a local improvement and which may
36 be levied only for the special benefits to be realized by property by
37 reason of that local improvement.

1 **Sec. 75.** RCW 84.34.310 and 1992 c 52 s 15 are each amended to read
2 as follows:

3 As used in RCW 84.34.300 through 84.34.380, unless a different
4 meaning is required, the words defined in this section shall have the
5 meanings indicated.

6 (1) "Farm and agricultural land" shall mean the same as defined in
7 RCW 84.34.020(2).

8 (2) "Timber land" shall mean the same as defined in RCW
9 84.34.020(3).

10 (3) "Local government" shall mean any city, town, county, (~~sewer~~
11 ~~district,~~) water-sewer district, public utility district, port
12 district, irrigation district, flood control district, or any other
13 municipal corporation, quasi-municipal corporation, or other political
14 subdivision authorized to levy special benefit assessments for sanitary
15 and/or storm sewerage systems, domestic water supply and/or
16 distribution systems, or road construction or improvement purposes.

17 (4) "Local improvement district" shall mean any local improvement
18 district, utility local improvement district, local utility district,
19 road improvement district, or any similar unit created by a local
20 government for the purpose of levying special benefit assessments
21 against property specially benefited by improvements relating to such
22 districts.

23 (5) "Owner" shall mean the same as defined in RCW 84.34.020(5) or
24 the applicable statutes relating to special benefit assessments.

25 (6) The term "average rate of inflation" shall mean the annual rate
26 of inflation as determined by the department of revenue averaged over
27 the period of time as provided in RCW 84.34.330 (1) and (2). Such
28 determination shall be published not later than January 1 of each year
29 for use in that assessment year.

30 (7) "Special benefit assessments" shall mean special assessments
31 levied or capable of being levied in any local improvement district or
32 otherwise levied or capable of being levied by a local government to
33 pay for all or part of the costs of a local improvement and which may
34 be levied only for the special benefits to be realized by property by
35 reason of that local improvement.

36 **Sec. 76.** RCW 84.64.080 and 1991 c 245 s 27 are each amended to
37 read as follows:

1 The court shall examine each application for judgment foreclosing
2 tax lien, and if defense (specifying in writing the particular cause of
3 objection) be offered by any person interested in any of the lands or
4 lots to the entry of judgment against the same, the court shall hear
5 and determine the matter in a summary manner, without other pleadings,
6 and shall pronounce judgment as the right of the case may be; or the
7 court may, in its discretion, continue such individual cases, wherein
8 defense is offered, to such time as may be necessary, in order to
9 secure substantial justice to the contestants therein; but in all other
10 cases the court shall proceed to determine the matter in a summary
11 manner as above specified. In all judicial proceedings of any kind for
12 the collection of taxes, and interest and costs thereon, all amendments
13 which by law can be made in any personal action pending in such court
14 shall be allowed, and no assessments of property or charge for any of
15 the taxes shall be considered illegal on account of any irregularity in
16 the tax list or assessment rolls or on account of the assessment rolls
17 or tax list not having been made, completed or returned within the time
18 required by law, or on account of the property having been charged or
19 listed in the assessment or tax lists without name, or in any other
20 name than that of the owner, and no error or informality in the
21 proceedings of any of the officers connected with the assessment,
22 levying or collection of the taxes, shall vitiate or in any manner
23 affect the tax or the assessment thereof, and any irregularities or
24 informality in the assessment rolls or tax lists or in any of the
25 proceedings connected with the assessment or levy of such taxes or any
26 omission or defective act of any officer or officers connected with the
27 assessment or levying of such taxes, may be, in the discretion of the
28 court, corrected, supplied and made to conform to the law by the court.
29 The court shall give judgment for such taxes, interest and costs as
30 shall appear to be due upon the several lots or tracts described in the
31 notice of application for judgment or complaint, and such judgment
32 shall be a several judgment against each tract or lot or part of a
33 tract or lot for each kind of tax included therein, including all
34 interest and costs, and the court shall order and direct the clerk to
35 make and enter an order for the sale of such real property against
36 which judgment is made, or vacate and set aside the certificate of
37 delinquency or make such other order or judgment as in the law or
38 equity may be just. The order shall be signed by the judge of the
39 superior court, shall be delivered to the county treasurer, and shall

1 be full and sufficient authority for him or her to proceed to sell the
2 property for the sum as set forth in the order and to take such further
3 steps in the matter as are provided by law. The county treasurer shall
4 immediately after receiving the order and judgment of the court proceed
5 to sell the property as provided in this chapter to the highest and
6 best bidder for cash. The acceptable minimum bid shall be the total
7 amount of taxes, interest, penalties, and costs. All sales shall be
8 made at a location in the county on a date and time (except Saturdays,
9 Sundays, or legal holidays) as the county treasurer may direct, and
10 shall continue from day to day (Saturdays, Sundays, and legal holidays
11 excepted) during the same hours until all lots or tracts are sold,
12 after first giving notice of the time, and place where such sale is to
13 take place for ten days successively by posting notice thereof in three
14 public places in the county, one of which shall be in the office of the
15 treasurer. The notice shall be substantially in the following form:

16 TAX JUDGMENT SALE

17 Public notice is hereby given that pursuant to real property tax
18 judgment of the superior court of the county of in the
19 state of Washington, and an order of sale duly issued by the court,
20 entered the day of,, in proceedings for
21 foreclosure of tax liens upon real property, as per provisions of law,
22 I shall on the day of,, at o'clock
23 a.m., at in the city of, and county of
24, state of Washington, sell the real property to the highest
25 and best bidder for cash, to satisfy the full amount of taxes, interest
26 and costs adjudged to be due.

27 In witness whereof, I have hereunto affixed my hand and seal this
28 day of,

29
30 Treasurer of
31 county.

32 No county officer or employee shall directly or indirectly be a
33 purchaser of such property at such sale.

34 If any buildings or improvements are upon an area encompassing more
35 than one tract or lot, the same must be advertised and sold as a single
36 unit.

1 If the highest amount bid for any such separate unit tract or lot
2 is in excess of the minimum bid due upon the whole property included in
3 the certificate of delinquency, the excess shall be refunded following
4 payment of all water ((and))_ sewer district liens, on application
5 therefor, to the record owner of the property. The record owner of the
6 property is the person who held title on the date of issuance of the
7 certificate of delinquency. In the event no claim for the excess is
8 received by the county treasurer within three years after the date of
9 the sale he or she shall at expiration of the three year period deposit
10 such excess in the current expense fund of the county. The county
11 treasurer shall execute to the purchaser of any piece or parcel of land
12 a tax deed. The deed so made by the county treasurer, under the
13 official seal of his or her office, shall be recorded in the same
14 manner as other conveyances of real property, and shall vest in the
15 grantee, his or her heirs and assigns the title to the property therein
16 described, without further acknowledgment or evidence of such
17 conveyance, and shall be substantially in the following form:

18 State of Washington }
19 } ss.
20 County of |

21 This indenture, made this day of,,
22 between, as treasurer of county, state of
23 Washington, party of the first part, and, party of the
24 second part:

25 Witnesseth, that, whereas, at a public sale of real property held
26 on the day of,, pursuant to a real property
27 tax judgment entered in the superior court in the county of
28 on the day of,, in proceedings to foreclose
29 tax liens upon real property and an order of sale duly issued by the
30 court, duly purchased in compliance with the laws of the
31 state of Washington, the following described real property, to wit:
32 (Here place description of real property conveyed) and that the
33 has complied with the laws of the state of Washington
34 necessary to entitle (him, or her or them) to a deed for the real
35 property.

36 Now, therefore, know ye, that, I, county treasurer of
37 the county of, state of Washington, in consideration of the
38 premises and by virtue of the statutes of the state of Washington, in

1 such cases provided, do hereby grant and convey unto, his
2 or her heirs and assigns, forever, the real property hereinbefore
3 described.

4 Given under my hand and seal of office this day of
5, A.D.

6
7 County Treasurer.

8 **Sec. 77.** RCW 84.69.010 and 1961 c 15 s 84.69.010 are each amended
9 to read as follows:

10 As used in this chapter, unless the context indicates otherwise:

11 (1) "Taxing district" means any county, city, town, (~~township,~~)
12 port district, school district, road district, metropolitan park
13 district, water-sewer district, or other municipal corporation now or
14 hereafter authorized by law to impose burdens upon property within the
15 district in proportion to the value thereof, for the purpose of
16 obtaining revenue for public purposes, as distinguished from municipal
17 corporations authorized to impose burdens, or for which burdens may be
18 imposed, for such purposes, upon property in proportion to the benefits
19 accruing thereto.

20 (2) "Tax" includes penalties and interest.

21 **Sec. 78.** RCW 87.03.015 and 1979 ex.s. c 185 s 2 are each amended
22 to read as follows:

23 Any irrigation district, operating and maintaining an irrigation
24 system, in addition to other powers conferred by law, shall have
25 authority:

26 (1) To purchase and sell electric power to the inhabitants of the
27 irrigation district for the purposes of irrigation and domestic use, to
28 acquire, construct, and lease dams, canals, plants, transmission lines,
29 and other power equipment and the necessary property and rights
30 therefor and to operate, improve, repair, and maintain the same, for
31 the generation and transmission of electrical energy for use in the
32 operation of pumping plants and irrigation systems of the district and
33 for sale to the inhabitants of the irrigation district for the purposes
34 of irrigation and domestic use; and, as a further and separate grant of
35 authority and in furtherance of a state purpose and policy of
36 developing hydroelectric capability in connection with irrigation
37 facilities, to construct, finance, acquire, own, operate, and maintain,

1 alone or jointly with other irrigation districts, boards of control,
2 other municipal or quasi_municipal corporations or cooperatives
3 authorized to engage in the business of distributing electricity, or
4 electrical companies subject to the jurisdiction of the utilities and
5 transportation commission, hydroelectric facilities including but not
6 limited to dams, canals, plants, transmission lines, other power
7 equipment, and the necessary property and rights therefor, located
8 within or outside the district, for the purpose of utilizing for the
9 generation of electricity, water power made available by and as a part
10 of the irrigation water storage, conveyance, and distribution
11 facilities, waste ways, and drainage water facilities which serve
12 irrigation districts, and to sell any and all the electric energy
13 generated at any such hydroelectric facilities or the irrigation
14 district's share of such energy, to municipal or quasi_municipal
15 corporations and cooperatives authorized to engage in the business of
16 distributing electricity, and electrical companies subject to the
17 jurisdiction of the utilities and transportation commission, or to
18 other irrigation districts, and on such terms and conditions as the
19 board of directors shall determine, and to enter into contracts with
20 other irrigation districts, boards of control, other municipal or
21 quasi_municipal corporations and cooperatives authorized to engage in
22 the business of distributing electricity, and electrical companies
23 subject to the jurisdiction of the utilities and transportation
24 commission: PROVIDED, That no contract entered into by the board of
25 directors of any irrigation district for the sale of electrical energy
26 from such hydroelectric facility for a period longer than forty years
27 from the date of commercial operation of such hydroelectric facility
28 shall be binding on the district until ratified by a majority vote of
29 the electors of the district at an election therein, called, held and
30 canvassed for that purpose in the same manner as that provided by law
31 for district bond elections.

32 (2) To construct, repair, purchase, maintain or lease a system for
33 the sale or lease of water to the owners of irrigated lands within the
34 district for domestic purposes.

35 (3) To construct, repair, purchase, lease, acquire, operate and
36 maintain a system of drains, sanitary sewers, and sewage disposal or
37 treatment plants as herein provided.

1 (4) To assume, as principal or guarantor, any indebtedness to the
2 United States under the federal reclamation laws, on account of
3 district lands.

4 (5) To maintain, repair, construct and reconstruct ditches,
5 laterals, pipe lines and other water conduits used or to be used in
6 carrying water for irrigation of lands located within the boundaries of
7 a city or town or for the domestic use of the residents of a city or
8 town where the owners of land within such city or town shall use such
9 works to carry water to the boundaries of such city or town for
10 irrigation, domestic or other purposes within such city or town, and to
11 charge to such city or town the pro rata proportion of the cost of such
12 maintenance, repair, construction and reconstruction work in proportion
13 to the benefits received by the lands served and located within the
14 boundaries of such city or town, and if such cost is not paid, then and
15 in that event said irrigation district shall have the right to prevent
16 further water deliveries through such works to the lands located within
17 the boundaries of such city or town until such charges have been paid.

18 (6) To acquire, install and maintain as a part of the irrigation
19 district's water system the necessary water mains and fire hydrants to
20 make water available for fire fighting purposes; and in addition any
21 such irrigation district shall have the authority to repair, operate
22 and maintain such hydrants and mains.

23 (7) To enter into contracts with other irrigation districts, boards
24 of control, municipal or quasi_municipal corporations and cooperatives
25 authorized to engage in the business of distributing electricity, and
26 electrical companies subject to the jurisdiction of the utilities and
27 transportation commission to jointly acquire, construct, own, operate,
28 and maintain irrigation water, domestic water, drainage and sewerage
29 works, and electrical power works to the same extent as authorized by
30 subsection (1) of this section, or portions of such works.

31 (8) To acquire from a water-sewer district wholly within the
32 irrigation district's boundaries, by a conveyance without cost, the
33 water-sewer district's water system and to operate the same to provide
34 water for the domestic use of the irrigation district residents. As a
35 part of its acceptance of the conveyance the irrigation district must
36 agree to relieve the water-sewer district of responsibility for
37 maintenance and repair of the system. Any such water-sewer district is
38 authorized to make such a conveyance if all indebtedness of the water-
39 sewer district, except local improvement district bonds, has been paid

1 and the conveyance has been approved by a majority of the water-sewer
2 district's ((electors)) voters voting at a general or special election.

3 This section shall not be construed as in any manner abridging any
4 other powers of an irrigation district conferred by law.

5 **Sec. 79.** RCW 87.03.720 and 1977 ex.s. c 208 s 1 are each amended
6 to read as follows:

7 The board of directors of an irrigation district shall, after being
8 notified by the legislative authority of the county or counties within
9 which the irrigation district lies of the filing of the petition
10 therefor, have the power to assent to the proposed merger with the
11 irrigation district of that portion of a drainage improvement district,
12 joint drainage improvement district, consolidated drainage improvement
13 district, or water-sewer district within its boundaries at a hearing
14 duly called by the board to consider the proposed merger if sufficient
15 objections thereto have not been presented, as hereinafter provided.

16 **Sec. 80.** RCW 87.03.725 and 1977 ex.s. c 208 s 2 are each amended
17 to read as follows:

18 The secretary of the board of directors shall cause a notice of the
19 proposed merger to be posted and published in the same manner and for
20 the same time as notice of a special election for the issue of bonds.
21 The notice shall state that a petition has been filed with the
22 legislative authority of the county or counties within which the
23 irrigation districts lies by the board of supervisors of the drainage
24 improvement district, joint drainage improvement district, or
25 consolidated drainage improvement district or by the board of
26 commissioners of a water-sewer district requesting that the drainage
27 improvement district, joint drainage improvement district, consolidated
28 drainage improvement district, or water-sewer district be merged with
29 the irrigation district or irrigation districts, the names of the
30 petitioners and the prayer thereof, and it shall notify all persons
31 interested in the irrigation district to appear at the office of the
32 board at the time named in the notice, and show cause in writing why
33 the proposed merger should not take place. The time to show cause
34 shall be the regular meeting of the board of directors of the
35 irrigation district next after the expiration of the time for the
36 publication of the notice.

1 NEW SECTION. **Sec. 81.** RCW 56.08.070 and 1996 c 18 s 13 are each
2 repealed.

3 NEW SECTION. **Sec. 82.** This act is necessary for the immediate
4 preservation of the public peace, health, or safety, or support of the
5 state government and its existing public institutions, and takes effect
6 July 1, 1997."

7 Correct the title accordingly.

--- END ---