SENATE BILL REPORT HB 2720

As Reported By Senate Committee On: Government Operations & Elections, February 23, 2006

Title: An act relating to water-sewer districts.

Brief Description: Revising provisions relating to water-sewer districts.

Sponsors: Representatives Simpson, Schindler, Takko, P. Sullivan, B. Sullivan and Woods.

Brief History: Passed House: 2/10/06, 98-0.

Committee Activity: Government Operations & Elections: 2/16/06, 2/23/06 [DP].

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

Majority Report: Do pass.

Signed by Senators Kastama, Chair; Berkey, Vice Chair; Roach, Ranking Minority Member; Benton, Fairley, Haugen, Kline, McCaslin, Mulliken and Pridemore.

Staff: Genevieve Pisarski (786-7488)

Background: As is the case with all special purpose districts, the powers and functions of water-sewer districts are limited to those specifically established in statute.

Although water-sewer districts are allowed to include counties, cities, or other political subdivisions within their boundaries, statutory provisions regarding annexations by water-sewer districts appear to address only unincorporated territory. The annexation authority of fire protection districts, on the other hand, specifically covers annexation of adjacent cities or towns and provides that such annexations are initiated by an ordinance of the city or town followed by the concurrence of the district and are accomplished through elections conducted by the county. Regarding methods, the annexation authority of water-sewer districts provides for "petition/election," "petition," and, also, for very small areas, resolution of the district with opportunity for referendum. Election expenses are paid by the district.

Among their other statutory powers, water-sewer districts can operate combined sewage treatment and electric generation facilities. They can also lease out their unused real property.

Summary of Bill: A water-sewer district will be able to annex territory within a city, if the district acquires water or sewer facilities within the city and enters into an agreement with the city to seek annexation.

The annexation procedure begins with a resolution by the district that establishes the boundaries of the annexation territory, calls for an election by the voters in the territory, and is filed with the legislative authority of the corresponding county or counties. The county then follows public hearing, boundary adjustment, and election procedures that are substantially the same as those currently in statute for the "petition/election" method of annexation by watersewer districts.

Senate Bill Report - 1 - HB 2720

In addition to this annexation authority, there are several other provisions. Cities and counties will have to coordinate with public utilities that operate water-sewer systems during the predesign phase of construction projects that involve relocation of sewer or water facilities. Natural gas will be recognized, along with electricity, as a byproduct of sewage treatment and allowed to be sold. The maximum term for leases of unused water-sewer district property will increase from 25 to 50 years. An apparently obsolete reference to a "state association of water/wastewater districts" is removed from requirements for associations of municipal corporations to submit biennial recommendations to the Governor and Legislature.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: These are non-controversial, technical changes. The requirement for consultation during the pre-design phase of construction is very important to assure efficiency and economy; the cities and counties support it. Methane gas is now being sold by Metro; this would allow others to do the same. The longer term for leases reflects the reality that financing for major projects, for example, can take a very long time; this will allow continuing to get a return from it.

Testimony Against: None.

Who Testified: PRO: Rep. Simpson, Prime Sponsor; Joe Daniels, Washington Association of Sewer-Water Districts; Steve Lindstrom, Sno-King Water District Coalition.

Senate Bill Report - 2 - HB 2720