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**HOUSE BILL 1264**

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**State of Washington**

**56th Legislature**

**1999 Regular Session**

**By** Representatives D. Schmidt, Scott, Mulliken, Fisher, Quall, Wolfe and Schoesler

Read first time 01/20/1999. Referred to Committee on Local Government.

1 AN ACT Relating to the combining of water and sewer districts;  
2 amending RCW 57.04.050, 57.08.005, 57.08.014, 57.08.030, 57.08.044,  
3 57.08.047, 57.08.050, 57.08.065, 57.08.085, 57.08.110, 57.08.180,  
4 57.16.060, 57.16.110, 57.20.120, 57.20.140, 57.24.040, 57.24.050,  
5 57.28.050, 57.32.023, 57.36.040, 57.90.010, 27.12.470, 32.20.070,  
6 32.20.110, 35.13A.020, 35.13A.030, 35.13A.040, 35.13A.060, 35.13A.090,  
7 35.58.210, 35.58.220, 35.58.230, 35.58.410, 35.67.300, 35.91.020,  
8 35.92.012, 35.92.170, 35.97.010, 35.97.050, 36.16.138, 36.93.020,  
9 36.93.093, 36.93.105, 36.93.185, 36.94.220, 36.94.430, 36.96.010,  
10 36.94.410, 36.94.420, 39.69.010, 39.50.010, 39.80.020, 43.20.240,  
11 43.70.195, 43.155.030, 44.04.170, 48.62.021, 52.08.011, 53.48.001,  
12 53.48.010, 54.04.030, 70.44.400, 70.95B.020, 70.119.020, 79.44.003,  
13 84.04.120, 84.33.100, 84.34.310, 84.64.080, 84.69.010, 87.03.015,  
14 87.03.720, and 87.03.725; reenacting RCW 57.08.081; and creating a new  
15 section.

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

17 **PART I - WATER-SEWER DISTRICT LAWS**

1       **Sec. 1.** RCW 57.04.050 and 1996 c 230 s 204 are each amended to  
2 read as follows:

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

23       ~~. . . . . District . . . . . YES |~~  
24       ~~. . . . . District . . . . . NO |~~

25 ~~giving the name of the district as provided in the petition. ~~The~~~~  
26 ~~proposition to be effective must be)) The district shall be created if~~  
27 ~~the ballot proposition authorizing the district to be created is~~  
28 ~~approved by a majority of the voters voting on the proposition.~~

29       A separate ballot proposition authorizing the district, if created,  
30 to impose a single-year excess levy for the preliminary expenses of the  
31 district shall be submitted to voters for their approval or rejection  
32 at the same special election ~~((a proposition shall be submitted to the~~  
33 voters, for their approval or rejection, authorizing the district, if  
34 formed, to impose on all property located in the district a general tax  
35 for one year, in excess of the limitations provided by law)), if the  
36 petition to create the district also proposed that a ballot proposition  
37 authorizing an excess levy be submitted to voters for their approval or  
38 rejection. The excess levy shall be proposed in the amount specified

1 in the petition to create the district, not to exceed one dollar and  
2 twenty-five cents per thousand dollars of assessed value, (~~for general~~  
3 ~~preliminary expenses of the district, that proposition to be expressed~~  
4 ~~on the ballots in the following terms:~~

5 One year . . . . . dollars and . . . . . cents per  
6 thousand dollars of assessed value tax . . . . . YES |  
7 | NO |

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

14 **Sec. 2.** RCW 57.08.005 and 1997 c 447 s 16 are each amended to read  
15 as follows:

16 A district shall have the following powers:

17 (1) To acquire by purchase or condemnation, or both, all lands,  
18 property and property rights, and all water and water rights, both  
19 within and without the district, necessary for its purposes. The right  
20 of eminent domain shall be exercised in the same manner and by the same  
21 procedure as provided for cities and towns, insofar as consistent with  
22 this title, except that all assessment or reassessment rolls to be  
23 prepared and filed by eminent domain commissioners or commissioners  
24 appointed by the court shall be prepared and filed by the district, and  
25 the duties devolving upon the city treasurer are imposed upon the  
26 county treasurer;

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

30 (3) To construct, condemn and purchase, add to, maintain, and  
31 supply waterworks to furnish the district and inhabitants thereof and  
32 any other persons, both within and without the district, with an ample  
33 supply of water for all uses and purposes public and private with full  
34 authority to regulate and control the use, content, distribution, and  
35 price thereof in such a manner as is not in conflict with general law  
36 and may construct, acquire, or own buildings and other necessary  
37 district facilities. Where a customer connected to the district's

1 system uses the water on an intermittent or transient basis, a district  
2 may charge for providing water service to such a customer, regardless  
3 of the amount of water, if any, used by the customer. District  
4 waterworks may include facilities which result in combined water supply  
5 and electric generation, if the electricity generated thereby is a  
6 byproduct of the water supply system. That electricity may be used by  
7 the district or sold to any entity authorized by law to use or  
8 distribute electricity. Electricity is deemed a byproduct when the  
9 electrical generation is subordinate to the primary purpose of water  
10 supply. For such purposes, a district may take, condemn and purchase,  
11 acquire, and retain water from any public or navigable lake, river or  
12 watercourse, or any underflowing water, and by means of aqueducts or  
13 pipeline conduct the same throughout the district and any city or town  
14 therein and carry it along and upon public highways, roads, and  
15 streets, within and without such district. For the purpose of  
16 constructing or laying aqueducts or pipelines, dams, or waterworks or  
17 other necessary structures in storing and retaining water or for any  
18 other lawful purpose such district may occupy the beds and shores up to  
19 the high water mark of any such lake, river, or other watercourse, and  
20 may acquire by purchase or condemnation such property or property  
21 rights or privileges as may be necessary to protect its water supply  
22 from pollution. For the purposes of waterworks which include  
23 facilities for the generation of electricity as a byproduct, nothing in  
24 this section may be construed to authorize a district to condemn  
25 electric generating, transmission, or distribution rights or facilities  
26 of entities authorized by law to distribute electricity, or to acquire  
27 such rights or facilities without the consent of the owner;

28 (4) To purchase and take water from any municipal corporation,  
29 private person, or entity. A district contiguous to Canada may  
30 contract with a Canadian corporation for the purchase of water and for  
31 the construction, purchase, maintenance, and supply of waterworks to  
32 furnish the district and inhabitants thereof and residents of Canada  
33 with an ample supply of water under the terms approved by the board of  
34 commissioners;

35 (5) To construct, condemn and purchase, add to, maintain, and  
36 operate systems of sewers for the purpose of furnishing the district,  
37 the inhabitants thereof, and persons outside the district with an  
38 adequate system of sewers for all uses and purposes, public and  
39 private, including but not limited to on-site sewage disposal

1 facilities, approved septic tanks or approved septic tank systems, on-  
2 site sanitary sewerage systems, inspection services and maintenance  
3 services for private and public on-site systems, point and nonpoint  
4 water pollution monitoring programs that are directly related to the  
5 sewerage facilities and programs operated by a district, other  
6 facilities, programs, and systems for the collection, interception,  
7 treatment, and disposal of wastewater, and for the control of pollution  
8 from wastewater (~~and for the protection, preservation, and~~  
9 ~~rehabilitation of surface and underground waters, facilities for the~~  
10 ~~drainage and treatment of storm or surface waters, public highways,~~  
11 ~~streets, and roads~~)) with full authority to regulate the use and  
12 operation thereof and the service rates to be charged. Under this  
13 chapter, after July 1, 1998, any requirements for pumping the septic  
14 tank of an on-site sewage system should be based, among other things,  
15 on actual measurement of accumulation of sludge and scum by a trained  
16 inspector, trained owner's agent, or trained owner. Training must  
17 occur in a program approved by the state board of health or by a local  
18 health officer. Sewage facilities may include facilities which result  
19 in combined sewage disposal(~~(  )~~) or treatment(~~(   or drainage)~~) and  
20 electric generation, except that the electricity generated thereby is  
21 a byproduct of the system of sewers. Such electricity may be used by  
22 the district or sold to any entity authorized by law to distribute  
23 electricity. Electricity is deemed a byproduct when the electrical  
24 generation is subordinate to the primary purpose of sewage  
25 disposal(~~(  )~~) or treatment(~~(   or drainage)~~). For such purposes a  
26 district may conduct sewage throughout the district and throughout  
27 other political subdivisions within the district, and construct and lay  
28 sewer pipe along and upon public highways, roads, and streets, within  
29 and without the district, and condemn and purchase or acquire land and  
30 rights of way necessary for such sewer pipe. A district may erect  
31 sewage treatment plants within or without the district, and may  
32 acquire, by purchase or condemnation, properties or privileges  
33 necessary to be had to protect any lakes, rivers, or watercourses and  
34 also other areas of land from pollution from its sewers or its sewage  
35 treatment plant. For the purposes of sewage facilities which include  
36 facilities that result in combined sewage disposal(~~(  )~~) or treatment(~~(~~  
37 ~~or drainage)~~) and electric generation where the electric generation is  
38 a byproduct, nothing in this section may be construed to authorize a  
39 district to condemn electric generating, transmission, or distribution

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

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

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

1       (~~(7)~~) (8) To compel all property owners within the district  
2 located within an area served by the district's system of sewers to  
3 connect their private drain and sewer systems with the district's  
4 system under such penalty as the commissioners shall prescribe by  
5 resolution. The district may for such purpose enter upon private  
6 property and connect the private drains or sewers with the district  
7 system and the cost thereof shall be charged against the property owner  
8 and shall be a lien upon property served;

9       (~~(8)~~) (9) Where a district contains within its borders, abuts, or  
10 is located adjacent to any lake, stream, ground water as defined by RCW  
11 90.44.035, or other waterway within the state of Washington, to provide  
12 for the reduction, minimization, or elimination of pollutants from  
13 those waters in accordance with the district's comprehensive plan, and  
14 to issue general obligation bonds, revenue bonds, local improvement  
15 district bonds, or utility local improvement bonds for the purpose of  
16 paying all or any part of the cost of reducing, minimizing, or  
17 eliminating the pollutants from these waters;

18       (~~(9)~~) (10) To fix rates and charges for water, sewer, and drain  
19 service supplied and to charge property owners seeking to connect to  
20 the district's systems, as a condition to granting the right to so  
21 connect, in addition to the cost of the connection, such reasonable  
22 connection charge as the board of commissioners shall determine to be  
23 proper in order that those property owners shall bear their equitable  
24 share of the cost of the system. For the purposes of calculating a  
25 connection charge, the board of commissioners shall determine the pro  
26 rata share of the cost of existing facilities and facilities planned  
27 for construction within the next ten years and contained in an adopted  
28 comprehensive plan and other costs borne by the district which are  
29 directly attributable to the improvements required by property owners  
30 seeking to connect to the system. The cost of existing facilities  
31 shall not include those portions of the system which have been donated  
32 or which have been paid for by grants. The connection charge may  
33 include interest charges applied from the date of construction of the  
34 system until the connection, or for a period not to exceed ten years,  
35 whichever is shorter, at a rate commensurate with the rate of interest  
36 applicable to the district at the time of construction or major  
37 rehabilitation of the system, or at the time of installation of the  
38 lines to which the property owner is seeking to connect. A district  
39 may permit payment of the cost of connection and the reasonable

1 connection charge to be paid with interest in installments over a  
2 period not exceeding fifteen years. The county treasurer may charge  
3 and collect a fee of three dollars for each year for the treasurer's  
4 services. Those fees shall be a charge to be included as part of each  
5 annual installment, and shall be credited to the county current expense  
6 fund by the county treasurer. Revenues from connection charges  
7 excluding permit fees are to be considered payments in aid of  
8 construction as defined by department of revenue rule. Rates or  
9 charges for on-site inspection and maintenance services may not be  
10 imposed under this chapter on the development, construction, or  
11 reconstruction of property.

12 Before adopting on-site inspection and maintenance utility  
13 services, or incorporating residences into an on-site inspection and  
14 maintenance or sewer utility under this chapter, notification must be  
15 provided, prior to the applicable public hearing, to all residences  
16 within the proposed service area that have on-site systems permitted by  
17 the local health officer. The notice must clearly state that the  
18 residence is within the proposed service area and must provide  
19 information on estimated rates or charges that may be imposed for the  
20 service.

21 A water-sewer district shall not provide on-site sewage system  
22 inspection, pumping services, or other maintenance or repair services  
23 under this section using water-sewer district employees unless the on-  
24 site system is connected by a publicly owned collection system to the  
25 water-sewer district's sewerage system, and the on-site system  
26 represents the first step in the sewage disposal process.

27 Except as otherwise provided in RCW 90.03.525, any public entity  
28 and public property, including the state of Washington and state  
29 property, shall be subject to rates and charges for sewer, water, storm  
30 water control, drainage, and street lighting facilities to the same  
31 extent private persons and private property are subject to those rates  
32 and charges that are imposed by districts. In setting those rates and  
33 charges, consideration may be made of in-kind services, such as stream  
34 improvements or donation of property;

35 ~~((10))~~ (11) To contract with individuals, associations and  
36 corporations, the state of Washington, and the United States;

37 ~~((11))~~ (12) To employ such persons as are needed to carry out the  
38 district's purposes and fix salaries and any bond requirements for  
39 those employees;

1       (~~(12)~~) (13) To contract for the provision of engineering, legal,  
2 and other professional services as in the board of commissioner's  
3 discretion is necessary in carrying out their duties;  
4       (~~(13)~~) (14) To sue and be sued;  
5       (~~(14)~~) (15) To loan and borrow funds and to issue bonds and  
6 instruments evidencing indebtedness under chapter 57.20 RCW and other  
7 applicable laws;  
8       (~~(15)~~) (16) To transfer funds, real or personal property,  
9 property interests, or services subject to RCW 57.08.015;  
10       (~~(16)~~) (17) To levy taxes in accordance with this chapter and  
11 chapters 57.04 and 57.20 RCW;  
12       (~~(17)~~) (18) To provide for making local improvements and to levy  
13 and collect special assessments on property benefitted thereby, and for  
14 paying for the same or any portion thereof in accordance with chapter  
15 57.16 RCW;  
16       (~~(18)~~) (19) To establish street lighting systems under RCW  
17 57.08.060;  
18       (~~(19)~~) (20) To exercise such other powers as are granted to  
19 water-sewer districts by this title or other applicable laws; and  
20       (~~(20)~~) (21) To exercise any of the powers granted to cities and  
21 counties with respect to the acquisition, construction, maintenance,  
22 operation of, and fixing rates and charges for waterworks and systems  
23 of sewerage and drainage.

24       **Sec. 3.** RCW 57.08.014 and 1996 c 230 s 304 are each amended to  
25 read as follows:

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

1 be uniformly extended to low-income persons in all other parts of the  
2 service area.

3 **Sec. 4.** RCW 57.08.030 and 1996 c 230 s 307 are each amended to  
4 read as follows:

5 (1) Whenever any district shall have installed a distributing  
6 system of water mains and laterals, and as a source of supply of water  
7 shall be purchasing or intending to purchase water from any city or  
8 town, and whenever it appears to be advantageous to the water consumers  
9 in the district that such city or town shall take over the water system  
10 of the district and supply water to those water users, the  
11 commissioners of the district, when authorized as provided in  
12 subsection (2) of this section, shall have the right to convey the  
13 distributing system to that city or town if that city or town is  
14 willing to accept, maintain, and repair the same.

15 (2) Should the commissioners of the district decide that it would  
16 be to the advantage of the water consumers of the district to make the  
17 conveyance provided for in subsection (1) of this section, they shall  
18 cause the proposition of making that conveyance to be submitted to the  
19 voters of the district at any general election or at a special election  
20 to be called for the purpose of voting on the same. If at the election  
21 a majority of the voters voting on the proposition shall be in favor of  
22 making the conveyance, the district commissioners shall have the right  
23 to convey to the city or town the mains and laterals belonging to the  
24 district upon the city or town entering into a contract satisfactory to  
25 the commissioners to maintain and repair the same.

26 (3) Whenever a city or town located wholly or in part within a  
27 district shall enter into a contract with the commissioners of a  
28 district providing that the city or town shall take over all of the  
29 operation of the water supply facilities of the district located within  
30 its boundaries, the area of the district located within the city or  
31 town shall upon the execution of the contract cease to be served by the  
32 district for water service purposes. However, the affected land within  
33 that city or town shall remain liable for the payment of all  
34 assessments, any lien upon the property at the time of the execution of  
35 the agreement, and for any lien of all general obligation bonds due at  
36 the date of the contract, and the city or town shall remain liable for  
37 its fair prorated share of the debt of the area for any revenue bonds,  
38 outstanding as of the date of contract.

1       **Sec. 5.** RCW 57.08.044 and 1996 c 230 s 309 are each amended to  
2 read as follows:

3       A district may enter into contracts with any county, city, town, or  
4 any other municipal or quasi-municipal corporation, or with any private  
5 person or corporation, for the acquisition, ownership, use, and  
6 operation of any property, facilities, or services, within or without  
7 the district, and necessary or desirable to carry out the purposes of  
8 the district. A district may provide water, sewer, drainage, or street  
9 lighting services to property owners in areas within or without the  
10 limits of the district, except that if the area to be served is located  
11 within another existing district duly authorized to exercise district  
12 powers in that area, then water, sewer, drainage, or street lighting  
13 service may not be so provided by contract or otherwise without the  
14 consent by resolution of the board of commissioners of that other  
15 district.

16       **Sec. 6.** RCW 57.08.047 and 1996 c 230 s 310 are each amended to  
17 read as follows:

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

21       **Sec. 7.** RCW 57.08.050 and 1998 c 278 s 8 are each amended to read  
22 as follows:

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

1 work to be done and shall call for proposals for doing the same to be  
2 sealed and filed with the board of commissioners on or before the day  
3 and hour named therein.

4 Each bid shall be accompanied by a certified or cashier's check or  
5 postal money order payable to the order of the county treasurer for a  
6 sum not less than five percent of the amount of the bid, or accompanied  
7 by a bid bond in an amount not less than five percent of the bid with  
8 a corporate surety licensed to do business in the state, conditioned  
9 that the bidder will pay the district as liquidated damages the amount  
10 specified in the bond, unless the bidder enters into a contract in  
11 accordance with the bidder's bid, and no bid shall be considered unless  
12 accompanied by such check, cash or bid bond. At the time and place  
13 named such bids shall be publicly opened and read and the board of  
14 commissioners shall proceed to canvass the bids and may let such  
15 contract to the lowest responsible bidder upon plans and specifications  
16 on file or to the best bidder submitting the bidder's own plans and  
17 specifications. The board of commissioners may reject all bids for  
18 good cause and readvertise and in such case all checks, cash or bid  
19 bonds shall be returned to the bidders. If the contract is let, then  
20 all checks, cash, or bid bonds shall be returned to the bidders, except  
21 that of the successful bidder, which shall be retained until a contract  
22 shall be entered into for doing the work, and a bond to perform such  
23 work furnished with sureties satisfactory to the board of commissioners  
24 in the full amount of the contract price between the bidder and the  
25 commission in accordance with the bid. If the bidder fails to enter  
26 into the contract in accordance with the bid and furnish the bond  
27 within ten days from the date at which the bidder is notified that the  
28 bidder is the successful bidder, the check, cash, or bid bonds and the  
29 amount thereof shall be forfeited to the district. If the bidder fails  
30 to enter into a contract in accordance with the bidder's bid, and the  
31 board of commissioners deems it necessary to take legal action to  
32 collect on any bid bond required by this section, then the district  
33 shall be entitled to collect from the bidder any legal expenses,  
34 including reasonable attorneys' fees occasioned thereby. A low bidder  
35 who claims error and fails to enter into a contract is prohibited from  
36 bidding on the same project if a second or subsequent call for bids is  
37 made for the project.

38 (2) Any purchase of materials, supplies, or equipment, with an  
39 estimated cost in excess of ten thousand dollars, shall be by contract.

1 Any purchase of materials, supplies, or equipment, with an estimated  
2 cost of less than fifty thousand dollars shall be made using the  
3 process provided in RCW 39.04.190. Any purchase of materials,  
4 supplies, or equipment with an estimated cost of fifty thousand dollars  
5 or more shall be made by competitive bidding following the procedure  
6 for letting contracts for projects under subsection (1) of this  
7 section.

8 (3) The board may waive the competitive bidding requirements of  
9 this section pursuant to RCW 39.04.280 if an exemption contained within  
10 that section applies to the purchase or public work.

11 **Sec. 8.** RCW 57.08.065 and 1997 c 447 s 17 are each amended to read  
12 as follows:

13 (1) A district shall have power to establish, maintain, and operate  
14 a mutual water, sewerage, drainage, and street lighting system, a  
15 mutual system of any two or three of the systems, or separate systems.

16 (2) Where any two or more districts include the same territory as  
17 of July 1, 1997, none of the overlapping districts may provide any  
18 service that was made available by any of the other districts prior to  
19 July 1, 1997, within the overlapping territory without the consent by  
20 resolution of the board of commissioners of the other district or  
21 districts.

22 (3) A district that was a water district prior to July 1, 1997,  
23 that did not operate a system of sewerage or drainage prior to July 1,  
24 1997, may not proceed to exercise the powers to establish, maintain,  
25 construct, and operate any system of sewerage or drainage without first  
26 obtaining written approval and certification of necessity from the  
27 department of ecology and department of health. Any comprehensive plan  
28 for a system of sewers or drainages or addition thereto or betterment  
29 thereof, proposed by a district that was a water district prior to July  
30 1, 1997, shall be approved by the same county and state officials as  
31 were required to approve such plans adopted by a sewer district  
32 immediately prior to July 1, 1997, and as subsequently may be required.

33 **Sec. 9.** RCW 57.08.081 and 1998 c 285 s 2 and 1998 c 106 s 9 are  
34 each reenacted to read as follows:

35 (1) The commissioners of any district shall provide for revenues by  
36 fixing rates and charges for furnishing sewer and drainage service and  
37 facilities to those to whom service is available or for providing

1 water, such rates and charges to be fixed as deemed necessary by the  
2 commissioners, so that uniform charges will be made for the same class  
3 of customer or service and facility. Rates and charges may be combined  
4 for the furnishing of more than one type of sewer or drainage service  
5 and facilities.

6 (2) In classifying customers of such water, sewer, or drainage  
7 system, the board of commissioners may in its discretion consider any  
8 or all of the following factors: The difference in cost to various  
9 customers; the location of the various customers within and without the  
10 district; the difference in cost of maintenance, operation, repair, and  
11 replacement of the various parts of the system; the different character  
12 of the service furnished various customers; the quantity and quality of  
13 the service and facility furnished; the time of its use; the  
14 achievement of water conservation goals and the discouragement of  
15 wasteful practices; capital contributions made to the system including  
16 but not limited to assessments; and any other matters which present a  
17 reasonable difference as a ground for distinction. Rates shall be  
18 established as deemed proper by the commissioners and as fixed by  
19 resolution and shall produce revenues sufficient to take care of the  
20 costs of maintenance and operation, revenue bond and warrant interest  
21 and principal amortization requirements, and all other charges  
22 necessary for efficient and proper operation of the system. Prior to  
23 furnishing services, a district may require a deposit to guarantee  
24 payment for services. However, failure to require a deposit does not  
25 affect the validity of any lien authorized by this section.

26 (3) The commissioners shall enforce collection of connection  
27 charges, and rates and charges for water supplied against property  
28 owners connecting with the system or receiving such water, and for  
29 sewer and drainage services charged against property to which and its  
30 owners to whom the service is available, such charges being deemed  
31 charges against the property served, by addition of penalties of not  
32 more than ten percent thereof in case of failure to pay the charges at  
33 times fixed by resolution. The commissioners may provide by resolution  
34 that where either connection charges or rates and charges for services  
35 supplied are delinquent for any specified period of time, the district  
36 shall certify the delinquencies to the auditor of the county in which  
37 the real property is located, and the charges and any penalties added  
38 thereto and interest thereon at the rate of not more than the prime  
39 lending rate of the district's bank plus four percentage points per

1 year shall be a lien against the property upon which the service was  
2 received, subject only to the lien for general taxes.

3 (4) The district may, at any time after the connection charges or  
4 rates and charges for services supplied or available and penalties are  
5 delinquent for a period of sixty days, bring suit in foreclosure by  
6 civil action in the superior court of the county in which the real  
7 property is located. The court may allow, in addition to the costs and  
8 disbursements provided by statute, attorneys' fees, title search and  
9 report costs, and expenses as it adjudges reasonable. The action shall  
10 be in rem, and may be brought in the name of the district against an  
11 individual or against all of those who are delinquent in one action.  
12 The laws and rules of the court shall control as in other civil  
13 actions.

14 (5) In addition to the right to foreclose provided in this section,  
15 the district may also cut off all or part of the service after charges  
16 for water or sewer service supplied or available are delinquent for a  
17 period of thirty days.

18 (6) A district may determine how to apply partial payments on past  
19 due accounts.

20 (7) A district may provide a real property owner or the owner's  
21 designee with duplicate bills for service to tenants, or may notify an  
22 owner or the owner's designee that a tenant's service account is  
23 delinquent. However, if an owner or the owner's designee notifies the  
24 district in writing that a property served by the district is a rental  
25 property, asks to be notified of a tenant's delinquency, and has  
26 provided, in writing, a complete and accurate mailing address, the  
27 district shall notify the owner or the owner's designee of a tenant's  
28 delinquency at the same time and in the same manner the district  
29 notifies the tenant of the tenant's delinquency or by mail. When a  
30 district provides a real property owner or the owner's designee with  
31 duplicates of tenant utility service bills or notice that a tenant's  
32 utility account is delinquent, the district shall notify the tenant  
33 that it is providing the duplicate bills or delinquency notice to the  
34 owner or the owner's designee. After January 1, 1999, if a district  
35 fails to notify the owner of a tenant's delinquency after receiving a  
36 written request to do so and after receiving the other information  
37 required by this subsection (7), the district shall have no lien  
38 against the premises for the tenant's delinquent and unpaid charges.

1       **Sec. 10.** RCW 57.08.085 and 1996 c 230 s 315 are each amended to  
2 read as follows:

3       Except as otherwise provided in RCW 90.03.525, any public entity  
4 and public property, including state of Washington property, shall be  
5 subject to rates and charges for (~~storm water control~~) drainage  
6 facilities to the same extent as private persons and private property  
7 are subject to such rates and charges that are imposed by districts  
8 pursuant to RCW 57.08.005 or 57.08.081. In setting those rates and  
9 charges, consideration may be given to in-kind services, such as stream  
10 improvements or donation of property.

11       **Sec. 11.** RCW 57.08.110 and 1996 c 230 s 318 are each amended to  
12 read as follows:

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

34       **Sec. 12.** RCW 57.08.180 and 1996 c 230 s 322 are each amended to  
35 read as follows:

36       It is unlawful and a misdemeanor to make, or cause to be made, or  
37 to maintain any connection with any sewer, drainage, or water system of

1 any district, or with any sewer, drainage, or water system which is  
2 connected directly or indirectly with any sewer, drainage, or water  
3 system of any district without having permission from the district.

4 **Sec. 13.** RCW 57.16.060 and 1996 c 230 s 602 are each amended to  
5 read as follows:

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

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

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

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

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

1 case of the notice given each owner or reputed owner by mail, the  
2 notice shall set forth the estimated amount of the cost and expense of  
3 such improvement to be borne by the particular lot, tract, parcel of  
4 land, or other property.

5 **Sec. 14.** RCW 57.16.110 and 1998 c 106 s 5 are each amended to read  
6 as follows:

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

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

29 **Sec. 15.** 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. 16.** 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. 17.** 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. 18.** 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. 19.** 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. 20.** 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. 21.** 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. 22.** 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 **PART II - MISCELLANEOUS CORRECTIONS**

31 **Sec. 23.** RCW 27.12.470 and 1994 c 198 s 2 are each amended to read  
32 as follows:

33 A rural partial-county library district may be created in a portion  
34 of the unincorporated area of a county as provided in this section if

1 a rural county library district, intercounty rural library district, or  
2 island library district has not been created in the county.

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

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

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

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

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

1 If, at the time of creation, a rural partial-county library  
2 district has an assessed valuation of less than fifty million dollars,  
3 it may provide library services only by contracting for the services  
4 through an interlocal agreement with an adjacent library district, or  
5 an adjacent city or town that maintains its own library. If the  
6 assessed valuation of the rural partial-county library district  
7 subsequently reaches fifty million dollars as a result of annexation or  
8 appreciation, the fifty million dollar limitation shall not apply.

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

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

24 **Sec. 24.** RCW 32.20.070 and 1955 c 13 s 32.20.070 are each amended  
25 to read as follows:

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

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

1       **Sec. 25.** RCW 32.20.110 and 1955 c 13 s 32.20.110 are each amended  
2 to read as follows:

3       A mutual savings bank may invest its funds in the bonds of any port  
4 district, (~~water district,~~) sanitary district, water-sewer district,  
5 tunnel district, bridge district, flood control district, park  
6 district, or highway district in the United States which has a  
7 population as shown by the last decennial federal census of not less  
8 than one hundred fifty thousand inhabitants, and has taxable real  
9 property with an assessed valuation in excess of two hundred million  
10 dollars and has power to levy taxes on the taxable real property  
11 therein for the payment of the bonds without limitation of rate or  
12 amount.

13       **Sec. 26.** RCW 35.13A.020 and 1998 c 326 s 2 are each amended to  
14 read as follows:

15       (1) Whenever all of the territory of a (~~water-sewer~~) district is  
16 included within the corporate boundaries of a city, the city  
17 legislative body may adopt a resolution or ordinance to assume  
18 jurisdiction over all of the district.

19       (2) Upon the assumption, all real and personal property,  
20 franchises, rights, assets, taxes levied but not collected for the  
21 district for other than indebtedness, water, sewer, and drainage  
22 facilities, and all other facilities and equipment of the district  
23 shall become the property of the city 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 in addition to its other powers, shall have the power to manage,  
27 control, maintain, and operate the property, facilities and equipment  
28 and to fix and collect service and other charges from owners and  
29 occupants of properties so served by the city, subject, however, to any  
30 outstanding indebtedness, bonded or otherwise, of the district payable  
31 from taxes, assessments, or revenues of any kind or nature and to any  
32 other contractual obligations of the district.

33       (3) The city may by resolution or ordinance of its legislative  
34 body, assume the obligation of paying such district indebtedness and of  
35 levying and of collecting or causing to be collected the district  
36 taxes, assessments, and utility rates and charges of any kind or nature  
37 to pay and secure the payment of the indebtedness, according to all of  
38 the terms, conditions and covenants incident to the indebtedness, and

1 shall assume and perform all other outstanding contractual obligation  
2 of the district in accordance with all of their terms, conditions, and  
3 covenants. An assumption shall not be deemed to impair the obligation  
4 of any indebtedness or other contractual obligation. During the period  
5 until the outstanding indebtedness of the district has been discharged,  
6 the territory of the district and the owners and occupants of property  
7 therein, shall continue to be liable for its and their proportionate  
8 share of the indebtedness, including any outstanding assessments levied  
9 within any local improvement district or utility local improvement  
10 district thereof. The city shall assume the obligation of causing the  
11 payment of the district's indebtedness, collecting the district's  
12 taxes, assessments, and charges, and observing and performing the other  
13 district contractual obligations. The legislative body of the city  
14 shall act as the officers of the district for the purpose of certifying  
15 the amount of any property tax to be levied and collected therein, and  
16 causing service and other charges and assessments to be collected from  
17 the property or owners or occupants thereof, enforcing the collection  
18 and performing all other acts necessary to ensure performance of the  
19 district's contractual obligations in the same manner and by the same  
20 means as if the territory of the district had not been included within  
21 the boundaries of a city.

22 When a city assumes the obligation of paying the outstanding  
23 indebtedness, and if property taxes or assessments have been levied and  
24 service and other charges have accrued for this purpose but have not  
25 been collected by the district prior to the assumption, the same when  
26 collected shall belong and be paid to the city and be used by the city  
27 so far as necessary for payment of the indebtedness of the district  
28 existing and unpaid on the date the city assumes the indebtedness. Any  
29 funds received by the city which have been collected for the purpose of  
30 paying any bonded or other indebtedness of the district, shall be used  
31 for the purpose for which they were collected and for no other purpose.  
32 Any outstanding indebtedness shall be paid as provided in the terms,  
33 conditions, and covenants of the indebtedness. All funds of the  
34 district on deposit with the county treasurer at the time of title  
35 transfer shall be used by the city solely for the benefit of the  
36 assumed utility and shall not be transferred to or used for the benefit  
37 of the city's general fund.

1       **Sec. 27.** RCW 35.13A.030 and 1971 ex.s. c 95 s 3 are each amended  
2 to read as follows:

3       Whenever a portion of a (~~water district or sewer~~) district equal  
4 to at least sixty percent of the area or sixty percent of the assessed  
5 valuation of the real property lying within such district, is included  
6 within the corporate boundaries of a city, the city may assume by  
7 ordinance the full and complete management and control of that portion  
8 of the entire district not included within another city, whereupon the  
9 provisions of RCW 35.13A.020 shall be operative; or the city may  
10 proceed directly under the provisions of RCW 35.13A.050.

11       **Sec. 28.** RCW 35.13A.040 and 1971 ex.s. c 95 s 4 are each amended  
12 to read as follows:

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

18       **Sec. 29.** RCW 35.13A.060 and 1971 ex.s. c 95 s 6 are each amended  
19 to read as follows:

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

30       Any other city having less than sixty percent in area or assessed  
31 valuation of such district, within its boundaries may install  
32 facilities and create local improvement districts or otherwise finance  
33 the cost of installation of such facilities and if such facilities have  
34 been installed in accordance with reasonable standards fixed by the  
35 principal city, such other city may connect such facilities to the  
36 utility system of such district operated by the principal city upon  
37 providing for payment by the owners or occupants of properties served

1 thereby, of such charges established by the principal city as may be  
2 reasonable under the circumstances.

3 **Sec. 30.** RCW 35.13A.090 and 1971 ex.s. c 95 s 9 are each amended  
4 to read as follows:

5 Whenever a city acquires all of the facilities of a (~~water~~  
6 ~~district or sewer~~) district, pursuant to this chapter, such a city  
7 shall offer to employ every full time employee of the district who is  
8 engaged in the operation of such a district's facilities on the date on  
9 which such city acquires the district facilities. When a city acquires  
10 any portion of the facilities of such a district, such a city shall  
11 offer to employ full time employees of the district as of the date of  
12 the acquisition of the facilities of the district who are not longer  
13 needed by the district.

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

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

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

20 ~~((3))~~ (2) For a vacation with pay during the first year of  
21 employment equivalent to that to which he would have been entitled if  
22 he had remained in the employment of the district.

23 **Sec. 31.** RCW 35.58.210 and 1974 ex.s. c 70 s 7 are each amended to  
24 read as follows:

25 If a metropolitan municipal corporation shall be authorized to  
26 perform the function of metropolitan water pollution abatement, the  
27 metropolitan council shall, prior to the effective date of the  
28 assumption of such function, cause a metropolitan water pollution  
29 abatement advisory committee to be formed by notifying the legislative  
30 body of each component city and county which operates a sewer system to  
31 appoint one person to serve on such advisory committee and the board of  
32 commissioners of each water-sewer district (~~and water district~~) which  
33 operates a sewer system, any portion of which lies within the  
34 metropolitan area, to appoint one person to serve on such committee who  
35 shall be a commissioner of such a water-sewer (~~or water~~) district.  
36 The metropolitan water pollution abatement advisory committee shall  
37 meet at the time and place provided in the notice and elect a chairman.

1 The members of such committee shall serve at the pleasure of the  
2 appointing bodies and shall receive no compensation other than  
3 reimbursement for expenses actually incurred in the performance of  
4 their duties. The function of such advisory committee shall be to  
5 advise the metropolitan council in matters relating to the performance  
6 of the water pollution (~~(abatement)~~) abatement function.

7 **Sec. 32.** RCW 35.58.220 and 1965 c 7 s 35.58.220 are each amended  
8 to read as follows:

9 If a metropolitan municipal corporation shall be authorized to  
10 perform the function of metropolitan water supply, it shall have the  
11 following powers in addition to the general powers granted by this  
12 chapter:

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

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

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

36 (4) To acquire by purchase, condemnation, gift or grant and to  
37 lease, construct, add to, improve, replace, repair, maintain, operate  
38 and regulate the use of facilities for the local distribution of water

1 in portions of the metropolitan area not contained within any city, or  
2 water-sewer district that operates a water system, and, with the  
3 consent of the legislative body of any city or the water-sewer  
4 district, to exercise such powers within such city or water-sewer  
5 district and for such purpose to have all the powers conferred by law  
6 upon such city or water-sewer district with respect to such local  
7 distribution facilities. All costs of such local distribution  
8 facilities shall be paid for by the area served thereby.

9 **Sec. 33.** RCW 35.58.230 and 1993 c 240 s 5 are each amended to read  
10 as follows:

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

28 The requirement to create a metropolitan water advisory committee  
29 shall not apply to a county that has assumed the rights, powers,  
30 functions, and obligations of the metropolitan municipal corporation  
31 under chapter 36.56 RCW.

32 **Sec. 34.** RCW 35.58.410 and 1998 c 321 s 26 are each amended to  
33 read as follows:

34 (1) On or before the third Monday in June of each year, each  
35 metropolitan municipal corporation shall adopt a budget for the  
36 following calendar year. Such budget shall include a separate section  
37 for each authorized metropolitan function. Expenditures shall be

1 segregated as to operation and maintenance expenses and capital and  
2 betterment outlays. Administrative and other expense general to the  
3 corporation shall be allocated between the authorized metropolitan  
4 functions. The budget shall contain an estimate of all revenues to be  
5 collected during the following budget year, including any surplus funds  
6 remaining unexpended from the preceding year. The metropolitan council  
7 shall not be required to confine capital or betterment expenditures  
8 made from bond proceeds or emergency expenditures to items provided in  
9 the budget. The affirmative vote of three-fourths of all members of  
10 the metropolitan council shall be required to authorize emergency  
11 expenditures.

12 (2) Subsection (1) of this section shall not apply to a county that  
13 has assumed the rights, powers, functions, and obligations of a  
14 metropolitan municipal corporation under chapter 36.56 RCW. This  
15 subsection (2) shall apply only to each county that has assumed the  
16 rights, powers, functions, and obligations of a metropolitan municipal  
17 corporation under chapter 36.56 RCW.

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

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

27 As long as any general obligation indebtedness remains outstanding  
28 that was issued by the metropolitan municipal corporation prior to the  
29 assumption by the county, the county shall continue to impose the taxes  
30 authorized by RCW 82.14.045 and 35.58.273(4) at the maximum rates and  
31 on all of the taxable events authorized by law. If, despite the  
32 continued imposition of those taxes, the estimate of revenues made on  
33 or before the third Monday in June shows that estimated revenues will  
34 be insufficient to make all debt service payments falling due in the  
35 following calendar year on all general obligation indebtedness issued  
36 by the metropolitan municipal corporation prior to the assumption by  
37 the county of the rights, powers, functions, and obligations of the  
38 metropolitan municipal corporation, the remaining amount required to  
39 make the debt service payments shall be designated as "supplemental

1 income" and shall be obtained from component cities and component  
2 counties as provided under RCW 35.58.420.

3 The county shall prepare and adopt a budget each year in accordance  
4 with applicable general law or county charter. If supplemental income  
5 has been designated under this subsection, the supplemental income  
6 shall be reflected in the budget that is adopted. If during the budget  
7 year the actual tax revenues from the taxes imposed under the authority  
8 of RCW 82.14.045 and 35.58.273(4) exceed the estimates upon which the  
9 supplemental income was based, the difference shall be refunded to the  
10 component cities and component counties in proportion to their payments  
11 promptly after the end of the budget year. A county that has assumed  
12 the rights, powers, functions, and obligations of a metropolitan  
13 municipal corporation under chapter 36.56 RCW shall not be required to  
14 confine capital or betterment expenditures for authorized metropolitan  
15 functions from bond proceeds or emergency expenditures to items  
16 provided in the budget.

17 **Sec. 35.** RCW 35.67.300 and 1965 c 7 s 35.67.300 are each amended  
18 to read as follows:

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

30 Any city, town, or organized and established water-sewer district  
31 may contract with any other city, town, or organized and established  
32 water-sewer district for the construction and/or operation of any sewer  
33 or sewage disposal facilities for the joint use and benefit of the  
34 contracting parties upon such terms and conditions and for such period  
35 of time as the governing bodies of the contracting parties may  
36 determine. Any such contract may provide that the responsibility for  
37 the management of the construction and/or maintenance and operation of  
38 any sewer disposal facilities or part thereof covered by such contract

1 shall be vested solely in one of the contracting parties, with the  
2 other party or parties thereto paying to the managing party such  
3 portion of the expenses thereof as shall be agreed upon.

4 **Sec. 36.** RCW 35.91.020 and 1981 c 313 s 11 are each amended to  
5 read as follows:

6 The governing body of any city, town, county, water-sewer district,  
7 (~~water district,~~) or drainage district, hereinafter referred to as a  
8 "municipality" may contract with owners of real estate for the  
9 construction of storm, sanitary, or combination sewers, pumping  
10 stations, and disposal plants, water mains, hydrants, reservoirs, or  
11 appurtenances, hereinafter called "water or sewer facilities," within  
12 their boundaries or (except for counties) within ten miles from their  
13 corporate limits connecting with the public water or sewerage system to  
14 serve the area in which the real estate of such owners is located, and  
15 to provide for a period of not to exceed fifteen years for the  
16 reimbursement of such owners and their assigns by any owner of real  
17 estate who did not contribute to the original cost of such water or  
18 sewer facilities and who subsequently tap onto or use the same of a  
19 fair pro rata share of the cost of the construction of said water or  
20 sewer facilities, including not only those directly connected thereto,  
21 but also users connected to laterals or branches connecting thereto,  
22 subject to such reasonable rules and regulations as the governing body  
23 of such municipality may provide or contract, and notwithstanding the  
24 provisions of any other law. To the extent it may require in the  
25 performance of such contract, such municipality may install said water  
26 or sewer facilities in and along the county streets in the area to be  
27 served as hereinabove provided, subject to such reasonable requirements  
28 as to the manner of occupancy of such streets as the county may by  
29 resolution provide. The provisions of such contract shall not be  
30 effective as to any owner of real estate not a party thereto unless  
31 such contract has been recorded in the office of the county auditor of  
32 the county in which the real estate of such owner is located prior to  
33 the time such owner taps into or connects to said water or sewer  
34 facilities. (~~The power of the governing body of such municipality to  
35 so contract also applies to water or sewer facilities in process of  
36 construction on June 10, 1959, or which have not been finally approved  
37 or accepted for full maintenance and operation by such municipality  
38 upon June 10, 1959.~~)

1       **Sec. 37.** RCW 35.92.012 and 1965 c 7 s 35.92.012 are each amended  
2 to read as follows:

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

11       **Sec. 38.** RCW 35.92.170 and 1965 c 7 s 35.92.170 are each amended  
12 to read as follows:

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

18       **Sec. 39.** RCW 35.97.010 and 1987 c 522 s 4 are each amended to read  
19 as follows:

20       Unless the context clearly requires otherwise, the definitions in  
21 this section apply throughout this chapter.

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

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

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

35       (4) "Geothermal heat" means the natural thermal energy of the  
36 earth.

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

4 (6) "Heat" means thermal energy.

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

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

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

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

24 **Sec. 40.** RCW 35.97.050 and 1996 c 230 s 1603 are each amended to  
25 read as follows:

26 If the legislative authority of a municipality deems it advisable  
27 that the municipality purchase, acquire, or construct a heating system,  
28 or make any additions or extensions to a heating system, the  
29 legislative authority shall so provide by an ordinance or a resolution  
30 specifying and adopting the system or plan proposed, declaring the  
31 estimated cost thereof, as near as may be, and specifying the method of  
32 financing and source of funds. Any construction, alteration, or  
33 improvement of a heating system by any (~~county, city, town, irrigation~~  
34 ~~district, water-sewer district, or port district~~) municipality shall  
35 be in compliance with the appropriate competitive bidding requirements  
36 in Titles 35, 36, 53, 57, or 87 RCW.

1       **Sec. 41.** RCW 36.16.138 and 1975 c 16 s 1 are each amended to read  
2 as follows:

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

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

23       **Sec. 42.** RCW 36.93.020 and 1979 ex.s. c 30 s 5 are each amended to  
24 read as follows:

25       As used herein:

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

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

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

36       **Sec. 43.** RCW 36.93.093 and 1971 ex.s. c 127 s 2 are each amended  
37 to read as follows:

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

6 **Sec. 44.** RCW 36.93.105 and 1989 c 84 s 4 are each amended to read  
7 as follows:

8 The following actions shall not be subject to potential review by  
9 a boundary review board:

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

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

14 (3) Adjustments to city or town boundaries pursuant to RCW  
15 35.13.340; and

16 (4) Adjustments to city and town boundaries pursuant to RCW  
17 35.13.300 through 35.13.330.

18 **Sec. 45.** RCW 36.93.185 and 1989 c 308 s 13 are each amended to  
19 read as follows:

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

29 **Sec. 46.** RCW 36.94.220 and 1981 c 313 s 3 are each amended to read  
30 as follows:

31 (1) A county shall have the power to establish utility local  
32 improvement districts and local improvement districts within the area  
33 of a sewerage and/or water general plan and to levy special assessments  
34 under a mode of annual installments extending over a period not  
35 exceeding twenty years on all property specially benefited by any local

1 improvement on the basis of the special benefits to pay in whole or in  
2 part the damages or costs of any improvements ordered in such county.

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

21 (3) The levying, collection, and enforcement of all public  
22 assessments hereby authorized shall be in the manner now and hereafter  
23 provided by law for the levying, collection, and enforcement of local  
24 improvement assessments by cities and towns, insofar as the same shall  
25 not be inconsistent with the provisions of this chapter. In addition,  
26 the county shall file the preliminary assessment roll at the time and  
27 in the manner prescribed in RCW 35.50.005. The duties devolving upon  
28 the city or town treasurer under such laws are imposed upon the county  
29 treasurer for the purposes of this chapter. The mode of assessment  
30 shall be in the manner to be determined by the county legislative  
31 authority by ordinance or resolution. As an alternative to equal  
32 annual assessment installments of principal provided for cities and  
33 towns, a county legislative authority may provide for the payment of  
34 such assessments in equal annual installments of principal and  
35 interest. Assessments in any local district may be made on the basis  
36 of special benefits up to but not in excess of the total cost of any  
37 sewerage and/or water improvement made with respect to that local  
38 district and the share of any general sewerage and/or water facilities  
39 allocable to that district. In utility local improvement districts,

1 assessments shall be deposited into the revenue bond fund or general  
2 obligation bond fund established for the payment of bonds issued to pay  
3 such costs which bond payments are secured in part by the pledge of  
4 assessments, except pending the issuance and sale of such bonds,  
5 assessments may be deposited in a fund for the payment of such costs.  
6 In local improvement districts, assessments shall be deposited into a  
7 fund for the payment of such costs and local improvement bonds issued  
8 to finance the same or into the local improvement guaranty fund as  
9 provided by applicable statute.

10 **Sec. 47.** RCW 36.94.430 and 1984 c 147 s 3 are each amended to read  
11 as follows:

12 The provisions of RCW 36.94.410 and 36.94.420 provide an  
13 alternative method of accomplishing the transfer permitted by those  
14 sections and do not impose additional conditions upon the exercise of  
15 powers vested in water ~~((and))~~ sewer districts and counties.

16 **Sec. 48.** RCW 36.96.010 and 1979 ex.s. c 5 s 1 are each amended to  
17 read as follows:

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

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

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

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

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

1 (b) No election has been held for the purpose of electing a member  
2 of the governing body within the preceding consecutive seven-year  
3 period or, in those instances where members of the governing body are  
4 appointed and not elected, where no member of the governing body has  
5 been appointed within the preceding seven-year period.

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

8 **Sec. 49.** RCW 36.94.410 and 1984 c 147 s 1 are each amended to read  
9 as follows:

10 A system of sewerage, system of water or combined water and  
11 sewerage systems operated by a county under the authority of this  
12 chapter may be transferred from that county to a water ~~((or))~~ sewer  
13 district in the same manner as is provided for the transfer of those  
14 functions from a water ~~((or))~~ sewer district to a county in RCW  
15 36.94.310 through 36.94.340.

16 **Sec. 50.** RCW 36.94.420 and 1996 c 230 s 1609 are each amended to  
17 read as follows:

18 If so provided in the transfer agreement, the area served by the  
19 system shall, upon completion of the transfer, be deemed annexed to and  
20 become a part of the water-sewer district acquiring the system. The  
21 county shall provide notice of the hearing by the county legislative  
22 authority on the ordinance executing the transfer agreement under RCW  
23 36.94.330 as follows: (1) By mailed notice to all ratepayers served by  
24 the system at least fifteen days prior to the hearing; and (2) by  
25 notice in a newspaper of general circulation once at least fifteen days  
26 prior to the hearing.

27 In the event of an annexation under this section resulting from the  
28 transfer of a system of sewerage, a system of water, or combined water  
29 and sewer systems from a county to a water-sewer district ~~((governed by  
30 Title 57 RCW))~~, the water-sewer district shall ~~((have all the powers of  
31 a water sewer district provided by chapter 57.36 RCW, as if a water-  
32 sewer district had been merged into a water sewer district))~~ operate  
33 the system or systems under the provisions of Title 57 RCW.

34 **Sec. 51.** RCW 39.69.010 and 1987 c 19 s 1 are each amended to read  
35 as follows:

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

5 **Sec. 52.** RCW 39.50.010 and 1998 c 106 s 8 are each amended to read  
6 as follows:

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

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

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

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

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

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

28 **Sec. 53.** RCW 39.80.020 and 1981 c 61 s 2 are each amended to read  
29 as follows:

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

32 (1) "State agency" means any department, agency, commission,  
33 bureau, office, or any other entity or authority of the state  
34 government.

35 (2) "Local agency" means any city and any town, county, special  
36 district, municipal corporation, agency, port district or authority, or

1 political subdivision of any type, or any other entity or authority of  
2 local government in corporate form or otherwise.

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

10 (4) "Agency" means both state and local agencies and special  
11 districts as defined in subsection(~~(f)~~)s (1), (2), and (3) of this  
12 section.

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

18 (6) "Person" means any individual, organization, group,  
19 association, partnership, firm, joint venture, corporation, or any  
20 combination thereof.

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

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

27 **Sec. 54.** RCW 43.20.240 and 1990 c 132 s 3 are each amended to read  
28 as follows:

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

37 (2) Each county shall designate a contact person to the department  
38 for the purpose of receiving and following up on complaint referrals

1 that are within county jurisdiction. In the absence of any such  
2 designation, the county health officer shall be responsible for  
3 performing this function.

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

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

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

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

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

21 (c) The rights of customers of public water systems, including  
22 identification of agencies or offices to which they may address the  
23 most common complaints regarding the failures or inadequacies of public  
24 water systems.

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

27 **Sec. 55.** RCW 43.70.195 and 1994 c 292 s 3 are each amended to read  
28 as follows:

29 (1) In any action brought by the secretary of health or by a local  
30 health officer pursuant to chapter 7.60 RCW to place a public water  
31 system in receivership, the petition shall include the names of one or  
32 more suitable candidates for receiver who have consented to assume  
33 operation of the water system. The department shall maintain a list of  
34 interested and qualified individuals, municipal entities, special  
35 purpose districts, and investor-owned water companies with experience  
36 in the provision of water service and a history of satisfactory  
37 operation of a water system. If there is no other person willing and  
38 able to be named as receiver, the court shall appoint the county in

1 which the water system is located as receiver. The county may  
2 designate a county agency to operate the system, or it may contract  
3 with another individual or public water system to provide management  
4 for the system. If the county is appointed as receiver, the secretary  
5 of health and the county health officer shall provide regulatory  
6 oversight for the agency or other person responsible for managing the  
7 water system.

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

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

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

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

35 (6) No later than twelve months after appointment of a receiver,  
36 the petitioning agency, in conjunction with the county in which the  
37 system is located, and the appropriate state and local health agencies,  
38 shall develop and present to the court a plan for the disposition of  
39 the system. The report shall include the recommendations of the

1 receiver made pursuant to subsection (2) of this section. The report  
2 shall include all reasonable and feasible alternatives. After  
3 receiving the report, the court shall provide notice to interested  
4 parties and conduct such hearings as are necessary. The court shall  
5 then order the parties to implement one of the alternatives, or any  
6 combination thereof, for the disposition of the system. Such order  
7 shall include a date, or proposed date, for the termination of the  
8 receivership. Nothing in this section authorizes a court to require a  
9 city, town, public utility district, water-sewer district, or  
10 irrigation district to accept a system that has been in receivership  
11 unless the city, town, public utility district, water-sewer district,  
12 or irrigation district agrees to the terms and conditions outlined in  
13 the plan adopted by the court.

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

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

35 **Sec. 56.** RCW 43.155.030 and 1985 c 446 s 9 are each amended to  
36 read as follows:

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

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

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

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

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

33 **Sec. 57.** RCW 44.04.170 and 1970 ex.s. c 69 s 2 are each amended to  
34 read as follows:

35 It shall be the duty of each association of municipal corporations  
36 or municipal officers, which is recognized by law and utilized as an  
37 official agency for the coordination of the policies and/or  
38 administrative programs of municipal corporations, to submit

1 biennially, or oftener as necessary, to the governor and to the  
2 legislature the joint recommendations of such participating  
3 municipalities regarding changes which would affect the efficiency of  
4 such municipal corporations. Such associations shall include but shall  
5 not be limited to the Washington state association of fire  
6 commissioners, (~~the Washington~~) a state association of  
7 water/wastewater districts, (~~the Washington state association of sewer~~  
8 ~~districts,~~) and the Washington state school directors' association.

9       **Sec. 58.** RCW 48.62.021 and 1991 sp.s. c 30 s 2 are each amended to  
10 read as follows:

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

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

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

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

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

33       (5) "Property and liability risks" includes the risk of property  
34 damage or loss sustained by a local government entity and the risk of  
35 claims arising from the tortious or negligent conduct or any error or  
36 omission of the local government entity, its officers, employees,  
37 agents, or volunteers as a result of which a claim may be made against  
38 the local government entity.

1 (6) "State risk manager" means the state risk manager of the  
2 division of risk management within the department of general  
3 administration.

4 **Sec. 59.** RCW 52.08.011 and 1984 c 230 s 54 are each amended to  
5 read as follows:

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

9 **Sec. 60.** RCW 53.48.001 and 1989 c 84 s 46 are each amended to read  
10 as follows:

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

15 **Sec. 61.** RCW 53.48.010 and 1986 c 278 s 17 are each amended to  
16 read as follows:

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

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

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

30 **Sec. 62.** RCW 54.04.030 and 1931 c 1 s 12 are each amended to read  
31 as follows:

32 (~~This act~~) Chapter 1, Laws of 1931, shall not be deemed or  
33 construed to repeal or affect any existing act, or any part thereof,  
34 relating to the construction, operation and maintenance of public  
35 utilities by irrigation or water-sewer districts or other municipal

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

13 **Sec. 63.** RCW 70.44.400 and 1984 c 100 s 1 are each amended to read  
14 as follows:

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

22 **Sec. 64.** RCW 70.95B.020 and 1995 c 269 s 2901 are each amended to  
23 read as follows:

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

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

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

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

30 (4) "Wastewater treatment plant" means a facility used to treat any  
31 liquid or waterborne waste of domestic origin or a combination of  
32 domestic, commercial or industrial origin, and which by its design  
33 requires the presence of an operator for its operation. It shall not  
34 include any facility used exclusively by a single family residence,  
35 septic tanks with subsoil absorption, industrial wastewater treatment  
36 plants, or wastewater collection systems.

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

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

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

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

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

26 (10) "Wastewater certification program coordinator" means an  
27 employee of the department who administers the wastewater treatment  
28 plant operators' certification program.

29 **Sec. 65.** RCW 70.119.020 and 1995 c 269 s 2904 are each amended to  
30 read as follows:

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

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

35 (2) "Certified operator" means an individual holding a valid  
36 certificate and employed or appointed by any county, water-sewer  
37 district, municipality, public or private corporation, company,  
38 institution, person, or the state of Washington and who is designated

1 by the employing or appointing officials as the person responsible for  
2 active daily technical operation.

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

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

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

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

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

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

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

29 (8) "Public water system" means any system, excluding a system  
30 serving only one single-family residence and a system with four or  
31 fewer connections all of which serve residences on the same farm,  
32 providing piped water for human consumption, including any collection,  
33 treatment, storage, or distribution facilities under control of the  
34 purveyor and used primarily in connection with the system; and  
35 collection or pretreatment storage facilities not under control of the  
36 purveyor but primarily used in connection with the system.

37 (9) "Purification plant" means that portion of a public water  
38 system which treats or improves the physical, chemical or

1 bacteriological quality of the system's water to bring the water into  
2 compliance with state board of health standards.

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

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

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

10 **Sec. 66.** RCW 79.44.003 and 1989 c 243 s 13 are each amended to  
11 read as follows:

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

13 (1) Incorporated cities and towns;

14 (2) Diking districts;

15 (3) Drainage districts;

16 (4) Port districts;

17 (5) Irrigation districts;

18 (6) Water-sewer districts;

19 (7) (~~Sewer districts;~~

20 ~~+8~~)) Counties; and

21 (~~+9~~)) (8) Any municipal corporation or public agency having power  
22 to levy local improvement or other assessments, rates, or charges which  
23 by statute are expressly made applicable to lands of the state.

24 **Sec. 67.** RCW 84.04.120 and 1961 c 15 s 84.04.120 are each amended  
25 to read as follows:

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

1       **Sec. 68.** RCW 84.33.100 and 1992 c 52 s 6 are each amended to read  
2 as follows:

3       As used in RCW 84.33.110 through 84.33.140 and 84.33.210 through  
4 84.33.270:

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

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

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

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

25       (5) 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 84.33.220 (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       (6) "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. 69.** RCW 84.34.310 and 1992 c 52 s 15 are each amended to read  
37 as follows:

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

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

6 (2) "Timber land" shall mean the same as defined in RCW  
7 84.34.020(3).

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

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

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

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

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

34 **Sec. 70.** RCW 84.64.080 and 1991 c 245 s 27 are each amended to  
35 read as follows:

36 The court shall examine each application for judgment foreclosing  
37 tax lien, and if defense (specifying in writing the particular cause of  
38 objection) be offered by any person interested in any of the lands or

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

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

13 TAX JUDGMENT SALE

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

24 In witness whereof, I have hereunto affixed my hand and seal this  
25 . . . . day of . . . . ., . . . . .

26 . . . . .  
27 Treasurer of . . . . .  
28 county.

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

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

34 If the highest amount bid for any such separate unit tract or lot  
35 is in excess of the minimum bid due upon the whole property included in  
36 the certificate of delinquency, the excess shall be refunded following  
37 payment of all water ((and))\_ sewer district liens, on application





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

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

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

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

38 (5) To maintain, repair, construct and reconstruct ditches,  
39 laterals, pipe lines and other water conduits used or to be used in

1 carrying water for irrigation of lands located within the boundaries of  
2 a city or town or for the domestic use of the residents of a city or  
3 town where the owners of land within such city or town shall use such  
4 works to carry water to the boundaries of such city or town for  
5 irrigation, domestic or other purposes within such city or town, and to  
6 charge to such city or town the pro rata proportion of the cost of such  
7 maintenance, repair, construction and reconstruction work in proportion  
8 to the benefits received by the lands served and located within the  
9 boundaries of such city or town, and if such cost is not paid, then and  
10 in that event said irrigation district shall have the right to prevent  
11 further water deliveries through such works to the lands located within  
12 the boundaries of such city or town until such charges have been paid.

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

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

26 (8) To acquire from a water-sewer district wholly within the  
27 irrigation district's boundaries, by a conveyance without cost, the  
28 water-sewer district's water system and to operate the same to provide  
29 water for the domestic use of the irrigation district residents. As a  
30 part of its acceptance of the conveyance the irrigation district must  
31 agree to relieve the water-sewer district of responsibility for  
32 maintenance and repair of the system. Any such water-sewer district is  
33 authorized to make such a conveyance if all indebtedness of the water-  
34 sewer district, except local improvement district bonds, has been paid  
35 and the conveyance has been approved by a majority of the water-sewer  
36 district's ((electors)) voters voting at a general or special election.

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

1       **Sec. 73.** RCW 87.03.720 and 1977 ex.s. c 208 s 1 are each amended  
2 to read as follows:

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

12       **Sec. 74.** RCW 87.03.725 and 1977 ex.s. c 208 s 2 are each amended  
13 to read as follows:

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

33       NEW SECTION. **Sec. 75.** Part headings as used in this act do not  
34 constitute any part of the law.

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