

---

HOUSE BILL 2088

---

State of Washington

58th Legislature

2003 Regular Session

By Representatives Schoesler, Chandler and Linville

Read first time 02/25/2003. Referred to Committee on Agriculture & Natural Resources.

1 AN ACT Relating to storm water rates and charges; and amending RCW  
2 35.67.020, 35.92.020, 36.89.080, 36.94.140, 57.08.005, 57.08.081,  
3 84.33.210, and 86.15.160.

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

5 **Sec. 1.** RCW 35.67.020 and 1997 c 447 s 8 are each amended to read  
6 as follows:

7 (1) Every city and town may construct, condemn and purchase,  
8 acquire, add to, maintain, conduct, and operate systems of sewerage and  
9 systems and plants for refuse collection and disposal together with  
10 additions, extensions, and betterments thereto, within and without its  
11 limits(~~(, with)~~). Every city and town has full jurisdiction and  
12 authority to manage, regulate, and control them and, except as provided  
13 in subsections (3) and (4) of this section, to fix, alter, regulate,  
14 and control the rates and charges for their use.

15 (2) Subject to subsection (3) of this section, the rates charged  
16 under this section must be uniform for the same class of customers or  
17 service and facilities furnished. In classifying customers served or  
18 service and facilities furnished by such system of sewerage, the city

1 or town legislative body may in its discretion consider any or all of  
2 the following factors:

3 ~~((+1))~~ (a) The difference in cost of service and facilities to the  
4 various customers;

5 ~~((+2))~~ (b) The location of the various customers within and  
6 without the city or town;

7 ~~((+3))~~ (c) The difference in cost of maintenance, operation,  
8 repair, and replacement of the various parts of the system;

9 ~~((+4))~~ (d) The different character of the service and facilities  
10 furnished various customers;

11 ~~((+5))~~ (e) The quantity and quality of the sewage delivered and  
12 the time of its delivery;

13 ~~((+6))~~ (f) The achievement of water conservation goals and the  
14 discouragement of wasteful water use practices;

15 ~~((+7))~~ (g) Capital contributions made to the system, including but  
16 not limited to, assessments;

17 ~~((+8))~~ (h) The nonprofit public benefit status, as defined in RCW  
18 24.03.490, of the land user; and

19 ~~((+9))~~ (i) Any other matters which present a reasonable difference  
20 as a ground for distinction.

21 (3) The rate a city or town may charge under this section shall be  
22 reduced by a minimum of ten percent for any new or remodeled commercial  
23 building that utilizes the permissive rainwater harvesting system  
24 guidelines for nonresidential occupancies adopted by the Washington  
25 state building code council on July 12, 2002.

26 (4) No rate or charge imposed under this section may increase in  
27 any fiscal year by a percentage in excess of the fiscal growth factor  
28 for that fiscal year as determined under chapter 43.135 RCW.

29 (5) Rates or charges for on-site inspection and maintenance  
30 services may not be imposed under this chapter on the development,  
31 construction, or reconstruction of property.

32 (6) A city or town may provide assistance to aid low-income persons  
33 in connection with services provided under this chapter.

34 (7) Under this chapter, after July 1, 1998, any requirements for  
35 pumping the septic tank of an on-site sewage system should be based,  
36 among other things, on actual measurement of accumulation of sludge and  
37 scum by a trained inspector, trained owner's agent, or trained owner.

1 Training must occur in a program approved by the state board of health  
2 or by a local health officer.

3 (8) Before adopting on-site inspection and maintenance utility  
4 services, or incorporating residences into an on-site inspection and  
5 maintenance or sewer utility under this chapter, notification must be  
6 provided, prior to the applicable public hearing, to all residences  
7 within the proposed service area that have on-site systems permitted by  
8 the local health officer. The notice must clearly state that the  
9 residence is within the proposed service area and must provide  
10 information on estimated rates or charges that may be imposed for the  
11 service.

12 (9) A city or town shall not provide on-site sewage system  
13 inspection, pumping services, or other maintenance or repair services  
14 under this section using city or town employees unless the on-site  
15 system is connected by a publicly owned collection system to the city  
16 or town's sewerage system, and the on-site system represents the first  
17 step in the sewage disposal process. Nothing in this section shall  
18 affect the authority of state or local health officers to carry out  
19 their responsibilities under any other applicable law.

20 **Sec. 2.** RCW 35.92.020 and 1997 c 447 s 9 are each amended to read  
21 as follows:

22 (1) A city or town may construct, condemn and purchase, purchase,  
23 acquire, add to, alter, maintain, and operate systems, plants, sites,  
24 or other facilities of sewerage as defined in RCW 35.67.010, or solid  
25 waste handling as defined by RCW 70.95.030(~~(, and)~~). A city or town  
26 shall have full authority to manage, regulate, operate, control, and,  
27 except as provided in subsections (3) and (4) of this section, to fix  
28 the price of service and facilities of those systems, plants, sites, or  
29 other facilities within and without the limits of the city or town.

30 (2) Subject to subsection (3) of this section, the rates charged  
31 shall be uniform for the same class of customers or service and  
32 facilities. In classifying customers served or service and facilities  
33 furnished by a system or systems of sewerage, the legislative authority  
34 of the city or town may in its discretion consider any or all of the  
35 following factors:

36 (~~(1)~~) (a) The difference in cost of service and facilities to  
37 customers;

1        ~~((+2))~~ (b) The location of customers within and without the city  
2 or town;

3        ~~((+3))~~ (c) The difference in cost of maintenance, operation,  
4 repair, and replacement of the parts of the system;

5        ~~((+4))~~ (d) The different character of the service and facilities  
6 furnished to customers;

7        ~~((+5))~~ (e) The quantity and quality of the sewage delivered and  
8 the time of its delivery;

9        ~~((+6))~~ (f) Capital contributions made to the systems, plants,  
10 sites, or other facilities, including but not limited to, assessments;

11        ~~((+7))~~ (g) The nonprofit public benefit status, as defined in RCW  
12 24.03.490, of the land user; and

13        ~~((+8))~~ (h) Any other factors that present a reasonable difference  
14 as a ground for distinction.

15        (3) The rate a city or town may charge under this section shall be  
16 reduced by a minimum of ten percent for any new or remodeled commercial  
17 building that utilizes the permissive rainwater harvesting system  
18 guidelines for nonresidential occupancies adopted by the Washington  
19 state building code council on July 12, 2002.

20        (4) No rate or charge imposed under this section may increase in  
21 any fiscal year by a percentage in excess of the fiscal growth factor  
22 for that fiscal year as determined under chapter 43.135 RCW.

23        (5) Rates or charges for on-site inspection and maintenance  
24 services may not be imposed under this chapter on the development,  
25 construction, or reconstruction of property.

26        (6) A city or town may provide assistance to aid low-income persons  
27 in connection with services provided under this chapter.

28        (7) Under this chapter, after July 1, 1998, any requirements for  
29 pumping the septic tank of an on-site sewage system should be based,  
30 among other things, on actual measurement of accumulation of sludge and  
31 scum by a trained inspector, trained owner's agent, or trained owner.  
32 Training must occur in a program approved by the state board of health  
33 or by a local health officer.

34        (8) Before adopting on-site inspection and maintenance utility  
35 services, or incorporating residences into an on-site inspection and  
36 maintenance or sewer utility under this chapter, notification must be  
37 provided, prior to the applicable public hearing, to all residences  
38 within the proposed service area that have on-site systems permitted by

1 the local health officer. The notice must clearly state that the  
2 residence is within the proposed service area and must provide  
3 information on estimated rates or charges that may be imposed for the  
4 service.

5 (9) A city or town shall not provide on-site sewage system  
6 inspection, pumping services, or other maintenance or repair services  
7 under this section using city or town employees unless the on-site  
8 system is connected by a publicly owned collection system to the city  
9 or town's sewerage system, and the on-site system represents the first  
10 step in the sewage disposal process. Nothing in this section shall  
11 affect the authority of state or local health officers to carry out  
12 their responsibilities under any other applicable law.

13 **Sec. 3.** RCW 36.89.080 and 1998 c 74 s 1 are each amended to read  
14 as follows:

15 (1) Subject to subsections (2), (3), and (4) of this section, any  
16 county legislative authority may provide by resolution for revenues by  
17 fixing rates and charges for the furnishing of service to those served  
18 or receiving benefits or to be served or to receive benefits from any  
19 storm water control facility or contributing to an increase of surface  
20 water runoff. In fixing rates and charges, the county legislative  
21 authority may in its discretion consider:

- 22 ~~((+1))~~ (a) Services furnished or to be furnished;
- 23 ~~((+2))~~ (b) Benefits received or to be received;
- 24 ~~((+3))~~ (c) The character and use of land or its water runoff  
25 characteristics;
- 26 ~~((+4))~~ (d) The nonprofit public benefit status, as defined in RCW  
27 24.03.490, of the land user;
- 28 ~~((+5))~~ (e) Income level of persons served or provided benefits  
29 under this chapter, including senior citizens and disabled persons; or
- 30 ~~((+6))~~ (f) Any other matters which present a reasonable difference  
31 as a ground for distinction.

32 (2) The rate a county may charge under this section shall be  
33 reduced by a minimum of ten percent for any new or remodeled commercial  
34 building that utilizes the permissive rainwater harvesting system  
35 guidelines for nonresidential occupancies adopted by the Washington  
36 state building code council on July 12, 2002.

1       (3) No rate or charge imposed under this section may increase in  
2 any fiscal year by a percentage in excess of the fiscal growth factor  
3 for that fiscal year as determined under chapter 43.135 RCW.

4       (4) Rates and charges authorized under this section may not be  
5 imposed on lands taxed as forest land under chapter 84.33 RCW or as  
6 timber land under chapter 84.34 RCW.

7       (5) The service charges and rates collected shall be deposited in  
8 a special fund or funds in the county treasury to be used only for the  
9 purpose of paying all or any part of the cost and expense of  
10 maintaining and operating storm water control facilities, all or any  
11 part of the cost and expense of planning, designing, establishing,  
12 acquiring, developing, constructing and improving any of such  
13 facilities, or to pay or secure the payment of all or any portion of  
14 any issue of general obligation or revenue bonds issued for such  
15 purpose.

16       **Sec. 4.** RCW 36.94.140 and 1997 c 447 s 12 are each amended to read  
17 as follows:

18       (1) Every county, in the operation of a system of sewerage and/or  
19 water, shall have full jurisdiction and authority to manage, regulate,  
20 and control it ((and)). Except as provided in subsections (3) and (4)  
21 of this section, every county shall have full jurisdiction and  
22 authority to fix, alter, regulate, and control the rates and charges  
23 for the service and facilities to those to whom such service and  
24 facilities are available, and to levy charges for connection to the  
25 system.

26       (2) The rates for availability of service and facilities, and  
27 connection charges so charged must be uniform for the same class of  
28 customers or service and facility. In classifying customers served,  
29 service furnished or made available by such system of sewerage and/or  
30 water, or the connection charges, the county legislative authority may  
31 consider any or all of the following factors:

32       ((+1)) (a) The difference in cost of service to the various  
33 customers within or without the area;

34       ((+2)) (b) The difference in cost of maintenance, operation,  
35 repair and replacement of the various parts of the systems;

36       ((+3)) (c) The different character of the service and facilities  
37 furnished various customers;

1       ~~((4))~~ (d) The quantity and quality of the sewage and/or water  
2 delivered and the time of its delivery;

3       ~~((5))~~ (e) Capital contributions made to the system or systems,  
4 including, but not limited to, assessments;

5       ~~((6))~~ (f) The cost of acquiring the system or portions of the  
6 system in making system improvements necessary for the public health  
7 and safety;

8       ~~((7))~~ (g) The nonprofit public benefit status, as defined in RCW  
9 24.03.490, of the land user; and

10       ~~((8))~~ (h) Any other matters which present a reasonable difference  
11 as a ground for distinction.

12       (3) The rate a county may charge under this section shall be  
13 reduced by a minimum of ten percent for any new or remodeled commercial  
14 building that utilizes the permissive rainwater harvesting system  
15 guidelines for nonresidential occupancies adopted by the Washington  
16 state building code council on July 12, 2002.

17       (4) No rate or charge imposed under this section may increase in  
18 any fiscal year by a percentage in excess of the fiscal growth factor  
19 for that fiscal year as determined under chapter 43.135 RCW.

20       (5) A county may provide assistance to aid low-income persons in  
21 connection with services provided under this chapter.

22       (6) Subject to subsection (4) of this section, the service charges  
23 and rates shall produce revenues sufficient to take care of the costs  
24 of maintenance and operation, revenue bond and warrant interest and  
25 principal amortization requirements, and all other charges necessary  
26 for the efficient and proper operation of the system.

27       **Sec. 5.** RCW 57.08.005 and 1999 c 153 s 2 are each amended to read  
28 as follows:

29       A district shall have the following powers:

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

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

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

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



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

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

11 (5) To construct, condemn and purchase, add to, maintain, and  
12 operate systems of sewers for the purpose of furnishing the district,  
13 the inhabitants thereof, and persons outside the district with an  
14 adequate system of sewers for all uses and purposes, public and  
15 private, including but not limited to on-site sewage disposal  
16 facilities, approved septic tanks or approved septic tank systems, on-  
17 site sanitary sewerage systems, inspection services and maintenance  
18 services for private and public on-site systems, point and nonpoint  
19 water pollution monitoring programs that are directly related to the  
20 sewerage facilities and programs operated by a district, other  
21 facilities, programs, and systems for the collection, interception,  
22 treatment, and disposal of wastewater, and for the control of pollution  
23 from wastewater with full authority to regulate the use and operation  
24 thereof and the service rates to be charged. Under this chapter, after  
25 July 1, 1998, any requirements for pumping the septic tank of an on-  
26 site sewage system should be based, among other things, on actual  
27 measurement of accumulation of sludge and scum by a trained inspector,  
28 trained owner's agent, or trained owner. Training must occur in a  
29 program approved by the state board of health or by a local health  
30 officer. Sewage facilities may include facilities which result in  
31 combined sewage disposal or treatment and electric generation, except  
32 that the electricity generated thereby is a byproduct of the system of  
33 sewers. Such electricity may be used by the district or sold to any  
34 entity authorized by law to distribute electricity. Electricity is  
35 deemed a byproduct when the electrical generation is subordinate to the  
36 primary purpose of sewage disposal or treatment. For such purposes a  
37 district may conduct sewage throughout the district and throughout  
38 other political subdivisions within the district, and construct and lay

1 sewer pipe along and upon public highways, roads, and streets, within  
2 and without the district, and condemn and purchase or acquire land and  
3 rights of way necessary for such sewer pipe. A district may erect  
4 sewage treatment plants within or without the district, and may  
5 acquire, by purchase or condemnation, properties or privileges  
6 necessary to be had to protect any lakes, rivers, or watercourses and  
7 also other areas of land from pollution from its sewers or its sewage  
8 treatment plant. For the purposes of sewage facilities which include  
9 facilities that result in combined sewage disposal or treatment and  
10 electric generation where the electric generation is a byproduct,  
11 nothing in this section may be construed to authorize a district to  
12 condemn electric generating, transmission, or distribution rights or  
13 facilities of entities authorized by law to distribute electricity, or  
14 to acquire such rights or facilities without the consent of the owners;

15 (6)(a) To construct, condemn and purchase, add to, maintain, and  
16 operate systems of drainage for the benefit and use of the district,  
17 the inhabitants thereof, and persons outside the district with an  
18 adequate system of drainage, including but not limited to facilities  
19 and systems for the collection, interception, treatment, and disposal  
20 of storm or surface waters, and for the protection, preservation, and  
21 rehabilitation of surface and underground waters, and drainage  
22 facilities for public highways, streets, and roads, with full authority  
23 to regulate the use and operation thereof and, except as provided in  
24 (b) and (c) of this subsection, the service rates to be charged.

25 (b) The rate a city or town may charge under this section shall be  
26 reduced by a minimum of ten percent for any new or remodeled commercial  
27 building that utilizes the permissive rainwater harvesting system  
28 guidelines for nonresidential occupancies adopted by the Washington  
29 state building code council on July 12, 2002.

30 (c) No rate or charge may increase in any fiscal year by a  
31 percentage in excess of the fiscal growth factor for that fiscal year  
32 as determined under chapter 43.135 RCW.

33 (d) Drainage facilities may include natural systems. Drainage  
34 facilities may include facilities which result in combined drainage  
35 facilities and electric generation, except that the electricity  
36 generated thereby is a byproduct of the drainage system. Such  
37 electricity may be used by the district or sold to any entity  
38 authorized by law to distribute electricity. Electricity is deemed a

1 byproduct when the electrical generation is subordinate to the primary  
2 purpose of drainage collection, disposal, and treatment. For such  
3 purposes, a district may conduct storm or surface water throughout the  
4 district and throughout other political subdivisions within the  
5 district, construct and lay drainage pipe and culverts along and upon  
6 public highways, roads, and streets, within and without the district,  
7 and condemn and purchase or acquire land and rights of way necessary  
8 for such drainage systems. A district may provide or erect facilities  
9 and improvements for the treatment and disposal of storm or surface  
10 water within or without the district, and may acquire, by purchase or  
11 condemnation, properties or privileges necessary to be had to protect  
12 any lakes, rivers, or watercourses and also other areas of land from  
13 pollution from storm or surface waters. For the purposes of drainage  
14 facilities which include facilities that also generate electricity as  
15 a byproduct, nothing in this section may be construed to authorize a  
16 district to condemn electric generating, transmission, or distribution  
17 rights or facilities of entities authorized by law to distribute  
18 electricity, or to acquire such rights or facilities without the  
19 consent of the owners;

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

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

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

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

34       Before adopting on-site inspection and maintenance utility  
35 services, or incorporating residences into an on-site inspection and  
36 maintenance or sewer utility under this chapter, notification must be  
37 provided, prior to the applicable public hearing, to all residences  
38 within the proposed service area that have on-site systems permitted by

1 the local health officer. The notice must clearly state that the  
2 residence is within the proposed service area and must provide  
3 information on estimated rates or charges that may be imposed for the  
4 service.

5 A water-sewer district shall not provide on-site sewage system  
6 inspection, pumping services, or other maintenance or repair services  
7 under this section using water-sewer district employees unless the on-  
8 site system is connected by a publicly owned collection system to the  
9 water-sewer district's sewerage system, and the on-site system  
10 represents the first step in the sewage disposal process.

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

19 (11) To contract with individuals, associations and corporations,  
20 the state of Washington, and the United States;

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

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

27 (14) To sue and be sued;

28 (15) To loan and borrow funds and to issue bonds and instruments  
29 evidencing indebtedness under chapter 57.20 RCW and other applicable  
30 laws;

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

33 (17) To levy taxes in accordance with this chapter and chapters  
34 57.04 and 57.20 RCW;

35 (18) To provide for making local improvements and to levy and  
36 collect special assessments on property benefitted thereby, and for  
37 paying for the same or any portion thereof in accordance with chapter  
38 57.16 RCW;

- 1 (19) To establish street lighting systems under RCW 57.08.060;
- 2 (20) To exercise such other powers as are granted to water-sewer
- 3 districts by this title or other applicable laws; and
- 4 (21) To exercise any of the powers granted to cities and counties
- 5 with respect to the acquisition, construction, maintenance, operation
- 6 of, and fixing rates and charges for waterworks and systems of sewerage
- 7 and drainage.

8 **Sec. 6.** RCW 57.08.081 and 1999 c 153 s 11 are each amended to read  
9 as follows:

10 (1) Subject to RCW 57.08.005(6), the commissioners of any district  
11 shall provide for revenues by fixing rates and charges for furnishing  
12 sewer and drainage service and facilities to those to whom service is  
13 available or for providing water, such rates and charges to be fixed as  
14 deemed necessary by the commissioners, so that uniform charges will be  
15 made for the same class of customer or service and facility. Rates and  
16 charges may be combined for the furnishing of more than one type of  
17 sewer or drainage service and facilities.

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

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

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

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

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

34 (7) A district may provide a real property owner or the owner's  
35 designee with duplicate bills for service to tenants, or may notify an  
36 owner or the owner's designee that a tenant's service account is  
37 delinquent. However, if an owner or the owner's designee notifies the  
38 district in writing that a property served by the district is a rental

1 property, asks to be notified of a tenant's delinquency, and has  
2 provided, in writing, a complete and accurate mailing address, the  
3 district shall notify the owner or the owner's designee of a tenant's  
4 delinquency at the same time and in the same manner the district  
5 notifies the tenant of the tenant's delinquency or by mail. When a  
6 district provides a real property owner or the owner's designee with  
7 duplicates of tenant utility service bills or notice that a tenant's  
8 utility account is delinquent, the district shall notify the tenant  
9 that it is providing the duplicate bills or delinquency notice to the  
10 owner or the owner's designee. After January 1, 1999, if a district  
11 fails to notify the owner of a tenant's delinquency after receiving a  
12 written request to do so and after receiving the other information  
13 required by this subsection (7), the district shall have no lien  
14 against the premises for the tenant's delinquent and unpaid charges.

15 **Sec. 7.** RCW 84.33.210 and 2001 c 249 s 6 are each amended to read  
16 as follows:

17 (1) Any land that is designated as forest land under this chapter  
18 at the earlier of the times the legislative authority of a local  
19 government adopts a resolution, ordinance, or legislative act (a) to  
20 create a local improvement district, in which the land is included or  
21 would have been included but for the designation, or (b) to approve or  
22 confirm a final special benefit assessment roll relating to a sanitary  
23 or storm sewerage system, domestic water supply or distribution system,  
24 or road construction or improvement, which roll would have included the  
25 land but for the designation, shall be exempt from special benefit  
26 assessments ~~((or))~~, charges in lieu of assessment, or rates and charges  
27 for storm water control facilities under RCW 36.89.080 for such  
28 purposes as long as that land remains designated as forest land, except  
29 as otherwise provided in RCW 84.33.250.

30 (2) Whenever a local government creates a local improvement  
31 district, the levying, collection, and enforcement of assessments shall  
32 be in the manner and subject to the same procedures and limitations as  
33 are provided under the law concerning the initiation and formation of  
34 local improvement districts for the particular local government.  
35 Notice of the creation of a local improvement district that includes  
36 designated forest land shall be filed with the assessor and the  
37 legislative authority of the county in which the land is located. The



1 assessor, upon receiving notice of the creation of a local improvement  
2 district, shall send a notice to the owners of the designated forest  
3 lands listed on the tax rolls of the applicable treasurer of:

4 (a) The creation of the local improvement district;

5 (b) The exemption of that land from special benefit assessments;

6 (c) The fact that the designated forest land may become subject to  
7 the special benefit assessments if the owner waives the exemption by  
8 filing a notarized document with the governing body of the local  
9 government creating the local improvement district before the  
10 confirmation of the final special benefit assessment roll; and

11 (d) The potential liability, pursuant to RCW 84.33.220, if the  
12 exemption is not waived and the land is subsequently removed from  
13 designated forest land status.

14 (3) When a local government approves and confirms a special benefit  
15 assessment roll, from which designated forest land has been exempted  
16 under this section, it shall file a notice of this action with the  
17 assessor and the legislative authority of the county in which the land  
18 is located and with the treasurer of that local government. The notice  
19 shall describe the action taken, the type of improvement involved, the  
20 land exempted, and the amount of the special benefit assessment that  
21 would have been levied against the land if it had not been exempted.  
22 The filing of the notice with the assessor and the treasurer of that  
23 local government shall constitute constructive notice to a purchaser or  
24 encumbrancer of the affected land, and every person whose conveyance or  
25 encumbrance is subsequently executed or subsequently recorded, that the  
26 exempt land is subject to the charges provided in RCW 84.33.220 and  
27 84.33.230, if the land is removed from its designation as forest land.

28 (4) The owner of the land exempted from special benefit assessments  
29 under this section may waive that exemption by filing a notarized  
30 document to that effect with the legislative authority of the local  
31 government upon receiving notice from said local government concerning  
32 the assessment roll hearing and before the local government confirms  
33 the final special benefit assessment roll. A copy of that waiver shall  
34 be filed by the local government with the assessor, but the failure to  
35 file this copy shall not affect the waiver.

36 (5) Except to the extent provided in RCW 84.33.250, the local  
37 government shall have no duty to furnish service from the improvement  
38 financed by the special benefit assessment to the exempted land.

1       **Sec. 8.** RCW 86.15.160 and 1986 c 278 s 60 are each amended to read  
2 as follows:

3       For the purposes of this chapter the supervisors may authorize:

4       (1) An annual excess ad valorem tax levy within any zone or  
5 participating zones when authorized by the voters of the zone or  
6 participating zones under RCW 84.52.052 and 84.52.054;

7       (2) An assessment upon property, including state property,  
8 specially benefited by flood control improvements or storm water  
9 control improvements imposed under chapter 86.09 RCW;

10       (3) Within any zone or participating zones an annual ad valorem  
11 property tax levy of not to exceed fifty cents per thousand dollars of  
12 assessed value when the levy will not take dollar rates that other  
13 taxing districts may lawfully claim and that will not cause the  
14 combined levies to exceed the constitutional and/or statutory  
15 limitations, and the additional levy, or any portion thereof, may also  
16 be made when dollar rates of other taxing units is released therefor by  
17 agreement with the other taxing units from their authorized levies;

18       (4) A charge, under RCW 36.89.080, for the furnishing of service to  
19 those who are receiving or will receive benefits from storm water  
20 control facilities and who are contributing to an increase in surface  
21 water runoff. No rate or charge imposed under this section may  
22 increase in any fiscal year by a percentage in excess of the fiscal  
23 growth factor for that fiscal year as determined under chapter 43.135  
24 RCW. The rate or charge imposed under this section shall be reduced by  
25 a minimum of ten percent for any new or remodeled commercial building  
26 that utilizes the permissive rainwater harvesting system guidelines for  
27 nonresidential occupancies adopted by the Washington state building  
28 code council on July 12, 2002;

29       (5) Except as otherwise provided in RCW 90.03.525, any public  
30 entity and public property, including the state and state property,  
31 shall be liable for the charges to the same extent a private person and  
32 privately owned property is liable for the charges, and in setting  
33 these rates and charges, consideration may be made of in-kind services,  
34 such as stream improvements or donation of property;

35       ~~((+5))~~ (6) The creation of local improvement districts and utility  
36 local improvement districts, the issuance of improvement district bonds  
37 and warrants, and the imposition, collection, and enforcement of

1 special assessments on all property, including any state-owned or other  
2 publicly-owned property, specially benefited from improvements in the  
3 same manner as provided for counties by chapter 36.94 RCW.

--- END ---