

**SUBSTITUTE HOUSE BILL 2891**

**State of Washington                      58th Legislature                      2004 Regular Session**

**By** House Committee on Local Government (originally sponsored by Representatives Grant and Mastin)

READ FIRST TIME 02/06/04.

1            AN ACT Relating to revising boundaries of a public utility district  
2 in incorporated territory; amending RCW 54.12.010; adding new sections  
3 to chapter 54.04 RCW; and declaring an emergency.

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

5            **Sec. 1.** RCW 54.12.010 and 1994 c 223 s 56 are each amended to read  
6 as follows:

7            A public utility district that is created as provided in RCW  
8 54.08.010 shall be a municipal corporation of the state of Washington,  
9 and the name of such public utility district shall be Public Utility  
10 District No. . . . . of . . . . . County.

11            The powers of the public utility district shall be exercised  
12 through a commission consisting of three members in three commissioner  
13 districts, and five members in five commissioner districts.

14            ((When)) (1) If the public utility district is county-wide and the  
15 county has three county legislative authority districts, then, at the  
16 first election of commissioners and until any change ((shall have  
17 been)) is made in the boundaries of public utility district  
18 commissioner districts, one public utility district commissioner shall

1 be chosen from each of the three county legislative authority  
2 districts. (~~When~~)

3 (2) If the public utility district comprises only a portion of the  
4 county, with boundaries established in accordance with chapter 54.08  
5 RCW, or (~~when~~) if the public utility district is county-wide and the  
6 county does not have three county legislative authority districts,  
7 three public utility district commissioner districts, numbered  
8 consecutively, each with approximately equal population and following  
9 precinct lines, as far as practicable, shall be described in the  
10 petition for the formation of the public utility district, (~~which~~  
11 ~~shall be~~) subject to appropriate change by the county legislative  
12 authority if and when it changes the boundaries of the proposed public  
13 utility district(~~, and~~). One commissioner shall be elected as a  
14 commissioner of each of the public utility district commissioner  
15 districts. (~~Commissioner districts shall be used as follows: (1)~~)

16 (3) Only a registered voter who resides in a commissioner district  
17 may be a candidate for, or hold office as, a commissioner of the  
18 commissioner district(~~; and (2)~~). Only voters of a commissioner  
19 district may vote at a primary to nominate candidates for a  
20 commissioner of the commissioner district. Voters of the entire public  
21 utility district may vote at a general election to elect a person as a  
22 commissioner of the commissioner district.

23 (4) The term of office of each public utility district commissioner  
24 other than the commissioners at large shall be six years, and the term  
25 of each commissioner at large shall be four years. Each term shall be  
26 computed in accordance with RCW (~~(29.04.170)~~) 29A.20.040 following the  
27 commissioner's election. All public utility district commissioners  
28 shall hold office until their successors shall have been elected and  
29 have qualified and assume office in accordance with RCW (~~(29.04.170)~~)  
30 29A.20.040.

31 (5) A vacancy in the office of public utility district commissioner  
32 shall occur as provided in chapter 42.12 RCW or by nonattendance at  
33 meetings of the public utility district commission for a period of  
34 sixty days unless excused by the public utility district commission.  
35 Vacancies on a board of public utility district commissioners shall be  
36 filled as provided in chapter 42.12 RCW.

37 (6) The boundaries of the public utility district commissioner  
38 districts may be changed only by the public utility district

1 commission, and shall be examined every ten years to determine  
2 substantial equality of population in accordance with chapter ((29.70))  
3 29A.76 RCW((, but)). Except as provided in this section or section 2  
4 of this act, the boundaries shall not be changed oftener than once in  
5 four years((, and)). Boundaries may only be changed when all members  
6 of the commission are present. Whenever territory is added to a public  
7 utility district under RCW 54.04.035, or added or withdrawn under  
8 section 2 of this act, the boundaries of the public utility  
9 commissioner districts shall be changed to include ((such)) the  
10 additional or exclude the withdrawn territory. Unless the boundaries  
11 are changed pursuant to section 2 of this act, the proposed change of  
12 the boundaries of the public utility district commissioner district  
13 must be made by resolution and after public hearing. Notice of the  
14 time of ((a)) the public hearing ((thereon)) shall be published for two  
15 weeks ((prior thereto)) before the hearing. Upon a referendum petition  
16 signed by ten percent of the qualified voters of the public utility  
17 district being filed with the county auditor, the county legislative  
18 authority shall submit ((such)) the proposed change of boundaries to  
19 the voters of the public utility district for their approval or  
20 rejection. ((Such)) The petition must be filed within ninety days  
21 after the adoption of resolution of the proposed action. The validity  
22 of the petition ((shall be)) is governed by the provisions of chapter  
23 54.08 RCW.

24 NEW SECTION. Sec. 2. A new section is added to chapter 54.04 RCW  
25 to read as follows:

26 (1) Any voting precinct located within a county that has a federal  
27 nuclear reservation within its boundaries is:

28 (a) Withdrawn from a public utility district if the precinct  
29 receives at least one electric distribution, water, or sewer service  
30 from a city, and no electric distribution, water, or sewer service from  
31 a public utility district;

32 (b) Included in a public utility district if any portion of the  
33 precinct receives at least one electric distribution, water, or sewer  
34 service from the public utility district.

35 (2) For voting precincts that meet the requirements of subsection  
36 (1) of this section, within ten days after the effective date of this

1 act, and for voting precincts that later meet the requirements of  
2 subsection (1) of this section, within thirty days of meeting the  
3 requirements:

4 (a) The city that provides any electric distribution, water, or  
5 sewer service to a precinct that is withdrawn from a public utility  
6 district under subsection (1) of this section shall submit to the  
7 public utility district and the county auditor a list of street  
8 addresses, or map of the areas to which any service is provided;

9 (b) The public utility district that provides any electric  
10 distribution, water, or sewer service to a precinct that is included in  
11 the public utility district under subsection (1) of this section shall  
12 submit to the city or town and the county auditor a list of street  
13 addresses, or map of the areas to which any service is provided.

14 (3) Within ten days of receipt of the information required under  
15 subsection (2) of this section, the auditor shall determine which  
16 voting precincts are required to be withdrawn from or included in the  
17 public utility district, and provide that information to the public  
18 utility district commissioners who shall, within ten days, revise the  
19 boundaries of the district in conformance with RCW 54.12.010 without  
20 dividing any voting precinct.

21 (4) Unless otherwise provided in an agreement between the public  
22 utility district and the city or town, taxes or assessments levied or  
23 assessed against property located in an area withdrawn from a public  
24 utility district shall remain a lien and be collected as by law (a) if  
25 the taxes or assessments were levied or assessed before the withdrawal  
26 or (b) if the levies or assessments were made to pay or secure an  
27 obligation of the district duly incurred or issued before the  
28 withdrawal. The withdrawal of an area from the boundaries of a  
29 district does not exempt any property therein from taxation or  
30 assessment for the purpose of paying the costs of retiring or redeeming  
31 any obligation of the district duly incurred or issued before the  
32 withdrawal.

33 (5) Except as set forth in subsection (4) of this section, a public  
34 utility district may not levy or impose any taxes upon property located  
35 within those voting precincts withdrawn from the public utility  
36 district.

37 (6) Nothing in this act limits the authority of public utility

1 districts and cities or towns to enter into service agreements that are  
2 otherwise permitted by law.

3 NEW SECTION. **Sec. 3.** A new section is added to chapter 54.04 RCW  
4 to read as follows:

5 (1) On July 1, 2009, a city located in a county that has a federal  
6 nuclear reservation within its boundaries shall provide electric  
7 distribution, water, and sewer service to those households within the  
8 city limits that, on July 1, 2004, receive at least one of those  
9 services from a public utility district.

10 (2) A city and a public utility district covered under subsection  
11 (1) of this section shall reach an agreement under which the public  
12 utility shall be paid a reasonable amount for costs associated with the  
13 public utility's installation or modification of the facilities  
14 necessary to provide services to households within the city limits, as  
15 required under this section. If the city and the public utility  
16 district are unable to agree on the terms of the agreement by July 1,  
17 2008, they shall be deemed to have entered into an agreement to submit  
18 the issue to arbitration under chapter 7.04 RCW. The city and the  
19 public utility district shall have the same rights and duties as other  
20 parties who have agreed to submit to arbitration under chapter 7.04  
21 RCW.

22 NEW SECTION. **Sec. 4.** This act is necessary for the immediate  
23 preservation of the public peace, health, or safety, or support of the  
24 state government and its existing public institutions, and takes effect  
25 immediately.

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