

CERTIFICATION OF ENROLLMENT
SUBSTITUTE SENATE BILL 6091

Chapter 230, Laws of 1996

54th Legislature
1996 Regular Session

COMBINING WATER AND SEWER DISTRICTS

EFFECTIVE DATE: 7/1/97

Passed by the Senate March 2, 1996
YEAS 47 NAYS 0

JOEL PRITCHARD
President of the Senate

Passed by the House February 27, 1996
YEAS 98 NAYS 0

CLYDE BALLARD
**Speaker of the
House of Representatives**

Approved March 28, 1996

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 6091** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MARTY BROWN
Secretary

FILED

March 28, 1996 - 5:05 p.m.

MIKE LOWRY
Governor of the State of Washington

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 6091

AS AMENDED BY THE HOUSE

Passed Legislature - 1996 Regular Session

State of Washington

54th Legislature

1996 Regular Session

By Senate Committee on Government Operations (originally sponsored by Senators Haugen, Winsley, Sheldon, Drew, McCaslin, Long, Hale, Snyder, Heavey and Sellar)

Read first time 01/19/96.

1 AN ACT Relating to combining water and sewer districts; amending
2 RCW 57.02.010, 56.02.110, 57.02.030, 57.02.040, 56.02.070, 56.02.100,
3 57.02.050, 57.04.001, 57.04.020, 57.04.030, 57.04.050, 57.04.060,
4 57.04.065, 57.04.070, 56.04.080, 57.04.100, 57.04.110, 56.04.120,
5 56.04.130, 57.08.011, 57.08.014, 57.08.015, 57.08.016, 57.08.030,
6 57.08.040, 56.08.060, 57.08.047, 57.08.050, 57.08.060, 57.08.065,
7 56.08.012, 57.08.100, 57.08.105, 57.08.110, 57.08.120, 57.08.140,
8 57.08.017, 57.08.180, 57.08.150, 57.08.160, 57.08.170, 57.12.010,
9 57.12.015, 57.12.030, 57.12.039, 57.12.020, 57.16.010, 56.08.030,
10 57.16.140, 57.16.050, 57.16.060, 57.16.073, 57.16.065, 56.20.030,
11 57.16.070, 57.16.080, 57.16.100, 57.16.090, 57.16.110, 57.16.150,
12 57.16.020, 57.20.015, 57.16.030, 57.16.035, 57.16.040, 57.20.020,
13 57.20.023, 57.20.025, 57.20.027, 57.20.030, 57.20.080, 57.20.090,
14 57.20.110, 57.20.120, 57.20.130, 57.20.135, 57.20.140, 57.20.150,
15 57.20.160, 57.20.165, 57.20.170, 57.22.010, 57.22.020, 57.22.030,
16 57.22.040, 57.22.050, 57.24.001, 57.24.010, 57.24.020, 57.24.040,
17 57.24.050, 57.24.070, 57.24.090, 57.24.170, 57.24.180, 57.24.190,
18 57.24.200, 57.24.210, 57.24.220, 57.28.001, 57.28.010, 57.28.020,
19 57.28.030, 57.28.035, 57.28.040, 57.28.050, 57.28.060, 57.28.070,
20 57.28.080, 57.28.090, 57.28.100, 57.28.110, 57.32.001, 57.32.010,
21 57.32.020, 57.32.021, 57.32.022, 57.32.023, 57.32.024, 57.32.130,

1 57.32.160, 57.36.001, 57.36.010, 57.36.020, 57.36.030, 57.36.040,
2 57.40.135, 57.36.050, 57.42.010, 57.42.020, 57.42.030, 57.46.010,
3 57.46.020, 57.46.030, 57.90.001, 57.90.010, 57.90.020, 57.90.030,
4 57.90.040, 57.90.050, 57.90.100, 35.13.900, 35.58.570, 35.97.050,
5 35A.14.901, 35A.56.010, 35A.70.010, 36.29.160, 36.93.090, 36.94.420,
6 41.04.190, 43.99F.020, 82.02.020, 84.09.030, 84.38.020, 84.52.052,
7 90.03.510, and 90.03.525; adding new sections to chapter 57.02 RCW;
8 adding new sections to chapter 57.08 RCW; adding a new section to Title
9 57 RCW; adding new sections to chapter 57.04 RCW; adding new sections
10 to chapter 57.06 RCW; adding new sections to chapter 57.16 RCW; adding
11 new sections to chapter 57.20 RCW; adding a new section to chapter
12 57.36 RCW; creating a new section; recodifying RCW 56.02.070,
13 56.02.100, 56.02.110, 56.04.080, 56.04.120, 56.04.130, 56.02.030,
14 56.02.080, 56.36.070, 56.08.060, 56.08.012, 56.08.170, 56.08.030,
15 56.20.030, 57.16.020, 57.16.030, 57.16.035, 57.16.040, and 57.40.135;
16 repealing RCW 56.02.010, 56.02.040, 56.02.050, 56.02.055, 56.02.060,
17 56.02.120, 56.04.001, 56.04.020, 56.04.030, 56.04.040, 56.04.050,
18 56.04.060, 56.04.065, 56.04.070, 56.04.090, 56.08.010, 56.08.013,
19 56.08.014, 56.08.015, 56.08.020, 56.08.040, 56.08.050, 56.08.065,
20 56.08.070, 56.08.075, 56.08.080, 56.08.090, 56.08.092, 56.08.100,
21 56.08.105, 56.08.110, 56.08.120, 56.08.130, 56.08.140, 56.08.150,
22 56.08.160, 56.08.180, 56.08.190, 56.08.200, 56.12.010, 56.12.015,
23 56.12.020, 56.12.030, 56.12.040, 56.12.050, 56.16.010, 56.16.020,
24 56.16.030, 56.16.035, 56.16.040, 56.16.050, 56.16.060, 56.16.065,
25 56.16.070, 56.16.080, 56.16.085, 56.16.090, 56.16.100, 56.16.110,
26 56.16.115, 56.16.130, 56.16.135, 56.16.140, 56.16.150, 56.16.160,
27 56.16.165, 56.16.170, 56.20.010, 56.20.015, 56.20.020, 56.20.032,
28 56.20.033, 56.20.040, 56.20.050, 56.20.060, 56.20.070, 56.20.080,
29 56.20.090, 56.20.120, 56.22.010, 56.22.020, 56.22.030, 56.22.040,
30 56.22.050, 56.24.001, 56.24.070, 56.24.080, 56.24.090, 56.24.100,
31 56.24.110, 56.24.120, 56.24.130, 56.24.140, 56.24.150, 56.24.180,
32 56.24.190, 56.24.200, 56.24.205, 56.24.210, 56.24.900, 56.28.001,
33 56.28.010, 56.28.020, 56.32.001, 56.32.010, 56.32.020, 56.32.030,
34 56.32.040, 56.32.050, 56.32.060, 56.32.070, 56.32.080, 56.32.090,
35 56.32.100, 56.32.110, 56.32.115, 56.32.120, 56.32.160, 56.36.001,
36 56.36.010, 56.36.020, 56.36.030, 56.36.040, 56.36.045, 56.36.050,
37 56.36.060, 56.40.010, 56.40.020, 56.40.030, 57.08.010, 57.08.045,
38 57.08.080, 57.08.090, 57.08.130, 57.12.045, 57.20.100, 57.40.100,

1 57.40.110, 57.40.120, 57.40.130, 57.40.140, and 57.40.150; and
2 providing an effective date.

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

4 **PART I - GENERAL PROVISIONS**

5 NEW SECTION. **Sec. 101.** A new section is added to chapter 57.02
6 RCW to read as follows:

7 Every sewer district and every water district previously created
8 shall be reclassified and shall become a water-sewer district, and
9 shall be known as the ". . . . Water-Sewer District," or "Water-Sewer
10 District No." or shall continue to be known as a "sewer
11 district" or a "water district," with the existing name or number
12 inserted, as appropriate. As used in this title, "district" means a
13 water-sewer district, a sewer district, or a water district. All
14 debts, contracts, and obligations previously made or incurred by or in
15 favor of any water district or sewer district, and all bonds or other
16 obligations issued or executed by those districts, and all assessments
17 or levies, and all other things and proceedings done or taken by those
18 districts or by their respective officers, are declared legal and valid
19 and of full force and effect.

20 **Sec. 102.** RCW 57.02.010 and 1982 1st ex.s. c 17 s 8 are each
21 amended to read as follows:

22 Wherever in this title (~~((57-RCW))~~) petitions are required to be
23 signed by the owners of property, the following rules shall govern the
24 sufficiency (~~((thereof))~~) of the petitions:

25 (1) The signature of a record owner, as determined by the records
26 of the county auditor of the county in which the real property is
27 located, shall be sufficient without the signature of (~~((his or her))~~)
28 the owner's spouse.

29 (2) (~~((In the case of))~~) For mortgaged property, the signature of the
30 mortgagor shall be sufficient.

31 (3) (~~((In the case of))~~) For property purchased on contract, the
32 signature of the contract purchaser, as shown by the records of the
33 county auditor of the county in which the real property is located,
34 shall be (~~((deemed))~~) sufficient.

(4) Any officer of a corporation owning land in the district duly authorized to execute deeds or encumbrances on behalf of the corporation may sign on behalf of ~~((such))~~ that corporation~~((÷ PROVIDED))~~, except that there shall be attached to the petition a certified excerpt from the bylaws showing such authority.

(5) If any property in the district stands in the name of a deceased person or any person for whom a guardian has been appointed, the signature of the ~~((executor))~~ personal representative, administrator, or guardian, as the case may be, shall be equivalent to the signature of the owner of the property.

Sec. 103. RCW 56.02.110 and 1979 c 35 s 3 are each amended to read as follows:

~~((1))~~ The board of commissioners of a ~~((sewer))~~ district may notify the owner or reputed owner of any tract, parcel of land, or other property located within the area included in a petition being circulated for a local improvement district ~~((being circulated))~~ or utility local improvement district under chapter ~~((56.20))~~ 57.16 RCW ~~((or in a petition for))~~, an annexation ~~((being circulated))~~ under chapter ~~((56.24))~~ 57.24 RCW, a consolidation under chapter 57.32 RCW, a merger under chapter 57.36 RCW, a withdrawal of territory under chapter 57.28 RCW, or a transfer of territory under RCW 57.32.160.

~~((2))~~ Upon the request of any person, the board of commissioners of a ~~((sewer))~~ district may:

~~((a))~~ (1) Review a proposed petition ~~((to check if the petition is properly drafted))~~ for proper drafting; and

~~((b))~~ (2) Provide information regarding the effects of the adoption of any proposed petition.

Sec. 104. RCW 57.02.030 and 1959 c 108 s 19 are each amended to read as follows:

The rule of strict construction shall ~~((have no application))~~ not apply to this title, ~~((but the same))~~ which shall be liberally construed to carry out ~~((the))~~ its purposes and objects ~~((for which this title is intended))~~.

Sec. 105. RCW 57.02.040 and 1988 c 162 s 7 are each amended to read as follows:

1 ~~(1) Notwithstanding any provision of law to the contrary, ((no~~
2 ~~water district shall be formed or reorganized under chapter 57.04 RCW,~~
3 ~~nor shall any water district annex territory under chapter 57.24 RCW,~~
4 ~~nor shall any water district withdraw territory under chapter 57.28~~
5 ~~RCW, nor shall any water district consolidate under chapter 57.32 RCW,~~
6 ~~nor shall any water district be merged under chapter 57.36 RCW, nor~~
7 ~~shall any sewer district be merged into a water district under chapter~~
8 ~~57.40 RCW, unless such proposed action)) the following proposed actions~~
9 ~~shall be approved as provided for in RCW 56.02.070 (as recodified by~~
10 ~~this act):~~

11 (a) Formation or reorganization under chapter 57.04 RCW;

12 (b) Annexation of territory under chapter 57.24 RCW;

13 (c) Withdrawal of territory under chapter 57.28 RCW;

14 (d) Transfer of territory under RCW 57.32.160;

15 (e) Consolidation under chapter 57.32 RCW; and

16 (f) Merger under chapter 57.36 RCW.

17 ~~((The county legislative authority shall within thirty days of the~~
18 ~~date after receiving)) (2) At least one of the districts involved shall~~
19 ~~give notice of the proposed action((, approve such action or hold a~~
20 ~~hearing on such action. In addition, a copy of such proposed action~~
21 ~~shall be mailed)) to the county legislative authority, state department~~
22 ~~of ecology, and ((to the)) state department of ((social and)) health~~
23 ~~((services)). The county legislative authority shall within thirty~~
24 ~~days of receiving notice of the proposed action approve the action or~~
25 ~~hold a hearing on the action.~~

26 (3) The county legislative authority shall decide within sixty days
27 of a hearing whether to approve or not approve ((such)) the proposed
28 action. In approving or not approving the proposed action, the county
29 legislative authority shall consider the following criteria:

30 ~~((1))~~ (a) Whether the proposed action in the area under
31 consideration is in compliance with the development program ((which))
32 that is outlined in the county comprehensive plan, or city or town
33 comprehensive plan where appropriate, and its supporting documents;
34 ((and/or

35 (2))) (b) Whether the proposed action in the area under
36 consideration is in compliance with the basinwide water and/or sewage
37 plan as approved by the state department of ecology and the state
38 department of social and health services; ((and/or)) and

1 (~~((3))~~) (c) Whether the proposed action is in compliance with the
2 policies expressed in the county plan for water and/or sewage
3 facilities.

4 (4) If the proposed action is inconsistent with subsection(~~(s-(1),~~
5 ~~(2), or)~~) (3)(a), (b), or (c) of this section, the county legislative
6 authority shall not approve it. If (~~(such)~~) the proposed action is
7 consistent with (~~(all such)~~) subsection(~~(s)~~) (3)(a), (b), and (c) of
8 this section, the county legislative authority shall approve it unless
9 it finds that (~~(utility)~~) water or sewer service in the area under
10 consideration will be most appropriately served by the county itself
11 under the provisions of chapter 36.94 RCW, or by (~~(a)~~) another
12 district, city, town, or municipality(~~(, or by another existing special~~
13 ~~purpose district rather than by the proposed action under~~
14 ~~consideration)~~). If there has not been adopted for the area under
15 consideration a plan or program under (~~(any one of subsections (1), (2)~~
16 ~~or)~~) subsection (3)(a), (b), or (c) of this section, the proposed
17 action shall not be found inconsistent with such subsection.

18 (5) Where a (~~(water)~~) district is proposed to be formed, and where
19 no boundary review board (~~(has been)~~) is established in the county, the
20 petition described in RCW 57.04.030 shall serve as the notice of
21 proposed action under this section, and the hearing provided for in RCW
22 57.04.030 shall serve as the hearing provided for in this section and
23 in RCW 56.02.070 (as recodified by this act).

24 **Sec. 106.** RCW 56.02.070 and 1988 c 162 s 6 are each amended to
25 read as follows:

26 In any county where a boundary review board, as provided in chapter
27 36.93 RCW, (~~(has)~~) is not (~~(been)~~) established, the approval of the
28 proposed action shall be by the county legislative authority pursuant
29 to RCW (~~(56.02.060 and)~~) 57.02.040(~~(,)~~) and shall be final, and the
30 procedures required to adopt such proposed action shall be followed as
31 provided by law.

32 In any county where a boundary review board, as provided in chapter
33 36.93 RCW, (~~(has been)~~) is established, a notice of intention of the
34 proposed action shall be filed with the boundary review board as
35 required by RCW 36.93.090 and (~~(a copy thereof)~~) with the county
36 legislative authority. The (~~(latter)~~) county legislative authority
37 shall transmit to the boundary review board a report of its approval or
38 disapproval of the proposed action together with its findings and

1 recommendations ~~((thereon))~~ under ~~((the provisions of RCW 56.02.060~~
2 ~~and))~~ 57.02.040. ~~((If))~~ Approval by the county legislative authority
3 ~~((has approved))~~ of the proposed action~~((, such approval))~~ shall be
4 final and the procedures required to adopt ~~((such))~~ the proposal shall
5 be followed as provided by law, unless the boundary review board
6 reviews the action under ~~((the provisions of))~~ RCW 36.93.100 through
7 36.93.180. If the county legislative authority ~~((has))~~ does not
8 ~~((approved))~~ approve the proposed action, the boundary review board
9 shall review the action under ~~((the provisions of))~~ RCW 36.93.150
10 through 36.93.180. The action of the boundary review board ~~((after~~
11 ~~review of the proposed action))~~ shall supersede approval or disapproval
12 by the county legislative authority.

13 Where a ~~((water or sewer))~~ district is proposed to be formed, and
14 where no boundary review board ~~((has been))~~ is established in the
15 county, the hearings provided for in RCW ~~((56.04.040 and))~~ 57.04.030
16 shall serve as the hearing provided for in this section~~((, in RCW~~
17 ~~56.02.060,))~~ and in RCW 57.02.040.

18 **Sec. 107.** RCW 56.02.100 and 1977 ex.s. c 208 s 3 are each amended
19 to read as follows:

20 The procedures and provisions of RCW 85.08.830 through 85.08.890,
21 which are applicable to drainage improvement districts, joint drainage
22 improvement districts, or consolidated drainage improvement districts
23 ~~((which))~~ that desire to merge into ~~((an))~~ irrigation districts, shall
24 also apply to ~~((sewer))~~ districts organized, or reorganized, under this
25 title ~~((which))~~ that desire to merge into irrigation districts.

26 The authority granted by this section shall be cumulative and in
27 addition to any other power or authority granted by law to any
28 ~~((sewer))~~ district.

29 **Sec. 108.** RCW 57.02.050 and 1994 c 223 s 66 are each amended to
30 read as follows:

31 Whenever the boundaries or proposed boundaries of a ~~((water))~~
32 district include or are proposed to include by means of formation,
33 annexation, transfer, withdrawal, consolidation, or merger ~~((including~~
34 ~~merger with a sewer district))~~, territory in more than one
35 county~~((,))~~:

36 (1) All duties delegated by this title ~~((57-RCW))~~ to officers of
37 the county in which the district is located shall be delegated to the

1 officers of the county in which the largest land area of the district
2 is located, except that elections shall be conducted pursuant to
3 general election law((~~7~~));

4 (2) Actions subject to review and approval under RCW 57.02.040
5 ((and ~~56.02.070~~)) shall be reviewed and approved only by the officers
6 or boundary review board((s)) in the county in which such actions are
7 proposed to occur((~~7~~));

8 (3) Verification of ((~~electors'~~)) voters' signatures shall be
9 conducted by the county ((~~election officer~~)) auditor of the county in
10 which such signators reside((~~7~~)); and

11 (4) Comprehensive plan review and approval or rejection by the
12 respective county legislative authorities under RCW 57.16.010 shall be
13 limited to that part of such plans within the respective counties.

14 NEW SECTION. Sec. 109. A new section is added to chapter 57.02
15 RCW to read as follows:

16 Elections in a district shall be conducted under general election
17 laws.

18 **PART II - FORMATION AND DISSOLUTION**

19 **Sec. 201.** RCW 57.04.001 and 1989 c 84 s 56 are each amended to
20 read as follows:

21 Actions taken under this chapter ((~~57.04 RCW~~)) may be subject to
22 potential review by a boundary review board under chapter 36.93 RCW.

23 **Sec. 202.** RCW 57.04.020 and 1982 1st ex.s. c 17 s 9 are each
24 amended to read as follows:

25 Water-sewer districts ((~~for the acquirement, construction,~~
26 ~~maintenance, operation, development and regulation of a water supply~~
27 ~~system and providing for additions and betterments thereto~~)) are
28 authorized to be established for the purposes of chapter 57.08 RCW.
29 Such districts may include within their boundaries one or more
30 ((~~incorporated~~)) counties, cities, and towns, or other political
31 subdivisions. However, no portion or all of any city or town may be
32 included without the consent by resolution of the city or town
33 legislative authority.

1 **Sec. 203.** RCW 57.04.030 and 1990 c 259 s 27 are each amended to
2 read as follows:

3 (1) For the purpose of formation of water-sewer districts, a
4 petition shall be presented to the county legislative authority of each
5 county in which the proposed ((water)) district is located((, which)).
6 The petition shall set forth the ((object)) reasons for the creation of
7 the district, ((shall)) designate the boundaries ((thereof and set
8 forth the further fact)) of the district, and state that establishment
9 of the district will be conducive to the public health, convenience,
10 and welfare and will be of benefit to the property included in the
11 district. The petition shall state the proposed name of the district,
12 which may be ". Sewer-Water District," ". Water
13 District," ". Sewer District," or may be designated by a
14 number such as ". County Water-Sewer District No."
15 The petition shall specify the proposed property tax levy assessment,
16 if any, which shall not exceed one dollar and twenty-five cents per
17 thousand dollars of assessed value, for general preliminary expenses of
18 the district. The petition shall be signed by at least ten percent of
19 the registered voters who voted in the last ((general)) municipal
20 general election, who shall be qualified ((electors)) voters on the
21 date of filing the petition, residing within the district described in
22 the petition.

23 The petition shall be filed with the county auditor of ((each)) the
24 county in which all or the largest geographic portion of the proposed
25 district is located, who shall((,)) within ten days examine and verify
26 the signatures ((of the signers residing in the county; and for such
27 purpose the county election official shall have access to all
28 registration books in the possession of the officers of any
29 incorporated city or town in such proposed district)) on the petition.
30 No person having signed such a petition shall be allowed to withdraw
31 ((his)) the person's name from the petition after the filing of the
32 petition with the county ((election officer. The petition shall be
33 transmitted to the election officer of the county in which the largest
34 land area of the district is located who shall certify to the
35 sufficiency or insufficiency of the number of signatures)) auditor. If
36 the area proposed to be included in the district is located in more
37 than one county, the auditor of the county in which the largest
38 geographic portion of the district is located shall be the lead auditor
39 and shall immediately transfer a copy of the petitions to the auditor

1 of each other county in which the proposed district is located. Within
2 ten days after the lead auditor received the petition, the auditors of
3 these other counties shall certify to the lead auditor: (a) The number
4 of voters of that county residing in the proposed district who voted at
5 the last municipal general election; and (b) the number of valid
6 signatures on the petition of voters of that county residing in the
7 proposed district. The lead auditor shall certify the sufficiency of
8 the petition after receiving this information. If the petition shall
9 be found to contain a sufficient number of signatures, the county
10 ~~((election officer))~~ auditor or lead county auditor shall then transmit
11 ~~((the same))~~ it, together with a certificate of sufficiency attached
12 thereto to the county legislative authority of each county in which the
13 proposed district is located.

14 (2) If in the opinion of the county health officer the existing
15 water, sewerage, or drainage facilities are inadequate in the district
16 to be created, and creation of the district is necessary for public
17 health and safety, then the legislative authority of the county may
18 declare by resolution that a water-sewer district is a public health
19 and safety necessity, and the district shall be organized under this
20 title, without a petition being required.

21 (3) Following receipt of a petition certified to contain a
22 sufficient number of signatures, or upon declaring a district to be a
23 public health and safety necessity, at a regular or special meeting the
24 county legislative authority shall cause to be published once a week
25 for at least two weeks in one or more newspapers of general circulation
26 in the proposed district, a notice that such a petition has been
27 presented, stating the time of the meeting at which the petition shall
28 be considered, and setting forth the boundaries of the proposed
29 district. When ~~((such))~~ a petition is presented for hearing, each
30 county legislative authority shall hear the petition or may adjourn the
31 hearing from time to time not exceeding one month in all. Any person,
32 firm, or corporation may appear before the county legislative authority
33 and make objections to the establishment of the district or the
34 proposed boundary lines thereof. Upon a final hearing each county
35 legislative authority shall make such changes in the proposed boundary
36 lines within the county as it deems to be proper and shall establish
37 and define the boundaries and shall find whether the proposed ~~((water))~~
38 district will be conducive to the public health, welfare, and
39 convenience and be of special benefit to the land included within the

1 boundaries of the proposed district. No lands (~~((which))~~) that will not,
2 in the judgment of the county legislative authority, be (~~((benefited))~~)
3 benefitted by inclusion therein, shall be included within the
4 boundaries of the district. No change shall be made by the county
5 legislative authority in the boundary lines to include any territory
6 outside of the boundaries described in the petition, except that the
7 boundaries of any proposed district may be extended by the county
8 legislative authority to include other lands in the county upon a
9 petition signed by the owners of all of the land within the proposed
10 extension.

11 **Sec. 204.** RCW 57.04.050 and 1994 c 292 s 2 are each amended to
12 read as follows:

13 Upon entry of the findings of the final hearing on the petition if
14 one or more county legislative authorities find that the proposed
15 district will be conducive to the public health, welfare, and
16 convenience and (~~((be of special))~~) will benefit (~~((to))~~) the land therein,
17 they shall call a special election by presenting a resolution to the
18 county auditor at least forty-five days prior to the proposed election
19 date. A special election (~~((will))~~) shall be held on a date decided by
20 the commissioners in accordance with RCW (~~((29.13.010 and))~~) 29.13.020.
21 The commissioners shall cause to be published a notice of the election
22 for four successive weeks in a newspaper of general circulation in the
23 proposed district, which notice shall state the hours during which the
24 polls will be open, the boundaries of the district as finally adopted
25 and the object of the election, and the notice shall also be posted
26 (~~((for))~~) ten days in ten public places in the proposed district. In
27 submitting the proposition to the voters, it shall be expressed on the
28 ballots in the following terms:

29 (~~((water))~~) District YES 1
30 (~~((water))~~) District NO 1

31 giving the name of the district as provided in the petition. The
32 proposition to be effective must be approved by a majority of the
33 voters voting on the proposition.

34 At the same election a proposition shall be submitted to the
35 voters, for their approval or rejection, authorizing the (~~((water))~~)
36 district, if formed, to (~~((levy at the earliest time permitted by law))~~)
37 impose on all property located in the district a general tax for one

1 year, in excess of the limitations provided by law, in the amount
specified in the petition to create the district, not to exceed one
dollar and twenty-five cents per thousand dollars of assessed value,
for general preliminary expenses of the district(~~(. The proposition~~
~~may not appear at the September or November election. The proposition~~
~~shall))~~), that proposition to be expressed on the ballots in the
following terms:

One year dollars and cents per
thousand dollars of assessed value tax YES 1
~~((One year dollars and cents~~
~~per thousand dollars of assessed value tax))NO 1~~

Such a ballot proposition may only be submitted to voters for their
approval or rejection if the special election is held in February,
March, April, or May. The proposition to be effective must be approved
by at least three-fifths of the voters voting on the proposition in the
manner set forth in Article VII, section 2(a) of the state Constitution
~~((of this state, as amended by Amendment 59 and as thereafter~~
~~amended))~~.

Sec. 205. RCW 57.04.060 and 1929 c 114 s 5 are each amended to
read as follows:

If at ~~((such))~~ the election a majority of the voters voting upon
~~((such))~~ the proposition ~~((shall))~~ vote in favor of the formation of
~~((such))~~ the district the ~~((board of))~~ county ~~((commissioners))~~
legislative authority shall so declare in its canvass of the returns of
~~((such))~~ the election to be made within ten days after the date of the
election, and ~~((such water))~~ the district shall then be and become a
municipal corporation of the state of Washington, and the name of
~~((such water))~~ the district shall be ~~((". Water District"~~
~~{inserting the name appearing on the ballot}))~~ the name of the district
as provided in the petition and the ballot.

The county's expenses incurred in the formation of the district,
including the election costs associated with the ballot proposition
authorizing the district, election of the initial commissioners under
RCW 57.12.030, and the ballot proposition authorizing the excess levy,
shall be repaid to the county if the district is formed.

1 **Sec. 206.** RCW 57.04.065 and 1984 c 147 s 7 are each amended to
2 read as follows:

3 Any ~~((water))~~ district ~~((heretofore or hereafter organized and~~
4 ~~existing))~~ may apply to change its name by filing with the county
5 legislative authority in which was filed the original petition for
6 organization of the district, a certified copy of a resolution of its
7 board of commissioners adopted by majority vote of all of the members
8 of ~~((said))~~ that board at a regular meeting thereof providing for such
9 change of name. After approval of the new name by the county
10 legislative authority, all proceedings for ~~((such))~~ the district~~((s))~~
11 shall be had under ~~((such))~~ the changed name, but all existing
12 obligations and contracts of the district entered into under its former
13 name shall remain outstanding without change and with the validity
14 thereof unimpaired and unaffected by such change of name~~((, and the))~~.
15 A change of name heretofore made by any existing ~~((water))~~ district in
16 this state, substantially in the manner ~~((above))~~ approved under this
17 section, is ~~((hereby))~~ ratified, confirmed, and validated.

18 **Sec. 207.** RCW 57.04.070 and 1985 c 141 s 6 are each amended to
19 read as follows:

20 Whenever two or more petitions for the formation of a ~~((water))~~
21 district shall be filed as provided in this chapter, the petition
22 describing the greater area shall supersede all others and an election
23 shall first be held thereunder, and no lesser ~~((water))~~ district shall
24 ever be created within the limits in whole or in part of any ~~((water))~~
25 district, except as provided in RCW ~~((57.40.150 and))~~ 36.94.420~~((, as~~
26 ~~now or hereafter amended))~~.

27 **Sec. 208.** RCW 56.04.080 and 1941 c 210 s 40 are each amended to
28 read as follows:

29 All elections held pursuant to this title, whether general or
30 special, shall be conducted by the county ~~((election board))~~ auditor of
31 the county in which the district is located. Except as provided in RCW
32 57.04.060, the expense of all such elections shall be paid for out of
33 the funds of ~~((such sewer))~~ the district.

34 **Sec. 209.** RCW 57.04.100 and 1994 c 81 s 80 are each amended to
35 read as follows:

1 Any ((water)) district ((organized under this title)) may be
2 disincorporated in the same manner (insofar as the same is applicable)
3 as is provided in RCW 35.07.010 through 35.07.220 for the
4 disincorporation of cities and towns, except that the petition for
5 disincorporation shall be signed by not less than twenty-five percent
6 of the voters in the ((water)) district.

7 **Sec. 210.** RCW 57.04.110 and 1955 c 358 s 1 are each amended to
8 read as follows:

9 A ((water)) district whose boundaries are identical with, or if the
10 district is located entirely within, the boundaries of ((an
11 incorporated)) a city or town may be dissolved by summary dissolution
12 proceedings if the ((water)) district is free from all debts and
13 liabilities except contractual obligations between the district and the
14 city or town. Summary dissolution shall take place if the board of
15 commissioners of the ((water)) district votes unanimously to dissolve
16 the district and to turn all of its property over to the city or town
17 within which the district lies, and the council of such city or town
18 unanimously passes an ordinance accepting the conveyance of the
19 property and assets of the district tendered to the city or town by the
20 ((water)) district.

21 **Sec. 211.** RCW 56.04.120 and 1991 c 363 s 136 are each amended to
22 read as follows:

23 (1) On and after March 16, 1979, any sewerage improvement districts
24 created under Title 85 RCW and located in a county with a population of
25 from forty thousand to less than seventy thousand shall become
26 ((sewer)) districts and shall be operated, maintained, and have the
27 same powers as ((sewer)) districts created under this title ((56-RCW)),
28 upon being so ordered by the county legislative authority of the county
29 in which such district is located after a hearing of which notice is
30 given by publication in a newspaper of general circulation within the
31 district and mailed to any known creditors, holders of contracts, and
32 obligees at least thirty days prior to such hearing. After such
33 hearing if the county legislative authority finds the converting of
34 such district to be in the best interest of that district, it shall
35 order that such sewer improvement district shall become a ((sewer))
36 district and fix the date of such conversion. All debts, contracts,
37 and obligations created while attempting to organize or operate a

1 sewerage improvement district and all other financial obligations and
2 powers of the district to satisfy such obligations established under
3 Title 85 RCW are legal and valid until they are fully satisfied or
4 discharged under Title 85 RCW.

5 (2) The board of supervisors of a sewerage improvement district in
6 a county with a population of from forty thousand to less than seventy
7 thousand shall act as the board of commissioners of the ((sewer))
8 district ((created)) under subsection (1) of this section until other
9 members of the board of commissioners of the ((sewer)) district are
10 elected and qualified. There shall be an election on the same date as
11 the 1979 state general election and the seats of all three members of
12 the governing authority of every entity which was previously known as
13 a sewerage improvement district in a county with a population of from
14 forty thousand to less than seventy thousand shall be up for election.
15 The election shall be held in the manner provided for in RCW
16 ((56.12.020)) 57.12.030 for the election of the first board of
17 commissioners of a ((sewer)) district. Thereafter, the terms of office
18 of the members of the governing body shall be determined under RCW
19 ((56.12.020)) 57.12.030.

20 **Sec. 212.** RCW 56.04.130 and 1979 c 35 s 2 are each amended to read
21 as follows:

22 Any sewerage improvement district which has been operating as a
23 sewer district shall be a ((sewer)) district under this title as of
24 March 16, 1979, upon being so ordered by the ((board of)) county
25 ((commissioners)) legislative authority of the county in which such
26 district is located after a hearing of which notice is given by
27 publication in a newspaper of general circulation within the district
28 and mailed to any known creditors, holders of contracts, and obligees
29 at least thirty days prior to such hearing. After such hearing if the
30 ((board of)) county ((commissioners)) legislative authority finds that
31 the sewerage improvement district was operating as a ((sewer)) district
32 and that the converting of such district will be in the best interest
33 of that district, it shall order that such sewer improvement district
34 shall become a ((sewer)) district immediately upon the passage of the
35 resolution containing such order. The debts, contracts, and
36 obligations of any sewerage improvement district which has been
37 erroneously operating as a ((sewer)) district are recognized as legal
38 and binding. The members of the government authority of any sewerage

1 improvement district which has been operating as a ((sewer)) district
2 and who were erroneously elected as sewer district commissioners shall
3 be recognized as the governing authority of a ((sewer)) district. The
4 members of the governing authority shall continue in office for the
5 term for which they were elected.

6 **PART III - POWERS**

7 NEW SECTION. **Sec. 301.** A district shall have the following
8 powers:

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

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

22 (3) To construct, condemn and purchase, add to, maintain, and
23 supply waterworks to furnish the district and inhabitants thereof and
24 any other persons, both within and without the district, with an ample
25 supply of water for all uses and purposes public and private with full
26 authority to regulate and control the use, content, distribution, and
27 price thereof in such a manner as is not in conflict with general law
28 and may construct, acquire, or own buildings and other necessary
29 district facilities. Where a customer connected to the district's
30 system uses the water on an intermittent or transient basis, a district
31 may charge for providing water service to such a customer, regardless
32 of the amount of water, if any, used by the customer. District
33 waterworks may include facilities which result in combined water supply
34 and electric generation, if the electricity generated thereby is a
35 byproduct of the water supply system. That electricity may be used by
36 the district or sold to any entity authorized by law to use or
37 distribute electricity. Electricity is deemed a byproduct when the

1 electrical generation is subordinate to the primary purpose of water
2 supply. For such purposes, a district may take, condemn and purchase,
3 acquire, and retain water from any public or navigable lake, river or
4 watercourse, or any underflowing water, and by means of aqueducts or
5 pipeline conduct the same throughout the district and any city or town
6 therein and carry it along and upon public highways, roads, and
7 streets, within and without such district. For the purpose of
8 constructing or laying aqueducts or pipelines, dams, or waterworks or
9 other necessary structures in storing and retaining water or for any
10 other lawful purpose such district may occupy the beds and shores up to
11 the high water mark of any such lake, river, or other watercourse, and
12 may acquire by purchase or condemnation such property or property
13 rights or privileges as may be necessary to protect its water supply
14 from pollution. For the purposes of waterworks which include
15 facilities for the generation of electricity as a byproduct, nothing in
16 this section may be construed to authorize a district to condemn
17 electric generating, transmission, or distribution rights or facilities
18 of entities authorized by law to distribute electricity, or to acquire
19 such rights or facilities without the consent of the owner;

20 (4) To purchase and take water from any municipal corporation,
21 private person, or entity. A district contiguous to Canada may
22 contract with a Canadian corporation for the purchase of water and for
23 the construction, purchase, maintenance, and supply of waterworks to
24 furnish the district and inhabitants thereof and residents of Canada
25 with an ample supply of water under the terms approved by the board of
26 commissioners;

27 (5) To construct, condemn and purchase, add to, maintain, and
28 operate systems of sewers for the purpose of furnishing the district,
29 the inhabitants thereof, and persons outside the district with an
30 adequate system of sewers for all uses and purposes, public and
31 private, including but not limited to on-site sewage disposal
32 facilities, approved septic tanks or approved septic tank systems,
33 other facilities and systems for the collection, interception,
34 treatment, and disposal of wastewater, and for the control of pollution
35 from wastewater and for the protection, preservation, and
36 rehabilitation of surface and underground waters, facilities for the
37 drainage and treatment of storm or surface waters, public highways,
38 streets, and roads with full authority to regulate the use and
39 operation thereof and the service rates to be charged. Sewage

1 facilities may include facilities which result in combined sewage
2 disposal, treatment, or drainage and electric generation, except that
3 the electricity generated thereby is a byproduct of the system of
4 sewers. Such electricity may be used by the district or sold to any
5 entity authorized by law to distribute electricity. Electricity is
6 deemed a byproduct when the electrical generation is subordinate to the
7 primary purpose of sewage disposal, treatment, or drainage. For such
8 purposes a district may conduct sewage throughout the district and
9 throughout other political subdivisions within the district, and
10 construct and lay sewer pipe along and upon public highways, roads, and
11 streets, within and without the district, and condemn and purchase or
12 acquire land and rights of way necessary for such sewer pipe. A
13 district may erect sewage treatment plants within or without the
14 district, and may acquire, by purchase or condemnation, properties or
15 privileges necessary to be had to protect any lakes, rivers, or
16 watercourses and also other areas of land from pollution from its
17 sewers or its sewage treatment plant. For the purposes of sewage
18 facilities which include facilities that result in combined sewage
19 disposal, treatment, or drainage and electric generation where the
20 electric generation is a byproduct, nothing in this section may be
21 construed to authorize a district to condemn electric generating,
22 transmission, or distribution rights or facilities of entities
23 authorized by law to distribute electricity, or to acquire such rights
24 or facilities without the consent of the owners;

25 (6) To construct, condemn, acquire, and own buildings and other
26 necessary district facilities;

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

35 (8) Where a district contains within its borders, abuts, or is
36 located adjacent to any lake, stream, ground water as defined by RCW
37 90.44.035, or other waterway within the state of Washington, to provide
38 for the reduction, minimization, or elimination of pollutants from
39 those waters in accordance with the district's comprehensive plan, and

1 to issue general obligation bonds, revenue bonds, local improvement
2 district bonds, or utility local improvement bonds for the purpose of
3 paying all or any part of the cost of reducing, minimizing, or
4 eliminating the pollutants from these waters;

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

35 Except as otherwise provided in RCW 90.03.525, any public entity
36 and public property, including the state of Washington and state
37 property, shall be subject to rates and charges for sewer, water, storm
38 water control, drainage, and street lighting facilities to the same
39 extent private persons and private property are subject to those rates

1 and charges that are imposed by districts. In setting those rates and
2 charges, consideration may be made of in-kind services, such as stream
3 improvements or donation of property;

4 (10) To contract with individuals, associations and corporations,
5 the state of Washington, and the United States;

6 (11) To employ such persons as are needed to carry out the
7 district's purposes and fix salaries and any bond requirements for
8 those employees;

9 (12) To contract for the provision of engineering, legal, and other
10 professional services as in the board of commissioner's discretion is
11 necessary in carrying out their duties;

12 (13) To sue and be sued;

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

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

18 (16) To levy taxes in accordance with this chapter and chapters
19 57.04 and 57.20 RCW;

20 (17) To provide for making local improvements and to levy and
21 collect special assessments on property benefitted thereby, and for
22 paying for the same or any portion thereof in accordance with chapter
23 57.16 RCW;

24 (18) To establish street lighting systems under RCW 57.08.060;

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

27 (20) To exercise any of the powers granted to cities and counties
28 with respect to the acquisition, construction, maintenance, operation
29 of, and fixing rates and charges for waterworks and systems of sewerage
30 and drainage.

31 NEW SECTION. **Sec. 302.** Except upon approval of both districts by
32 resolution, a district may not provide a service within an area in
33 which that service is available from another district or within an area
34 in which that service is planned to be made available under an
35 effective comprehensive plan of another district.

36 **Sec. 303.** RCW 57.08.011 and 1989 c 308 s 14 are each amended to
37 read as follows:

1 A ((water)) district may enter into a contract with any person,
2 corporation, or other entity, public or private, that owns a water
3 system located in the ((water)) district to manage, operate, maintain,
4 or repair the water system. Such a contract may be entered into only
5 if the general comprehensive plan of the ((water)) district reflects
6 the water system that is to be so managed, operated, maintained, or
7 repaired.

8 A ((water)) district shall be liable to provide the services
9 provided in such a contract only if the required contractual payments
10 are made to the district, and such payments shall be secured by a lien
11 on the property served by the water system to the same extent that
12 rates and charges imposed by the ((water)) district constitute liens on
13 the property served by the district. The responsibility for all costs
14 incurred by the water system in complying with water quality laws,
15 regulations, and standards shall be solely that of the water system and
16 not the ((water)) district, except to the extent payments have been
17 made to the district for the costs of such compliance.

18 A ((water)) district periodically may transfer to another account
19 surplus moneys that may accumulate in an account established by the
20 district to receive payments for the provision of services for such a
21 water system.

22 **Sec. 304.** RCW 57.08.014 and 1983 c 198 s 2 are each amended to
23 read as follows:

24 In addition to the authority of a ((water)) district to establish
25 classifications for rates and charges and impose such rates and
26 charges, ~~((as provided in RCW 57.08.010 and 57.20.020,))~~ a ((water))
27 district may adjust((,)) or delay ((such)) those rates and charges for
28 ~~((poor))~~ low-income persons or classes of ~~((poor))~~ low-income persons,
29 including but not limited to, poor handicapped persons and poor senior
30 citizens. Other financial assistance available to ~~((poor))~~ low-income
31 persons shall be considered in determining charges and rates under this
32 section. Notification of special rates or charges established under
33 this section shall be provided to all persons served by the district
34 annually and upon initiating service. Information on cost shifts
35 caused by establishment of the special rates or charges shall be
36 included in the notification. Any reduction in charges and rates
37 granted to ~~((poor))~~ low-income persons in one part of a service area

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

3 **Sec. 305.** RCW 57.08.015 and 1993 c 198 s 19 are each amended to
4 read as follows:

5 The board of commissioners of a ((water)) district may sell, at
6 public or private sale, property belonging to the district if the board
7 determines that the property is not and will not be needed for district
8 purposes and if the board gives notice of intention to sell as in this
9 section provided((:—PROVIDED, That)). However, no such notice of
10 intention shall be required to sell personal property of less than two
11 thousand five hundred dollars in value.

12 The notice of intention to sell shall be published once a week for
13 two consecutive weeks in a newspaper of general circulation in the
14 district. The notice shall describe the property and state the time
15 and place at which it will be sold or offered for sale, the terms of
16 sale, whether the property is to be sold at public or private sale, and
17 if at public sale the notice shall call for bids, fix the conditions
18 ((thereof)) of the bids and ((shall)) reserve the right to reject any
19 and all bids.

20 **Sec. 306.** RCW 57.08.016 and 1993 c 198 s 20 are each amended to
21 read as follows:

22 (1) There shall be no private sale of real property where the
23 appraised value exceeds the sum of two thousand five hundred dollars.
24 Subject to the provisions of subsection (2) of this section, no real
25 property ((valued at two thousand five hundred dollars or more)) of the
26 district shall be sold for less than ninety percent of the value
27 thereof as established by a written appraisal made not more than six
28 months prior to the date of sale by three disinterested real estate
29 brokers licensed under the laws of the state or professionally
30 designated real estate appraisers as defined in RCW 74.46.020. The
31 appraisal shall be signed by the appraisers and filed with the
32 secretary of the board of commissioners of the district, who shall keep
33 it at the office of the district open to public inspection. Any notice
34 of intention to sell real property of the district shall recite the
35 appraised value thereof((:—PROVIDED, That there shall be no private
36 sale of real property where the appraised value exceeds the sum of two
37 thousand five hundred dollars)).

1 (2) If no purchasers can be obtained for the property at ninety
2 percent or more of its appraised value after one hundred twenty days of
3 offering the property for sale, the board of commissioners of the
4 ((water)) district may adopt a resolution stating that the district has
5 been unable to sell the property at the ninety percent amount. The
6 ((water)) district then may sell the property at the highest price it
7 can obtain at public auction. A notice of intention to sell at public
8 auction shall be published once a week for two consecutive weeks in a
9 newspaper of general circulation in the ((water)) district. The notice
10 shall describe the property, state the time and place at which it will
11 be offered for sale and the terms of sale, and shall call for bids, fix
12 the conditions thereof, and reserve the right to reject any and all
13 bids.

14 **Sec. 307.** RCW 57.08.030 and 1933 c 142 s 2 are each amended to
15 read as follows:

16 ~~((Should the commissioners of any such water district decide that
17 it would be to the advantage of))~~ (1) Whenever any district shall have
18 installed a distributing system of water mains and laterals, and as a
19 source of supply of water shall be purchasing or intending to purchase
20 water from any city or town, and whenever it appears to be advantageous
21 to the water consumers ((of such water district to make the conveyance
22 provided for in RCW 57.08.020, they shall cause the proposition of
23 making such conveyance to be submitted to the electors of the water
24 district at any general election or at a special election to be called
25 for the purpose of voting on the same. If at any such election a
26 majority of the electors voting at such election shall be in favor of
27 making such conveyance, the water district commissioners)) in the
28 district that such city or town shall take over the water system of the
29 district and supply water to those water users, the commissioners of
30 the district, when authorized as provided in subsection (2) of this
31 section, shall have the right to convey ((to such city or town the
32 mains and laterals belonging to the water district upon such city or
33 town entering into a contract satisfactory to the water commissioners
34 to)) the distributing system to that city or town if that city or town
35 is willing to accept, maintain, and repair the same.

36 (2) Should the commissioners of the district decide that it would
37 be to the advantage of the water consumers of the district to make the
38 conveyance provided for in subsection (1) of this section, they shall

1 cause the proposition of making that conveyance to be submitted to the
2 voters of the district at any general election or at a special election
3 to be called for the purpose of voting on the same. If at the election
4 a majority of the voters voting on the proposition shall be in favor of
5 making the conveyance, the district commissioners shall have the right
6 to convey to the city or town the mains and laterals belonging to the
7 district upon the city or town entering into a contract satisfactory to
8 the commissioners to maintain and repair the same.

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

22 **Sec. 308.** RCW 57.08.040 and 1933 c 142 s 3 are each amended to
23 read as follows:

24 Whenever any city or town is selling or proposes to sell water to
25 a ~~((water district organized under the laws of the state of Washington~~
26 ~~and the provisions of RCW 57.08.020 and 57.08.030 have been complied~~
27 ~~with, any such))~~ district, the city or town may by ordinance accept a
28 conveyance of any ~~((such))~~ distributing system and enter into a
29 contract with the ~~((water))~~ district for the maintenance and repair of
30 the system and the supplying of water to the ~~((water))~~ district
31 consumers.

32 **Sec. 309.** RCW 56.08.060 and 1981 c 45 s 4 are each amended to read
33 as follows:

34 A ~~((sewer))~~ district may enter into contracts with any county,
35 city, town, ~~((sewer district, water district,))~~ or any other municipal
36 corporation, or with any private person~~((, firm))~~ or corporation, for
37 the acquisition, ownership, use, and operation of any property,

1 facilities, or services, within or without the ((sewer)) district, and
2 necessary or desirable to carry out the purposes of the ((sewer
3 district, and a sewer district or a water district duly authorized to
4 exercise sewer district powers may provide sewer service)) district.
5 A district may provide water, sewer, drainage, or street lighting
6 services to property owners in areas within or without the limits of
7 the district((: PROVIDED, That if any such area)), except that if the
8 area to be served is located within another existing district duly
9 authorized to exercise ((sewer)) district powers in ((such)) that area,
10 then water, sewer, drainage, or street lighting service may not be so
11 provided by contract or otherwise without the consent by resolution of
12 the board of commissioners of ((such)) that other district.

13 **Sec. 310.** RCW 57.08.047 and 1989 c 84 s 57 are each amended to
14 read as follows:

15 The provision of water or sewer service beyond the boundaries of a
16 ((water)) district may be subject to potential review by a boundary
17 review board under chapter 36.93 RCW.

18 **Sec. 311.** RCW 57.08.050 and 1994 c 31 s 2 are each amended to read
19 as follows:

20 ~~(1) ((The board of water commissioners shall have authority to~~
21 ~~create and fill such positions and fix salaries and bonds thereof as it~~
22 ~~may by resolution provide.~~

23 ~~(2))~~ All ((materials purchased and)) work ordered, the estimated
24 cost of which is in excess of five thousand dollars, shall be let by
25 contract. All contract projects, the estimated cost of which is less
26 than fifty thousand dollars, may be awarded to a contractor using ((a))
27 the small works roster process provided in RCW 39.04.155 ((or the
28 ~~process provided in RCW 39.04.190 for purchases~~)). The board of
29 ((water)) commissioners may set up uniform procedures to prequalify
30 contractors for inclusion on the small works roster. All contract
31 projects equal to or in excess of fifty thousand dollars shall be let
32 by competitive bidding. Before awarding any such contract the board of
33 ((water)) commissioners shall publish a notice in a newspaper of
34 general circulation where the district is located at least once
35 thirteen days before the last date upon which bids will be received,
36 inviting sealed proposals for such work, plans and specifications which
37 must at the time of publication of such notice be on file in the office

1 of the board of ~~((water))~~ commissioners subject to the public
2 inspection. ~~((Such))~~ The notice shall state generally the work to be
3 done and shall call for proposals for doing the same to be sealed and
4 filed with the board of water commissioners on or before the day and
5 hour named therein.

6 ~~((3))~~ Each bid shall be accompanied by a certified or cashier's
7 check or postal money order payable to the order of the county
8 treasurer for a sum not less than five percent of the amount of the
9 bid, or accompanied by a bid bond in an amount not less than five
10 percent of the bid with a corporate surety licensed to do business in
11 the state, conditioned that the bidder will pay the district as
12 liquidated damages the amount specified in the bond, unless the bidder
13 enters into a contract in accordance with ~~((his or her))~~ the bidder's
14 bid, and no bid shall be considered unless accompanied by such check,
15 cash or bid bond. At the time and place named such bids shall be
16 publicly opened and read and the board of ~~((water))~~ commissioners shall
17 proceed to canvass the bids and may let such contract to the lowest
18 responsible bidder upon plans and specifications on file or to the best
19 bidder submitting ~~((his or her))~~ the bidder's own plans and
20 specifications(~~(: PROVIDED, That)~~). However, no contract shall be let
21 in excess of the cost of the materials or work. The board of ~~((water))~~
22 commissioners may reject all bids for good cause and readvertise and in
23 such case all checks, cash or bid bonds shall be returned to the
24 bidders. If ~~((such))~~ the contract ~~((be))~~ is let, then all checks,
25 cash, or bid bonds shall be returned to the bidders, except that of the
26 successful bidder, which shall be retained until a contract shall be
27 entered into for ~~((the purchase of such materials or))~~ doing ~~((such))~~
28 the work, and a bond to perform such work furnished with sureties
29 satisfactory to the board of ~~((water))~~ commissioners in the full amount
30 of the contract price between the bidder and the commission in
31 accordance with the bid. If the bidder fails to enter into the
32 contract in accordance with the bid and furnish ~~((such))~~ the bond
33 within ten days from the date at which the bidder is notified that ~~((he~~
34 ~~or she))~~ the bidder is the successful bidder, the check, cash, or bid
35 bonds and the amount thereof shall be forfeited to the ~~((water))~~
36 district(~~(: PROVIDED, That)~~). If the bidder fails to enter into a
37 contract in accordance with ~~((his or her))~~ the bidder's bid, and the
38 board of ~~((water))~~ commissioners deems it necessary to take legal
39 action to collect on any bid bond required ~~((herein))~~ by this section,

1 then the ((water)) district shall be entitled to collect from the
2 bidder any legal expenses, including reasonable attorneys' fees
3 occasioned thereby.

4 (({4})) (2) Any purchase of materials, supplies, or equipment, with
5 an estimated cost in excess of ten thousand dollars, shall be by
6 contract. Any purchase of materials, supplies, or equipment, with an
7 estimated cost of from five thousand dollars to less than fifty
8 thousand dollars shall be made using the process provided in RCW
9 39.04.155 or by competitive bidding following the procedure for letting
10 contracts for projects under subsection (1) of this section. Any
11 purchase of materials, supplies, or equipment with an estimated cost of
12 fifty thousand dollars or more shall be made by competitive bidding
13 following the procedure for letting contracts for projects under
14 subsection (1) of this section.

15 (3) In the event of an emergency when the public interest or
16 property of the ((water)) district would suffer material injury or
17 damage by delay, upon resolution of the board of ((water))
18 commissioners, or proclamation of an official designated by the board
19 to act for the board during such emergencies, declaring the existence
20 of such emergency and reciting the facts constituting the same, the
21 board(()) or official acting for the board(()) may waive the
22 requirements of this chapter with reference to any purchase or
23 contract. In addition, these requirements may be waived for purchases
24 which are clearly and legitimately limited to a single source of supply
25 and purchases involving special facilities, services, or market
26 conditions, in which instances the purchase price may be best
27 established by direct negotiation.

28 **Sec. 312.** RCW 57.08.060 and 1987 c 449 s 11 are each amended to
29 read as follows:

30 (({1})) In addition to the powers given ((water)) districts by law,
31 ((they)) a district shall also have power to acquire, construct,
32 maintain, operate, and develop street lighting systems.

33 (({2})) To establish a street lighting system, the board of
34 ((water)) commissioners shall adopt a resolution proposing a street
35 lighting system and delineating the boundaries of the area to be served
36 by the proposed street lighting system. The board shall conduct a
37 public hearing on the resolution to create a street lighting system.
38 Notice of the hearing shall be published at least once each week for

1 two consecutive weeks in one or more newspapers of general circulation
2 in the area to be served by the proposed street lighting system.
3 Following the hearing, the board may by resolution establish the street
4 lighting system.

5 ~~((3))~~ A street lighting system shall not be established if,
6 within thirty days following the decision of the board, a petition
7 opposing the street lighting system is filed with the board and
8 contains the signatures of at least forty percent of the voters
9 registered in the area to be served by the proposed system.

10 ~~((4))~~ The ~~((water))~~ district has the same powers of ~~((collection~~
11 ~~for))~~ imposing charges for providing street lighting, collecting
12 delinquent street lighting charges, and financing street lighting
13 systems by issuing general obligation bonds, issuing revenue bonds, and
14 creating improvement districts as ~~((the water district))~~ it has for
15 ~~((collection of))~~ imposing charges for providing water, collecting
16 delinquent water service charges, and financing water systems by
17 issuing general obligation bonds, issuing revenue bonds, and creating
18 improvement districts.

19 ~~((5) Any street lighting system established by a water district~~
20 ~~prior to March 31, 1982, is declared to be legal and valid.))~~

21 **Sec. 313.** RCW 57.08.065 and 1981 c 45 s 11 are each amended to
22 read as follows:

23 ~~((In addition to the powers now given water districts by law,~~
24 ~~they))~~ (1) A district shall ((also)) have power to establish, maintain,
25 and operate a mutual water ((and)), sewer, drainage, and street
26 lighting system ((or)), a ((separate sewer system within their water
27 district area in the same manner as provided by law for the doing
28 thereof in connection with water supply)) mutual system of any two or
29 three of the systems, or separate systems.

30 ~~((In addition thereto, a water district constructing, maintaining~~
31 ~~and operating a sanitary sewer system may exercise all the powers~~
32 ~~permitted to a sewer district under Title 56 RCW, including, but not~~
33 ~~limited to, the right to compel connections to the district's system,~~
34 ~~liens for delinquent sewer connection charges or sewer service charges,~~
35 ~~and all other powers presently exercised by or which may be hereafter~~
36 ~~granted to such sewer districts: PROVIDED, That a water district may~~
37 ~~not exercise sewer district powers in any area within its boundaries~~
38 ~~which is part of an existing district which previously shall have been~~

1 ~~duly authorized to exercise sewer district powers in such area without~~
2 ~~the consent by resolution of the board of commissioners of such other~~
3 ~~district: PROVIDED FURTHER, That no water district shall proceed to~~
4 ~~exercise the powers herein granted to establish, maintain, construct~~
5 ~~and operate any sewer system without first obtaining written approval~~
6 ~~and certification of necessity so to do from the department of ecology~~
7 ~~and department of social and health services. Any comprehensive plan~~
8 ~~for a system of sewers or addition thereto or betterment thereof shall~~
9 ~~be approved by the same county and state officials as are required to~~
10 ~~approve such plans adopted by a sewer district.~~

11 ~~A water district shall have the power to issue general obligation~~
12 ~~bonds for sewer system purposes: PROVIDED, That a proposition to~~
13 ~~authorize general obligation bonds payable from excess tax levies for~~
14 ~~sewer system purposes pursuant to chapter 56.16 RCW shall be submitted~~
15 ~~to all of the qualified voters within that part of the water district~~
16 ~~which is not contained within another existing district duly authorized~~
17 ~~to exercise sewer district powers, and the taxes to pay the principal~~
18 ~~of and interest on the bonds approved by such voters shall be levied~~
19 ~~only upon all of the taxable property within such part of the water~~
20 ~~district.))~~

21 (2) Where any two or more districts include the same territory as
22 of the effective date of this section, none of the overlapping
23 districts may provide any service that was made available by any of the
24 other districts prior to the effective date of this section within the
25 overlapping territory without the consent by resolution of the board of
26 commissioners of the other district or districts.

27 (3) A district that was a water district prior to the effective
28 date of this section, that did not operate a sewer system prior to the
29 effective date of this section, may not proceed to exercise the powers
30 to establish, maintain, construct, and operate any sewer system without
31 first obtaining written approval and certification of necessity from
32 the department of ecology and department of health. Any comprehensive
33 plan for a system of sewers or addition thereto or betterment thereof
34 proposed by a district that was a water district prior to the effective
35 date of this section shall be approved by the same county and state
36 officials as were required to approve such plans adopted by a sewer
37 district immediately prior to the effective date of this section and as
38 subsequently may be required.

1 NEW SECTION. **Sec. 314.** The commissioners of any district shall
2 provide for revenues by fixing rates and charges for furnishing sewer
3 and drainage service to those to whom service is available or for
4 providing water, such rates and charges to be fixed as deemed necessary
5 by the commissioners, so that uniform charges will be made for the same
6 class of customer or service. Rates and charges may be combined for
7 the furnishing of more than one type of sewer service, such as but not
8 limited to storm or surface water and sanitary.

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

26 The commissioners shall enforce collection of connection charges,
27 and rates and charges for water supplied against property owners
28 connecting with the system or receiving such water, and for sewer and
29 drainage services charged against property to which and its owners to
30 whom the service is available, such charges being deemed charges
31 against the property served, by addition of penalties of not more than
32 ten percent thereof in case of failure to pay the charges at times
33 fixed by resolution. The commissioners may provide by resolution that
34 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 treasurer 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 The district may, at any time after the connection charges or rates
4 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 In addition to the right to foreclose provided in this section, the
15 district may also cut off all or part of the service after charges for
16 water or sewer service supplied or available are delinquent for a
17 period of sixty days.

18 **Sec. 315.** RCW 56.08.012 and 1986 c 278 s 59 are each amended to
19 read as follows:

20 Except as otherwise provided in RCW 90.03.525, any public entity
21 and public property, including ~~((the))~~ state of Washington ~~((and~~
22 ~~state))~~ property, shall be subject to rates and charges for storm water
23 control facilities to the same extent as private persons and private
24 property are subject to such rates and charges that are imposed by
25 ~~((sewer))~~ districts pursuant to ~~((RCW 56.08.010 or 56.16.090))~~ section
26 301 or 314 of this act. In setting ~~((these))~~ those rates and charges,
27 consideration may be ~~((made of))~~ given to in-kind services, such as
28 stream improvements or donation of property.

29 **Sec. 316.** RCW 57.08.100 and 1991 sp.s. c 30 s 25 are each amended
30 to read as follows:

31 Subject to chapter 48.62 RCW, a ~~((water))~~ district, by a majority
32 vote of its board of commissioners, may enter into contracts to provide
33 health care services and/or group insurance and/or term life insurance
34 and/or social security insurance for the benefit of its employees and
35 may pay all or any part of the cost thereof. Any two or more ~~((water))~~
36 ~~districts ((or any one or more water districts and one or more sewer~~
37 ~~districts))~~, by a majority vote of their respective boards of

1 commissioners, may, if deemed expedient, join in the procuring of such
2 health care services and/or group insurance and/or term life insurance,
3 and the board of commissioners of ((each)) a participating ((sewer
4 and/or water)) district may by appropriate resolution authorize
5 ((their)) its respective district to pay all or any portion of the cost
6 thereof.

7 A ((water)) district with five thousand or more customers providing
8 health, group, or life insurance to its employees may provide its
9 commissioners with the same coverage(~~(:—PROVIDED, That))~~). However,
10 the per person amounts for such insurance paid by the district shall
11 not exceed the per person amounts paid by the district for its
12 employees.

13 **Sec. 317.** RCW 57.08.105 and 1973 c 125 s 7 are each amended to
14 read as follows:

15 The board of ((water)) commissioners of each ((water)) district may
16 purchase liability insurance with such limits as ((they)) it may deem
17 reasonable for the purpose of protecting ((their)) its officials and
18 employees against liability for personal or bodily injuries and
19 property damage arising from their acts or omissions while performing
20 or in good faith purporting to perform their official duties.

21 **Sec. 318.** RCW 57.08.110 and 1995 c 301 s 76 are each amended to
22 read as follows:

23 To improve the organization and operation of ((water)) districts,
24 the commissioners of two or more such districts may form an association
25 thereof, for the purpose of securing and disseminating information of
26 value to the members of the association and for the purpose of
27 promoting the more economical and efficient operation of the
28 comprehensive plans of water supply and sewage treatment and disposal
29 in their respective districts. The commissioners of ((water))
30 districts so associated shall adopt articles of association, select
31 such officers as they may determine, and employ and discharge such
32 agents and employees as shall be deemed convenient to carry out the
33 purposes of the association. ((Water)) District commissioners and
34 employees are authorized to attend meetings of the association. The
35 expenses of ((the)) an association may be paid from the maintenance or
36 general funds of the associated districts in such manner as shall be
37 provided in the articles of association(~~(:—PROVIDED, That))~~). However,

1 the aggregate contributions made to ~~((the))~~ an association by ~~((the))~~
2 a district in any calendar year shall not exceed the amount ~~((which))~~
3 that would be raised by a levy of two and one-half cents per thousand
4 dollars of assessed value against the taxable property of the district.
5 The financial records of such an association shall be subject to audit
6 by the state auditor.

7 **Sec. 319.** RCW 57.08.120 and 1991 c 82 s 6 are each amended to read
8 as follows:

9 A ~~((water))~~ district may lease out real property which it owns or
10 in which it has an interest and which is not immediately necessary for
11 its purposes upon such terms as the board of ~~((water))~~ commissioners
12 deems proper~~((:—PROVIDED, That))~~. No such lease shall be made until
13 the ~~((water))~~ district has first caused notice thereof to be published
14 twice in a newspaper in general circulation in the ~~((water))~~ district,
15 the first publication to be at least fifteen days and the second at
16 least seven days prior to the making of such lease~~((, which))~~. The
17 notice shall describe the property ~~((proposed to be leased out, to~~
18 whom, for what purpose, and the rental to be charged therefor)), the
19 lessee, and the lease payments. A hearing shall be held pursuant to
20 the terms of the ~~((said))~~ notice, at which time any and all persons who
21 may be interested shall have the right to appear and to be heard.

22 No such lease shall be ~~((for a period longer than twenty-five~~
23 ~~years, and each lease of real property shall be))~~ made unless secured
24 by a bond conditioned ~~((to perform))~~ on the performance of the terms of
25 ~~((such))~~ the lease, with surety satisfactory to the commissioners~~((, in~~
26 ~~a penalty not less than the rental for one-sixth of the term:~~
27 ~~PROVIDED, That the penalty shall not be less than the rental for one~~
28 ~~year where the term is one year or more. In a lease, the term of which~~
29 ~~exceeds five years, and when at the option of the commissioners, it is~~
30 ~~so stipulated in the lease, the commission shall accept, with surety~~
31 ~~satisfactory to it,))~~ and with a penalty of not less than one-sixth of
32 the term of the lease or for one year's rental, whichever is greater.

33 No such lease shall be made for a term longer than twenty-five
34 years. In cases involving leases of more than five years, the
35 commissioners may provide for or stipulate to acceptance of a bond
36 conditioned ~~((to perform the terms of the lease for some part of the~~
37 term, in no event less than five years (unless the remainder of the
38 unexpired term is less than five years, in which case for the full

1 remainder) and in every such case the commissioners shall require of
2 the lessee, another or other like bond to be delivered within two
3 years, and not)) on the performance of a part of the term for five
4 years or more whenever it is further provided that the lessee must
5 procure and deliver to the commissioners renewal bonds with like terms
6 and conditions no more than two years prior nor less than one year
7 prior to the expiration of ((the period covered by the existing bond,
8 covering an additional part of the term in accordance with the
9 foregoing provisions in respect to the original bond, and so on until
10 the end of the term so that there will always be in force a bond
11 securing the performance of the lease, and the penalty in each bond
12 shall be not less than the rental for one-half the period covered
13 thereby, but no)) such bond during the entire term of the lease.
14 However, no such bond shall be construed to secure the furnishing of
15 any other bond by the same surety or indemnity company. ((However,))
16 The board of commissioners may require a reasonable security deposit in
17 lieu of a bond on leased ((real)) property owned by a ((water))
18 district.

19 The commissioners may accept as surety on any bond required by this
20 section((, either)) an approved surety company ((or one or more persons
21 satisfactory to the commissioners, or in lieu of such bond may accept
22 a deposit as security of such property or collateral or the giving of
23 such other form of security as may be satisfactory to the
24 commissioners)), or may accept in lieu thereof a secured interest in
25 property of a value at least twice the amount of the bond required,
26 conditioned further that in the event the commissioners determine that
27 the value of the bond security has become or is about to become
28 impaired, additional security shall be required from the lessee.

29 The authority granted under this section shall not be exercised by
30 the board of commissioners unless the property is declared by
31 resolution of the board of commissioners to be property for which there
32 is a future need by the district and for the use of which provision is
33 made in the comprehensive plan of the district as the same may be
34 amended from time to time.

35 **Sec. 320.** RCW 57.08.140 and 1971 ex.s. c 243 s 8 are each amended
36 to read as follows:

37 The provisions of RCW 57.08.015, 57.08.016, and 57.08.120 ((and
38 57.08.130)) shall have no application as to the sale or conveyance of

1 real or personal property or any interest or right therein by a
2 ((water)) district to the county or park and recreation district
3 wherein such property is located for park and recreational purposes,
4 but in ((such)) those cases the provisions of RCW 39.33.060 shall
5 govern.

6 **Sec. 321.** RCW 57.08.017 and 1986 c 244 s 16 are each amended to
7 read as follows:

8 RCW 57.08.015, 57.08.016, 57.08.050, and 57.08.120((, —and
9 57.08.130)) shall not apply to agreements entered into under authority
10 of chapter 70.150 RCW ((provided)) if there is compliance with the
11 procurement procedure under RCW 70.150.040.

12 **Sec. 322.** RCW 57.08.180 and 1995 c 376 s 15 are each amended to
13 read as follows:

14 It is unlawful and a misdemeanor to make, or cause to be made, or
15 to maintain any connection with any sewer or water system of any
16 ((water)) district, or with any sewer or water system which is
17 connected directly or indirectly with any sewer or water system of any
18 ((water)) district without having permission from the ((water))
19 district.

20 **Sec. 323.** RCW 57.08.150 and 1987 c 309 s 4 are each amended to
21 read as follows:

22 A ((water)) district may not require that a specified engineer
23 prepare plans or designs for extensions to its systems if the
24 extensions are to be financed and constructed by a private party, but
25 may review, and approve or reject, the plans or designs which have been
26 prepared for such a private party based upon standards and requirements
27 established by the ((water)) district.

28 **Sec. 324.** RCW 57.08.160 and 1989 c 421 s 5 are each amended to
29 read as follows:

30 Any district is hereby authorized, within limits established by the
31 Constitution of the state of Washington, to assist the owners of
32 structures in financing the acquisition and installation of fixtures,
33 systems, and equipment, for compensation or otherwise, for the
34 conservation or more efficient use of water in the structures under a
35 water conservation plan adopted by the district if the cost per unit of

1 water saved or conserved by the use of the fixtures, systems, and
2 equipment is less than the cost per unit of water supplied by the next
3 least costly new water source available to the district to meet future
4 demand. Except where otherwise authorized, assistance shall be limited
5 to:

6 (1) Providing an inspection of the structure, either directly or
7 through one or more inspectors under contract, to determine and inform
8 the owner of the estimated cost of purchasing and installing
9 conservation fixtures, systems, and equipment for which financial
10 assistance will be approved and the estimated life cycle savings to the
11 water system and the consumer that are likely to result from the
12 installation of the fixtures, systems, or equipment;

13 (2) Providing a list of businesses that sell and install the
14 fixtures, systems, and equipment within or in close proximity to the
15 service area of the city or town, each of which businesses shall have
16 requested to be included and shall have the ability to provide the
17 products in a workmanlike manner and to utilize the fixtures, systems,
18 and equipment in accordance with the prevailing national standards;

19 (3) Arranging to have approved conservation fixtures, systems, and
20 equipment installed by a private contractor whose bid is acceptable to
21 the owner of the structure and verifying the installation; and

22 (4) Arranging or providing financing for the purchase and
23 installation of approved conservation fixtures, systems, and equipment.
24 The fixtures, systems, and equipment shall be purchased or installed by
25 a private business, the owner, or the utility.

26 Pay back shall be in the form of incremental additions to the
27 utility bill, billed either together with the use charge or separately.
28 Loans shall not exceed one hundred twenty months in length.

29 **Sec. 325.** RCW 57.08.170 and 1991 c 82 s 7 are each amended to read
30 as follows:

31 A ((water)) district may adopt a water conservation plan and
32 emergency water use restrictions. The district may enforce a water
33 conservation plan and emergency water use restrictions by imposing a
34 fine as provided by resolution for failure to comply with any such plan
35 or restrictions. The commissioners may provide by resolution that if
36 a fine for failure to comply with the water conservation plan or
37 emergency water use restrictions is delinquent for a specified period
38 of time, the district shall certify the delinquency to the treasurer of

1 the county in which the real property is located and serve notice of
2 the delinquency on the subscribing water customer who fails to comply,
3 and the fine is then a separate item for inclusion on the bill of the
4 party failing to comply with the water conservation plan or emergency
5 water use restrictions.

6 NEW SECTION. Sec. 326. Sections 301, 302, and 314 of this act are
7 each added to chapter 57.08 RCW.

8 **PART IV - OFFICERS AND ELECTIONS**

9 **Sec. 401.** RCW 57.12.010 and 1985 c 330 s 6 are each amended to
10 read as follows:

11 The governing body of a district shall be a board of ~~((water))~~
12 commissioners consisting of three members, or five members as provided
13 in RCW 57.12.015, or more, as provided in the event of merger or
14 consolidation. The board shall annually elect one of its members as
15 president and another as secretary.

16 The board shall by resolution adopt rules governing the
17 transaction of its business and shall adopt an official seal. All
18 proceedings shall be by resolution recorded in a book kept for that
19 purpose which shall be a public record.

20 A district shall provide by resolution for the payment of
21 compensation to each of its commissioners at a rate of fifty dollars
22 for each day or portion thereof devoted to the business of the
23 district(~~((PROVIDED, That))~~). However the compensation for each
24 commissioner shall not exceed four thousand eight hundred dollars per
25 year. In addition, the secretary may be paid a reasonable sum for
26 clerical services.

27 Any commissioner may waive all or any portion of his or her
28 compensation payable under this section as to any month or months
29 during ~~((his or her))~~ the commissioner's term of office, by a written
30 waiver filed with the district ~~((as provided in this section. The~~
31 ~~waiver, to be effective, must be filed))~~ at any time after the
32 commissioner's election and prior to the date on which the compensation
33 would otherwise be paid. The waiver shall specify the month or period
34 of months for which it is made.

35 No commissioner shall be employed full time by the district.
36 ~~((Each))~~ A commissioner shall be reimbursed for reasonable expenses

1 actually incurred in connection with ((such)) district business,
2 including ((his)) subsistence and lodging((-)) while away from the
3 commissioner's place of residence and mileage for use of a privately-
4 owned vehicle at the mileage rate authorized in RCW 43.03.060 ((as now
5 existing or hereafter amended)).

6 ((The date for holding elections and taking office as herein
7 provided shall be subject to the provisions of any consolidated
8 election laws that may be made applicable thereto although previously
9 enacted.))

10 **Sec. 402.** RCW 57.12.015 and 1994 c 223 s 67 are each amended to
11 read as follows:

12 (1) In the event a three-member board of commissioners of any
13 ((water)) district with any number of customers determines by
14 resolution that it would be in the best interest of the district to
15 increase the number of commissioners from three to five, or ((in the
16 event)) if the board of a district with any number of customers is
17 presented with a petition signed by ten percent of the registered
18 voters resident within the district who voted in the last general
19 municipal election calling for an increase in the number of
20 commissioners of the district, the board shall submit a resolution to
21 the county auditor requesting that an election be held. Upon receipt
22 of the resolution, the county auditor shall call a special election to
23 be held within the ((water)) district ((in accordance with RCW
24 29.13.010 and 29.13.020)), at which election a proposition in
25 substantially the following language shall be submitted to the voters:

26 Shall the Board of Commissioners of (name and/or ((No.))
27 number of ((water)) district) be increased from three to
28 five members?

29 Yes

30 No

31 If the proposition receives a majority approval at the election the
32 board of commissioners of the ((water)) district shall be increased to
33 five members.

34 (2) In any ((water)) district with more than ten thousand
35 customers, if a three-member board of commissioners determines by
36 resolution that it would be in the best interest of the district to
37 increase the number of commissioners from three to five, the number of

1 commissioners shall be so increased without an election, unless within
2 ninety days of adoption of that resolution a petition requesting an
3 election and signed by at least ten percent of the registered voters
4 who voted in the last ~~((general))~~ municipal general election is filed
5 with the board. If such a petition is received, the board shall submit
6 the resolution and the petition to the county auditor, who shall call
7 a special election in the manner described in this section ~~((and in~~
8 ~~accordance with the provisions of RCW 29.13.010 and 29.13.020))~~.

9 (3) The two additional positions created on boards of ~~((water))~~
10 commissioners by this section shall be filled initially ~~((either))~~ as
11 for a vacancy ~~((or by nomination under RCW 57.12.039))~~, except that the
12 appointees ~~((or newly elected commissioners))~~ shall draw lots, one
13 appointee to serve until the next ~~((general water))~~ district general
14 election after the appointment, at which two commissioners shall be
15 elected for six-year terms, and the other appointee to serve until the
16 second ~~((general water))~~ district general election after the
17 appointment, at which two commissioners shall be elected for six-year
18 terms.

19 **Sec. 403.** RCW 57.12.030 and 1994 c 223 s 69 are each amended to
20 read as follows:

21 ~~((Water district elections shall be held in accordance with the~~
22 ~~general election laws of this state.))~~

23 Except as in this section otherwise provided, the term of office of
24 each ~~((water))~~ district commissioner shall be six years, such term to
25 be computed from the first day of January following the election, and
26 commissioners shall serve until their successors are elected and
27 qualified and assume office in accordance with RCW 29.04.170.

28 Three ~~((water))~~ initial district commissioners shall be elected at
29 the same election at which the proposition is submitted to the voters
30 as to whether such ~~((water))~~ district shall be formed. The election of
31 ~~((water))~~ initial district commissioners shall be null and void if the
32 ballot proposition to form the ~~((water))~~ district is not approved.
33 Each candidate shall run for one of three separate commissioner
34 positions. A special filing period shall be opened as provided in RCW
35 29.15.170 and 29.15.180. The person receiving the greatest number of
36 votes for each position shall be elected to that position.

37 The ~~((newly elected water))~~ initial district commissioners shall
38 assume office immediately when they are elected and qualified.

1 Staggering of the terms of office for the ((new-water)) initial
2 district commissioners shall be accomplished as follows: (1) The
3 person who is elected receiving the greatest number of votes shall be
4 elected to a six-year term of office if the election is held in an odd-
5 numbered year or a five-year term of office if the election is held in
6 an even-numbered year; (2) the person who is elected receiving the next
7 greatest number of votes shall be elected to a four-year term of office
8 if the election is held in an odd-numbered year or a three-year term of
9 office if the election is held in an even-numbered year; and (3) the
10 other person who is elected shall be elected to a two-year term of
11 office if the election is held in an odd-numbered year or a one-year
12 term of office if the election is held in an even-numbered year. The
13 terms of office shall be calculated from the first day of January after
14 the election.

15 Thereafter, commissioners shall be elected to six-year terms of
16 office. Commissioners shall serve until their successors are elected
17 and qualified and assume office in accordance with RCW 29.04.170.

18 **Sec. 404.** RCW 57.12.039 and 1994 c 223 s 70 are each amended to
19 read as follows:

20 (1) Notwithstanding RCW 57.12.020 and 57.12.030, the board of
21 commissioners may provide by majority vote that subsequent
22 commissioners be elected from commissioner districts within the
23 district. If the board exercises this option, it shall divide the
24 district into three, or five if the number of commissioners has been
25 increased under RCW 57.12.015, commissioner districts of approximately
26 equal population following current precinct and district boundaries.

27 (2) Commissioner districts shall be used as follows: (a) Only a
28 registered voter who resides in a commissioner district may be a
29 candidate for, or serve as, a commissioner of the commissioner
30 district; and (b) only voters of a commissioner district may vote at a
31 primary to nominate candidates for a commissioner of the commissioner
32 district. Voters of the entire ((water)) district may vote at a
33 general election to elect a person as a commissioner of the
34 commissioner district. Commissioner districts shall be redrawn as
35 provided in chapter 29.70 RCW.

36 (3) In ((water)) districts in which commissioners are nominated
37 from commissioner districts, at the inception of a five-member board of
38 commissioners, the new commissioner districts shall be numbered one

1 through five and the three incumbent commissioners shall represent
2 commissioner districts one through three. If, as a result of redrawing
3 the district boundaries two or three of the incumbent commissioners
4 reside in one of the new commissioner districts, the commissioners who
5 reside in the same commissioner district shall determine by lot which
6 of the first three numbered commissioner districts they shall represent
7 for the remainder of their respective terms. A primary shall be held
8 to nominate candidates from districts four and five where necessary and
9 commissioners shall be elected at large at the general election. The
10 persons elected as commissioners from commissioner districts four and
11 five shall take office immediately after qualification as defined under
12 RCW 29.01.135.

13 **Sec. 405.** RCW 57.12.020 and 1994 c 223 s 68 are each amended to
14 read as follows:

15 A vacancy on the board shall occur and shall be filled as provided
16 in chapter 42.12 RCW. In addition, if a commissioner is absent from
17 three consecutive scheduled meetings unless by permission of the board,
18 the office may be declared vacant. However, such an action shall not
19 be taken unless the commissioner is notified by mail after two
20 consecutive unexcused absences that the position will be declared
21 vacant if the commissioner is absent without being excused from the
22 next regularly scheduled meeting.

23 **PART V - COMPREHENSIVE PLANS**

24 **Sec. 501.** RCW 57.16.010 and 1990 1st ex.s. c 17 s 35 are each
25 amended to read as follows:

26 ~~((The water district commissioners))~~ Before ordering any
27 improvements ~~((hereunder))~~ or submitting to vote any proposition for
28 incurring any indebtedness, the district commissioners shall adopt a
29 general comprehensive plan ((of water supply for the district. They))
30 for the type or types of facilities the district proposes to provide.
31 A district may prepare a separate general comprehensive plan for each
32 of these services and other services that districts are permitted to
33 provide, or the district may combine any or all of its comprehensive
34 plans into a single general comprehensive plan.

35 (1) For a general comprehensive plan of a water supply system, the
36 commissioners shall investigate the several portions and sections of

1 the district for the purpose of determining the present and reasonably
2 foreseeable future needs thereof; shall examine and investigate,
3 determine, and select a water supply or water supplies for such
4 district suitable and adequate for present and reasonably foreseeable
5 future needs thereof; and shall consider and determine a general system
6 or plan for acquiring such water supply or water supplies((÷)), and the
7 lands, waters, and water rights and easements necessary therefor, and
8 for retaining and storing any such waters, and erecting dams,
9 reservoirs, aqueducts, and pipe lines to convey the same throughout
10 such district. There may be included as part of the system the
11 installation of fire hydrants at suitable places throughout the
12 district(~~(, and the purchase and maintenance of necessary fire fighting~~
13 ~~equipment and apparatus, together with facilities for housing same))~~).
14 The ~~((water district))~~ commissioners shall determine a general
15 comprehensive plan for distributing such water throughout such portion
16 of the district as may then reasonably be served by means of subsidiary
17 aqueducts and pipe lines, and a long-term plan for financing the
18 planned projects and the method of distributing the cost and expense
19 thereof ~~((against such water district and against local improvement~~
20 ~~districts or utility local improvement districts within such water~~
21 ~~district for any lawful purpose, and))~~, including ~~((any such))~~ the
22 creation of local improvement districts or utility local improvement
23 districts ~~((lying wholly or partially within the limits of any city or~~
24 ~~town in such district))~~, and shall determine whether the whole or part
25 of the cost and expenses shall be paid from ~~((water))~~ revenue or
26 general obligation bonds. ~~((After July 23, 1989, when the district~~
27 ~~adopts a general comprehensive plan or plans for an area annexed as~~
28 ~~provided for in RCW 57.16.010, the district shall include a long-term~~
29 ~~plan for financing the planned projects. The commissioners may employ~~
30 ~~such engineering and legal service as in their discretion is necessary~~
31 ~~in carrying out their duties.~~

32 The)) (2) For a general comprehensive plan for a sewer system, the
33 commissioners shall investigate all portions and sections of the
34 district and select a general comprehensive plan for a sewer system for
35 the district suitable and adequate for present and reasonably
36 foreseeable future needs thereof. The general comprehensive plan shall
37 provide for treatment plants and other methods for the disposal of
38 sewage and industrial and other liquid wastes now produced or which may
39 reasonably be expected to be produced within the district and shall,

1 for such portions of the district as may then reasonably be served,
2 provide for the acquisition or construction and installation of
3 laterals, trunk sewers, intercepting sewers, syphons, pumping stations
4 or other sewage collection facilities, septic tanks, septic tank
5 systems or drainfields, and systems for the transmission and treatment
6 of wastewater. The general comprehensive plan shall provide a long-
7 term plan for financing the planned projects and the method of
8 distributing the cost and expense of the sewer system, including the
9 creation of local improvement districts or utility local improvement
10 districts; and provide whether the whole or some part of the cost and
11 expenses shall be paid from revenue or general obligation bonds.

12 (3) For a general comprehensive plan for a drainage system, the
13 commissioners shall investigate all portions and sections of the
14 district and adopt a general comprehensive plan for a drainage system
15 for the district suitable and adequate for present and future needs
16 thereof. The general comprehensive plan shall provide for a system to
17 collect, treat, and dispose of storm water or surface waters, including
18 use of natural systems and the construction or provision of culverts,
19 storm water pipes, ponds, and other systems. The general comprehensive
20 plan shall provide for a long-term plan for financing the planned
21 projects and provide for a method of distributing the cost and expense
22 of the drainage system, including local improvement districts or
23 utility local improvement districts, and provide whether the whole or
24 some part of the cost and expenses shall be paid from revenue or
25 general obligation bonds.

26 (4) For a general comprehensive plan for street lighting, the
27 commissioners shall investigate all portions and sections of the
28 district and adopt a general comprehensive plan for street lighting for
29 the district suitable and adequate for present and future needs
30 thereof. The general comprehensive plan shall provide for a system or
31 systems of street lighting, provide for a long-term plan for financing
32 the planned projects, and provide for a method of distributing the cost
33 and expense of the street lighting system, including local improvement
34 districts or utility local improvement districts, and provide whether
35 the whole or some part of the cost and expenses shall be paid from
36 revenue or general obligation bonds.

37 (5) The commissioners may employ such engineering and legal service
38 as in their discretion is necessary in carrying out their duties.

1 (6) Any general comprehensive plan or plans shall be adopted by
2 resolution and submitted to an engineer designated by the legislative
3 authority of the county in which fifty-one percent or more of the area
4 of the district is located, and to the director of health of the county
5 in which the district or any portion thereof is located, and must be
6 approved in writing by the engineer and director of health, except that
7 a comprehensive plan relating to street lighting shall not be submitted
8 to or approved by the director of health. The general comprehensive
9 plan shall be approved, conditionally approved, or rejected by the
10 director of health ~~((within sixty days of the plan's receipt))~~ and by
11 the designated engineer within sixty days of ~~((the plan's receipt))~~
12 their respective receipt of the plan. However, this sixty-day time
13 limitation may be extended by the director of health or engineer for up
14 to an additional sixty days if sufficient time is not available to
15 review adequately the general comprehensive plans.

16 Before becoming effective, the general comprehensive plan shall
17 also be submitted to, and approved by resolution of, the legislative
18 authority of every county within whose boundaries all or a portion of
19 the ~~((water))~~ district lies. The general comprehensive plan shall be
20 approved, conditionally approved, or rejected by each of ~~((these))~~ the
21 county legislative authorities pursuant to the criteria in RCW
22 57.02.040 for approving the formation, reorganization, annexation,
23 consolidation, or merger of ~~((water))~~ districts~~((, and))~~. The
24 resolution, ordinance, or motion of the legislative body ~~((which))~~ that
25 rejects the comprehensive plan or a part thereof shall specifically
26 state in what particular the comprehensive plan or part thereof
27 rejected fails to meet these criteria. The general comprehensive plan
28 shall not provide for the extension or location of facilities that are
29 inconsistent with the requirements of RCW 36.70A.110. Nothing in this
30 chapter shall preclude a county from rejecting a proposed plan because
31 it is in conflict with the criteria in RCW 57.02.040. Each general
32 comprehensive plan shall be deemed approved if the county legislative
33 authority fails to reject or conditionally approve the plan within
34 ninety days of the plan's submission to the county legislative
35 authority or within thirty days of a hearing on the plan when the
36 hearing is held within ninety days of submission to the county
37 legislative authority. However, a county legislative authority may
38 extend this ninety-day time limitation by up to an additional ninety
39 days where a finding is made that ninety days is insufficient to review

adequately the general comprehensive plan. In addition, the ~~((water))~~ commissioners and the county legislative authority may mutually agree to an extension of the deadlines in this section.

If the district includes portions or all of one or more cities or towns, the general comprehensive plan shall be submitted also to, and approved by resolution of, the ~~((governing bodies of such))~~ legislative authorities of the cities and towns before becoming effective. The general comprehensive plan shall be deemed approved by the city or town ~~((governing body))~~ legislative authority if the city or town ~~((governing body))~~ legislative authority fails to reject or conditionally approve the plan within ninety days of the plan's submission to the city or town or within thirty days of a hearing on the plan when the hearing is held within ninety days of submission to the county legislative authority. However, a city or town ~~((governing body))~~ legislative authority may extend this time limitation by up to an additional ninety days where a finding is made that insufficient time exists to adequately review the general comprehensive plan within these time limitations. In addition, the ~~((sewer—[water]))~~ commissioners and the city or town ~~((governing body))~~ legislative authority may mutually agree to an extension of the deadlines in this section.

Before becoming effective, the general comprehensive plan shall be approved by any state agency whose approval may be required by applicable law. Before becoming effective, any amendment to, alteration of, or addition to, a general comprehensive plan shall also be subject to such approval as if it were a new general comprehensive plan(~~((: PROVIDED, That))~~). However, only if the amendment, alteration, or addition affects a particular city or town, shall the amendment, alteration, or addition be subject to approval by such particular city or town governing body.

Sec. 502. RCW 56.08.030 and 1953 c 250 s 5 are each amended to read as follows:

No expenditure for carrying on any part of ~~((such))~~ a general comprehensive plan shall be made other than the necessary salaries of engineers, clerical, ~~((and))~~ office expenses, and other professional expenses of the district, and the cost of engineering, surveying, preparation, and collection of data necessary for making and adopting a general plan of improvements in the district, until the general

1 comprehensive plan of improvements has been adopted by the
2 commissioners and approved as provided in RCW ((56.08.020)) 57.16.010.

3 NEW SECTION. Sec. 503. A new section is added to Title 57 RCW to
4 read as follows:

5 Whenever an area has been annexed to a district after the adoption
6 of a general comprehensive plan, the commissioners shall adopt by
7 resolution a plan for additions and betterments to the original
8 comprehensive plan to provide for the needs of the area annexed.

9 **Sec. 504.** RCW 57.16.140 and 1982 c 213 s 4 are each amended to
10 read as follows:

11 The construction of or existence of sewer capacity or water supply
12 ((capacity)) in excess of the needs of the density allowed by zoning
13 shall not be grounds for any legal challenge to any zoning decision by
14 the county.

15 **PART VI - IMPROVEMENT DISTRICTS**

16 **Sec. 601.** RCW 57.16.050 and 1987 c 169 s 2 are each amended to
17 read as follows:

18 (1) A district may establish local improvement districts within its
19 territory; levy special assessments ((under the mode of)) and allow
20 annual installments on the special assessments, together with interest
21 thereon, extending over a period not exceeding twenty years, on all
22 property specially benefited by a local improvement, on the basis of
23 special benefits to pay in whole or in part the damage or costs of any
24 improvements ordered in the district; and issue local improvement bonds
25 in the local improvement district to be repaid by the collection of
26 special assessments. ((Such)) The bonds may be of any form, including
27 bearer bonds or registered bonds as provided in RCW 39.46.030. The
28 levying, collection, and enforcement of ((such)) special assessments
29 and the issuance of bonds shall be as provided for the levying,
30 collection, and enforcement of special assessments and the issuance of
31 local improvement district bonds by cities and towns insofar as is
32 consistent ((herewith)) with this title. The duties devolving upon the
33 city or town treasurer are ((hereby)) imposed upon the county treasurer
34 of the county in which the real property is located for the purposes

1 hereof. The mode of assessment shall be determined by the ((water))
2 commissioners by resolution.

3 ((When in)) (2) A district may establish a utility local
4 improvement district, in lieu of a local improvement district, if the
5 petition or resolution for ((the establishment of a)) establishing the
6 local improvement district, and ((in)) the approved comprehensive plan
7 or approved amendment thereto or plan providing for additions and
8 betterments to the original plan, previously adopted, ((it is
9 provided)) provides that, except as set forth in this section, the
10 special assessments shall be for the ((sole)) purpose of payment of
11 improvements and payment into the revenue bond fund for the payment of
12 revenue bonds((, then the local improvement district shall be
13 designated as a "utility local improvement district.")). No warrants
14 or bonds shall be issued in a utility local improvement district, but
15 the collection of interest and principal on all special assessments in
16 the utility local improvement district shall be paid into the revenue
17 bond fund, except that special assessments paid before the issuance and
18 sale of bonds may be deposited in a fund for the payment of costs of
19 improvements in the utility local improvement district. Revenue bonds
20 shall be issued using the procedures by which cities and towns issue
21 revenue bonds, insofar as is consistent with this title.

22 (({2})) Such revenue bonds may also be issued and sold in
23 accordance with chapter 39.46 RCW.

24 **Sec. 602.** RCW 57.16.060 and 1991 c 190 s 7 are each amended to
25 read as follows:

26 Local improvement districts or utility local improvement districts
27 to carry out the whole or any portion of the general comprehensive plan
28 of improvements or plan providing for additions and betterments to
29 ((the)) an original general comprehensive plan previously adopted may
30 be initiated either by resolution of the board of ((water))
31 commissioners or by petition signed by the owners according to the
32 records of the office of the applicable county auditor of at least
33 fifty-one percent of the area of the land within the limits of the
34 ((local)) improvement district to be created.

35 In case the board of ((water)) commissioners desires to initiate
36 the formation of ((a local improvement district or a utility local)) an
37 improvement district by resolution, it first shall ((first)) pass a
38 resolution declaring its intention to order ((such)) the improvement,

1 setting forth the nature and territorial extent of such proposed
2 improvement, designating the number of the proposed (~~local improvement~~
3 ~~district or utility local~~) improvement district, and describing the
4 boundaries thereof, stating the estimated cost and expense of the
5 improvement and the proportionate amount thereof which will be borne by
6 the property within the proposed improvement district, and fixing a
7 date, time, and place for a public hearing on the formation of the
8 proposed (~~local~~) improvement district.

9 In case any such (~~local improvement district or utility local~~)
10 improvement district is initiated by petition, (~~such~~) the petition
11 shall set forth the nature and territorial extent of the proposed
12 improvement requested to be ordered and the fact that the signers
13 thereof are the owners according to the records of the applicable
14 county auditor of at least fifty-one percent of the area of land within
15 the limits of the (~~local improvement district or utility local~~)
16 improvement district to be created. Upon the filing of such petition
17 the board shall determine whether the petition is sufficient, and the
18 board's determination thereof shall be conclusive upon all persons. No
19 person may withdraw his or her name from the petition after it has been
20 filed with the board of (~~water~~) commissioners. If the board finds
21 the petition to be sufficient, it shall proceed to adopt a resolution
22 declaring its intention to order the improvement petitioned for,
23 setting forth the nature and territorial extent of the improvement,
24 designating the number of the proposed (~~local~~) improvement district
25 and describing the boundaries thereof, stating the estimated cost and
26 expense of the improvement and the proportionate amount thereof which
27 will be borne by the property within the proposed (~~local~~) improvement
28 district, and fixing a date, time, and place for a public hearing on
29 the formation of the proposed (~~local~~) improvement district.

30 Notice of the adoption of the resolution of intention, whether the
31 resolution was adopted on the initiative of the board or pursuant to a
32 petition of the property owners, shall be published in at least two
33 consecutive issues of a newspaper of general circulation in the
34 proposed (~~local~~) improvement district, the date of the first
35 publication to be at least fifteen days prior to the date fixed by such
36 resolution for hearing before the board of (~~water~~) commissioners.
37 Notice of the adoption of the resolution of intention shall also be
38 given each owner or reputed owner of any lot, tract, parcel of land, or
39 other property within the proposed improvement district by mailing the

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

30 ~~((Whether the improvement is initiated by petition or resolution,~~
31 ~~the board shall conduct a public hearing at the time and place~~
32 ~~designated in the notice to property owners. At this hearing the board~~
33 ~~shall hear objections from any person affected by the formation of the~~
34 ~~local district and may make such changes in the boundaries of the~~
35 ~~district or such modifications in the plans for the proposed~~
36 ~~improvement as shall be deemed necessary. The board may not change the~~
37 ~~boundaries of the district to include property not previously included~~
38 ~~in it without first passing a new resolution of intention and giving a~~

1 new notice to property owners in the manner and form and within the
2 time provided in this chapter for the original notice.

3 After the hearing and the expiration of the ten-day period for
4 filing written protests, the commissioners shall have jurisdiction to
5 overrule protests and proceed with any such improvement initiated by
6 petition or resolution. The jurisdiction of the commissioners to
7 proceed with any improvement initiated by resolution shall be divested
8 by protests filed with the secretary of the board no later than ten
9 days after the hearing, signed by the owners, according to the records
10 of the applicable county auditor, of at least forty percent of the area
11 of land within the proposed local district.

12 If the commissioners find that the district should be formed, they
13 shall by resolution form the district and order the improvement. After
14 execution of the resolution forming the district, the secretary of the
15 board of commissioners shall publish, in a legal publication that
16 serves the area subject to the district, a notice setting forth that a
17 resolution has been passed forming the district and that a lawsuit
18 challenging the jurisdiction or authority of the water district to
19 proceed with the improvement and creating the district must be filed,
20 and notice to the water district served, within thirty days of the
21 publication of the notice. The notice shall set forth the nature of
22 the appeal. Property owners bringing the appeal shall follow the
23 procedures as set forth under appeal under RCW 57.16.090. Whenever a
24 resolution forming a district has been adopted, the formation is
25 conclusive in all things upon all parties, and cannot be contested or
26 questioned in any manner in any proceeding whatsoever by any person not
27 commencing a lawsuit in the manner and within the time provided in this
28 section, except for lawsuits made under RCW 57.16.090.

29 Following an appeal, if it is unsuccessful or if no appeal is made
30 under RCW 57.16.090, the commissioners may proceed with the improvement
31 and provide the general funds of the water district to be applied
32 thereto, adopt detailed plans of the local improvement district or
33 utility local improvement district and declare the estimated cost
34 thereof, acquire all necessary land therefor, pay all damages caused
35 thereby, and commence in the name of the water district such eminent
36 domain proceedings as may be necessary to entitle the district to
37 proceed with the work. The board shall thereupon proceed with the work
38 and file with the county treasurer of the county in which the real
39 property is located its roll levying special assessments in the amount

1 ~~to be paid by special assessment against the property situated within~~
2 ~~the improvement district in proportion to the special benefits to be~~
3 ~~derived by the property therein from the improvement.))~~

4 **Sec. 603.** RCW 57.16.073 and 1987 c 315 s 6 are each amended to
5 read as follows:

6 Whenever it is proposed that ~~((a local improvement district or~~
7 ~~utility local))~~ an improvement district finance sanitary sewer or
8 potable water facilities, additional notice of the public hearing on
9 the proposed improvement district shall be mailed to the owners of any
10 property located outside of the proposed improvement district that
11 would be required as a condition of federal housing administration loan
12 qualification, at the time of notice, to be connected to the specific
13 sewer or water facilities installed by the ~~((local))~~ improvement
14 district. The notice shall include information about this restriction.

15 **Sec. 604.** RCW 57.16.065 and 1989 c 243 s 11 are each amended to
16 read as follows:

17 ~~((Any))~~ Notice given to the public or to the owners of specific
18 lots, tracts, or parcels of land relating to the formation of ~~((a local~~
19 ~~improvement district or utility local))~~ an improvement district shall
20 contain a statement that actual assessments may vary from assessment
21 estimates so long as they do not exceed a figure equal to the increased
22 true and fair value the improvement adds to the property.

23 **Sec. 605.** RCW 56.20.030 and 1991 c 190 s 3 are each amended to
24 read as follows:

25 Whether ~~((the))~~ an improvement district is initiated by petition or
26 resolution, the board shall conduct a public hearing at the time and
27 place designated in the notice to property owners. At this hearing the
28 board shall hear objections from any person affected by the formation
29 of the ~~((local))~~ improvement district and may make such changes in the
30 boundaries of the improvement district or such modifications in the
31 plans for the proposed improvement as shall be deemed necessary. The
32 board may not change the boundaries of the improvement district to
33 include property not previously included in it without first passing a
34 new resolution of intention and giving a new notice to property owners
35 in the manner and form and within the time provided in this chapter for
36 the original notice.

1 After the hearing and the expiration of the ten-day period for
2 filing ~~((written))~~ protests, the commissioners shall have jurisdiction
3 to overrule protests and proceed with any such improvement district
4 initiated by petition or resolution. The jurisdiction of the
5 commissioners to proceed with any improvement district initiated by
6 resolution shall be divested~~((:—(a)))~~ by protests filed with the
7 secretary of the board ~~((no later than))~~ within ten days after the
8 public hearing, signed by the owners, according to the records of the
9 applicable county auditor, of at least forty percent of the area of
10 land within the proposed ~~((local))~~ improvement district ~~((or (b) by the~~
11 ~~commissioners not adopting a resolution ordering the improvement at a~~
12 ~~public hearing held not more than ninety days from the day the~~
13 ~~resolution of intention was adopted, unless the commissioners file with~~
14 ~~the county auditor a copy of the notice required by RCW 56.20.020, and~~
15 ~~in no event at a hearing held more than two years from the day the~~
16 ~~resolution of intention was adopted))~~).

17 If the commissioners find that the improvement district should be
18 formed, they shall by resolution form the improvement district and
19 order the improvement. After execution of the resolution forming the
20 improvement district, the secretary of the board of commissioners shall
21 publish, in a legal publication that serves the area subject to the
22 improvement district, a notice setting forth that a resolution has been
23 passed forming the improvement district and that a lawsuit challenging
24 the jurisdiction or authority of the ~~((sewer))~~ district to proceed with
25 the improvement and creating the improvement district must be filed,
26 and notice to the ~~((sewer))~~ district served, within thirty days of the
27 publication of the notice. The notice shall set forth the nature of
28 the appeal. Property owners bringing the appeal shall follow the
29 procedures ~~((as))~~ set forth under ~~((appeal under RCW 56.20.080))~~ RCW
30 57.16.090. Whenever a resolution forming ~~((a))~~ an improvement district
31 has been adopted, the formation is conclusive in all things upon all
32 parties, and cannot be contested or questioned in any manner in any
33 proceeding whatsoever by any person not commencing a lawsuit in the
34 manner and within the time provided in this section, except for
35 lawsuits made under RCW ~~((56.20.080))~~ 57.16.090.

36 Following an appeal, if it is unsuccessful or if no appeal is made
37 under RCW ~~((56.20.080))~~ 57.16.090, the commissioners may proceed with
38 creating the improvement district, provide the improvement and provide
39 the general funds of the ~~((sewer))~~ district to be applied thereto,

1 adopt detailed plans of the ((~~utility local~~)) improvement district and
2 declare the estimated cost thereof, acquire all necessary land
3 therefor, pay all damages caused thereby, and commence in the name of
4 the ((~~sewer~~)) district such eminent domain proceedings ((~~and~~
5 ~~supplemental assessment or reassessment proceedings to pay all eminent~~
6 ~~domain awards~~)) as may be necessary to entitle the district to proceed
7 with the ((~~work~~)) improvements. The board ((~~of sewer commissioners~~))
8 shall thereupon proceed with the work and file with the county
9 treasurer of ((~~each~~)) the county in which the real property is ((~~to be~~
10 ~~assessed~~)) located its roll levying special assessments in the amount
11 to be paid by special assessment against the property situated within
12 the ((~~local~~)) improvement district in proportion to the special
13 benefits to be derived by the property therein from the improvements.

14 **Sec. 606.** RCW 57.16.070 and 1982 1st ex.s. c 17 s 17 are each
15 amended to read as follows:

16 Before approval of the roll a notice shall be published once a week
17 for two consecutive weeks in a newspaper of general circulation in the
18 ((~~local~~)) improvement district, stating that the roll is on file and
19 open to inspection in the office of the secretary, and fixing the time,
20 not less than fifteen or more than thirty days from the date of the
21 first publication of the notice, within which protests must be filed
22 with the secretary against any assessments shown thereon, and fixing a
23 time when a hearing will be held by the commissioners on the protests.
24 Notice shall also be given by mailing, at least fifteen days before the
25 hearing, a similar notice to the owners or reputed owners of the land
26 in the ((~~local~~)) improvement district as they appear on the books of
27 the treasurer of the county in which the real property is located. At
28 the hearing, or any adjournment thereof, the commissioners may correct,
29 change, or modify the roll, or any part thereof, or set aside the roll
30 and order a new assessment, and may then by resolution approve it. If
31 an assessment is raised a new notice similar to the first shall be
32 given, after which final approval of the roll may be made. When
33 property has been entered originally upon the roll and the assessment
34 thereon is not raised, no objection thereto shall be considered by the
35 commissioners or by any court on appeal unless the objection is made in
36 writing at, or prior((~~-~~)) to, the date fixed for the original hearing
37 upon the roll.

1 **Sec. 607.** RCW 57.16.080 and 1959 c 18 s 13 are each amended to
2 read as follows:

3 (~~In the event that~~) If any portion of the system after its
4 installation is not adequate for the purpose for which it was intended,
5 or (~~that~~) if for any reason changes, alterations, or betterments are
6 necessary in any portion of the system after its installation, then ((a
7 local)) an improvement district with boundaries which may include one
8 or more existing ((local)) improvement districts may be created in the
9 ((water)) district in the same manner as is provided herein for the
10 creation of ((local)) improvement districts(~~;~~ ~~that~~). Upon the
11 organization of such ((a local)) an improvement district ((as provided
12 for in this paragraph)), the plan of the improvement and the payment of
13 the cost of the improvement shall be carried out in the same manner as
14 is provided herein for the carrying out of and the paying for the
15 improvement in the ((local)) improvement districts previously provided
16 for in this ((act)) title.

17 **Sec. 608.** RCW 57.16.100 and 1929 c 114 s 14 are each amended to
18 read as follows:

19 (1) Whenever any assessment roll for local improvements shall have
20 been confirmed by the ((water district commission of such water
21 district as herein provided)) district board of commissioners, the
22 regularity, validity, and correctness of the proceedings relating to
23 ((such)) the improvements, and to the assessment therefor, including
24 the action of the ((water)) district ((commission)) commissioners upon
25 ((such)) the assessment roll and the confirmation thereof, shall be
26 conclusive in all things upon all parties, and cannot in any manner be
27 contested or questioned in any proceeding whatsoever by any person not
28 filing written objections to such roll in the manner and within the
29 time provided in this ((act)) chapter, and not appealing from the
30 action of the ((water district commission)) commissioners in confirming
31 such assessment roll in the manner and within the time in this ((act))
32 chapter provided. No proceedings of any kind shall be commenced or
33 prosecuted for the purpose of defeating or contesting any such
34 assessment, or the sale of ((any)) property to pay such assessment, or
35 any certificate of delinquency issued therefor, or the foreclosure of
36 any lien issued therefor(~~;~~ ~~PROVIDED, That~~). However, this section
37 shall not be construed as prohibiting the bringing of injunction
38 proceedings to prevent the sale of any real estate upon the grounds

1 ~~((1))~~ (a) that the property about to be sold does not appear upon the
2 assessment roll, or ~~((2))~~ (b) that ~~((said))~~ the assessment had been
3 paid.

4 (2) This section also shall not prohibit the correction of clerical
5 errors and errors in the computation of assessments in assessment rolls
6 by the following procedure:

7 (a) The board of commissioners may file a petition with the
8 superior court of the county wherein the real property is located,
9 asking that the court enter an order correcting such errors and
10 directing that the county treasurer pay a portion or all of the
11 incorrect assessment by the transfer of funds from the district's
12 maintenance fund, if such relief be necessary.

13 (b) Upon the filing of the petition, the court shall set a date for
14 hearing and upon the hearing may enter an order as provided in (a) of
15 this subsection. However, neither the correcting order nor the
16 corrected assessment roll shall result in an increased assessment to
17 the property owner.

18 **Sec. 609.** RCW 57.16.090 and 1991 c 190 s 8 are each amended to
19 read as follows:

20 The decision of the ~~((water))~~ district ~~((commission))~~ board of
21 commissioners upon any objections made within the time and in the
22 manner herein prescribed~~((,))~~ may be reviewed by the superior court
23 upon an appeal thereto taken in the following manner. ~~((Such))~~ The
24 appeal shall be made by filing written notice of appeal with the
25 secretary of ~~((said—water—district—commission))~~ the board of
26 commissioners and with the clerk of the superior court in the county in
27 which the real property is situated within ten days after publication
28 of a notice that the resolution confirming such assessment roll has
29 been adopted, and such notice of appeal shall describe the property and
30 set forth the objections of such appellant to such assessment~~((; and))~~.
31 Within ten days from the filing of such notice of appeal with the clerk
32 of the superior court, the appellant shall file with the clerk of the
33 court~~((,))~~ a transcript consisting of the assessment roll and the
34 appellant's objections thereto, together with the resolution confirming
35 ~~((such))~~ the assessment roll and the record of the ~~((water))~~ district
36 ~~((commission))~~ commissioners with reference to the assessment~~((,))~~
37 which)). The transcript, upon payment of the necessary fees therefor,
38 shall be furnished by the secretary of the ~~((water—district~~

1 ~~commission))~~ board of commissioners and shall be certified by the
2 secretary to contain full, true, and correct copies of all matters and
3 proceedings required to be included in such transcript. Such fees
4 shall be the same as the fees payable to the county clerk for the
5 preparation and certification of transcripts on appeal to the supreme
6 court or the court of appeals in civil actions. At the time of the
7 filing of the notice of appeal with the clerk of the superior court,
8 the appellant shall file a sufficient bond in the penal sum of two
9 hundred dollars, with at least two sureties, to be approved by the
10 judge of ~~((said))~~ the court, conditioned to prosecute such appeal
11 without delay, and if unsuccessful to pay all costs to which the
12 ~~((water))~~ district is put by reason of such appeal. The court may
13 order the appellant, upon application therefor, to execute and file
14 such additional bond or bonds as the necessity of the case may require.
15 Within three days after such transcript is filed in the superior court,
16 the appellant shall give written notice to the secretary of ~~((such~~
17 ~~water))~~ the district~~((;))~~ that such transcript is filed. The notice
18 shall state a time, not less than three days from the service thereof,
19 when the appellant will call up the cause for hearing~~((; and))~~. The
20 superior court shall, at ~~((said))~~ such time or at such further time as
21 may be fixed by order of the court, hear and determine such appeal
22 without a jury~~((; and such cause))~~. The appeal shall have preference
23 over all civil causes pending in the court, except ~~((proceedings under~~
24 ~~an act relating to))~~ eminent domain proceedings and actions of forcible
25 entry and detainer. The judgment of the court shall confirm, unless
26 the court shall find from the evidence that such assessment is either
27 founded upon ~~((the))~~ a fundamentally wrong basis or a decision of the
28 ~~((council or other legislative body))~~ board of commissioners thereon
29 was arbitrary or capricious, or both~~((;))~~, in which event the judgment
30 of the court shall correct, modify, or annul the assessment insofar as
31 ~~((the same))~~ it affects the property of the appellant. A certified
32 copy of the decision of the court shall be filed with the officer who
33 shall have custody of the assessment roll, who shall modify and correct
34 ~~((such))~~ the assessment roll in accordance with such decision.
35 Appellate review of the judgment of the superior court may be sought as
36 in other civil cases. However, the ~~((review))~~ appeal must be sought
37 within fifteen days after the date of the entry of the judgment of such
38 superior court. A certified copy of the order of the supreme court or
39 the court of appeals upon such appeal shall be filed with the officer

1 having custody of ((such)) the assessment roll, who shall thereupon
2 modify and correct ((such)) the assessment roll in accordance with
3 ((such)) the decision.

4 **Sec. 610.** RCW 57.16.110 and 1982 1st ex.s. c 17 s 19 are each
5 amended to read as follows:

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

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

32 **Sec. 611.** RCW 57.16.150 and 1987 c 449 s 16 are each amended to
33 read as follows:

34 Judgments foreclosing ((~~local-improvement~~)) special assessments
35 pursuant to RCW 35.50.260 may also allow to ((water)) districts, in
36 addition to delinquent installments, interest, penalties, and costs,
37 such attorneys' fees as the court may adjudge reasonable.

PART VII - FINANCES

Sec. 701. RCW 57.16.020 and 1984 c 186 s 51 are each amended to read as follows:

The commissioners may submit to the voters of the district at any general or special election, a proposition that the district incur a general indebtedness payable from annual tax levies to be made in excess of the constitutional ~~((and/or statutory))~~ tax limitation~~((s))~~ for the construction of any part or all of the improvements described in its general comprehensive plan or plans. Elections shall be held as provided in RCW 39.36.050. The proposition authorizing both the bond issue and imposition of excess bond retirement levies ~~((shall))~~ must be adopted by three-fifths of the voters voting thereon, at which election the total number of persons voting on the proposition shall constitute not less than forty percent of the total number of votes cast in the ~~((water))~~ district at the last preceding general election. ~~((Such))~~ The bonds shall not be issued to run for a period longer than ~~((twenty))~~ thirty years from the date of the issue. ~~((Such))~~ The bonds shall be issued and sold in accordance with chapter 39.46 RCW. ((When the general comprehensive plan has been adopted the commissioners shall carry it out to the extent specified in the proposition to incur general indebtedness.))

Whenever the proposition to issue general obligation bonds and impose such excess bond retirement levies has been approved, there shall be levied by the officers or governing body charged with the duty of levying taxes, annual levies in excess of the constitutional tax limitation sufficient to meet the annual or semiannual payments of principal and interest on the bonds upon all taxable property within the district.

Sec. 702. RCW 57.20.015 and 1984 c 186 s 54 are each amended to read as follows:

(1) The board of ~~((water))~~ commissioners of any ~~((water))~~ district may by resolution, without submitting the matter to the voters of the district, provide for the issuance of refunding general obligation bonds to refund any outstanding general obligation bonds, or any part thereof, at maturity thereof, or before the maturity thereof if they are subject to call for prior redemption or all of the owners thereof consent thereto. Refunding bonds may be combined with an issue of

1 bonds for other district purposes, as long as those other bonds are
2 approved in accordance with applicable law.

3 (2) The total cost to the district over the life of the refunding
4 bonds or refunding portion of an issue of bonds shall not exceed the
5 total cost to the district which the district would have incurred but
6 for such refunding over the remainder of the life of the bonds to be
7 refunded thereby.

8 (3) The refunding bonds may be exchanged for the bonds to be
9 refunded thereby, or may be sold in such manner as the board of
10 ~~((water))~~ commissioners deems to be for the best interest of the
11 district, and the proceeds of such sale used exclusively for the
12 purpose of paying, retiring, and canceling the bonds to be refunded and
13 interest thereon. Such bonds may be of any form, including bearer
14 bonds or registered bonds as provided in RCW 39.46.030.

15 ~~((4) The provisions of RCW 57.20.010, concerning the issuance and~~
16 ~~sale of general obligation bonds and providing for annual tax levies in~~
17 ~~excess of the constitutional and/or statutory tax limitations shall~~
18 ~~apply to the refunding general obligation bonds issued under this~~
19 ~~section.))~~

20 **Sec. 703.** RCW 57.16.030 and 1987 c 449 s 14 are each amended to
21 read as follows:

22 (1) The commissioners may, without submitting a proposition to the
23 voters, authorize by resolution the district to issue revenue bonds for
24 the construction costs, interest during the period of construction and
25 six months thereafter, working capital or other costs of the
26 improvements described in any part or all of ~~((the))~~ a general
27 comprehensive plan or plans, or for other purposes or functions of a
28 ~~((water))~~ district authorized by statute. The amount of the bonds to
29 be issued shall be included in the resolution ~~((submitted))~~.

30 (2) Any resolution authorizing the issuance of revenue bonds may
31 include provision for refunding any local improvement district bonds of
32 a district, out of the proceeds of sale of revenue bonds, and a
33 district may pay off any outstanding local improvement bonds with such
34 funds either by purchase in the open market below their par value and
35 accrued interest or by call at par value and accrued interest at the
36 next succeeding interest payment date. The bonds may be in any form,
37 including bearer bonds or registered bonds as provided by RCW
38 39.46.030.

1 ~~((When a resolution authorizing revenue bonds has been adopted the~~
2 ~~commissioners may forthwith carry out the general comprehensive plan to~~
3 ~~the extent specified.~~

4 ~~{2}))~~ (3) Notwithstanding subsection (1) of this section, ~~((such))~~
5 district revenue bonds may be issued and sold in accordance with
6 chapter 39.46 RCW.

7 **Sec. 704.** RCW 57.16.035 and 1977 ex.s. c 299 s 5 are each amended
8 to read as follows:

9 Whenever a ~~((water))~~ district shall have adopted a general
10 comprehensive plan and bonds to defray the cost thereof shall have been
11 authorized by resolution of the board of ~~((water))~~ commissioners, and
12 before the completion of the improvements the board of ~~((water))~~
13 commissioners shall find by resolution that the authorized bonds are
14 not sufficient to defray the cost of such improvements due to the
15 increase of costs of construction subsequent to the adoption of
16 ~~((said))~~ the plan, the board of ~~((water))~~ commissioners may by
17 resolution authorize the issuance and sale of additional ~~((water))~~
18 revenue bonds for such purpose in excess of those previously issued.

19 **Sec. 705.** RCW 57.16.040 and 1984 c 186 s 52 are each amended to
20 read as follows:

21 In the same manner as provided for the adoption of ~~((the))~~ an
22 original general comprehensive plan, a plan providing for additions and
23 betterments to the original general comprehensive plan may be adopted.
24 Without limiting its generality "additions and betterments" shall
25 include any necessary change in, amendment of, or addition to the
26 general comprehensive plan.

27 The district may incur a general indebtedness payable from annual
28 tax levies to be made in excess of the constitutional ~~((and/or~~
29 ~~statutory))~~ tax limitation~~((s))~~ for the construction of the additions
30 and betterments in the same way that general indebtedness may be
31 incurred for the construction of the original general comprehensive
32 plan after submission to the voters of the entire district in the
33 manner the original proposition to incur indebtedness was submitted as
34 provided in RCW 57.16.020 (as recodified by this act). Upon
35 ratification the additions and betterments may be carried out by the
36 commissioners to the extent specified or referred to in the proposition
37 to incur the general indebtedness.

1 The district may issue revenue bonds to pay for the construction of
2 the additions and the betterments pursuant to resolution of the board
3 of ((water)) commissioners.

4 **Sec. 706.** RCW 57.20.020 and 1991 c 347 s 20 are each amended to
5 read as follows:

6 (1) ~~((Whenever any issue or issues of water revenue bonds have been
7 authorized in compliance with the provisions of RCW 57.16.010 through
8 57.16.040, said bonds shall be in bearer form or registered as to
9 principal or interest or both, as provided in RCW 39.46.030, and may
10 provide for conversion between registered and coupon bonds; shall be in
11 such denominations, shall be numbered, shall bear such date, and shall
12 be payable at such time or times up to a maximum period of not to
13 exceed thirty years as shall be determined by the board of water
14 commissioners of the district; shall bear interest at such rate or
15 rates payable at such time or times as authorized by the board; shall
16 be payable at the office of the county treasurer of the county in which
17 the water district is located and may also be payable at such other
18 place or places as the board of water commissioners may determine;
19 shall be executed by the president of the board of water commissioners
20 and attested and sealed by the secretary thereof, one of which
21 signatures may, with the written permission of the signator whose
22 facsimile signature is being used, be a facsimile; and may have
23 facsimile signatures of said president or secretary imprinted on any
24 interest coupons in lieu of original signatures.))~~

25 The ~~((water district))~~ commissioners shall have power and are
26 required to create a special fund or funds for the sole purpose of
27 paying the interest and principal of ~~((such))~~ revenue bonds into which
28 special fund or funds the ~~((said water district))~~ commissioners shall
29 obligate and bind the ~~((water))~~ district to set aside and pay a fixed
30 proportion of the gross revenues of the water supply, sewer, or
31 drainage system or any fixed amount out of and not exceeding a fixed
32 proportion of such revenues, or a fixed amount or amounts without
33 regard to any fixed proportion, and such bonds and the interest thereof
34 shall be payable only out of such special fund or funds, ~~((but))~~ and
35 shall be a lien and charge against all revenues and payments received
36 from any utility local improvement district or districts pledged to
37 secure such bonds, subject only to operating and maintenance expenses.

1 In creating any such special fund or funds the ~~((water district))~~
2 commissioners ~~((of such water district))~~ shall have due regard to the
3 cost of operation and maintenance of the plant or system as constructed
4 or added to and to any proportion or part of the revenue previously
5 pledged as a fund for the payment of bonds, warrants, or other
6 indebtedness, and shall not set aside into such special fund a greater
7 amount or proportion of the revenue and proceeds than in their judgment
8 will be available over and above such cost of maintenance and operation
9 and the amount or proportion, if any, of the revenue so previously
10 pledged. Any such bonds and interest thereon issued against any such
11 fund as ~~((herein))~~ provided in this section shall be a valid claim of
12 the owner thereof only as against the ~~((said))~~ special fund and its
13 fixed proportion or amount of the revenue pledged to such fund, and
14 shall not constitute an indebtedness of ~~((such water))~~ the district
15 within the meaning of the constitutional provisions and limitations.
16 Each such bond shall state upon its face that it is payable from a
17 special fund, naming the ~~((said))~~ fund and the resolution creating it.
18 ~~((Said))~~ Such bonds shall be sold in such manner, at such price, and at
19 such rate or rates of interest as the ~~((water district))~~ commissioners
20 shall deem for the best interests of the ~~((water))~~ district, either at
21 public or private sale, and the ~~((said))~~ commissioners may provide in
22 any contract for the construction and acquirement of the proposed
23 improvement (and for the refunding of outstanding local improvement
24 district obligations, if any) that payment therefor shall be made in
25 such bonds at par value thereof.

26 When any such special fund shall have been heretofore or shall be
27 hereafter created and any such bonds shall have been heretofore or
28 shall hereafter be issued against the same a fixed proportion or a
29 fixed amount out of and not to exceed such fixed proportion, or a fixed
30 amount or amounts without regard to any fixed proportion, of revenue
31 shall be set aside and paid into ~~((said))~~ the special fund as provided
32 in the resolution creating such fund or authorizing such bonds~~((and))~~.
33 In case any ~~((water))~~ district shall fail thus to set aside and
34 pay ~~((said))~~ the fixed proportion or amount ~~((as aforesaid))~~, the owner
35 of any bond payable from such special fund may bring suit or action
36 against the ~~((water))~~ district and compel such setting aside and
37 payment.

38 (2) ~~((Notwithstanding subsection (1) of this section, such bonds~~
39 ~~may be issued and sold in accordance with chapter 39.46 RCW.~~

1 ~~(3) The water district commissioners of any water district, in the~~
2 ~~event that such water revenue bonds are issued, shall provide for~~
3 ~~revenues by fixing rates and charges for the furnishing of water supply~~
4 ~~to those receiving such service, such rates and charges to be fixed as~~
5 ~~deemed necessary by such water district commissioners, so that uniform~~
6 ~~charges will be made for the same class of customer or service.~~

7 ~~In classifying customers served or service furnished by such water~~
8 ~~supply system, the board of water commissioners may in its discretion~~
9 ~~consider any or all of the following factors: The difference in cost~~
10 ~~of service to the various customers; the location of the various~~
11 ~~customers within and without the district; the difference in cost of~~
12 ~~maintenance, operation, repair and replacement of the various parts of~~
13 ~~the system; the different character of the service furnished various~~
14 ~~customers; the quantity and quality of the water furnished; the time of~~
15 ~~its use; the achievement of water conservation goals and the~~
16 ~~discouragement of wasteful practices; capital contributions made to the~~
17 ~~system including but not limited to assessments; and any other matters~~
18 ~~which present a reasonable difference as a ground for distinction.~~
19 ~~Such rates shall be made on a monthly basis as may be deemed proper by~~
20 ~~such commissioners and as fixed by resolution and shall produce~~
21 ~~revenues sufficient to take care of the costs of maintenance and~~
22 ~~operation, revenue bond and warrant interest and principal amortization~~
23 ~~requirements and all other charges necessary for efficient and proper~~
24 ~~operation of the system.))~~ Revenue bonds payable from a special fund
25 may be issued and sold in accordance with chapter 39.46 RCW.

26 **Sec. 707.** RCW 57.20.023 and 1959 c 108 s 12 are each amended to
27 read as follows:

28 The board of ((water)) commissioners may make such covenants as it
29 may deem necessary to secure and guarantee the payment of the principal
30 of and interest on ((water)) revenue bonds of the district, including
31 but not being limited to covenants for the establishment and
32 maintenance of adequate reserves to secure or guarantee the payment of
33 such principal and interest; the protection and disposition of the
34 proceeds of sale of such bonds; the use and disposition of the gross
35 revenues of the water supply system, sewer system, or drainage system
36 of the district and any additions or betterments thereto or extensions
37 thereof; the use and disposition of any utility local improvement
38 district assessments; the creation and maintenance of funds for

1 renewals and replacements of the system; the establishment and
2 maintenance of rates and charges adequate to pay principal and interest
3 of such bonds and to maintain adequate coverage over debt service; the
4 maintenance, operation and management of the system and the accounting,
5 insuring and auditing of the business in connection therewith; the
6 terms upon which such bonds or any of them may be redeemed at the
7 election of the district; limitations upon the right of the district to
8 dispose of its system or any part thereof; the appointment of trustees,
9 depositaries and paying agents to receive, hold, disburse, invest and
10 reinvest all or any part of the proceeds of sale of the bonds and all
11 or any part of the income, revenue and receipts of the district, and
12 the ((board of water)) commissioners may make such other covenants as
13 it may deem necessary to accomplish the most advantageous sale of such
14 bonds. The board of ((water)) commissioners may also provide that
15 revenue bonds payable out of the same source or sources may later be
16 issued on a parity with any revenue bonds being issued and sold.

17 **Sec. 708.** RCW 57.20.025 and 1977 ex.s. c 299 s 8 are each amended
18 to read as follows:

19 The board of ((water)) commissioners of any ((water)) district may
20 by resolution provide for the issuance of refunding revenue bonds to
21 refund outstanding general obligation bonds and/or revenue bonds, or
22 any part thereof, and/or all outstanding local improvement district
23 bonds, at maturity thereof, or before maturity thereof if they are
24 subject to call for prior redemption or all of the holders thereof
25 consent thereto. The total interest cost to the district over the life
26 of the refunding bonds shall not exceed the total cost to the district
27 which the district would have incurred but for such refunding over the
28 remainder of the life of the bonds to be refunded thereby. The
29 refunding bonds may be exchanged for the bonds to be refunded thereby,
30 or may be sold in such manner as the board of ((water)) commissioners
31 deems to be for the best interest of the district, and the proceeds
32 used, except as hereinafter provided, exclusively for the purpose of
33 paying, retiring, and canceling the bonds to be refunded and interest
34 thereon.

35 All unpaid utility local improvement district assessments payable
36 into the revenue bond redemption fund established for payment of the
37 bonds to be refunded shall thereafter when collected be paid into the

1 revenue bond redemption fund established for payment of the refunding
2 revenue bonds.

3 Whenever local improvement district bonds have been refunded as
4 provided by RCW 57.16.030 (~~((as now or hereafter amended))~~) (as
5 recodified by this act), or pursuant to this section, all local
6 improvement district assessments remaining unpaid shall thereafter when
7 collected be paid into the revenue bond redemption fund established for
8 payment of the refunding revenue bonds, and the cash balance, if any,
9 in the local improvement guaranty fund of the district and the proceeds
10 received from any other assets owned by such fund shall be used in
11 whole or in part as a reserve fund for the refunding revenue bonds or
12 be transferred in whole or in part to any other funds of the district
13 as the board of (~~((water))~~) commissioners may determine. (~~((In the event~~
14 ~~that))~~) If any warrants are outstanding against the local improvement
15 guaranty fund of the district at the time of the issuance of such
16 refunding revenue bonds, (~~((said))~~) the bonds shall be issued in an
17 amount sufficient also to fund and pay such outstanding warrants.

18 The provisions of RCW 57.20.020 shall apply to the refunding
19 revenue bonds issued under this title.

20 **Sec. 709.** RCW 57.20.027 and 1975 1st ex.s. c 25 s 5 are each
21 amended to read as follows:

22 (~~((Water))~~) Districts may also issue revenue warrants and revenue
23 bond anticipation warrants for the same purposes for which such
24 districts may issue revenue bonds. The provisions of this chapter
25 relating to the authorization, terms, conditions, covenants, issuance
26 and sale of revenue bonds (exclusive of provisions relating to
27 refunding) shall be applicable to such warrants. (~~((Water))~~) Districts
28 issuing revenue bond anticipation warrants may make covenants relative
29 to the issuance of revenue bonds to provide funds for the redemption of
30 part or all of such warrants and may contract for the sale of such
31 bonds and warrants.

32 **Sec. 710.** RCW 57.20.030 and 1982 1st ex.s. c 17 s 20 are each
33 amended to read as follows:

34 Every (~~((water))~~) district in the state is (~~((hereby))~~) authorized to
35 create a fund for the purpose of guaranteeing, to the extent of such
36 fund, and in the manner hereinafter provided, the payment of all of its
37 local improvement bonds issued(~~((, subsequent to June 9, 1937,))~~) to pay

1 for any local improvement within its confines. Such fund shall be
2 designated "Local Improvement Guaranty Fund(~~()~~) of the ".....Water-
3 Sewer District," ".....Water District," ".....Sewer District," or
4 ".....District No.," and shall be established by resolution of
5 the board of (~~(water)~~) commissioners. For the purpose of maintaining
6 such fund, every (~~(water)~~) district, after the establishment thereof,
7 shall at all times set aside and pay into such a fund such proportion
8 of the monthly gross revenues of the water supply, sewer, or drainage
9 system of such (~~(water)~~) district as the commissioners thereof may
10 direct by resolution. This proportion may be varied from time to time
11 as the commissioners deem expedient or necessary(~~(: PROVIDED, HOWEVER,~~
12 ~~That)~~). However, under the existence of the conditions set forth in
13 subsections (1) and (2) (~~(next hereunder)~~) of this section, then the
14 proportion must be as (~~(therein)~~) specified(~~(, to wit)~~) in subsections
15 (1) and (2) of this section:

16 (1) Whenever any bonds of any local improvement district have been
17 guaranteed under this (~~(aet)~~) section and RCW 57.20.080 and 57.20.090
18 and the guaranty fund does not have a cash balance equal to twenty
19 percent of all bonds originally guaranteed under this (~~(aet,)~~) section
20 and RCW 57.20.080 and 57.20.090 (excluding issues which have been
21 retired in full), then twenty percent of the gross monthly revenues
22 derived from (~~(all)~~) water (users), sewer, and drainage systems in
23 the territory included in (~~(said)~~) the local improvement district (but
24 not necessarily from users in other parts of the (~~(water)~~) district as
25 a whole) shall be set aside and paid into the guaranty fund(~~(:~~
26 ~~PROVIDED, HOWEVER)~~), except that whenever(~~()~~) under the requirements
27 of this subsection, (~~(said)~~) the cash balance accumulates so that it is
28 equal to twenty percent of all bonds guaranteed, or to the full amount
29 of all bonds guaranteed, outstanding and unpaid (which amount might be
30 less than twenty percent of the original total guaranteed), then no
31 further money(~~(s)~~) need be set aside and paid into (~~(said)~~) the
32 guaranty fund so long as (~~(said)~~) the condition shall continue.

33 (2) Whenever any warrants issued against the guaranty fund, as
34 (~~(hereinbelow)~~) provided in this section, remain outstanding and
35 uncalled for lack of funds for six months from the date of issuance
36 thereof; or whenever any coupons or bonds guaranteed under this (~~(aet)~~)
37 section and RCW 57.20.080 and 57.20.090 have been matured for six
38 months and have not been redeemed either in cash or by issuance and
39 delivery of warrants upon the guaranty fund, then twenty percent of the

1 gross monthly revenues (or such portion thereof as the commissioners of
2 the ((water)) district determine will be sufficient to retire ((said))
3 the warrants or redeem ((said)) the coupons or bonds in the ensuing six
4 months) derived from all water, sewer, and drainage system users in the
5 ((water)) district shall be set aside and paid into the guaranty
6 fund(~~(:—PROVIDED, HOWEVER, That))~~). However, whenever under the
7 requirements of this subsection all warrants, coupons, or bonds
8 specified in this subsection ((above)) have been redeemed, no further
9 income needs to be set aside and paid into ((said)) the guaranty fund
10 under the requirements of this subsection until and unless other
11 warrants remain outstanding and unpaid for six months or other coupons
12 or bonds default.

13 (3) For the purposes of complying with the requirements of setting
14 aside and paying into the local improvement guaranty fund a proportion
15 of the monthly gross revenues of the water supply, sewer, or drainage
16 system of any ((water)) district, as ((hereinabove)) provided in
17 subsections (1) and (2) of this section, ((said water)) that district
18 shall bind and obligate itself to maintain and operate ((said)) the
19 applicable system and further bind and obligate itself to establish,
20 maintain, and collect such rates for water, sewer, or drainage as will
21 produce gross revenues sufficient to maintain and operate ((said water
22 supply)) that system and to make necessary provision for the local
23 improvement guaranty fund as specified by this section and RCW
24 57.20.080 and 57.20.090. ((And said water)) The district shall alter
25 its rates for water, sewer, and drainage service from time to time and
26 shall vary the same in different portions of its territory to comply
27 with ((the said)) those requirements.

28 (4) Whenever any coupon or bond guaranteed by this ((act)) section
29 shall mature and there shall not be sufficient funds in the appropriate
30 local improvement district bond redemption fund to pay the same, then
31 the applicable county treasurer shall pay same from the local
32 improvement guaranty fund of the ((water)) district; if there shall not
33 be sufficient funds in the ((said)) guaranty fund to pay same, then the
34 same may be paid by issuance and delivery of a warrant upon the local
35 improvement guaranty fund.

36 (5) Whenever the cash balance in the local improvement guaranty
37 fund is insufficient for the required purposes, warrants drawing
38 interest at a rate determined by the commissioners may be issued by the
39 applicable county auditor, against the ((said)) fund to meet any

1 liability accrued against it and must be issued upon demand of the
2 holders of any maturing coupons and/or bonds guaranteed by this
3 section, or to pay for any certificates of delinquency for delinquent
4 installments of assessments as provided in subsection (6) of this
5 section. Guaranty fund warrants shall be a first lien in their order
6 of issuance upon the gross revenues set aside and paid into ~~((said))~~
7 that fund.

8 (6) Within twenty days after the date of delinquency of any annual
9 installment of assessments levied for the purpose of paying the local
10 improvement bonds of any ~~((water))~~ district guaranteed under the
11 provisions of this ~~((act))~~ section, it shall be mandatory for the
12 county treasurer of the county in which the real property is located to
13 compile a statement of all installments delinquent, together with the
14 amount of accrued interest and penalty appurtenant to each of ~~((said))~~
15 the installments. Thereupon the applicable county treasurer shall
16 forthwith purchase (for the ~~((water))~~ district) certificates of
17 delinquency for all such delinquent installments. Payment for all such
18 certificates of delinquency shall be made from the local improvement
19 guaranty fund and if there shall not be sufficient money~~((s))~~ in
20 ~~((said))~~ the fund to pay for such certificates of delinquency, the
21 applicable county treasurer shall accept ~~((said))~~ the local improvement
22 guaranty fund warrants in payment therefor. All ~~((such))~~ of those
23 certificates of delinquency shall be issued in the name of the local
24 improvement guaranty fund and all guaranty fund warrants issued in
25 payment therefor shall be issued in the name of the appropriate local
26 improvement district fund. Whenever any market is available and the
27 commissioners of the ~~((water))~~ district so direct, the applicable
28 county treasurer shall sell any certificates of delinquency belonging
29 to the local improvement guaranty fund~~((:—PROVIDED, That))~~. However,
30 any such sale must not be for less than face value thereof plus accrued
31 interest from date of issuance to date of sale.

32 ~~((Such))~~ (7) Certificates of delinquency, as ~~((above))~~ provided in
33 subsection (6) of this section, shall be issued by the county treasurer
34 of the county in which the real property is located, shall bear
35 interest at the rate of ten percent per annum, shall be in each
36 instance for the face value of the delinquent installment, plus accrued
37 interest to date of issuance of certificate of delinquency, plus a
38 penalty of five percent of such face value, and shall set forth:

39 (a) Description of property assessed;

1 (b) Date installment of assessment became delinquent;

2 (c) Name of owner or reputed owner, if known.

3 ((Such)) The certificates of delinquency may be redeemed by the
4 owner of the property assessed at any time up to two years from the
5 date of foreclosure of such certificate of delinquency. If any such
6 certificate of delinquency ((be)) is not redeemed on the second
7 occurring first day of January subsequent to its issuance, the county
8 treasurer who issued the certificate of delinquency shall then proceed
9 to foreclose such certificate of delinquency in the manner specified
10 for the foreclosure of the lien of local improvement assessments,
11 pursuant to chapter 35.50 RCW and if no redemption be made within the
12 succeeding two years shall execute and deliver a deed conveying fee
13 simple title to the property described in the foreclosed certificate of
14 delinquency.

15 **Sec. 711.** RCW 57.20.080 and 1983 c 167 s 165 are each amended to
16 read as follows:

17 Whenever there shall be paid out of a guaranty fund any sum on
18 account of principal or interest upon a local improvement bond, or on
19 account of purchase of certificates of delinquency, the ((water))
20 district, as trustee for the fund, shall be subrogated to all rights of
21 the owner of the bonds, or any interest, or delinquent assessment
22 installments, so paid; and the proceeds thereof, or of the assessment
23 or assessments underlying the same, shall become a part of the guaranty
24 fund. There shall also be paid into ((each)) such guaranty fund the
25 interest received from the bank deposits of the fund, as well as any
26 surplus remaining in the local improvement funds guaranteed by the
27 guaranty fund, after the payment of all outstanding bonds payable
28 primarily out of such local improvement funds. As among the several
29 issues of bonds guaranteed by the fund, no preference shall exist, but
30 defaulted bonds and any defaulted interest payments shall be purchased
31 out of the fund in the order of their presentation.

32 The commissioners of every ((water)) district ((operating under RCW
33 57.20.030, 57.20.080, and 57.20.090)) that establishes a guaranty fund
34 shall prescribe, by resolution, appropriate rules and regulations for
35 the guaranty fund, not inconsistent herewith. So much of the money of
36 a guaranty fund as is necessary and is not required for other purposes
37 under this section and RCW 57.20.030((, 57.20.080,)) and 57.20.090 may,
38 at the discretion of the commissioners of the ((water)) district, be

1 used to purchase property at county tax foreclosure sales or from the
2 county after foreclosure in cases where such property is subject to
3 unpaid local improvement assessments securing bonds guaranteed by the
4 guaranty fund and such purchase is deemed necessary for the purpose of
5 protecting the guaranty fund. In such cases the ~~((said))~~ guaranty fund
6 shall be subrogated to all rights of the ~~((water))~~ district. After so
7 acquiring title to real property, the ~~((water))~~ district may lease or
8 resell and convey the same in the same manner that county property is
9 authorized to be leased or resold and for such prices and on such terms
10 as may be determined by resolution of the board of ~~((water))~~
11 commissioners. Any provision of law to the contrary notwithstanding,
12 all proceeds resulting from such resales shall belong to and be paid
13 into the guaranty fund.

14 **Sec. 712.** RCW 57.20.090 and 1983 c 167 s 166 are each amended to
15 read as follows:

16 The owner of any local improvement bonds guaranteed under the
17 provisions of this section and RCW 57.20.030(~~(())~~) and 57.20.080(~~((, and~~
18 ~~57.20.090))~~) shall not have any claim therefor against the ~~((water))~~
19 district by which the same is issued, except for payment from the
20 special assessments made for the improvement for which ~~((said))~~ the
21 local improvement bonds were issued, and except as against the local
22 improvement guaranty fund of ~~((said water))~~ the district; and the
23 ~~((water))~~ district shall not be liable to any owner of such local
24 improvement bond for any loss to the guaranty fund occurring in the
25 lawful operation thereof by the ~~((water))~~ district. The remedy of the
26 owner of a local improvement bond, in case of nonpayment, shall be
27 confined to the enforcement of the assessment and to the guaranty fund.
28 A copy of the foregoing part of this section shall be plainly written,
29 printed or engraved on each local improvement bond guaranteed by this
30 section and RCW 57.20.030(~~(())~~) and 57.20.080(~~((, and~~ ~~57.20.090))~~). The
31 establishment of a local improvement guaranty fund by any ~~((water))~~
32 district shall not be deemed at variance from any comprehensive plan
33 heretofore adopted by ~~((such water))~~ that district.

34 ~~((In the event))~~ If any local improvement guaranty fund hereunder
35 authorized at any time has a balance therein in cash, and the
36 obligations guaranteed thereby have all been paid off, then such
37 balance shall be transferred to the maintenance fund of the ~~((water))~~
38 district.

1 **Sec. 713.** RCW 57.20.110 and 1970 ex.s. c 42 s 35 are each amended
2 to read as follows:

3 ~~((Each and every water district that may hereafter be organized~~
4 ~~pursuant to this act is hereby))~~ A district is authorized and empowered
5 by and through its board of ~~((water))~~ commissioners to contract
6 indebtedness for ~~((water))~~ its purposes, and the maintenance thereof
7 not exceeding one-half of one percent of the value of the taxable
8 property in ~~((such water))~~ the district, as the term "value of the
9 taxable property" is defined in RCW 39.36.015.

10 **Sec. 714.** RCW 57.20.120 and 1984 c 186 s 55 are each amended to
11 read as follows:

12 ~~((Each and every water district hereafter to be organized pursuant~~
13 ~~to this title,))~~ A district may contract indebtedness in excess of the
14 amount named in RCW 57.20.110, but not exceeding in amount, together
15 with existing indebtedness, two and one-half percent of the value of
16 the taxable property in ~~((said))~~ that district, as the term "value of
17 the taxable property" is defined in RCW 39.36.015, and impose excess
18 property tax levies to retire the indebtedness whenever three-fifths of
19 the voters voting at ~~((said))~~ the election in such ~~((water))~~ district
20 assent thereto, at which election the total number of persons voting on
21 the proposition shall constitute not less than forty percent of the
22 total number of votes cast in the ~~((water))~~ district at the last
23 preceding general election, at an election to be held in ~~((said water))~~
24 the district in the manner provided by this title and RCW 39.36.050(
25 ~~PROVIDED, That all bonds so to be issued shall be subject to the~~
26 ~~provisions regarding bonds as set out in RCW 57.20.010))~~).

27 **Sec. 715.** RCW 57.20.130 and 1983 c 167 s 167 are each amended to
28 read as follows:

29 Any coupons for the payment of interest on ~~((said))~~ bonds of any
30 district shall be considered for all purposes as warrants drawn upon
31 the general fund of the ~~((said water))~~ district issuing such bonds, and
32 when presented to the treasurer of the county having custody of the
33 funds of such ~~((water))~~ district at maturity, or thereafter, and when
34 so presented, if there are not funds in the treasury to pay the
35 ~~((said))~~ coupons, it shall be the duty of the county treasurer to
36 endorse ~~((said))~~ the coupons as presented for payment, in the same
37 manner as county warrants are indorsed, and thereafter ~~((said))~~ the

1 coupons shall bear interest at the same rate as the bonds to which ((it
2 was)) they were attached. When there are no funds in the treasury to
3 make interest payments on bonds not having coupons, the overdue
4 interest payment shall continue bearing interest at the bond rate until
5 it is paid, unless otherwise provided in the proceedings authorizing
6 the sale of the bonds.

7 **Sec. 716.** RCW 57.20.135 and 1988 c 162 s 11 are each amended to
8 read as follows:

9 Upon obtaining the approval of the county treasurer, the board of
10 commissioners of a ((water)) district with more than twenty-five
11 hundred water customers or sewer customers may designate by resolution
12 some other person having experience in financial or fiscal matters as
13 the treasurer of the district. Such a treasurer shall possess all of
14 the powers, responsibilities, and duties of, and shall be subject to
15 the same restrictions as provided by law for, the county treasurer with
16 regard to a ((water)) district, and the county auditor with regard to
17 ((water)) district financial matters. Such treasurer shall be bonded
18 for not less than twenty-five thousand dollars. Approval by the county
19 treasurer authorizing such a ((water)) district to designate its
20 treasurer shall not be arbitrarily or capriciously withheld.

21 **Sec. 717.** RCW 57.20.140 and 1983 c 57 s 3 are each amended to read
22 as follows:

23 ~~((Unless the board of commissioners of a water district designates~~
24 ~~a treasurer under RCW 57.20.135, the county))~~ The treasurer designated
25 under RCW 57.20.135 shall create and maintain a separate fund
26 designated as the maintenance fund or general fund of the district into
27 which shall be paid all money received by ((him)) the treasurer from
28 the collection of taxes other than taxes levied for the payment of
29 general obligation bonds of the district and all revenues of the
30 district other than assessments levied in local improvement districts
31 or utility local improvement districts, and no money shall be disbursed
32 therefrom except upon warrants of the county auditor issued by
33 authority of the commissioners or upon a resolution of the
34 commissioners ordering a transfer to any other fund of the district.
35 The ((county)) treasurer also shall ((also)) maintain such other
36 special funds as may be prescribed by the ((water)) district, into
37 which shall be placed such money((s)) as the board of ((water))

1 commissioners may by its resolution direct, and from which
2 disbursements shall be made upon proper warrants of the county auditor
3 issued against the same by authority of the board of ((water))
4 commissioners.

5 **Sec. 718.** RCW 57.20.150 and 1959 c 108 s 15 are each amended to
6 read as follows:

7 Whenever a ((water)) district has accumulated money((s)) in the
8 maintenance fund or general fund of the district in excess of the
9 requirements of ((such)) that fund, the board of ((water))
10 commissioners may in its discretion use any of ((such)) that surplus
11 money((s)) for any of the following purposes: (1) Redemption or
12 servicing of outstanding obligations of the district(()); (2)
13 maintenance expenses of the district(()); (3) construction or
14 acquisition of any facilities necessary to carry out the purposes of
15 the district; or (4) any other proper district purpose.

16 **Sec. 719.** RCW 57.20.160 and 1986 c 294 s 13 are each amended to
17 read as follows:

18 Whenever there shall have accumulated in any general or special
19 fund of a ((water)) district money((s)), the disbursement of which is
20 not yet due, the board of ((water)) commissioners may, by resolution,
21 authorize the ((county)) treasurer to deposit or invest such money((s))
22 in qualified public depositories, or to invest such money((s)) in any
23 investment permitted at any time by RCW 36.29.020((:—PROVIDED, That)).
24 However, the county treasurer may refuse to invest any district
25 money((s)) the disbursement of which will be required during the period
26 of investment to meet outstanding obligations of the district.

27 **Sec. 720.** RCW 57.20.165 and 1981 c 24 s 2 are each amended to read
28 as follows:

29 ((Water)) District money((s)) shall be deposited by the district in
30 ((an)) any account, which may be interest-bearing, subject to such
31 requirements and conditions as may be prescribed by the state auditor.
32 The account shall be in the name of the district except(()) upon
33 request by the treasurer, the accounts shall be in the name of the
34 ".....(name of county)..... county treasurer." The treasurer may
35 instruct the financial institutions holding the deposits to transfer
36 them to the treasurer at such times as the treasurer may deem

1 appropriate, consistent with regulations governing and policies of the
2 financial institution.

3 **Sec. 721.** RCW 57.20.170 and 1959 c 108 s 17 are each amended to
4 read as follows:

5 The board of ((water)) commissioners of any ((water)) district may,
6 by resolution, authorize and direct a loan or loans from maintenance
7 funds or general funds of the district to construction funds or other
8 funds of the district(~~(:—PROVIDED, That such))~~, so long as that loan
9 ((does)) or loans do not, in the opinion of the board of ((water))
10 commissioners, impair the ability of the district to operate and
11 maintain its water supply, sewer, drainage, or street lighting systems.

12 **PART VIII - WATER AND SEWER SYSTEM EXTENSIONS**

13 **Sec. 801.** RCW 57.22.010 and 1989 c 389 s 11 are each amended to
14 read as follows:

15 If the ((water)) district approves an extension to the ((water))
16 system, the district shall contract with owners of real estate located
17 within the district boundaries, at an owner's request, for the purpose
18 of permitting extensions to the district's ((water)) system to be
19 constructed by such owner at such owner's sole cost where such
20 extensions are required as a prerequisite to further property
21 development. The contract shall contain such conditions as the
22 district may require pursuant to the district's adopted policies and
23 standards. The district shall request comprehensive plan approval for
24 such extension, if required, and connection of the extension to the
25 district system is conditioned upon:

26 (1) Construction of such extension according to plans and
27 specifications approved by the district;

28 (2) Inspection and approval of such extension by the district;

29 (3) Transfer to the district of such extension without cost to the
30 district upon acceptance by the district of such extension;

31 (4) Payment of all required connection charges to the district;

32 (5) Full compliance with the owner's obligations under such
33 contract and with the district's rules and regulations;

34 (6) Provision of sufficient security to the district to ensure
35 completion of the extension and other performance under the contract;

(7) Payment by the owner to the district of all of the district's costs associated with such extension including, but not limited to, the district's engineering, legal, and administrative costs; and

(8) Verification and approval of all contracts and costs related to such extension.

Sec. 802. RCW 57.22.020 and 1989 c 389 s 12 are each amended to read as follows:

The contract shall also provide, subject to the terms and conditions in this section, for the reimbursement to the owner or the owner's assigns for a period not to exceed fifteen years of a portion of the costs of the ((water)) facilities constructed pursuant to such contract from connection charges received by the district from other property owners who subsequently connect to or use the ((water)) facilities within the fifteen-year period and who did not contribute to the original cost of such ((water)) facilities.

Sec. 803. RCW 57.22.030 and 1989 c 389 s 13 are each amended to read as follows:

The reimbursement shall be a pro rata share of construction and ((reimbursement of)) contract administration costs of the ((water)) project. Reimbursement for ((water)) projects shall include, but not be limited to, design, engineering, installation, and restoration.

Sec. 804. RCW 57.22.040 and 1989 c 389 s 14 are each amended to read as follows:

The procedures for reimbursement contracts shall be governed by the following:

(1) A reimbursement area shall be formulated by the board of commissioners within a reasonable time after the acceptance of the extension. The reimbursement shall be based upon a determination by the board of commissioners of which parcels would require similar ((water)) improvements upon development.

(2) The contract must be recorded in the appropriate county auditor's office after the final execution of the agreement.

Sec. 805. RCW 57.22.050 and 1989 c 389 s 15 are each amended to read as follows:

1 As an alternative to financing projects under this chapter solely
2 by owners of real estate, ~~((a water))~~ districts may join in the
3 financing of improvement projects and may be reimbursed in the same
4 manner as the owners of real estate who participate in the projects, if
5 the ~~((water district))~~ board of commissioners has specified the
6 conditions of its participation in a resolution.

7 **PART IX - ANNEXATION OF TERRITORY**

8 **Sec. 901.** RCW 57.24.001 and 1989 c 84 s 58 are each amended to
9 read as follows:

10 Actions taken under this chapter ~~((57.24 RCW))~~ may be subject to
11 potential review by a boundary review board under chapter 36.93 RCW.

12 **Sec. 902.** RCW 57.24.010 and 1990 c 259 s 31 are each amended to
13 read as follows:

14 Territory within the county or counties in which a district is
15 located, or territory adjoining or in close proximity to a district but
16 which is located in another county, may be annexed to and become a part
17 of the district. All annexations shall be accomplished in the
18 following manner: Ten percent of the number of registered voters
19 residing in the territory proposed to be annexed who voted in the last
20 ~~((general))~~ municipal general election may file a petition with the
21 district commissioners and cause the question to be submitted to the
22 voters of the territory whether such territory will be annexed and
23 become a part of the district. If the commissioners concur in the
24 petition, they shall file it with the county auditor of ~~((each))~~ the
25 county in which all or the largest geographic portion of the real
26 property proposed to be annexed is located, who shall, within ten days,
27 examine ((and validate)) the signatures thereon and certify to the
28 sufficiency or insufficiency thereof((; and for such purpose the county
29 auditor shall have access to all registration books in the possession
30 of the officers of any city or town in the proposed district)). If the
31 area proposed to be annexed is located in more than one county, the
32 auditor of the county in which the largest geographic portion of the
33 area proposed to be annexed is located shall be the lead auditor and
34 shall immediately transfer a copy of the petitions to the auditor of
35 each other county in which the area proposed to be annexed is located.
36 Within ten days after the lead auditor received the petition, the

auditors of these other counties shall certify to the lead auditor:
(1) The number of voters of that county residing in the area proposed to be annexed who voted at the last municipal general election; and (2) the number of valid signatures on the petition of voters of that county residing in the area proposed to be annexed. The lead auditor shall certify the sufficiency of the petition after receiving this information. If the petition contains a sufficient number of valid signatures, the lead county auditor (~~of the county in which the real property proposed to be annexed is located~~) shall transmit it, together with a certificate of sufficiency attached thereto, to the (~~water~~) commissioners of the district.

If there are no registered voters residing in the territory to be annexed, the petition may be signed by such a number as appear of record to own at least a majority of the acreage in the territory, and the petition shall disclose the total number of acres of land in the territory and the names of all record owners of land therein. If the commissioners are satisfied as to the sufficiency of the petition and concur therein, they shall send it, together with their certificate of concurrence attached thereto to the county legislative authority of each county in which the territory proposed to be annexed is located.

The county legislative authority, upon receipt of a petition certified to contain a sufficient number of signatures of registered voters, or upon receipt of a petition signed by such a number as own at least a majority of the acreage, together with a certificate of concurrence signed by the (~~water~~) commissioners, at a regular or special meeting shall cause to be published once a week for at least two weeks in a newspaper in general circulation throughout the territory proposed to be annexed a notice that the petition has been filed, stating the time of the meeting at which it shall be presented, and setting forth the boundaries of the territory proposed to be annexed.

Sec. 903. RCW 57.24.020 and 1982 1st ex.s. c 17 s 22 are each amended to read as follows:

When such petition is presented for hearing, the legislative authority of each county in which the territory proposed to be annexed is located shall hear the petition or may adjourn the hearing from time to time not exceeding one month in all, and any person, firm, or corporation may appear before the county legislative authority and make

1 objections to the proposed boundary lines or to annexation of the
2 territory described in the petition. Upon a final hearing each county
3 legislative authority shall make such changes in the proposed boundary
4 lines within the county as ~~((they))~~ it deems to be proper and shall
5 establish and define such boundaries and shall find whether the
6 proposed annexation as established by the county legislative authority
7 to the ~~((water))~~ district will be conducive to the public health,
8 welfare and convenience and will be of special benefit to the land
9 included within the boundaries of the territory proposed to be annexed
10 to the ~~((water district of the territory proposed to be annexed to the~~
11 ~~water))~~ district. No lands which will not, in the judgment of the
12 county legislative authority, be benefited by inclusion therein, shall
13 be included within the boundaries of the territory as so established
14 and defined. No change shall be made by the county legislative
15 authority in the boundary lines, including any territory outside of the
16 boundary lines described in the petition. No person having signed such
17 petition shall be allowed to withdraw ~~((his))~~ such person's name
18 therefrom after the filing of the petition with the board of ~~((water))~~
19 commissioners.

20 Upon the entry of the findings of the final hearing each county
21 legislative authority, if ~~((they))~~ it finds the proposed annexation to
22 be conducive to the public health, welfare, and convenience and to be
23 of special benefit to the land proposed to be annexed and included
24 within the boundaries of the district, shall give notice of a special
25 election to be held within the boundaries of the territory proposed to
26 be annexed to the ~~((water))~~ district for the purpose of determining
27 whether the same shall be annexed to the ~~((water))~~ district. The
28 notice shall particularly describe the boundaries established by the
29 county legislative authority, and shall state the name of the ~~((water))~~
30 district to which the territory is proposed to be annexed, and the
31 notice shall be published in a newspaper of general circulation in the
32 territory proposed to be annexed at least once a week for a minimum of
33 two successive weeks prior to the election and shall be posted for the
34 same period in at least four public places within the boundaries of the
35 territory proposed to be annexed, which notice shall designate the
36 places within the territory proposed to be annexed where the election
37 shall be held, and the proposition to the voters shall be expressed on
38 ballots which contain the words:

1 For Annexation to ((Water)) District
2 or
3 Against Annexation to ((Water)) District

4 The county legislative authority shall name the persons to act as
5 judges at ((such)) that election.

6 **Sec. 904.** RCW 57.24.040 and 1929 c 114 s 16 are each amended to
7 read as follows:

8 The ((said)) annexation election shall be held on the date
9 designated in ((such)) the notice and shall be conducted in accordance
10 with the general election laws of the state. ((In the event)) If the
11 original petition for annexation is signed by qualified ((electors))
12 voters, then only qualified ((electors,)) voters at the date of
13 election((,)) residing in the territory proposed to be annexed, shall
14 be permitted to vote at the ((said)) election. ((In the event))

15 If the original petition for annexation is signed by property
16 owners as provided for in this ((act)) chapter, then no person shall be
17 entitled to vote at ((such)) that election unless at the time of the
18 filing of the original petition he or she owned land in the district of
19 record and in addition thereto at the date of election shall be a
20 qualified ((elector)) voter of the county in which such district is
21 located. It shall be the duty of the county auditor, upon request of
22 the county ((commissioners)) legislative authority, to certify ((to the
23 election officers of any such election,)) the names of all persons
24 owning land in the district at the date of the filing of the original
25 petition as shown by the records of ((his)) the auditor's office; and
26 at any such election the ((election officers)) county auditor may
27 require any such ((landowner)) property owner offering to vote to take
28 an oath that ((he)) the property owner is a qualified ((elector)) voter
29 of the county before ((he)) the property owner shall be allowed to
30 vote((; PROVIDED, That)). However, at any election held under the
31 provisions of this ((act)) chapter an officer or agent of any
32 corporation having its principal place of business in ((said)) the
33 county and owning land at the date of filing the original petition in
34 the district duly authorized ((thereto)) in writing may cast a vote on
35 behalf of such corporation. When so voting ((he)) the person shall
36 file with the ((election officers)) county auditor such a written
37 instrument of ((his)) that person's authority. ((The judge or judges
38 at such election shall make return thereof to the board of water

1 commissioners, who shall canvass such return and cause a statement of
2 the result of such election to be entered on the record of such
3 commissioners.))

4 If the majority of the votes cast upon the question of such
5 election shall be for annexation, then ((such)) the territory concerned
6 shall immediately be and become annexed to such ((water)) district and
7 the same shall then forthwith be a part of the ((said water)) district,
8 the same as though originally included in ((such)) that district.

9 **Sec. 905.** RCW 57.24.050 and 1929 c 114 s 17 are each amended to
10 read as follows:

11 All elections held pursuant to this ((act)) chapter, whether
12 general or special, shall be conducted by the county election board of
13 the county in which the district is located. The expense of all such
14 elections shall be paid for out of the funds of such ((water))
15 district.

16 **Sec. 906.** RCW 57.24.070 and 1985 c 141 s 8 are each amended to
17 read as follows:

18 As an alternative method of annexation, a petition for annexation
19 of an area contiguous to a ((water)) district may be made in writing,
20 addressed to and filed with the board of commissioners of the district
21 to which annexation is desired. It must be signed by the owners,
22 according to the records of the county auditor, of not less than sixty
23 percent of the area of land for which annexation is petitioned,
24 excluding county and state rights of way, parks, tidelands, lakes,
25 retention ponds, and stream and water courses. Additionally, the
26 petition shall set forth a description of the property according to
27 government legal subdivisions or legal plats, and shall be accompanied
28 by a plat which outlines the boundaries of the property sought to be
29 annexed. ((Such)) Those county and state properties shall be excluded
30 from local improvement districts or utility local improvement districts
31 in the annexed area and from special assessments, rates, or charges of
32 the district except where service has been regulated and provided to
33 such properties. The owners of such property shall be invited to be
34 included within local improvement districts or utility local
35 improvement districts at the time they are proposed for formation.

1 **Sec. 907.** RCW 57.24.090 and 1953 c 251 s 20 are each amended to
2 read as follows:

3 Following the hearing the board of commissioners shall determine by
4 resolution whether annexation shall be made. It may annex all or any
5 portion of the proposed area but may not include in the annexation any
6 property not described in the petition. Upon passage of the resolution
7 a certified copy shall be filed with the ~~((board of county~~
8 ~~commissioners))~~ legislative authority of the county in which the
9 annexed property is located.

10 **Sec. 908.** RCW 57.24.170 and 1982 c 146 s 4 are each amended to
11 read as follows:

12 When there is, within a ~~((water))~~ district, unincorporated
13 territory containing less than one hundred acres and having at least
14 eighty percent of the boundaries of such area contiguous to the
15 ~~((water))~~ district, the board of commissioners may resolve to annex
16 ~~((such))~~ that territory to the ~~((water))~~ district. The resolution
17 shall describe the boundaries of the area to be annexed, state the
18 number of voters residing therein as nearly as may be, and set a date
19 for a public hearing on such resolution for annexation. Notice of the
20 hearing shall be given by publication of the resolution at least once
21 a week for two weeks prior to the date of the hearing, in one or more
22 newspapers of general circulation within the ~~((water))~~ district and one
23 or more newspapers of general circulation within the area to be
24 annexed.

25 **Sec. 909.** RCW 57.24.180 and 1982 c 146 s 5 are each amended to
26 read as follows:

27 On the date set for hearing under RCW 57.24.170, residents or
28 property owners of the area included in the resolution for annexation
29 shall be afforded an opportunity to be heard. The board of
30 commissioners may provide by resolution for annexation of the territory
31 described in the resolution, but the effective date of the resolution
32 shall be not less than forty-five days after the passage thereof. The
33 board of commissioners shall cause notice of the proposed effective
34 date of the annexation, together with a description of the property to
35 be annexed, to be published at least once each week for two weeks
36 subsequent to passage of the resolution, in one or more newspapers of
37 general circulation within the ~~((water))~~ district and in one or more

1 newspapers of general circulation within the area to be annexed. Upon
2 the filing of a timely and sufficient referendum petition under RCW
3 57.24.190, a referendum election shall be held under RCW 57.24.190, and
4 the annexation shall be deemed approved by the voters unless a majority
5 of the votes cast on the proposition are in opposition thereto. After
6 the expiration of the forty-fifth day from(~~(7)~~) but excluding the date
7 of passage of the annexation resolution, if no timely and sufficient
8 referendum petition has been filed, under RCW 57.24.190, the area
9 annexed shall become a part of the (~~(water)~~) district upon the date
10 fixed in the resolution of annexation.

11 **Sec. 910.** RCW 57.24.190 and 1990 c 259 s 32 are each amended to
12 read as follows:

13 (~~((Such))~~) The annexation resolution under RCW 57.24.180 shall be
14 subject to referendum for forty-five days after the passage thereof.
15 Upon the filing of a timely and sufficient referendum petition with the
16 board of commissioners, signed by registered voters in number equal to
17 not less than ten percent of the registered voters in the area to be
18 annexed who voted in the last (~~((general))~~) municipal general election,
19 the question of annexation shall be submitted to the voters of such
20 area in a general election if one is to be held within ninety days or
21 at a special election called for that purpose by the board of
22 commissioners in accordance with RCW 29.13.010 and 29.13.020. Notice
23 of (~~((such))~~) that election shall be given under RCW 57.24.020 and the
24 election shall be conducted under RCW 57.24.040. The annexation shall
25 be deemed approved by the voters unless a majority of the votes cast on
26 the proposition are in opposition thereto.

27 After the expiration of the forty-fifth day from but excluding the
28 date of passage of the annexation resolution, if no timely and
29 sufficient referendum petition has been filed, the area annexed shall
30 become a part of the (~~(water)~~) district upon the date fixed in the
31 resolution of annexation upon transmitting the resolution to the county
32 legislative authority.

33 **Sec. 911.** RCW 57.24.200 and 1986 c 258 s 2 are each amended to
34 read as follows:

35 (~~((Water))~~) A district(~~((s))~~) may expend funds to inform residents in
36 areas proposed for annexation into the district of the following:

37 (1) Technical information and data;

1 (2) The fiscal impact of the proposed improvement; and
2 (3) The types of improvements planned.
3 Expenditures under this section shall be limited to research,
4 preparation, printing, and mailing of the information.

5 **Sec. 912.** RCW 57.24.210 and 1995 c 279 s 2 are each amended to
6 read as follows:

7 When there is unincorporated territory containing less than one
8 hundred acres and having at least eighty percent of the boundaries of
9 such area contiguous to two municipal corporations providing water
10 service, one of which is (~~either a water or sewer~~) a water-sewer
11 district, the legislative authority of either of the contiguous
12 municipal corporations may resolve to annex such territory to that
13 municipal corporation, provided a majority of the legislative authority
14 of the other contiguous municipal corporation concurs. In such event,
15 the municipal corporation resolving to annex such territory may proceed
16 to effect the annexation by complying with RCW 57.24.170 through
17 57.24.190. For purposes of this section, "municipal corporation" means
18 a (~~water district, sewer~~) water-sewer district, city, or town.

19 **Sec. 913.** RCW 57.24.220 and 1994 c 292 s 8 are each amended to
20 read as follows:

21 A (~~water~~) district assuming responsibility for a water system
22 that is not in compliance with state or federal requirements for public
23 drinking water systems, and its agents and employees, are immune from
24 lawsuits or causes of action, based on noncompliance with state or
25 federal requirements for public drinking water systems, which predate
26 the date of assuming responsibility and continue after the date of
27 assuming responsibility, provided that the (~~water~~) district has
28 submitted and is complying with a plan and schedule of improvements
29 approved by the department of health. This immunity shall expire on
30 the earlier of the date the plan of improvements is completed or four
31 years from the date of assuming responsibility. This immunity does not
32 apply to intentional injuries, fraud, or bad faith.

33 **PART X - WITHDRAWAL OF TERRITORY**

34 **Sec. 1001.** RCW 57.28.001 and 1989 c 84 s 59 are each amended to
35 read as follows:

1 Actions taken under this chapter (~~((57.28 RCW))~~) may be subject to
2 potential review by a boundary review board under chapter 36.93 RCW.

3 **Sec. 1002.** RCW 57.28.010 and 1941 c 55 s 1 are each amended to
4 read as follows:

5 Territory within (~~((an established water))~~) a district (~~((for public~~
6 ~~supply systems))~~) may be withdrawn therefrom in the following manner and
7 upon the following conditions: The petition for withdrawal shall be in
8 writing and shall designate the boundaries of the territory proposed to
9 be withdrawn from the district and shall be signed by at least twenty-
10 five percent of the qualified (~~((electors))~~) voters residing within the
11 territory so designated who are qualified (~~((electors))~~) voters on the
12 date of filing such petition. The petition shall set forth that the
13 territory proposed to be withdrawn is of such location or character
14 that water and sewer services cannot be furnished to it by (~~((such~~
15 ~~water))~~) the district at reasonable cost, and shall further set forth
16 that the withdrawal of such territory will be of benefit to such
17 territory and conducive to the general welfare of the balance of the
18 district.

19 **Sec. 1003.** RCW 57.28.020 and 1982 1st ex.s. c 17 s 23 are each
20 amended to read as follows:

21 The petition for withdrawal shall be filed with the county
22 (~~((election officer))~~) auditor of each county in which the (~~((water))~~)
23 district is located, and after the filing no person having signed the
24 petition shall be allowed to withdraw (~~((his))~~) the person's name
25 therefrom. Within ten days after such filing, each county (~~((election~~
26 ~~officer))~~) auditor shall examine and verify the signatures of signers
27 residing in the respective county. (~~((For such purpose the county~~
28 ~~election officer shall have access to all appropriate registration~~
29 ~~books in the possession of the election officers of any incorporated~~
30 ~~city or town within the water district.))~~) The petition shall be
31 transmitted to the (~~((election officer))~~) auditor of the county in which
32 (~~((the largest land area))~~) all or the major geographic portion of the
33 district is located, who shall certify to the sufficiency or
34 insufficiency of the signatures. If the area proposed to be withdrawn
35 is located in more than one county, the auditor of the county in which
36 the largest geographic portion of the area proposed to be withdrawn is
37 located shall be the lead auditor and shall immediately transfer a copy

1 of the petitions to the auditor of each other county in which the area
2 proposed to be withdrawn is located. Within ten days after the lead
3 auditor received the petition, the auditors of these other counties
4 shall certify to the lead auditor: (1) The number of voters of that
5 county residing in the area proposed to be withdrawn who voted at the
6 last municipal general election; and (2) the number of valid signatures
7 on the petition of voters of that county residing in the area proposed
8 to be withdrawn. The lead auditor shall certify the sufficiency of the
9 petition after receiving this information. If such petition be found
10 by such county ((election officer)) auditor to contain sufficient
11 signatures, the petition, together with a certificate of sufficiency
12 attached thereto, shall be transmitted to the board of commissioners of
13 the ((water)) district.

14 **Sec. 1004.** RCW 57.28.030 and 1941 c 55 s 3 are each amended to
15 read as follows:

16 In the event there are no qualified ((electors)) voters residing
17 within the territory proposed to be withdrawn, ((then)) the petition
18 for withdrawal may be signed by such persons as appear of record to own
19 at least a majority of the acreage within such territory, in which
20 event the petition shall also state the total number of acres and the
21 names of all record owners of the land within such territory. The
22 petition so signed shall be filed with the board of commissioners of
23 the ((water)) district, and after such filing no person having signed
24 the same shall be allowed to withdraw ((his)) that person's name.

25 **Sec. 1005.** RCW 57.28.035 and 1985 c 153 s 1 are each amended to
26 read as follows:

27 As an alternative procedure to those set forth in RCW 57.28.010
28 through 57.28.030, the withdrawal of territory within a ((water))
29 district may be commenced by a resolution of the board of commissioners
30 that sets forth boundaries of the territory to be withdrawn and sets a
31 date for the public hearing required under RCW 57.28.050. Upon the
32 final hearing, the board of commissioners shall make such changes in
33 the proposed boundaries as they deem proper, except that no changes in
34 the boundary lines may be made by the board of commissioners to include
35 lands not within the boundaries of the territory as described in such
36 resolution.

1 Whenever the board of commissioners proposes to commence the
2 withdrawal of any portion of (~~their~~) its territory located within a
3 city or town using the alternative procedures herein authorized,
4 (~~they~~) it shall first notify such city or town of their intent to
5 withdraw (~~said~~) the territory. If the legislative authority of the
6 city or town takes no action within sixty days of receipt of
7 notification, the district may proceed with the resolution method.

8 If the city or town legislative authority disapproves of use of the
9 alternative procedures, the board of commissioners may proceed using
10 the process established (~~pursuant to~~) under RCW 57.28.010 through
11 57.28.030.

12 A withdrawal procedure commenced under this section shall be
13 subject to the procedures and requirements set forth in RCW 57.28.040
14 through 57.28.110.

15 **Sec. 1006.** RCW 57.28.040 and 1985 c 469 s 59 are each amended to
16 read as follows:

17 Upon receipt by the board of commissioners of a petition and
18 certificate of sufficiency of the auditor, or if the petition is signed
19 by landowners and the board of commissioners (~~are~~) is satisfied as to
20 the sufficiency of the signatures thereon, (~~they~~) it shall at a
21 regular or special meeting fix a date for hearing on the petition and
22 give notice that the petition has been filed, stating the time and
23 place of the meeting of the board of commissioners at which the
24 petition will be heard and setting forth the boundaries of the
25 territory proposed to be withdrawn. The notice shall be published at
26 least once a week for two successive weeks in a newspaper of general
27 circulation therein, and if no such newspaper is printed in the county,
28 then in some newspaper of general circulation in the county and
29 district. Any additional notice of the hearing may be given as the
30 board of commissioners may by resolution direct.

31 Prior to fixing the time for a hearing on any such petition, the
32 board of commissioners in (~~their~~) its discretion may require the
33 petitioners to furnish a satisfactory bond conditioned that the
34 petitioners shall pay all costs incurred by the (~~water~~) district in
35 connection with the petition, including the cost of an election if one
36 is held pursuant thereto, and should the petitioners fail or refuse to
37 post such a bond, if one is required by the (~~water~~) district board of

1 commissioners, then there shall be no duty on the part of the board of
2 commissioners to act upon the petition.

3 **Sec. 1007.** RCW 57.28.050 and 1986 c 109 s 1 are each amended to
4 read as follows:

5 The petition for withdrawal shall be heard at the time and place
6 specified in such notice or the hearing may be adjourned from time to
7 time, not exceeding one month in all, and any person may appear at such
8 hearing and make objections to the withdrawal of such territory or to
9 the proposed boundary lines thereof. Upon final hearing on the
10 petition for withdrawal, the board of commissioners of the ((water))
11 district shall make such changes in the proposed boundary lines as
12 ((they)) it deems to be proper, except that no changes in the boundary
13 lines shall be made by the board of commissioners to include lands not
14 within the boundaries of the territory as described in such petition.
15 In establishing and defining such boundaries the board of commissioners
16 shall exclude any property which is then being furnished with water or
17 sewer service by the ((water)) district or which is included in any
18 distribution or collection system the construction of ((which has been
19 duly authorized or)) which is included within any duly established
20 local improvement district or utility local improvement district, and
21 the territory as finally established and defined must be substantial in
22 area and consist of adjoining or contiguous properties. The board of
23 commissioners shall thereupon make and by resolution adopt findings of
24 fact as to the following questions:

25 (1) Would the withdrawal of such territory be of benefit to such
26 territory?

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

29 Such findings shall be entered in the records of the ((water))
30 district, together with any recommendations the board of commissioners
31 may by resolution adopt.

32 **Sec. 1008.** RCW 57.28.060 and 1982 1st ex.s. c 17 s 24 are each
33 amended to read as follows:

34 Within ten days after the final hearing the board of commissioners
35 of the ((water)) district shall transmit to the county legislative
36 authority of each county in which the ((water)) district is located the
37 petition for withdrawal, together with a copy of the findings and

1 recommendations of the board of commissioners of the ((water)) district
2 certified by the secretary of the ((water)) district to be a true and
3 correct copy of such findings and recommendations as the same appear on
4 the records of the ((water)) district.

5 **Sec. 1009.** RCW 57.28.070 and 1982 1st ex.s. c 17 s 25 are each
6 amended to read as follows:

7 Upon receipt of the petition and certified copy of the findings and
8 recommendations adopted by the ((water)) district commissioners, the
9 county legislative authority of each county in which the district is
10 located at a regular or special meeting shall fix a time and place for
11 hearing thereon and shall cause to be published at least once a week
12 for two or more weeks in successive issues of a newspaper of general
13 circulation in the ((water)) district, a notice that such petition has
14 been presented to the county legislative authority stating the time and
15 place of the hearing thereon, setting forth the boundaries of the
16 territory proposed to be withdrawn as such boundaries are established
17 and defined in the findings or recommendations of the board of
18 commissioners of the ((water)) district.

19 **Sec. 1010.** RCW 57.28.080 and 1941 c 55 s 8 are each amended to
20 read as follows:

21 ((Such)) The petition shall be heard at the time and place
22 specified in ((such)) the notice, or the hearing may be adjourned from
23 time to time, not exceeding one month in all, and any person may appear
24 at ((such)) the hearing and make objections to the withdrawal of
25 ((such)) the territory. Upon final hearing on ((such)) the petition
26 the ((said)) county ((commissioners)) legislative authority shall
27 thereupon make, enter, and by resolution adopt ((their)) its findings
28 of fact on the questions ((above)) set forth in RCW 57.28.050. If
29 ((such)) the findings of fact answer ((said)) the questions
30 affirmatively, and if they are the same as the findings made by the
31 ((water)) district commissioners, then the county ((commissioners))
32 legislative authority shall by resolution declare that ((such)) the
33 territory be withdrawn from ((such-water)) that district, and thereupon
34 ((such)) the territory shall be withdrawn and excluded from ((such
35 water)) that district the same as if it had never been included therein
36 except for the lien of taxes as hereinafter set forth((, provided,
37 that)). However, the boundaries of the territory withdrawn shall be

1 the boundaries established and defined by the ((said water)) district
2 board of commissioners and shall not be altered or changed by the
3 county ((commissioners)) legislative authority unless the unanimous
4 consent of the ((water)) district commissioners be given in writing to
5 any such alteration or change.

6 **Sec. 1011.** RCW 57.28.090 and 1982 1st ex.s. c 17 s 26 are each
7 amended to read as follows:

8 If the findings of any county legislative authority answer any of
9 ((such)) the questions of fact set forth in RCW 57.28.050 in the
10 negative, or if any of the findings of the county legislative authority
11 are not the same as the findings of the ((water)) district board of
12 commissioners upon the same question, then in either of such events,
13 the petition for withdrawal shall be deemed denied. Thereupon, and in
14 such event, the county legislative authority of each county in which
15 the district is located shall by resolution cause a special election to
16 be held not less than thirty days or more than sixty days from the date
17 of the final hearing of any county legislative authority upon the
18 petition for withdrawal, at which election the proposition expressed on
19 the ballots shall be substantially as follows:

20 "Shall the territory established and defined by the ((water))
21 district board of commissioners at ((their)) its meeting held on the
22 (insert date of final hearing of ((water)) district board
23 of commissioners upon the petition for withdrawal) be withdrawn from
24 ((water)) district (naming it).

25 YES l NO l "

26 **Sec. 1012.** RCW 57.28.100 and 1982 1st ex.s. c 17 s 27 are each
27 amended to read as follows:

28 Notice of ((such)) the election shall be posted and published in
29 the same manner provided by law for the posting and publication of
30 notice of elections to annex territory to ((water)) districts. The
31 territory described in the notice shall be that established and defined
32 by the ((water)) district board of commissioners. All qualified voters
33 residing within the ((water)) district shall have the right to vote at
34 the election. If a majority of the votes cast favor the withdrawal
35 from the ((water)) district of such territory, then within ten days
36 after the official canvass of ((such)) the election the county

1 legislative authority of each county in which the district is
2 located(~~(7)~~) shall by resolution establish that the territory has been
3 withdrawn, and the territory shall thereupon be withdrawn and excluded
4 from the (~~(water)~~) district the same as if it had never been included
5 therein except for the lien of any taxes as hereinafter set forth.

6 **Sec. 1013.** RCW 57.28.110 and 1941 c 55 s 11 are each amended to
7 read as follows:

8 (~~(Any and all)~~) Taxes or assessments levied or assessed against
9 property located in territory withdrawn from a (~~(water)~~) district shall
10 remain a lien and be (~~(collectible)~~) collected as by law provided when
11 (~~(such)~~) the taxes or assessments are levied or assessed prior to
12 (~~(such)~~) the withdrawal or when (~~(such)~~) the levies or assessments are
13 duly made to provide revenue for the payment of general obligations or
14 general obligation bonds of the (~~(water)~~) district duly incurred or
15 issued prior to (~~(such)~~) the withdrawal.

16 **PART XI - CONSOLIDATION OF DISTRICTS AND TRANSFER OF TERRITORY**

17 **Sec. 1101.** RCW 57.32.001 and 1989 c 84 s 60 are each amended to
18 read as follows:

19 Actions taken under this chapter (~~(57.32-RCW)~~) may be subject to
20 potential review by a boundary review board under chapter 36.93 RCW.

21 **Sec. 1102.** RCW 57.32.010 and 1989 c 308 s 11 are each amended to
22 read as follows:

23 Two or more (~~(water)~~) districts may be joined into one consolidated
24 (~~(water)~~) district. The consolidation may be initiated in either of
25 the following ways: (1) Ten percent of the (~~(legal electors)~~) voters
26 residing within each of the (~~(water)~~) districts proposed to be
27 consolidated may petition the board of (~~(water)~~) commissioners of
28 (~~(each of)~~) their respective (~~(water)~~) districts to cause the question
29 to be submitted to the(~~(legal electors)~~) voters of the (~~(water)~~)
30 districts proposed to be consolidated; or (2) the board(~~(s)~~) of
31 (~~(water)~~) commissioners of each of the (~~(water)~~) districts proposed to
32 be consolidated may by resolution determine that the consolidation of
33 the districts shall be conducive to the public health, welfare, and
34 convenience and to be of special benefit to the lands of the districts.

1 **Sec. 1103.** RCW 57.32.020 and 1982 1st ex.s. c 17 s 30 are each
2 amended to read as follows:

3 If the consolidation proceedings are initiated by petitions, upon
4 the filing of such petitions with the boards of ~~((water))~~ commissioners
5 of the ~~((water))~~ districts, the boards of ~~((water))~~ commissioners of
6 each district shall file such petitions with the ~~((election officer))~~
7 auditor of ~~((each))~~ the county in which ~~((any))~~ all or the largest
8 geographic portion of the respective districts is located, who shall
9 within ten days examine and verify the signatures of the signers
10 residing in the county. ~~((The petition shall be transmitted by the~~
11 ~~other county election officers to the county election officer of the~~
12 ~~county in which the largest land area involved in the petitions is~~
13 ~~located, who shall certify to the sufficiency or insufficiency of the~~
14 ~~signatures.))~~ If the districts proposed to be consolidated include
15 areas located in more than one county, the auditor of the county in
16 which the largest geographic portion of the consolidating districts is
17 located shall be the lead auditor and shall immediately transfer a copy
18 of the petitions to the auditor of each other county in which the
19 consolidating districts are located. Within ten days after the lead
20 auditor received the petition, the auditors of these other counties
21 shall certify to the lead auditor: (1) The number of voters of that
22 county residing in each consolidating district; and (2) the number of
23 valid signatures on the petition of voters of that county residing in
24 each consolidating district. The lead auditor shall certify the
25 sufficiency of the petition after receiving this information. If all
26 of such petitions shall be found to contain a sufficient number of
27 signatures, the county ~~((election officer))~~ auditor shall transmit the
28 same, together with a certificate of sufficiency attached thereto, to
29 the board(s) of ~~((water))~~ commissioners of each of the districts
30 proposed for consolidation. ~~((In the event that))~~

31 If there are no ~~((legal electors))~~ voters residing in one or more
32 of the ~~((water))~~ districts proposed to be consolidated, such petitions
33 may be signed by such a number of landowners as appear of record to own
34 at least a majority of the acreage in the pertinent ~~((water))~~ district,
35 and the petitions shall disclose the total number of acres of land in
36 ~~((the said water))~~ that district and shall also contain the names of
37 all record owners of land therein.

1 **Sec. 1104.** RCW 57.32.021 and 1967 ex.s. c 39 s 8 are each amended
2 to read as follows:

3 Upon receipt by the boards of ~~((water))~~ commissioners of the
4 districts proposed for consolidation, hereinafter referred to as the
5 "consolidating districts", of the lead county auditor's certificate of
6 sufficiency of the petitions, or upon adoption by the boards of
7 ~~((water))~~ commissioners of the consolidating districts of their
8 resolutions for consolidation, the boards of ~~((water))~~ commissioners of
9 the consolidating districts shall, within ninety days, enter into an
10 agreement providing for consolidation. The agreement shall set forth
11 the method and manner of consolidation, a comprehensive plan or scheme
12 of water supply, sewer, and drainage services for the consolidated
13 district, ~~and(())~~ if the comprehensive plan or scheme of water supply,
14 sewer, and drainage services provides that one or more of the
15 consolidating districts or the proposed consolidated district issue
16 revenue bonds for either the construction ~~((and/or))~~ or other costs of
17 any part or all of ~~((said))~~ the comprehensive plan, or both, then the
18 details thereof shall be set forth. The requirement that a
19 comprehensive plan or scheme of water supply, sewer, and drainage
20 services for the consolidated district be set forth in the agreement
21 for consolidation~~(())~~ shall be satisfied if the existing comprehensive
22 plans or schemes of the consolidating districts are incorporated
23 therein by reference and any changes or additions thereto are set forth
24 in detail.

25 **Sec. 1105.** RCW 57.32.022 and 1994 c 223 s 71 are each amended to
26 read as follows:

27 The ~~((respective))~~ boards of ~~((water))~~ commissioners of the
28 consolidating districts shall certify the agreement to the county
29 ~~((election officer))~~ auditors of ~~((each county))~~ the respective
30 counties in which the districts are located. A special election shall
31 be called by the county ~~((election officer))~~ auditors for the purpose
32 of submitting to the voters of each of the consolidating districts the
33 proposition of whether or not the several districts shall be
34 consolidated into one ~~((water))~~ district. The proposition shall give
35 the title of the proposed consolidated district. Notice of the
36 election shall be given and the election conducted in accordance with
37 the general election laws.

1 **Sec. 1106.** RCW 57.32.023 and 1994 c 223 s 72 are each amended to
2 read as follows:

3 If at the election a majority of the voters in each of the
4 consolidating districts vote in favor of the consolidation, the county
5 canvassing board shall so declare in its canvass and the return of such
6 election shall be made within ten days after the date thereof. Upon
7 the return the consolidation shall be effective and the consolidating
8 districts shall cease to exist and shall then be and become a new
9 ((water)) district and municipal corporation of the state of
10 Washington. The name of ((such)) the new ((water)) district shall be
11 "~~((Water District No.))~~ Water-Sewer District, " ". . . .
12 Water District, " ". . . . Sewer District, " or " ". . . . District
13 No.,"((~~—~~)) which shall be the name appearing on the ballot. The
14 district shall have all and every power, right, and privilege possessed
15 by other water-sewer, sewer, or water districts of the state of
16 Washington. The district may issue revenue bonds to pay for the
17 construction of any additions and betterments set forth in the
18 comprehensive plan of water supply, sewer, and drainage services
19 contained in the agreement for consolidation and any future additions
20 and betterments to the comprehensive plan of water supply, sewer, and
21 drainage services, as its board of ((water)) district commissioners
22 shall by resolution adopt, without submitting a proposition therefor to
23 the voters of the district.

24 **Sec. 1107.** RCW 57.32.024 and 1967 ex.s. c 39 s 11 are each amended
25 to read as follows:

26 Upon the formation of any consolidated ((water)) district, all
27 funds, rights, and property, real and personal, of the former
28 districts, shall vest in and become the property of the consolidated
29 district. Unless the agreement for consolidation provides to the
30 contrary, any outstanding indebtedness of any form, owed by the
31 districts, shall remain the obligation of the area of the original
32 debtor district and the ((water)) board of commissioners of the
33 consolidated ((water)) district shall make such levies, assessments, or
34 charges for service upon that area or the ((water)) users therein as
35 shall pay off the indebtedness at maturity.

36 **Sec. 1108.** RCW 57.32.130 and 1985 c 141 s 9 are each amended to
37 read as follows:

1 The ~~((water))~~ commissioners of ~~((all—water))~~ the districts
2 consolidated into any new consolidated ~~((water))~~ district shall become
3 ~~((water))~~ commissioners thereof until their respective terms of office
4 expire or until they resign from office if the resignation is before
5 the expiration of their terms of office. At each election of ~~((water))~~
6 commissioners following the consolidation, only one position shall be
7 filled, so that as the terms of office expire, the total number of
8 ~~((water))~~ commissioners in the consolidated ~~((water))~~ district shall be
9 reduced to three. However, if the agreement provides that the
10 consolidated district eventually will be governed by a five-member
11 board of commissioners, one commissioner shall be elected to a six-year
12 term of office at the first district general election following the
13 consolidation, two commissioners shall be elected to six-year terms of
14 office at the second district general election following the
15 consolidation, and two commissioners shall be elected to six-year terms
16 of office at the third district general election following the
17 consolidation.

18 **Sec. 1109.** RCW 57.32.160 and 1987 c 449 s 18 are each amended to
19 read as follows:

20 A part of one ~~((water or sewer))~~ district may be transferred into
21 an adjacent ~~((water))~~ district if the area can be better served
22 thereby. Such transfer can be accomplished by a petition, directed to
23 both districts, signed by the owners according to the records of the
24 county auditor of not less than sixty percent of the area of land to be
25 transferred. If a majority of the commissioners of each district
26 approves the petition, copies of the approving resolutions shall be
27 filed with the county legislative authority which shall act upon the
28 petition as a proposed action in accordance with RCW 57.02.040.

29 **PART XII - MERGER OF DISTRICTS**

30 **Sec. 1201.** RCW 57.36.001 and 1989 c 84 s 61 are each amended to
31 read as follows:

32 Actions taken under this chapter ~~((57.36—RCW))~~ may be subject to
33 potential review by a boundary review board under chapter 36.93 RCW.

34 **Sec. 1202.** RCW 57.36.010 and 1989 c 308 s 12 are each amended to
35 read as follows:

1 Whenever (~~two water~~) one or more districts desire to merge(~~(,~~
2 ~~either district, hereinafter)~~) into another district, the district or
3 districts desiring to merge into the other district shall be referred
4 to as the "merging district"(~~(,~~ may merge into the other district,
5 hereinafter)) or "merging districts" and the district into which the
6 merging district or districts desire to merge shall be referred to as
7 the "merger district."(~~(, and)~~) after the merger, the merger district
8 (~~(will)~~) shall survive under its original name or number.

9 **Sec. 1203.** RCW 57.36.020 and 1967 ex.s. c 39 s 4 are each amended
10 to read as follows:

11 A merger of (~~two water~~) districts may be initiated in either of
12 the following ways:

13 (1) Whenever the boards of (~~water~~) commissioners of (~~both such~~)
14 districts determine by resolution that the merger of such districts
15 shall be conducive to the public health, welfare, and convenience and
16 to be of special benefit to the lands of such districts.

17 (2) Whenever ten percent of the (~~legal electors~~) voters residing
18 within the merging district or districts petition the board of
19 (~~water~~) commissioners of the merging (~~water~~) district or districts
20 for a merger, and the board of (~~water~~) commissioners of the merger
21 district determines by resolution that the merger of the districts
22 shall be conducive to the public health, welfare, and convenience of
23 the (~~two~~) districts.

24 **Sec. 1204.** RCW 57.36.030 and 1982 1st ex.s. c 17 s 33 are each
25 amended to read as follows:

26 Whenever a merger is initiated in either of the two ways provided
27 under this chapter, the boards of (~~water~~) commissioners of the
28 (~~two~~) districts shall enter into an agreement providing for the
29 merger. (~~Said~~) The agreement must be entered into within ninety days
30 following completion of the last act in initiation of the merger.

31 The respective boards of (~~water~~) commissioners shall certify the
32 agreement to the county (~~election officer~~) auditor of each county in
33 which the districts are located. (~~The~~) Each county (~~election~~
34 ~~officer~~) auditor shall call a special election for the purpose of
35 submitting to the voters of the (~~merging~~) respective districts the
36 proposition of whether the merging district or districts shall be
37 merged into the merger district. Notice of the elections shall be

1 given and the elections conducted in accordance with the general
2 election laws.

3 **Sec. 1205.** RCW 57.36.040 and 1982 c 104 s 2 are each amended to
4 read as follows:

5 If at such election a majority of the voters of the merging
6 ~~((water))~~ district or districts shall vote in favor of the merger, the
7 county canvassing board shall so declare in its canvass and the return
8 of such election shall be made within ten days after the date thereof,
9 and upon such return the merger shall be effective and the merging
10 ~~((water))~~ district or districts shall cease to exist and shall become
11 a part of the merger ~~((water))~~ district. The ~~((water))~~ commissioners
12 of the merging district or districts shall hold office as commissioners
13 of the new ~~((consolidated water))~~ merged district until their
14 respective terms of office expire or until they resign from office if
15 the resignation is before the expiration of their terms of office.
16 ~~((At the district election immediately preceding the time when the~~
17 ~~total number of remaining water commissioners is reduced to two through~~
18 ~~expiration of terms of office, one water commissioner shall be elected~~
19 ~~for a four year term of office. At the next district election, one~~
20 ~~water commissioner shall be elected for a four year term of office and~~
21 ~~one shall be elected for a six year term of office. Thereafter, each~~
22 ~~water commissioner shall be elected for a six year term of office in~~
23 ~~the manner provided by RCW 57.12.020 and 57.12.030 for elections in an~~
24 ~~existing district.))~~ The election of commissioners in the merger
25 district after the merger shall occur as provided in RCW 57.32.130 in
26 a consolidated district after the consolidation.

27 **Sec. 1206.** RCW 57.40.135 and 1988 c 162 s 4 are each amended to
28 read as follows:

29 A person who serves on the board of commissioners of a ~~((sewer))~~
30 merging district ~~((that merges under this chapter into a water~~
31 ~~district, for which the person also serves on the board of~~
32 ~~commissioners, shall only hold one position on the board of~~
33 ~~commissioners of the district that results from the merger))~~ and a
34 merger district shall hold only one position on the board of
35 commissioners of the merger district and shall only receive
36 compensation, expenses, and benefits that are available to a single
37 commissioner.

1 **Sec. 1207.** RCW 57.36.050 and 1967 ex.s. c 39 s 7 are each amended
2 to read as follows:

3 All funds and property, real and personal, of the merging district
4 or districts, shall vest in and become the property of the merger
5 district. Unless the agreement of merger provides to the contrary, any
6 outstanding indebtedness of any form, owed by the districts, shall
7 remain the obligation of the area of the original debtor district; and
8 the ((water)) commissioners of the merger ((water)) district shall make
9 such levies, assessments, or charges for service upon ((said)) such
10 area or the ((water)) users therein as shall pay off such indebtedness
11 at maturity.

12 **PART XIII - DISPOSITION OF PROPERTY**

13 **Sec. 1301.** RCW 57.42.010 and 1973 1st ex.s. c 56 s 1 are each
14 amended to read as follows:

15 Subject to the provisions of RCW 57.42.020 and 57.42.030, any
16 ((water)) district created under the provisions of this title may sell,
17 transfer, exchange, lease or otherwise dispose of any property, real or
18 personal, or property rights, including but not limited to the title to
19 real property, to a public utility district in the same county on such
20 terms as may be mutually agreed upon by the board of commissioners of
21 each district.

22 **Sec. 1302.** RCW 57.42.020 and 1973 1st ex.s. c 56 s 2 are each
23 amended to read as follows:

24 No ((water)) district shall dispose of its property to a public
25 utility district unless the respective board of commissioners of each
26 district shall determine by resolution that such disposition is in the
27 public interest and conducive to the public health, welfare, and
28 convenience. Copies of each resolution, together with copies of the
29 proposed disposition agreement, shall be filed with the legislative
30 authority of the county in which the ((water)) district is located(())
31 and with the superior court of that county. Unless the proposed
32 agreement provides otherwise, any outstanding indebtedness of any
33 form(()) owed by the water district(()) shall remain the obligation
34 of the area of the ((water)) district, and the board of commissioners
35 of the public utility district ((commissioners)) shall be empowered to
36 make such levies, assessments, or charges upon that area or the water,

1 sewer, or drainage users therein as shall pay off the indebtedness at
2 maturity.

3 **Sec. 1303.** RCW 57.42.030 and 1973 1st ex.s. c 56 s 3 are each
4 amended to read as follows:

5 Within ninety days after the resolutions and proposed agreement
6 have been filed with the court, the court shall fix a date for a
7 hearing and shall direct that notice of the hearing be given by
8 publication. After reviewing the proposed agreement and considering
9 other evidence presented at the hearing, the court may determine by
10 decree that the proposed disposition is in the public interest and
11 conducive to the public health, welfare, and convenience. In addition,
12 the decree shall authorize the payment of all or a portion of the
13 indebtedness of the ((water)) district relating to property disposed of
14 under such decree. Pursuant to the court decree, the ((water))
15 district shall dispose of its property under the terms of the
16 disposition agreement with the public utility district.

17 **PART XIV - LOW-INCOME CUSTOMER ASSISTANCE**

18 **Sec. 1401.** RCW 57.46.010 and 1995 c 399 s 149 are each amended to
19 read as follows:

20 A ((water)) district may include along with, or as part of its
21 regular customer billings, a request for voluntary contributions to
22 assist qualified low-income residential customers of the district in
23 paying their ((water)) district bills. All funds received by the
24 district in response to such requests shall be transmitted to the
25 grantee of the department of community, trade, and economic development
26 which administers federally funded energy assistance programs for the
27 state in the district's service area or to a charitable organization
28 within the district's service area. All such funds shall be used
29 solely to supplement assistance to low-income residential customers of
30 the district in paying their ((water)) district bills. The grantee or
31 charitable organization shall be responsible to determine which of the
32 district's customers are qualified for low-income assistance and the
33 amount of assistance to be provided to those who are qualified.

34 **Sec. 1402.** RCW 57.46.020 and 1995 c 399 s 150 are each amended to
35 read as follows:

1 All assistance provided under this chapter shall be disbursed by
2 the grantee or charitable organization. Where possible the ((water))
3 district ((will)) shall be paid on behalf of the customer by the
4 grantee or the charitable organization. When direct vendor payment is
5 not feasible, a check ((will)) shall be issued jointly payable to the
6 customer and the ((water)) district. The availability of funds for
7 assistance to a district's low-income customers as a result of
8 voluntary contributions shall not reduce the amount of assistance for
9 which the district's customers are eligible under the federally funded
10 energy assistance programs administered by the grantee of the
11 department of community, trade, and economic development within the
12 district's service area. The grantee or charitable organization shall
13 provide the district with a quarterly report on January 15th, April
14 15th, July 15th, and October 15th which includes information concerning
15 the total amount of funds received from the district, the names of all
16 recipients of assistance from these funds, the amount received by each
17 recipient, and the amount of funds received from the district currently
18 on hand and available for future low-income assistance.

19 **Sec. 1403.** RCW 57.46.030 and 1993 c 45 s 7 are each amended to
20 read as follows:

21 Contributions received under a program implemented by a ((water))
22 district in compliance with this chapter shall not be considered a
23 commingling of funds.

24 **PART XV - DISINCORPORATION**

25 **Sec. 1501.** RCW 57.90.001 and 1989 c 84 s 63 are each amended to
26 read as follows:

27 Actions taken under this chapter ((57.90-RCW)) may be subject to
28 potential review by a boundary review board under chapter 36.93 RCW.

29 **Sec. 1502.** RCW 57.90.010 and 1991 c 363 s 137 are each amended to
30 read as follows:

31 Water-sewer, sewer, water, ((sewer,)) park and recreation,
32 metropolitan park, county rural library, cemetery, flood control,
33 mosquito control, diking and drainage, irrigation or reclamation, weed,
34 health, or fire protection districts, and any air pollution control
35 authority, hereinafter referred to as "special districts(((")),)" which

1 are located wholly or in part within a county with a population of two
2 hundred ten thousand or more may be disincorporated when the district
3 has not actively carried out any of the special purposes or functions
4 for which it was formed within the preceding consecutive five-year
5 period.

6 **Sec. 1503.** RCW 57.90.020 and 1982 1st ex.s. c 17 s 35 are each
7 amended to read as follows:

8 Upon the filing with the county legislative authority of each
9 county in which the district is located of a resolution of any
10 governmental unit calling for the disincorporation of a special
11 district, or upon the filing with the county legislative authority of
12 each county in which the district is located of the petition of twenty
13 percent of the ((qualified electors)) voters within a special district
14 calling for the disincorporation of ((a)) the special district, the
15 county legislative authority shall hold public hearings to determine
16 whether or not any services have been provided within a consecutive
17 five year period and whether the best interests of all persons
18 concerned will be served by the proposed dissolution of the special
19 district.

20 **Sec. 1504.** RCW 57.90.030 and 1963 c 55 s 3 are each amended to
21 read as follows:

22 If the ((board of)) county ((commissioners)) legislative authority
23 finds that no services have been provided within the preceding
24 consecutive five-year period and that the best interests of all persons
25 concerned will be served by disincorporating the special district, it
26 shall order that such action be taken, specify the manner in which it
27 is to be accomplished and supervise the liquidation of any assets and
28 the satisfaction of any outstanding indebtedness.

29 **Sec. 1505.** RCW 57.90.040 and 1963 c 55 s 4 are each amended to
30 read as follows:

31 ((In the event)) If a special district is disincorporated the
32 proceeds of the sale of any of its assets, together with money((s)) on
33 hand in the treasury of the special district, shall after payment of
34 all costs and expenses and all outstanding indebtedness be paid to the
35 county treasurer to be placed to the credit of the school district, or
36 districts, in which such special district is situated.

1 **Sec. 1506.** RCW 57.90.050 and 1963 c 55 s 5 are each amended to
2 read as follows:

3 (~~((In the event))~~) If a special district is disincorporated and the
4 proceeds of the sale of any of its assets, together with money((s)) on
5 hand in the treasury of the special district, are insufficient to
6 retire any outstanding indebtedness, together with all costs and
7 expenses of liquidation, the (~~((board of))~~) county (~~((commissioners))~~)
8 legislative authority shall levy assessments in the manner provided by
9 law against the property in the special district in amounts sufficient
10 to retire (~~((said))~~) the indebtedness and pay (~~((such))~~) the costs and
11 expenses.

12 **Sec. 1507.** RCW 57.90.100 and 1971 ex.s. c 125 s 1 are each amended
13 to read as follows:

14 Whenever as the result of abandonment of an irrigation district
15 right of way real property held by an irrigation district is to be sold
16 or otherwise disposed of, notice shall be given to the owners of the
17 lands adjoining that real property and such owners shall have ((a)) the
18 right of first refusal to purchase at the appraised price all or any
19 part of the real property to be sold or otherwise disposed of which
20 adjoins or is adjacent to their land.

21 Real property to be sold or otherwise disposed of under this
22 section shall have been first appraised by the county assessor or by a
23 person designated by (~~((him))~~) the county assessor.

24 Notice under this section shall be sufficient if sent by registered
25 mail to the owner(~~((, and))~~) at the address(~~((, as))~~) shown in the tax
26 records of the county in which the land is situated. Notice under this
27 section shall be in addition to any (~~((other))~~) notice required by law.

28 After sixty days from the date of sending of notice, if no
29 applications for purchase have been received by the irrigation district
30 or other person or entity sending notice, the rights of first refusal
31 of owners of adjoining lands shall be deemed to have been waived, and
32 the real property may be (~~((sold or otherwise))~~) disposed of or sold.

33 If two or more owners of adjoining lands apply to purchase the same
34 real property, or apply to purchase overlapping parts of the real
35 property, the respective rights of the applicants may be determined in
36 the superior court of the county in which the real property is
37 situated(~~((; and))~~). The court may divide the real property in question

1 between some or all of the applicants or award the whole to one
2 applicant, as justice may require.

3 **PART XVI - TECHNICAL CORRECTIONS**

4 **Sec. 1601.** RCW 35.13.900 and 1995 c 279 s 3 are each amended to
5 read as follows:

6 Nothing in this chapter precludes or otherwise applies to an
7 annexation by a city or town of unincorporated territory as authorized
8 by RCW ((~~56.24.180, 56.24.200, and 56.24.205, or~~)) 57.24.170,
9 57.24.190, and 57.24.210.

10 **Sec. 1602.** RCW 35.58.570 and 1989 c 389 s 1 are each amended to
11 read as follows:

12 (1) A metropolitan municipal corporation that is engaged in the
13 transmission, treatment, and disposal of sewage may impose a capacity
14 charge on users of the metropolitan municipal corporation's sewage
15 facilities when the user connects, reconnects, or establishes a new
16 service. The capacity charge shall be approved by the council of the
17 metropolitan municipal corporation and reviewed and reapproved
18 annually.

19 (2) The capacity charge shall be based upon the cost of the sewage
20 facilities' excess capacity that is necessary to provide sewerage
21 treatment for new users to the system. The capacity charge, which may
22 be collected over a period of fifteen years, shall not exceed:

23 (a) Seven dollars per month per residential customer equivalent for
24 connections and reconnections occurring prior to January 1, 1996; and

25 (b) Ten dollars and fifty cents per month per residential customer
26 equivalent for connections and reconnections occurring after January 1,
27 1996, and prior to January 1, 2001.

28 For connections and reconnections occurring after January 1, 2001,
29 the capacity charge shall not exceed fifty percent of the basic sewer
30 rate per residential customer equivalent established by the
31 metropolitan municipal corporation at the time of the connection or
32 reconnection.

33 (3) The capacity charge for a building other than a single-family
34 residence shall be based on the projected number of residential
35 customer equivalents to be represented by the building, considering its
36 intended use.

(4) The council of the metropolitan municipal corporation shall enforce the collection of the capacity charge in the same manner provided for the collection, enforcement, and payment of rates and charges for water-sewer districts provided in ((~~RCW 56.16.100~~ and ~~56.16.110~~)) section 314 of this act. At least thirty days before commencement of an action to foreclose a lien for a capacity charge, the metropolitan municipal corporation shall send written notice of delinquency in payment of the capacity charge to any first mortgage or deed of trust holder of record at the address of record.

(5) As used in this section, "sewage facilities" means capital projects identified since January 1, 1982, to July 23, 1989, in the metropolitan municipal corporation's comprehensive water pollution abatement plan. "Residential customer equivalent" shall have the same meaning used by the metropolitan municipal corporation in determining rates and charges at the time the capacity charge is imposed.

Sec. 1603. RCW 35.97.050 and 1983 c 216 s 5 are each amended to read as follows:

If the legislative authority of a municipality deems it advisable that the municipality purchase, acquire, or construct a heating system, or make any additions or extensions to a heating system, the legislative authority shall so provide by an ordinance or a resolution specifying and adopting the system or plan proposed, declaring the estimated cost thereof, as near as may be, and specifying the method of financing and source of funds. Any construction, alteration, or improvement of a heating system by any county, city, town, irrigation district, water-sewer district, ((~~sewer district,~~)) or port district shall be in compliance with the appropriate competitive bidding requirements in Titles 35, 36, 53, ((~~56,~~)) 57, or 87 RCW.

Sec. 1604. RCW 35A.14.901 and 1995 c 279 s 4 are each amended to read as follows:

Nothing in this chapter precludes or otherwise applies to an annexation by a code city of unincorporated territory as authorized by RCW ((~~56.24.180, 56.24.200, and 56.24.205, or~~)) 57.24.170, 57.24.190, and 57.24.210.

Sec. 1605. RCW 35A.56.010 and 1987 c 331 s 79 are each amended to read as follows:

1 Except as otherwise provided in this title, state laws relating to
2 special service or taxing districts shall apply to, grant powers, and
3 impose duties upon code cities and their officers to the same extent as
4 such laws apply to and affect other classes of cities and towns and
5 their employees, including, without limitation, the following: (1)
6 Chapter 70.94 RCW, relating to air pollution control; (2) chapter 68.52
7 RCW, relating to cemetery districts; (3) chapter 29.68 RCW, relating to
8 congressional districts; (4) chapters 14.07 and 14.08 RCW, relating to
9 municipal airport districts; (5) chapter 36.88 RCW, relating to county
10 road improvement districts; (6) Title 85 RCW, relating to diking
11 districts, drainage districts, and drainage improvement districts; (7)
12 chapter 36.54 RCW, relating to ferry districts; (8) Title 52 RCW,
13 relating to fire protection districts; (9) Title 86 RCW, relating to
14 flood control districts and flood control; (10) chapter 70.46 RCW,
15 relating to health districts; (11) chapters 87.03 through 87.84 and
16 89.12 RCW, relating to irrigation districts; (12) chapter 35.61 RCW,
17 relating to metropolitan park districts; (13) chapter 35.58 RCW,
18 relating to metropolitan municipalities; (14) chapter 17.28 RCW,
19 relating to mosquito control districts; (15) chapter 17.12 RCW,
20 relating to agricultural pest districts; (16) (~~chapter 13.12 RCW,~~
21 ~~relating to parental or truant schools; (17))~~) Title 53 RCW, relating
22 to port districts; (~~((18))~~) (17) chapter 70.44 RCW, relating to public
23 hospital districts; (~~((19))~~) (18) Title 54 RCW, relating to public
24 utility districts; (~~((20))~~) (19) chapter 91.08 RCW, relating to public
25 waterway districts; (~~((21) Title 56 RCW for sewer districts; (22))~~)
26 (20) chapter 89.12 RCW, relating to reclamation districts; (~~((23))~~)
27 (21) chapters 57.02 through 57.36 RCW, relating to water-sewer
28 districts; and (~~((24))~~) (22) chapter 17.04 RCW, relating to weed
29 districts.

30 **Sec. 1606.** RCW 35A.70.010 and 1967 ex.s. c 119 s 35A.70.010 are
31 each amended to read as follows:

32 Every code city shall have authority to protect waters within the
33 city or comprising part of the city's water supply pursuant to the
34 authority provided therefor by RCW 9.66.050, 54.16.050, (~~((56.08.010,))~~)
35 69.30.130, 57.08.010, 8.12.030, 70.54.010 and 70.54.030.

36 **Sec. 1607.** RCW 36.29.160 and 1963 c 4 s 36.29.160 are each amended
37 to read as follows:

1 The county treasurer shall make segregation, collect, and receive
2 from any owner or owners of any subdivision or portion of any lot,
3 tract or parcel of land upon which assessments or charges have been
4 made or may be made hereafter in public utility districts, (~~sewer~~
5 ~~districts,~~) water-sewer districts, or county road improvement
6 districts, under the terms of Title 54 RCW, (~~Title 56 RCW,~~) Title 57
7 RCW, or chapter 36.88 RCW, such portion of the assessments or charges
8 levied or to be levied against such lot, tract or parcel of land in
9 payment of such assessment or charges as the board of commissioners of
10 the public utility district, (~~sewer district,~~) the water-sewer
11 district commissioners or the board of county commissioners,
12 respectively, shall certify to be chargeable to such subdivision, which
13 certificate shall state that such property as segregated is sufficient
14 security for the assessment or charges. Upon making collection upon
15 any such subdivision the county treasurer shall note such payment upon
16 his records and give receipt therefor.

17 **Sec. 1608.** RCW 36.93.090 and 1995 c 131 s 1 are each amended to
18 read as follows:

19 Whenever any of the following described actions are proposed in a
20 county in which a board has been established, the initiators of the
21 action shall file within one hundred eighty days a notice of intention
22 with the board: PROVIDED, That when the initiator is the legislative
23 body of a governmental unit, the notice of intention may be filed
24 immediately following the body's first acceptance or approval of the
25 action. The board may review any such proposed actions pertaining to:

26 (1) The: (a) Creation, incorporation, or change in the boundary,
27 other than a consolidation, of any city, town, or special purpose
28 district; (b) consolidation of special purpose districts, but not
29 including consolidation of cities and towns; or (c) dissolution or
30 disincorporation of any city, town, or special purpose district, except
31 that a board may not review the dissolution or disincorporation of a
32 special purpose district which was dissolved or disincorporated
33 pursuant to the provisions of chapter 36.96 RCW: PROVIDED, That the
34 change in the boundary of a city or town arising from the annexation of
35 contiguous city or town owned property held for a public purpose shall
36 be exempted from the requirements of this section; or

(2) The assumption by any city or town of all or part of the assets, facilities, or indebtedness of a special purpose district which lies partially within such city or town; or

(3) The establishment of or change in the boundaries of a mutual water and sewer system or separate sewer system by a water-sewer district pursuant to RCW 57.08.065 or chapter 57.40 RCW(~~(, as now or hereafter amended)~~); or

~~(4) ((The establishment of or change in the boundaries of a mutual sewer and water system or separate water system by a sewer district pursuant to RCW 56.20.015 or chapter 56.36 RCW, as now or hereafter amended; or~~

~~(5)))~~ The extension of permanent water or sewer service outside of its existing service area by a city, town, or special purpose district. The service area of a city, town, or special purpose district shall include all of the area within its corporate boundaries plus, (a) for extensions of water service, the area outside of the corporate boundaries which it is designated to serve pursuant to a coordinated water system plan approved in accordance with RCW 70.116.050; and (b) for extensions of sewer service, the area outside of the corporate boundaries which it is designated to serve pursuant to a comprehensive sewerage plan approved in accordance with chapter 36.94 RCW and RCW 90.48.110.

Sec. 1609. RCW 36.94.420 and 1985 c 141 s 1 are each amended to read as follows:

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

In the event of an annexation under this section resulting from the transfer of a system of sewerage or combined water and sewer systems from a county to a water-sewer district governed by Title 57 RCW, the water-sewer district shall have all the powers of a water-sewer district provided by chapter 57.36 RCW (~~((57.40.150))~~), as if a water-

1 sewer district had been merged into a water-sewer district. ((In the
2 event of an annexation under this section as a result of the transfer
3 of a system of water or combined water and sewer systems from a county
4 to a sewer district governed by Title 56 RCW, the sewer district shall
5 have all the powers of a sewer district provided by RCW 56.36.060 as if
6 a water district had been merged into the sewer district.))

7 **Sec. 1610.** RCW 41.04.190 and 1992 c 146 s 13 are each amended to
8 read as follows:

9 The cost of a policy or plan to a public agency or body is not
10 additional compensation to the employees or elected officials covered
11 thereby. The elected officials to whom this section applies include
12 but are not limited to commissioners elected under chapters 28A.315,
13 52.14, 53.12, 54.12, ((56.12,)) 57.12, 70.44, and 87.03 RCW, as well as
14 any county elected officials who are provided insurance coverage under
15 RCW 41.04.180. Any officer authorized to disburse such funds may pay
16 in whole or in part to an insurance carrier or health care service
17 contractor the amount of the premiums due under the contract.

18 **Sec. 1611.** RCW 43.99F.020 and 1990 1st ex.s. c 15 s 9 are each
19 amended to read as follows:

20 For the purpose of providing funds to public bodies for the
21 planning, design, acquisition, construction, and improvement of public
22 waste disposal and management facilities, or for purposes of assisting
23 a public body to obtain an ownership interest in waste disposal and
24 management facilities and/or to defray a part of the payments made by
25 a public body to a service provider under a service agreement entered
26 into pursuant to RCW 70.150.060, in this state, the state finance
27 committee is authorized to issue general obligation bonds of the state
28 of Washington in the sum of three hundred thirty million dollars, or so
29 much thereof as may be required, to finance the improvements defined in
30 this chapter and all costs incidental thereto. The department may not
31 use or permit the use of any funds derived from the sale of bonds
32 authorized by this chapter for: (1) the support of a solid waste
33 recycling activity or service in a locale if the department determines
34 that the activity or service is reasonably available to persons within
35 that locale from private enterprise; or (2) the construction of
36 municipal wastewater facilities unless said facilities have been
37 approved by a general purpose unit of local government in accordance

1 with chapter 36.94 RCW, chapter 35.67 RCW, or RCW ((56.08.020))
2 57.16.010. These bonds shall be paid and discharged within thirty
3 years of the date of issuance. No bonds authorized by this chapter
4 shall be offered for sale without prior legislative appropriation of
5 the proceeds of the bonds to be sold.

6 **Sec. 1612.** RCW 82.02.020 and 1990 1st ex.s. c 17 s 42 are each
7 amended to read as follows:

8 Except only as expressly provided in RCW 67.28.180 and 67.28.190
9 and the provisions of chapter 82.14 RCW, the state preempts the field
10 of imposing taxes upon retail sales of tangible personal property, the
11 use of tangible personal property, parimutuel wagering authorized
12 pursuant to RCW 67.16.060, conveyances, and cigarettes, and no county,
13 town, or other municipal subdivision shall have the right to impose
14 taxes of that nature. Except as provided in RCW 82.02.050 through
15 82.02.090, no county, city, town, or other municipal corporation shall
16 impose any tax, fee, or charge, either direct or indirect, on the
17 construction or reconstruction of residential buildings, commercial
18 buildings, industrial buildings, or on any other building or building
19 space or appurtenance thereto, or on the development, subdivision,
20 classification, or reclassification of land. However, this section
21 does not preclude dedications of land or easements within the proposed
22 development or plat which the county, city, town, or other municipal
23 corporation can demonstrate are reasonably necessary as a direct result
24 of the proposed development or plat to which the dedication of land or
25 easement is to apply.

26 This section does not prohibit voluntary agreements with counties,
27 cities, towns, or other municipal corporations that allow a payment in
28 lieu of a dedication of land or to mitigate a direct impact that has
29 been identified as a consequence of a proposed development,
30 subdivision, or plat. A local government shall not use such voluntary
31 agreements for local off-site transportation improvements within the
32 geographic boundaries of the area or areas covered by an adopted
33 transportation program authorized by chapter 39.92 RCW. Any such
34 voluntary agreement is subject to the following provisions:

35 (1) The payment shall be held in a reserve account and may only be
36 expended to fund a capital improvement agreed upon by the parties to
37 mitigate the identified, direct impact;

1 (2) The payment shall be expended in all cases within five years of
2 collection; and

3 (3) Any payment not so expended shall be refunded with interest at
4 the rate applied to judgments to the property owners of record at the
5 time of the refund; however, if the payment is not expended within five
6 years due to delay attributable to the developer, the payment shall be
7 refunded without interest.

8 No county, city, town, or other municipal corporation shall require
9 any payment as part of such a voluntary agreement which the county,
10 city, town, or other municipal corporation cannot establish is
11 reasonably necessary as a direct result of the proposed development or
12 plat.

13 Nothing in this section prohibits cities, towns, counties, or other
14 municipal corporations from collecting reasonable fees from an
15 applicant for a permit or other governmental approval to cover the cost
16 to the city, town, county, or other municipal corporation of processing
17 applications, inspecting and reviewing plans, or preparing detailed
18 statements required by chapter 43.21C RCW.

19 This section does not limit the existing authority of any county,
20 city, town, or other municipal corporation to impose special
21 assessments on property specifically benefitted thereby in the manner
22 prescribed by law.

23 Nothing in this section prohibits counties, cities, or towns from
24 imposing or permits counties, cities, or towns to impose water, sewer,
25 natural gas, drainage utility, and drainage system charges: PROVIDED,
26 That no such charge shall exceed the proportionate share of such
27 utility or system's capital costs which the county, city, or town can
28 demonstrate are attributable to the property being charged: PROVIDED
29 FURTHER, That these provisions shall not be interpreted to expand or
30 contract any existing authority of counties, cities, or towns to impose
31 such charges.

32 Nothing in this section prohibits a transportation benefit district
33 from imposing fees or charges authorized in RCW 36.73.120 nor prohibits
34 the legislative authority of a county, city, or town from approving the
35 imposition of such fees within a transportation benefit district.

36 Nothing in this section prohibits counties, cities, or towns from
37 imposing transportation impact fees authorized pursuant to chapter
38 39.92 RCW.

1 Nothing in this section prohibits counties, cities, or towns from
2 requiring property owners to provide relocation assistance to tenants
3 under RCW 59.18.440 and 59.18.450.

4 This section does not apply to special purpose districts formed and
5 acting pursuant to Titles 54, (~~56~~) 57, or 87 RCW, nor is the
6 authority conferred by these titles affected.

7 **Sec. 1613.** RCW 84.09.030 and 1994 c 292 s 4 are each amended to
8 read as follows:

9 Except as follows, the boundaries of counties, cities and all other
10 taxing districts, for purposes of property taxation and the levy of
11 property taxes, shall be the established official boundaries of such
12 districts existing on the first day of March of the year in which the
13 property tax levy is made.

14 The official boundaries of a newly incorporated taxing district
15 shall be established at a different date in the year in which the
16 incorporation occurred as follows:

17 (1) Boundaries for a newly incorporated city shall be established
18 on the last day of March of the year in which the initial property tax
19 levy is made, and the boundaries of a road district, library district,
20 or fire protection district or districts, that include any portion of
21 the area that was incorporated within its boundaries shall be altered
22 as of this date to exclude this area, if the budget for the newly
23 incorporated city is filed pursuant to RCW 84.52.020 and the levy
24 request of the newly incorporated city is made pursuant to RCW
25 84.52.070. Whenever a proposed city incorporation is on the March
26 special election ballot, the county auditor shall submit the legal
27 description of the proposed city to the department of revenue on or
28 before the first day of March;

29 (2) Boundaries for a newly incorporated port district shall be
30 established on the first day of October if the boundaries of the newly
31 incorporated port district are coterminous with the boundaries of
32 another taxing district, as they existed on the first day of March of
33 that year;

34 (3) Boundaries of any other newly incorporated taxing district
35 shall be established on the first day of June of the year in which the
36 property tax levy is made if the taxing district has boundaries
37 coterminous with the boundaries of another taxing district, as they
38 existed on the first day of March of that year;

1 (4) Boundaries for a newly incorporated water-sewer district shall
2 be established on the fifteenth of June of the year in which the
3 proposition under RCW 57.04.050 authorizing a water district excess
4 levy is approved.

5 The boundaries of a taxing district shall be established on the
6 first day of June if territory has been added to, or removed from, the
7 taxing district after the first day of March of that year with
8 boundaries coterminous with the boundaries of another taxing district
9 as they existed on the first day of March of that year. However, the
10 boundaries of a road district, library district, or fire protection
11 district or districts, that include any portion of the area that was
12 annexed to a city or town within its boundaries shall be altered as of
13 this date to exclude this area. In any case where any instrument
14 setting forth the official boundaries of any newly established taxing
15 district, or setting forth any change in such boundaries, is required
16 by law to be filed in the office of the county auditor or other county
17 official, said instrument shall be filed in triplicate. The officer
18 with whom such instrument is filed shall transmit two copies to the
19 county assessor.

20 No property tax levy shall be made for any taxing district whose
21 boundaries are not established as of the dates provided in this
22 section.

23 **Sec. 1614.** RCW 84.38.020 and 1995 c 329 s 1 are each amended to
24 read as follows:

25 Unless a different meaning is plainly required by the context, the
26 following words and phrases as hereinafter used in this chapter shall
27 have the following meanings:

28 (1) "Claimant" means a person who either elects or is required
29 under RCW 84.64.050 to defer payment of the special assessments and/or
30 real property taxes accrued on the claimant's residence by filing a
31 declaration to defer as provided by this chapter.

32 When two or more individuals of a household file or seek to file a
33 declaration to defer, they may determine between them as to who the
34 claimant shall be.

35 (2) "Department" means the state department of revenue.

36 (3) "Equity value" means the amount by which the fair market value
37 of a residence as determined from the records of the county assessor

1 exceeds the total amount of any liens or other obligations against the
2 property.

3 (4) "Real property taxes" means ad valorem property taxes levied on
4 a residence in this state in the preceding calendar year.

5 (5) "Residence" has the meaning given in RCW 84.36.383, except that
6 a residence includes any additional property up to a total of five
7 acres that comprises the residential parcel if this larger parcel size
8 is required under land use regulations.

9 (6) "Special assessment" means the charge or obligation imposed by
10 a city, town, county, or other municipal corporation upon property
11 specially benefited by a local improvement, including assessments under
12 chapters 35.44, 36.88, 36.94, 53.08, 54.16, (~~56.20,~~) 57.16, 86.09,
13 and 87.03 RCW and any other relevant chapter.

14 **Sec. 1615.** RCW 84.52.052 and 1993 c 284 s 4 are each amended to
15 read as follows:

16 The limitations imposed by RCW 84.52.050 through 84.52.056, and RCW
17 84.52.043 shall not prevent the levy of additional taxes by any taxing
18 district except school districts in which a larger levy is necessary in
19 order to prevent the impairment of the obligation of contracts. As
20 used in this section, the term "taxing district" means any county,
21 metropolitan park district, park and recreation service area, park and
22 recreation district, (~~sewer district,~~) water-sewer district, solid
23 waste disposal district, public facilities district, flood control zone
24 district, county rail district, service district, public hospital
25 district, road district, rural county library district, island library
26 district, rural partial-county library district, intercounty rural
27 library district, fire protection district, cemetery district, city,
28 town, transportation benefit district, emergency medical service
29 district with a population density of less than one thousand per square
30 mile, or cultural arts, stadium, and convention district.

31 Any such taxing district may levy taxes at a rate in excess of the
32 rate specified in RCW 84.52.050 through 84.52.056 and 84.52.043, or
33 84.55.010 through 84.55.050, when authorized so to do by the voters of
34 such taxing district in the manner set forth in Article VII, section
35 2(a) of the Constitution of this state(~~, as amended by Amendment 64~~
36 ~~and as thereafter amended,~~) at a special or general election to be
37 held in the year in which the levy is made.

1 A special election may be called and the time therefor fixed by the
2 county legislative authority, or council, board of commissioners, or
3 other governing body of any such taxing district, by giving notice
4 thereof by publication in the manner provided by law for giving notices
5 of general elections, at which special election the proposition
6 authorizing such excess levy shall be submitted in such form as to
7 enable the voters favoring the proposition to vote "yes" and those
8 opposed thereto to vote "no."

9 **Sec. 1616.** RCW 90.03.510 and 1986 c 278 s 63 are each amended to
10 read as follows:

11 Whenever a county, city, town, water-sewer district, or flood
12 control zone district imposes rates or charges to fund storm water
13 control facilities or improvements and the operation and maintenance of
14 such facilities or improvements under RCW 35.67.020, 35.92.020,
15 36.89.080, 36.94.140, (~~((56.08.010, or 56.16.090))~~) section 301 of this
16 act, or section 314 of this act, it may provide a credit for the value
17 of storm water control facilities or improvements that a person or
18 entity has installed or located that mitigate or lessen the impact of
19 storm water which otherwise would occur.

20 **Sec. 1617.** RCW 90.03.525 and 1986 c 278 s 54 are each amended to
21 read as follows:

22 The rate charged by a local government utility to the department of
23 transportation with respect to state highway right of way or any
24 section of state highway right of way for the construction, operation,
25 and maintenance of storm water control facilities under chapters 35.67,
26 35.92, 36.89, 36.94, (~~((56.08))~~) 57.08, and 86.15 RCW, shall be thirty
27 percent of the rate for comparable real property, except as otherwise
28 provided in this section. The rate charged to the department with
29 respect to state highway right of way or any section of state highway
30 right of way within a local government utility's jurisdiction shall
31 not, however, exceed the rate charged for comparable city street or
32 county road right of way within the same jurisdiction. The legislature
33 finds that the aforesaid rates are presumptively fair and equitable
34 because of the traditional and continuing expenditures of the
35 department of transportation for the construction, operation, and
36 maintenance of storm water control facilities designed to control
37 surface water or storm water runoff from state highway rights of way.

1 The utility imposing the charge and the department of transportation
2 may, however, agree to either higher or lower rates with respect to the
3 construction, operation, or maintenance of any specific storm water
4 control facilities based upon the extent and adequacy of storm water
5 control facilities constructed by the department and upon the actual
6 benefits to state highway rights of way from the storm water control
7 facilities constructed by the local government utility. If a different
8 rate is agreed to, a report so stating shall be submitted to the
9 legislative transportation committee. If the local government utility
10 and the department of transportation cannot agree upon the proper rate,
11 and after a report has been submitted to the legislative transportation
12 committee and after ninety days from submission of such report, either
13 may commence an action in the superior court for the county in which
14 the state highway right of way is located to establish the proper rate.
15 The court in establishing the proper rate shall take into account the
16 extent and adequacy of storm water control facilities constructed by
17 the department and the actual benefits to the sections of state highway
18 rights of way from storm water control facilities constructed,
19 operated, and maintained by the local government utility. Control of
20 surface water runoff and storm water runoff from state highway rights
21 of way shall be deemed an actual benefit to the state highway rights of
22 way. The rate for sections of state highway right of way as determined
23 by the court shall be set forth in terms of the percentage of the rate
24 for comparable real property, but shall in no event exceed the rate
25 charged for comparable city street or county road right of way within
26 the same jurisdiction.

27 **PART XVII - MISCELLANEOUS**

28 NEW SECTION. **Sec. 1700.** Part headings as used in this act do not
29 constitute any part of the law.

30 NEW SECTION. **Sec. 1701.** (1) RCW 56.02.070, 56.02.100, and
31 56.02.110, as amended by this act, are each recodified as sections in
32 chapter 57.02 RCW.

33 (2) RCW 56.04.080, 56.04.120, and 56.04.130, as amended by this
34 act, are each recodified as sections in chapter 57.04 RCW.

35 (3) RCW 56.02.030, 56.02.080, and 56.36.070 are each recodified as
36 sections in chapter 57.06 RCW.

(4) RCW 56.08.060 and 56.08.012, as amended by this act, and 56.08.170 are each recodified as sections in chapter 57.08 RCW.

(5) RCW 56.08.030, as amended by this act, is recodified as a section in chapter 57.16 RCW.

(6) RCW 56.20.030, as amended by this act, is recodified as a section in chapter 57.16 RCW.

(7) RCW 57.16.020, 57.16.030, 57.16.035, and 57.16.040 are each recodified as sections in chapter 57.20 RCW.

(8) RCW 57.40.135, as amended by this act, is recodified as a section in chapter 57.36 RCW.

NEW SECTION. Sec. 1702. The following acts or parts of acts are each repealed:

(1) RCW 56.02.010 and 1953 c 250 s 26;

(2) RCW 56.02.040 and 1959 c 103 s 18;

(3) RCW 56.02.050 and 1971 ex.s. c 272 s 12;

(4) RCW 56.02.055 and 1982 1st ex.s. c 17 s 1;

(5) RCW 56.02.060 and 1988 c 162 s 5 & 1971 ex.s. c 139 s 1;

(6) RCW 56.02.120 and 1982 1st ex.s. c 17 s 2;

(7) RCW 56.04.001 and 1989 c 84 s 50;

(8) RCW 56.04.020 and 1974 ex.s. c 58 s 1, 1971 ex.s. c 272 s 1, 1945 c 140 s 1, 1943 c 74 s 1, & 1941 c 210 s 1;

(9) RCW 56.04.030 and 1990 c 259 s 21, 1987 c 33 s 1, 1945 c 140 s 2, & 1941 c 210 s 2;

(10) RCW 56.04.040 and 1945 c 140 s 3 & 1941 c 210 s 3;

(11) RCW 56.04.050 and 1990 c 259 s 22, 1987 c 33 s 2, 1973 1st ex.s. c 195 s 61, 1953 c 250 s 1, 1945 c 140 s 4, & 1941 c 210 s 4;

(12) RCW 56.04.060 and 1945 c 140 s 5 & 1941 c 210 s 6;

(13) RCW 56.04.065 and 1983 c 88 s 1;

(14) RCW 56.04.070 and 1985 c 141 s 2, 1981 c 45 s 3, & 1941 c 210 s 5;

(15) RCW 56.04.090 and 1994 c 81 s 79, 1945 c 140 s 16, & 1941 c 210 s 47;

(16) RCW 56.08.010 and 1989 c 389 s 2, 1989 c 308 s 1, & 1987 c 449 s 1;

(17) RCW 56.08.013 and 1985 c 98 s 1 & 1977 ex.s. c 146 s 1;

(18) RCW 56.08.014 and 1983 c 198 s 1;

(19) RCW 56.08.015 and 1984 c 147 s 6 & 1969 c 119 s 1;

1 (20) RCW 56.08.020 and 1990 1st ex.s. c 17 s 34, 1982 c 213 s 1,
2 1979 c 23 s 1, 1977 ex.s. c 300 s 1, 1971 ex.s. c 272 s 2, 1959 c 103
3 s 2, 1953 c 250 s 4, 1947 c 212 s 2, 1945 c 140 s 10, 1943 c 74 s 2, &
4 1941 c 210 s 11;
5 (21) RCW 56.08.040 and 1953 c 250 s 6, 1951 c 129 s 1, 1943 c 74 s
6 3, & 1941 c 210 s 13;
7 (22) RCW 56.08.050 and 1977 ex.s. c 300 s 2, 1953 c 250 s 7, & 1941
8 c 210 s 15;
9 (23) RCW 56.08.065 and 1989 c 84 s 51;
10 (24) RCW 56.08.070 and 1994 c 31 s 1;
11 (25) RCW 56.08.075 and 1987 c 449 s 2 & 1982 c 105 s 2;
12 (26) RCW 56.08.080 and 1993 c 198 s 17, 1989 c 308 s 5, 1984 c 172
13 s 1, & 1953 c 51 s 1;
14 (27) RCW 56.08.090 and 1993 c 198 s 18, 1989 c 308 s 6, 1988 c 162
15 s 1, 1984 c 103 s 2, & 1953 c 51 s 2;
16 (28) RCW 56.08.092 and 1986 c 244 s 15;
17 (29) RCW 56.08.100 and 1991 sp.s. c 30 s 24, 1991 c 82 s 1, 1981 c
18 190 s 5, 1973 c 24 s 1, & 1961 c 261 s 1;
19 (30) RCW 56.08.105 and 1973 c 125 s 6;
20 (31) RCW 56.08.110 and 1995 c 301 s 75, 1973 1st ex.s. c 195 s 62,
21 1970 ex.s. c 47 s 4, & 1961 c 267 s 1;
22 (32) RCW 56.08.120 and 1967 c 178 s 1;
23 (33) RCW 56.08.130 and 1967 c 178 s 2;
24 (34) RCW 56.08.140 and 1991 c 82 s 2 & 1967 c 178 s 3;
25 (35) RCW 56.08.150 and 1967 c 178 s 4;
26 (36) RCW 56.08.160 and 1967 c 178 s 5;
27 (37) RCW 56.08.180 and 1982 c 213 s 3;
28 (38) RCW 56.08.190 and 1987 c 309 s 3;
29 (39) RCW 56.08.200 and 1995 c 376 s 14 & 1991 c 190 s 1;
30 (40) RCW 56.12.010 and 1985 c 330 s 5, 1980 c 92 s 1, 1969 ex.s. c
31 148 s 7, 1959 c 103 s 4, 1955 c 373 s 1, 1945 c 140 s 8, & 1941 c 210
32 s 9;
33 (41) RCW 56.12.015 and 1994 c 223 s 62, 1991 c 190 s 2, 1990 c 259
34 s 23, & 1987 c 449 s 3;
35 (42) RCW 56.12.020 and 1994 c 223 s 63, 1979 ex.s. c 126 s 38, 1963
36 c 200 s 17, 1955 c 55 s 12, & 1953 c 110 s 1;
37 (43) RCW 56.12.030 and 1994 c 223 s 64, 1990 c 259 s 24, 1986 c 41
38 s 1, 1985 c 141 s 3, 1981 c 169 s 2, 1953 c 250 s 9, 1947 c 212 s 1,
39 1945 c 140 s 7, & 1941 c 210 s 8;

1 (44) RCW 56.12.040 and 1987 c 449 s 4;
2 (45) RCW 56.12.050 and 1994 c 223 s 65;
3 (46) RCW 56.16.010 and 1984 c 186 s 46, 1973 1st ex.s. c 195 s 63,
4 1953 c 250 s 10, 1951 2nd ex.s. c 26 s 1, & 1941 c 210 s 14;
5 (47) RCW 56.16.020 and 1987 c 449 s 5, 1977 ex.s. c 300 s 3, 1959
6 c 103 s 5, 1953 c 250 s 11, 1951 c 129 s 2, & 1941 c 210 s 16;
7 (48) RCW 56.16.030 and 1989 c 389 s 3, 1984 c 186 s 47, 1977 ex.s.
8 c 300 s 4, 1973 1st ex.s. c 195 s 64, 1959 c 103 s 6, 1953 c 250 s 12,
9 1951 2nd ex.s. c 26 s 2, 1951 c 129 s 3, 1945 c 140 s 11, & 1941 c 210
10 s 17;
11 (49) RCW 56.16.035 and 1977 ex.s. c 300 s 5 & 1959 c 103 s 7;
12 (50) RCW 56.16.040 and 1984 c 186 s 48, 1983 c 167 s 155, 1973 1st
13 ex.s. c 195 s 65, 1970 ex.s. c 56 s 80, 1969 ex.s. c 232 s 85, 1953 c
14 250 s 13, 1951 2nd ex.s. c 26 s 3, 1945 c 140 s 12, & 1941 c 210 s 18;
15 (51) RCW 56.16.050 and 1984 c 186 s 49, 1970 ex.s. c 42 s 34, 1945
16 c 140 s 15, & 1941 c 210 s 42;
17 (52) RCW 56.16.060 and 1983 c 167 s 156, 1975 1st ex.s. c 25 s 1,
18 1971 ex.s. c 272 s 4, 1970 ex.s. c 56 s 81, 1969 ex.s. c 232 s 86, 1959
19 c 103 s 8, & 1941 c 210 s 19;
20 (53) RCW 56.16.065 and 1975 1st ex.s. c 25 s 4;
21 (54) RCW 56.16.070 and 1959 c 103 s 9 & 1941 c 210 s 20;
22 (55) RCW 56.16.080 and 1983 c 167 s 157, 1975 1st ex.s. c 25 s 2,
23 1970 ex.s. c 56 s 82, & 1941 c 210 s 21;
24 (56) RCW 56.16.085 and 1959 c 103 s 10;
25 (57) RCW 56.16.090 and 1991 c 347 s 19, 1974 ex.s. c 58 s 3, 1959
26 c 103 s 11, & 1941 c 210 s 22;
27 (58) RCW 56.16.100 and 1977 ex.s. c 300 s 6, 1971 ex.s. c 272 s 5,
28 1953 c 250 s 14, & 1941 c 210 s 23;
29 (59) RCW 56.16.110 and 1977 ex.s. c 300 s 7, 1971 ex.s. c 272 s 6,
30 1953 c 250 s 15, & 1941 c 210 s 24;
31 (60) RCW 56.16.115 and 1984 c 186 s 50, 1977 ex.s. c 300 s 8, 1973
32 1st ex.s. c 195 s 66, 1959 c 103 s 12, & 1953 c 250 s 16;
33 (61) RCW 56.16.130 and 1983 c 167 s 158 & 1941 c 210 s 45;
34 (62) RCW 56.16.135 and 1988 c 162 s 10 & 1983 c 57 s 2;
35 (63) RCW 56.16.140 and 1983 c 57 s 1, 1971 ex.s. c 272 s 7, 1959 c
36 103 s 13, & 1941 c 210 s 46;
37 (64) RCW 56.16.150 and 1959 c 103 s 14;
38 (65) RCW 56.16.160 and 1986 c 294 s 12, 1983 c 66 s 21, 1981 c 24
39 s 3, 1973 1st ex.s. c 140 s 2, & 1959 c 103 s 15;

1 (66) RCW 56.16.165 and 1981 c 24 s 1;
2 (67) RCW 56.16.170 and 1959 c 103 s 16;
3 (68) RCW 56.20.010 and 1987 c 169 s 1, 1971 ex.s. c 272 s 8, & 1941
4 c 210 s 26;
5 (69) RCW 56.20.015 and 1983 c 167 s 159, 1981 c 45 s 5, 1980 c 12
6 s 1, 1977 ex.s. c 300 s 9, & 1974 ex.s. c 58 s 4;
7 (70) RCW 56.20.020 and 1986 c 256 s 1, 1977 ex.s. c 300 s 10, 1974
8 ex.s. c 58 s 5, 1965 ex.s. c 40 s 1, 1953 c 250 s 17, & 1941 c 210 s
9 27;
10 (71) RCW 56.20.032 and 1989 c 243 s 10;
11 (72) RCW 56.20.033 and 1987 c 315 s 5;
12 (73) RCW 56.20.040 and 1953 c 250 s 19 & 1941 c 210 s 29;
13 (74) RCW 56.20.050 and 1941 c 210 s 30;
14 (75) RCW 56.20.060 and 1941 c 210 s 31;
15 (76) RCW 56.20.070 and 1971 ex.s. c 272 s 10, 1969 c 126 s 1, &
16 1941 c 210 s 33;
17 (77) RCW 56.20.080 and 1991 c 190 s 4, 1971 ex.s. c 272 s 11, 1971
18 c 81 s 125, 1965 ex.s. c 40 s 2, & 1941 c 210 s 32;
19 (78) RCW 56.20.090 and 1953 c 250 s 20;
20 (79) RCW 56.20.120 and 1987 c 449 s 7;
21 (80) RCW 56.22.010 and 1989 c 389 s 4;
22 (81) RCW 56.22.020 and 1989 c 389 s 5;
23 (82) RCW 56.22.030 and 1989 c 389 s 6;
24 (83) RCW 56.22.040 and 1989 c 389 s 7;
25 (84) RCW 56.22.050 and 1989 c 389 s 8;
26 (85) RCW 56.24.001 and 1989 c 84 s 52;
27 (86) RCW 56.24.070 and 1990 c 259 s 25, 1989 c 308 s 3, 1988 c 162
28 s 13, 1985 c 469 s 56, 1982 1st ex.s. c 17 s 3, & 1967 ex.s. c 11 s 1;
29 (87) RCW 56.24.080 and 1985 c 469 s 57 & 1967 ex.s. c 11 s 2;
30 (88) RCW 56.24.090 and 1967 ex.s. c 11 s 3;
31 (89) RCW 56.24.100 and 1967 ex.s. c 11 s 4;
32 (90) RCW 56.24.110 and 1967 ex.s. c 11 s 5;
33 (91) RCW 56.24.120 and 1985 c 141 s 4 & 1967 ex.s. c 11 s 6;
34 (92) RCW 56.24.130 and 1967 ex.s. c 11 s 7;
35 (93) RCW 56.24.140 and 1967 ex.s. c 11 s 8;
36 (94) RCW 56.24.150 and 1967 ex.s. c 11 s 9;
37 (95) RCW 56.24.180 and 1982 c 146 s 1;
38 (96) RCW 56.24.190 and 1982 c 146 s 2;
39 (97) RCW 56.24.200 and 1990 c 259 s 26 & 1982 c 146 s 3;

1 (98) RCW 56.24.205 and 1995 c 279 s 1 & 1987 c 449 s 8;
 2 (99) RCW 56.24.210 and 1986 c 258 s 1;
 3 (100) RCW 56.24.900 and 1967 ex.s. c 11 s 11;
 4 (101) RCW 56.28.001 and 1989 c 84 s 53;
 5 (102) RCW 56.28.010 and 1953 c 250 s 27;
 6 (103) RCW 56.28.020 and 1985 c 153 s 2;
 7 (104) RCW 56.32.001 and 1989 c 84 s 54;
 8 (105) RCW 56.32.010 and 1989 c 308 s 9, 1975 1st ex.s. c 86 s 1, &
 9 1967 c 197 s 2;
 10 (106) RCW 56.32.020 and 1975 1st ex.s. c 86 s 2 & 1967 c 197 s 3;
 11 (107) RCW 56.32.030 and 1975 1st ex.s. c 86 s 3 & 1967 c 197 s 4;
 12 (108) RCW 56.32.040 and 1975 1st ex.s. c 86 s 4 & 1967 c 197 s 5;
 13 (109) RCW 56.32.050 and 1975 1st ex.s. c 86 s 5 & 1967 c 197 s 6;
 14 (110) RCW 56.32.060 and 1967 c 197 s 7;
 15 (111) RCW 56.32.070 and 1985 c 141 s 5 & 1967 c 197 s 8;
 16 (112) RCW 56.32.080 and 1989 c 308 s 10, 1975 1st ex.s. c 86 s 6,
 17 & 1967 c 197 s 9;
 18 (113) RCW 56.32.090 and 1967 c 197 s 10;
 19 (114) RCW 56.32.100 and 1975 1st ex.s. c 86 s 7 & 1967 c 197 s 11;
 20 (115) RCW 56.32.110 and 1994 c 289 s 1, 1975 1st ex.s. c 86 s 8, &
 21 1967 c 197 s 12;
 22 (116) RCW 56.32.115 and 1975 1st ex.s. c 86 s 9;
 23 (117) RCW 56.32.120 and 1967 c 197 s 13;
 24 (118) RCW 56.32.160 and 1987 c 449 s 9;
 25 (119) RCW 56.36.001 and 1989 c 84 s 55;
 26 (120) RCW 56.36.010 and 1982 1st ex.s. c 17 s 4 & 1969 ex.s. c 148
 27 s 1;
 28 (121) RCW 56.36.020 and 1969 ex.s. c 148 s 2;
 29 (122) RCW 56.36.030 and 1971 ex.s. c 146 s 7 & 1969 ex.s. c 148 s
 30 3;
 31 (123) RCW 56.36.040 and 1982 c 104 s 1, 1981 c 45 s 6, & 1969 ex.s.
 32 c 148 s 4;
 33 (124) RCW 56.36.045 and 1988 c 162 s 3;
 34 (125) RCW 56.36.050 and 1969 ex.s. c 148 s 5;
 35 (126) RCW 56.36.060 and 1981 c 45 s 7 & 1969 ex.s. c 148 s 6;
 36 (127) RCW 56.40.010 and 1995 c 399 s 147 & 1993 c 45 s 1;
 37 (128) RCW 56.40.020 and 1995 c 399 s 148 & 1993 c 45 s 2; and
 38 (129) RCW 56.40.030 and 1993 c 45 s 3.

1 NEW SECTION. **Sec. 1703.** The following acts or parts of acts are
2 each repealed:

3 (1) RCW 57.08.010 and 1994 c 81 s 81 & 1991 c 82 s 4;

4 (2) RCW 57.08.045 and 1981 c 45 s 10, 1959 c 108 s 4, & 1953 c 251
5 s 3;

6 (3) RCW 57.08.080 and 1982 1st ex.s. c 17 s 12 & 1959 c 108 s 2;

7 (4) RCW 57.08.090 and 1982 1st ex.s. c 17 s 13, 1977 ex.s. c 299 s
8 1, & 1959 c 108 s 3;

9 (5) RCW 57.08.130 and 1967 ex.s. c 135 s 2;

10 (6) RCW 57.12.045 and 1987 c 449 s 13;

11 (7) RCW 57.20.100 and 1984 c 230 s 84, 1983 c 3 s 163, 1973 1st
12 ex.s. c 195 s 73, 1951 2nd ex.s. c 25 s 4, 1951 c 62 s 1, & 1929 c 114
13 s 18;

14 (8) RCW 57.40.100 and 1982 1st ex.s. c 17 s 34 & 1971 ex.s. c 146
15 s 1;

16 (9) RCW 57.40.110 and 1971 ex.s. c 146 s 2;

17 (10) RCW 57.40.120 and 1971 ex.s. c 146 s 3;

18 (11) RCW 57.40.130 and 1982 c 104 s 3, 1981 c 45 s 12, & 1971 ex.s.
19 c 146 s 4;

20 (12) RCW 57.40.140 and 1971 ex.s. c 146 s 5; and

21 (13) RCW 57.40.150 and 1981 c 45 s 13 & 1971 ex.s. c 146 s 6.

22 NEW SECTION. **Sec. 1704.** This act shall take effect July 1, 1997.

Passed the Senate March 2, 1996.

Passed the House February 27, 1996.

Approved by the Governor March 28, 1996.

Filed in Office of Secretary of State March 28, 1996.