CHAPTER 72.

[Substitute House Bill No. 139.]

COUNTIES—SEWERAGE, WATER, DRAINAGE SYSTEMS.

AN ACT relating to counties; authorizing counties to construct, condemn and purchase, acquire, add to, maintain, conduct and operate systems of sewerage, water and drainage; providing for financing and modes of payment therefor and the making and collection of charges; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Section 1. As used in this act:

(1) A “system of sewerage” means and includes:
   (a) Sanitary sewage disposal sewers;
   (b) Combined sanitary sewage disposal and storm or surface water sewers;
   (c) Storm or surface water sewers;
   (d) Outfalls for storm or sanitary sewage and works, plants, and facilities for sanitary sewage treatment and disposal;
   (e) Combined water and sewerage systems;
   (f) Any combination of or part of any or all of such facilities.

(2) A “system of water” means and includes:
   (a) A water distribution system, including dams, reservoirs, aqueducts, plants, pumping stations, transmission and lateral distribution lines and other facilities for distribution of water;
   (b) A combined water and sewerage system;
   (c) Any combination of or any part of any or all of such facilities.

(3) A “sewerage and/or water general plan” means a general plan for a system of sewerage and/or water for the county which shall be an element of the comprehensive plan established by the county pursuant to chapter 36.70.350 (5) and/or chapter 35.63 RCW. A sewerage and/or water
general plan shall include the general location of lines, laterals, trunks, interceptors, pumping stations, tanks, plants, works, outfalls and other facilities, including preliminary engineering to assure feasibility and shall further provide for the method of distributing the cost and expense of the system. The sewerage and/or water general plan shall not mean the final engineering construction plan for the system.

(4) “Municipal corporation” means and includes any city, town, metropolitan municipal corporation, any public utility district which operates and maintains a water system, any sewer, water, diking or drainage district, any diking, drainage and sewerage improvement district, any water distribution district, and any irrigation district.

(5) A “private utility” means and includes all utilities, both public and private, which provide sewerage and/or water service and which are not municipal corporations within the definition of this act. The ownership of a private utility may be in a corporation, nonprofit or for profit, in a cooperative association, in a mutual organization, or in individuals.

(6) “Board” means one or more boards of county commissioners.

Sec. 2. The construction, operation and maintenance of a system of sewerage and/or water is a county purpose. Subject to the provisions of this act, every county has the power, individually or in conjunction with another county or counties to adopt, provide for, accept, establish, condemn, purchase, construct, add to and maintain a system or systems of sanitary and storm sewers, including outfalls, interceptors, plans and facilities necessary for sewerage treatment and disposal, and/or system or systems of water supply within all or a portion of the county: Provided, That counties shall not have
power to condemn sewerage and/or water systems of any municipal corporation or private utility.

Such county or counties shall have the authority to control, regulate and manage such system or systems and to provide funds therefor by general obligation bonds, revenue bonds, utility local improvement district assessments and in any lawful fiscal manner.

Sec. 3. Whenever the board of county commissioners of a county deems it advisable and necessary for the public health and welfare of the inhabitants of the county to establish, purchase, acquire and construct a system of sewerage and/or water, or make any additions and betterments thereto, or extensions thereof, the board shall adopt as an element of the comprehensive plan for the physical development of the county pursuant to the provisions of RCW 36.70.350(5) and/or chapter 35.63 RCW, a sewerage and/or water general plan for a system of sewerage and/or water for all or a portion of the county as deemed necessary by the board.

Sec. 4. The sewerage and/or water general plan must incorporate the provisions of existing comprehensive plans relating to sewerage and water systems of cities, towns, municipalities, and private utilities, to the extent they have been implemented.

In any county in which a metropolitan municipal corporation is authorized to perform the sewerage disposal or water supply function, any sewerage and/or water general plan shall be approved by the metropolitan municipal corporation prior to adoption by the county.

Sec. 5. Prior to the adoption of or amendment of the sewerage and/or water general plan, the board or boards of county commissioners shall submit the plan to a review committee. The review committee shall consist of:
(1) A representative of each first and second class city within or adjoining the area selected by the mayor thereof (if there are no first or second class cities within the plan area, then one representative chosen by the mayor of the city with the largest population within the plan area);

(2) One representative chosen at large by a majority vote of the executive officers of the other cities or towns within or adjoining the area;

(3) A representative chosen by the executive officer or the chairman of the board, as the case may be, of each of the other municipal corporations and private utilities serving one thousand or more sewer and/or water customers located within the area;

(4) One representative chosen at large by a majority vote of the executive officers and chairmen of the boards, as the case may be, of the other remaining municipal corporations within the area;

(5) The chairman or chairmen of the board or boards of county commissioners within the planned area; and

(6) In counties where there is a metropolitan municipal corporation operating a sewerage and/or water system in the area, the chairman of its council or such person as he designates.

Sec. 6. The members of each review committee shall elect from its members a chairman and a secretary. The committee shall determine its own rules and order of business and shall provide by resolution for the time and manner of its proceedings which shall be a public record. A majority of all the members shall constitute a quorum for the transaction of business.

Each member of the committee shall be compensated from the county current expense fund at the rate of twenty-five dollars per day, or a major portion thereof, for time actually devoted to the work of the committee. Each board of county commission-
ers shall provide such funds as shall be necessary to pay the compensation of the members and such other expenses as shall be reasonably necessary. Such payments shall be reimbursed to the counties advancing the funds from moneys acquired from the construction or operation of a sewerage and/or water system.

Sec. 7. The committee shall review the sewerage and/or water general plan and shall report to the board or boards of county commissioners within ninety days their approval or any suggested amendments, deletions, or additions. If the committee shall fail to report within the time, the plan shall be deemed approved. If the committee submits a report, the board shall consider and review the committee's report and may adopt any recommendations suggested therein.

Sec. 8. Before final action thereon, the board shall conduct a public hearing on the plan after ten days published notice of hearing is given pursuant to RCW 36.32.120(7). The notice must set out the full official title of the proposed resolution adopting the plan and a statement describing the general intent and purpose of the plan. The notice shall also include the day, hour and place of hearing and must be given by publication in the newspaper in which legal notices of the county are printed. Ten days prior to the hearing, three copies of the sewerage and/or water general plan shall be filed with the clerk of the board. The copies shall be open to public inspection.

Sec. 9. At the hearing, the board may adopt the plan, or amend and adopt the plan, or reject any part or all of the plan.

Sec. 10. Prior to the commencement of actual work on any plan approved by the board, it must be
submitted to the appropriate departments of the state of Washington for their written approval. For a sewerage system plan, the plan must be approved by the department of health and the state pollution control commission. For a water system, the plan must be approved by the department of health, the state pollution control commission, and the department of conservation.

Sec. 11. After adoption of the sewerage and/or water general plan, all municipal corporations and private utilities within the plan area shall abide by and adhere to the plan for the future development of their systems. Whenever the governing authority of any county or counties or any municipal corporation deems it to be for the public interest to amend the sewerage and/or water general plan for such county or counties, notice shall be filed with the board or boards of county commissioners. Upon such notice, the board or boards shall initiate consideration of any amendment requested relating to the plan and proceed as provided in this act for the adoption of an original plan.

Sec. 12. The board shall establish a department in county government for the purpose of establishing, operating and maintaining the system or systems of sewerage and/or water. In the department, the board shall establish and provide for the operation and maintenance of a personnel merit system for the employment, classification, promotion, demotion, suspension, transfer, layoff and discharge of its appointive officers and employees, solely on the basis of merit and fitness, without regard to political influence or affiliation.

Sec. 13. The board of county commissioners may adopt by resolution reasonable rules and regulations governing the construction, maintenance, operation,
use, connection and service of the system of sewer-
age and/or water.

Sec. 14. Every county, in the operation of a sys-
tem of sewerage and/or water, shall have full juris-
diction and authority to manage, regulate and con-
trol it and to fix, alter, regulate and control the rates
and charges for the service to those to whom such
county service is available. The rates charged must
be uniform for the same class of customers or serv-

ice.

In classifying customers served or service fur-
nished by such system of sewerage and/or water,
the board may consider any or all of the following
factors:

(1) The difference in cost of service to the var-
ious customers within or without the area;

(2) The difference in cost of maintenance, opera-
tion, repair and replacement of the various parts of
the systems;

(3) The different character of the service fur-
nished various customers;

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

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


and

(6) Any other matters which present a reason-
able difference as a ground for distinction.

Such rates shall produce revenues sufficient to
take care of the costs of maintenance and operation,
revenue bond and warrant interest and principal
amortization requirements, and all other charges
necessary for the efficient and proper operation of
the system.

Sec. 15. All counties operating a system of sewer-
age and/or water shall have a lien for delinquent
connection charges and charges for sewerage and/or
water service, together with interest at eight percent per annum from the date due until paid. Penalties of not more than ten percent of the amount due may be imposed in case of failure to pay the charges at times fixed by resolution. The lien shall be for all charges, interest, and penalties and shall attach to the premises to which the services were furnished. The lien shall be superior to all other liens and encumbrances, except general taxes and local and special assessments of the county.

The county department established in section 12 shall certify periodically the delinquencies to the treasurer of the county at which time the lien shall attach. Liens created by this section shall not have priority over liens or encumbrances perfected before the day of the certification to the treasurer of the particular delinquency for which the lien attaches pursuant to this section.

Upon the expiration of sixty days after the attachment of the lien, the county may bring suit in foreclosure by civil action in the superior court of the county where the property is located. In addition to the costs and disbursements provided by statute, the court may allow the county a reasonable attorney's fee. The lien shall be foreclosed in the same manner as the foreclosure of real property tax liens.

Sec. 16. The county shall have the power to levy a tax on the system of sewerage and/or water operated by the county or counties as authorized by this act, not to exceed eight percent per annum, on the gross revenues, to be paid to the county's general fund for payment of all costs of planning, financing, construction and operation of the system.

Sec. 17. The primary authority to construct, operate and maintain a system of sewerage and/or water within the boundaries of a municipal corpora-
tion which lies within the area of the county's sewerage and/or water general plan shall remain with such municipal corporation. As may be permitted by other statutes, a city or town may provide water or sewer service outside of its corporate limits.

Sec. 18. In the event of the annexation to a city or town of an area in which a county is operating a sewerage and/or water system, the property, facilities, and equipment of such sewerage and/or water system lying within the annexed area may be transferred to the city or town, subject to the assumption by the city or town of the county's obligations relating to such property, facilities, and equipment, under the procedures specified in RCW 35.13.220 through RCW 35.13.246 inclusive, and pursuant to the authority contained in RCW 35.13.250 as now existing or hereafter amended.

Sec. 19. Every county in furtherance of the powers granted by this act shall be authorized to contract with the federal government, the state of Washington, or any city or town, within or without the county, and with any other county, and with any municipal corporation as defined herein or with any municipal corporation created under the laws of the state of Washington and not limited as defined in section 1 of the act, or political subdivision, and with any person, firm or corporation in and for the establishment, maintenance and operation of all or a portion of a system or systems of sewerage and/or water supply.

The state and such city, town, person, firm, corporation, municipal corporation and any other municipal corporation created under the laws of the state of Washington and not limited as defined in section 1 of the act, and political subdivision, is authorized to contract with a county or counties for such purposes.
Sec. 20. The board of county commissioners of any county is hereby authorized for the purpose of carrying out the lawful powers granted by this act to contract indebtedness and to issue general obligation bonds pursuant to and in the manner provided for general county bonds in chapter 36.67 RCW and other applicable statutes; and to issue revenue bonds pursuant to and in the manner provided for revenue bonds in chapter 36.67 RCW and other applicable statutes.

Sec. 21. The board of county commissioners of any county in adopting and establishing a system of sewerage and/or water may set aside into a special fund and pledge to the payment of the principal and interest due on any county revenue bonds any sums or amounts which may accrue from the collection of rates and charges for the private and public use of the system or systems.

Sec. 22. A county shall have the power to establish utility local improvement districts within the area of a sewerage and/or water general plan and to levy special assessments under a mode of annual installments extending over a period not exceeding twenty years on all property specially benefited by any local improvement on the basis of the special benefits to pay in whole or in part the damages or costs of any improvements ordered in such county. The levying, collection and enforcement of all public assessments hereby authorized shall be in the manner now and hereafter provided by law or the levying, collection and enforcement of local improvement assessments by cities of the first class, insofar as the same shall not be inconsistent with the provisions of this act. The duties devolving upon the city treasurer under such laws are imposed upon the county treasurer for the purposes of this act. The mode of assessment shall be in the manner to be
determined by the board of county commissioners by resolution. It must be specified in any petition for the establishment of a utility local improvement district and in the sewerage and/or water general plan or amendment thereto that the assessments shall be for the sole purpose of payment into the revenue bond fund for the payment of revenue bonds. Assessments in any utility local improvement district may be made on the basis of special benefits up to but not in excess of the total cost of any sewerage and/or water general plan payable by issuance of revenue bonds. No warrants or bonds shall be issued in any such utility local improvement district, but the collection of interest and principal on all assessments in such utility improvement district, when collected, shall be paid into the revenue bond fund.

Sec. 23. Utility local improvement districts to carry out all or any portion of the general plan, or additions and betterments thereof, may be initiated either by resolution of the board of county commissioners or by petition signed by the owners according to the records of the office of the county auditor of at least fifty-one percent of the area of land within the limits of the utility local improvement district to be created.

In case the board shall desire to initiate the formation of a utility local improvement district by resolution, it shall first pass a resolution declaring its intention to order such improvement, setting forth the nature and territorial extent of such proposed improvement, designating the number of the proposed utility local improvement district, describing the boundaries thereof, stating the estimated cost and expense of the improvement and the proportionate amount thereof which will be borne by the property within the proposed district, and fixing a date, time and place for a public hearing on the formation of the proposed local district.
In case any such utility local improvement district shall be initiated by petition, such petition shall set forth the nature and territorial extent of such proposed improvement and the fact that the signers thereof are the owners according to the records of the county auditor of at least fifty-one percent of the area of land within the limits of the utility local improvement district to be created. Upon the filing of such petition with the clerk of the board of county commissioners, the board shall determine whether the same shall be sufficient, and the board's determination thereof shall be conclusive upon all persons. No person shall withdraw his name from said petition after the filing thereof with the clerk of the board of county commissioners. If the board shall find the petition to be sufficient, it shall proceed to adopt a resolution declaring its intention to order the improvement petitioned for, setting forth the nature and territorial extent of said improvement, designating the number of the proposed local district, describing the boundaries thereof, stating the estimated cost and expense of the improvement and the proportionate amount thereof which will be borne by the property within the proposed local district, and fixing a date, time and place for a public hearing on the formation of the proposed local district.

The resolution of intention, whether adopted on the initiative of the board or pursuant to a petition of the property owners, shall be published in at least two consecutive issues of a newspaper of general circulation in the proposed local district, the date of the first publication to be at least fifteen days prior to the date fixed by such resolution for hearing before the board of county commissioners. Notice of the adoption of the resolution of intention shall be given each owner or reputed owner of any lot, tract, parcel of land or other property within the
proposed improvement district by mailing said notice at least fifteen days before the date fixed for the public hearing to the owner or reputed owner of the property as shown on the tax rolls of the county treasurer at the address shown thereon. The notice shall refer to the resolution of intention and designate the proposed improvement district by number. Said notice shall also set forth the nature of the proposed improvement, the total estimated cost, the proportion of total cost to be borne by assessments, the estimated amount of the cost and expense of such improvement to be borne by the particular lot, tract or parcel, the date, time and place of the hearing before the board of county commissioners; and in the case of improvements initiated by resolution, said notice shall also state that all persons desiring to object to the formation of the proposed district must file their written protests with the clerk of the board of county commissioners before the time fixed for said public hearing.

Sec. 24. Whether the improvement is initiated by petition or resolution, the board shall conduct a public hearing at the time and place designated in the notice to the property owners. At this hearing the board shall hear objections from any person affected by the formation of the local district and may make such changes in the boundaries of the district or such modifications in plans for the proposed improvement as shall be deemed necessary: Provided, That the board may not change the boundaries of the district to include property not previously included therein without first passing a new resolution of intention and giving a new notice to property owners in the manner and form and within the time herein provided for the original notice.

After said hearing the commissioners shall have jurisdiction to overrule protests and proceed with
any such improvement initiated by petition or resolution: Provided, That the jurisdiction of the commissioners to proceed with any improvement initiated by resolution shall be divested by protests filed with the clerk of the board prior to said public hearing signed by the owners, according to the records of the county auditor, of at least forty percent of the area of land within the proposed local district.

If the commissioners find that the district should be formed, they shall by resolution order the improvement, adopt detailed plans of the utility local improvement district and declare the estimated cost thereof, acquire all necessary land therefor, pay all damages caused thereby, and commence in the name of the county such eminent domain proceedings and supplemental assessment or reassessment proceedings to pay all eminent domain awards as may be necessary to entitle the county to proceed with the work. The board of county commissioners shall proceed with the work and file with the county treasurer its roll levying special assessments in the amount to be paid by special assessment against the property situated within the local utility improvement district in proportion to the special benefits to be derived by the property therein from the improvement.

Sec. 25. Before the approval of the roll a notice shall be published once a week for two consecutive weeks in a newspaper of general circulation in the local district, stating that the roll is on file and open to inspection in the office of the board of county commissioners, and fixing the time, not less than fifteen or more than thirty days from the date of the first publication of the notice, within which protests must be filed with the clerk against any assessments shown thereon, and fixing a time when a hearing will be held by the board on the protests. The notice shall also be given by mailing at least fifteen days
before the hearing, a similar notice to the owners or reputed owners of the land in the local district as they appear on the books of the treasurer of the county.

Sec. 26. At such hearing on a protest to an assessment, or any adjournment thereof, the board of county commissioners shall have power to correct, revise, raise, lower, change or modify such roll, or any part thereof, and to set aside such roll, and order that such assessment be made de novo, as to such body shall appear equitable and just and may then by resolution approve the same. In the event of any assessment being raised a new notice similar to such first notice shall be given, after which final approval of such roll may be made by the board of county commissioners. Whenever any property shall have been entered originally upon such roll and the assessment upon any such property shall not be raised, no objection thereto shall be considered by the commissioners or by any court on appeal unless such objection be made in writing at, or prior, to the date fixed for the original hearing upon such roll.

Sec. 27. In the event that any portion of the system after its installation in such utility local improvement district is not adequate for the purpose for which it was intended, or that for any reason changes, alterations or betterments are necessary in any portion of the system after its installation, then such district, with boundaries which may include one or more existing utility local improvement districts, may be created in the same manner as is provided herein for the creation of utility local improvement districts. Upon the organization of such utility local improvement district as provided for in this section the plan of the improvement and the payment of the cost of the improvement shall be carried out in the same manner as is provided herein.
for the carrying out of and the paying for the improvement in the utility local improvement districts previously provided for in this act.

Sec. 28. Whenever any assessment roll for local improvements shall have been confirmed by the board of county commissioners as herein provided, the regularity, validity and correctness of the proceedings relating to such improvement and to the assessment therefor, including the action of the board upon such assessment roll and the confirmation thereof, shall be conclusive in all things upon all parties, and cannot in any manner be contested or questioned in any proceeding whatsoever by any person not filing written objections to such roll in the manner and within the time provided in this act, and not appealing from the action of the board of county commissioners in confirming such assessment roll in the manner and within the time in this act provided. No proceedings of any kind shall be commenced or prosecuted for the purpose of defeating or contesting any such assessment, or the sale of any property to pay such assessment, or any certificate of delinquency issued therefor, or the foreclosure of any lien issued therefor: Provided, That this section shall not be construed as prohibiting the bringing of injunction proceedings to prevent the sale of any real estate upon the grounds:

(1) That the property about to be sold does not appear upon the assessment roll, or

(2) That said assessment has been paid.

Sec. 29. The decision of the board of county commissioners upon any objections made within the time and in the manner herein prescribed, may be reviewed by the superior court upon an appeal thereto taken in the following manner. Such appeal shall be made by filing written notice of appeal with the clerk of the board of county commissioners and

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with the clerk of the superior court within ten days after the resolution confirming such assessment roll shall have become published, and such notice shall describe the property and set forth the objections of such appellant to such assessment. Within the ten days from the filing of such notice of appeal with the clerk of the superior court, the appellant shall file with the clerk of said court, a transcript consisting of the assessment roll and his objections thereto, together with the resolution confirming such assessment roll and the record of the board of county commissioners with reference to said assessment, which transcript, upon payment of the necessary fees therefor, shall be furnished by such clerk of the board of county commissioners and by him certified to contain full, true and correct copies of all matters and proceedings required to be included in such transcript. Such fees shall be the same as the fees payable to the county clerk for the preparation and certification of transcripts on appeal to the supreme court in civil actions. At the time of the filing of the notice of appeal with the clerk of the superior court a sufficient bond in the penal sum of two hundred dollars, with sureties thereon as provided by law for appeals in civil cases, shall be filed conditioned to prosecute such appeal without delay, and if unsuccessful, to pay all costs to which the county is put by reason of such appeal. The court may order the appellant upon application therefor, to execute and file such additional bond or bonds as the necessity of the case may require. Within three days after such transcript is filed in the superior court, as aforesaid, the appellant shall give written notice to the clerk of the board of county commissioners that such transcript is filed. Said notice shall state a time, not less than three days from the service thereof, when the appellant will call up the said cause for hearing. The superior court shall, at said time or at such
further time as may be fixed by order of the court, hear and determine such appeal without a jury, and such cause shall have preference over all civil causes pending in said court, except proceedings under an act relating to eminent domain in such county and actions of forcible entry and detainer. The judgment of the court shall confirm, correct, modify or annul the assessment insofar as the same affects the property of the appellant. A certified copy of the decision of the court shall be filed with the officer who shall have the custody of the assessment roll, and he shall modify and correct such assessment roll in accordance with such decision. An appeal shall lie to the supreme court from the judgment of the superior court, as in other cases, however, such appeal must be taken within fifteen days after the date of the entry of the judgment of such superior court, and the record and opening brief of the appellant in said cause shall be filed in the supreme court within sixty days after the appeal shall have been taken by notice as provided in this section. The time for filing such record and serving and filing of briefs in this section prescribed may be extended by order of the superior court, or by stipulation of the parties concerned. The supreme court on such appeal may correct, change, modify, confirm or annul the assessment insofar as the same affects the property of the appellant. A certified copy of the order of the supreme court upon such appeal shall be filed with the officer having custody of such assessment roll, who shall thereupon modify and correct such assessment roll in accordance with such decision.

Sec. 30. Whenever any land against which there has been levied any special assessment by a county shall have been sold in part or subdivided, the board of county commissioners of such county shall have the power to order a segregation of the assessment.
Any person desiring to have such a special assessment against a tract of land segregated to apply to smaller parts thereof shall apply to the board of county commissioners which levied the assessment. If the board determines that a segregation should be made, they shall by resolution order the county treasurer to make segregation on the original assessment roll as directed in the resolution. The segregation shall be made as nearly as possible on the same basis as the original assessment was levied, and the total of the segregated parts of the assessment shall equal the assessment before segregation. The resolution shall describe the original tract, the amount and date of the original assessment, and shall define the boundaries of the divided parts and the amount of the assessment chargeable to each part. A certified copy of the resolution shall be delivered to the county treasurer who shall proceed to make the segregation ordered upon being tendered a fee of three dollars for each tract of land for which a segregation is to be made. In addition to such charge the board of county commissioners may require as a condition to the order of segregation that the person seeking it pay the county the reasonable engineering and clerical costs incident to making the segregation.

Sec. 31. This act shall be complete authority for the establishment, construction and operation and maintenance of a system or systems of sewerage and/or water hereby authorized, and shall be liberally construed to accomplish its purpose. Any act inconsistent herewith shall be deemed modified to conform with the provisions of this act for the purpose of this act only.

Sec. 32. If any portion of this act as now or hereafter amended, or its application to any person or circumstances, is held invalid or unconstitutional, such adjudication shall not affect the validity of the
act as a whole, or any section, provision or part thereof not adjudged to be invalid or unconstitutional, and its application to other persons or circumstances shall not be affected.

Sec. 33. This act is hereby declared to be necessary for the public peace, health, safety and welfare and declared to be a county purpose and that the bonds and special assessments authorized hereby are found to be for a public purpose.

Passed the House February 18, 1967.
Passed the Senate March 8, 1967.
Approved by the Governor March 21, 1967.

CHAPTER 73.
[Engrossed House Bill No. 115.]
CITIES AND TOWNS—COMMUNITY MUNICIPAL CORPORATIONS.