This bill, among other things, contains changes in the Crime Victims Compensation Act. Sections 7 and 9 relate to the restitution provisions of the current law and require that they apply to offenses committed before the effective date of this legislation. The Legislature intended to refer only to those crimes committed after the sentencing guidelines took effect; the language in Sections 7 and 9 could affect offenders sentenced many years ago. I believe this is inappropriate and am, therefore, vetoing Sections 7 and 9.

With the exception of Sections 7 and 9, which I have vetoed, Substitute House Bill No. 242 is approved."

CHAPTER 444

[Engrossed Substitute House Bill No. 846]
MUNICIPAL WATER SYSTEMS——SEWER SYSTEMS——ELECTRIC
GENERATION

AN ACT Relating to the water systems of municipalities; amending RCW 35.92.010, 35-.92.070, 57.08.010, and 56.08.010; adding a new section to chapter 90.54 RCW; and creating new sections.

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

<u>NEW SECTION.</u> Sec. 1. For the purposes of this act, the legislature finds it is the policy of the state of Washington that:

- (1) The quality of the natural environment shall be protected and, where possible, enhanced as follows: Perennial rivers and streams of the state shall be retained with base flows necessary to provide for preservation of wildlife, fish, scenic, aesthetic and other environmental values, and navigational values. Lakes and ponds shall be retained substantially in their natural condition. Withdrawals of water which would conflict therewith shall be authorized only in those situations where it is clear that overriding considerations of the public interest will be served.
- (2) Development of water supply systems, whether publicly or privately owned, which provide water to the public generally in regional areas within the state shall be encouraged. Development of water supply systems for multiple domestic use which will not serve the public generally shall be discouraged where water supplies are available from water systems serving the public.
- Sec. 2. Section 35.92.010, chapter 7, Laws of 1965 and RCW 35.92-.010 are each amended to read as follows:

A city or town may construct, condemn and purchase, purchase, acquire, add to, maintain and operate waterworks, within or without its limits, for the purpose of furnishing the city and its inhabitants, and any other persons, with an ample supply of water for all purposes, public and private, including water power and other power derived therefrom, with full power to regulate and control the use, distribution, and price thereof: PROVID-ED, That the rates charged must be uniform for the same class of customers or service. Such waterworks may include facilities for the generation of electricity as a byproduct and such electricity may be used by the city or

town or sold to an entity authorized by law to distribute electricity. Such electricity is a byproduct when the electrical generation is subordinate to the primary purpose of water supply. In classifying customers served or service furnished, the city or town governing body may in its discretion consider any or all of the following factors: The difference in cost of service to the various customers; location of the various customers within and without the city or town; the difference in cost of maintenance, operation, repair, and replacement of the various parts of the system; the different character of the service furnished various customers; the quantity and quality of the water furnished; the time of its use; capital contributions made to the system including, but not limited to, assessments; and any other matters which present a reasonable difference as a ground for distinction. No rate shall be charged that is less than the cost of the water and service to the class of customers served.

For such purposes any city or town may take, condemn and purchase, purchase, acquire, and retain water from any public or navigable lake or watercourse, surface or ground, and, by means of aqueducts or pipe lines, conduct it to the city or town; and it may erect and build dams or other works across or at the outlet of any lake or watercourse in this state for the purpose of storing and retaining water therein up to and above high water mark; and for all the purposes of erecting such aqueducts, pipe lines, dams, or waterworks or other necessary structures in storing and retaining water, or for any of the purposes provided for by this chapter, the city or town may occupy and use the beds and shores up to the high water mark of any such watercourse or lake, and acquire the right by purchase, or by condemnation and purchase, or otherwise, to any water, water rights, easements or privileges named in this chapter, or necessary for any of said purposes, and the city or town may acquire by purchase or condemnation and purchase any properties or privileges necessary to be had to protect its water supply from pollution. Should private property be necessary for any such purposes or for storing water above high water mark, the city or town may condemn and purchase, or purchase and acquire such private property. For the purposes of waterworks which include facilities for the generation of electricity as a byproduct, nothing in this section may be construed to authorize a city or town that does not own or operate an electric utility system to condemn electric generating, transmission, or distribution rights or facilities of entities authorized by law to distribute electricity, or to acquire such rights or facilities without the consent of the owner.

Sec. 3. Section 35.92.070, chapter 7, Laws of 1965 and RCW 35.92-.070 are each amended to read as follows:

When the governing body of a city or town deems it advisable that the city or town purchase, acquire, or construct any such public utility or make any additions and betterments thereto or extensions thereof, it shall provide therefor by ordinance, which shall specify and adopt the system or plan

proposed, and declare the estimated cost thereof, as near as may be, and the ordinance shall be submitted for ratification or rejection to the voters of the city or town at a general or special election, except in the following cases where no submission shall be necessary:

- (1) When the work proposed is (a) an addition to, or betterment of, or extension of, or an increased water supply for, existing waterworks((5)): PROVIDED, That submission by a city or town that does not own or operate an electric utility system shall be necessary for a work which may produce electricity for sale in excess of present and future needs of the water system if such work involves an ownership greater than twenty-five percent in a new water supply project combined with an electric generation facility or if the combined facility has an installed capacity in excess of five megawatts; or (b) an addition, betterment, or extension of an existing system or plant of any other public utility for which no general indebtedness is to be incurred by the city or town;
- (2) When in the charter of a city or town a provision has been adopted authorizing the corporate authorities thereof to provide by ordinance for acquiring, opening, or operating any of such public utilities, for which no general indebtedness is to be incurred; or
- (3) When in the judgment of the corporate authority, the public health is being endangered by the discharge of raw or untreated sewage into any river or stream and the danger to the public health may be abated by the construction and maintenance of a sewage disposal plant for which no general indebtedness shall be incurred by the city or town responsible for such contamination.

If a general indebtedness is to be incurred, the amount and terms thereof shall be included in the proposition submitted to the voters and such proposition shall be adopted by three-fifths of the voters voting at such election.

If no general indebtedness is to be incurred the proposition may be adopted by a majority vote.

((Ten)) Thirty days' notice of the election shall be given in the newspaper doing the city or town printing, by publication ((in each issue of)) at least once each week in the paper during such time.

When a proposition has been adopted, or in the cases where no submission is necessary, the corporate authorities of the city or town may proceed forthwith to purchase, construct, and acquire the public utility or make additions, betterments, and extensions thereto and to make payment therefor.

Sec. 4. Section 8, chapter 114, Laws of 1929 as amended by section 1, chapter 108, Laws of 1959 and RCW 57.08.010 are each amended to read as follows:

A water district may acquire by purchase or condemnation, or both, all property and property rights and all water and water rights, both within and

without the district, necessary for its purposes. A water district may lease real or personal property necessary for its purposes for a term of years for which such leased property may reasonably be needed where in the opinion of the board of water commissioners such property may not be needed permanently or substantial savings to the district can be effected thereby. The right of eminent domain shall be exercised in the same manner and by the same procedure as provided for cities of the third class, insofar as consistent with the provisions of this title, except that all assessment rolls to be prepared and filed by eminent domain commissioners or commissioners appointed by the court shall be prepared and filed by the water district, and the duties devolving upon the city treasurer are hereby imposed upon the county treasurer. A water district may construct, condemn and purchase, purchase, add to, maintain and supply waterworks to furnish the district and inhabitants thereof, and any city or town therein and any other persons, both within and without the district, with an ample supply of water for all uses and purposes public and private with full authority to regulate and control the use, distribution and price thereof. Such waterworks may include facilities which result in combined water supply and electric generation, provided that the electricity generated thereby is a byproduct of the water supply system. Such electricity may be used by the water district or sold to any entity authorized by law to distribute electricity. Such electricity is a byproduct when the electrical generation is subordinate to the primary purpose of water supply. For such purposes, a water district may take, condemn and purchase, purchase, acquire and retain water from any public or navigable lake, river or watercourse, or any underflowing water and, by means of aqueducts or pipe line conduct the same throughout such water district and any city or town therein and carry it along and upon public highways, roads and streets, within and without such district. For the purpose of constructing or laying aqueducts or pipe lines, dams, or waterworks or other necessary structures in storing and retaining water or for any other lawful purpose such water district may occupy the beds and shores up to the high water mark of any such lake, river, or other watercourse, and may acquire by purchase or condemnation such property or property rights or privileges as may be necessary to protect its water supply from pollution. For the purposes of waterworks which include facilities for the generation of electricity as a byproduct, nothing in this section may be construed to authorize a water district to condemn electric generating, transmission, or distribution rights or facilities of entities authorized by law to distribute electricity, or to acquire such rights or facilities without the consent of the owner.

A water district may purchase and take water from any municipal corporation.

A water district may fix rates and charges for water supplied and may charge property owners seeking to connect to the district's water supply system, as a condition to granting the right to so connect, in addition to the cost of such connection, such reasonable connection charge as the board of commissioners shall determine to be proper in order that such property owners shall bear their equitable share of the cost of such system.

Sec. 5. Section 10, chapter 210, Laws of 1941 as last amended by section 4, chapter 190, Laws of 1981 and RCW 56.08.010 are each amended to read as follows:

A sewer district may acquire by purchase or by condemnation and purchase all lands, property rights, water, and water rights, both within and without the district, necessary for its purposes. A sewer district may lease real or personal property necessary for its purposes for a term of years for which such leased property may reasonably be needed where in the opinion of the board of sewer commissioners such property may not be needed permanently or substantial savings to the district can be effected thereby. The right of eminent domain shall be exercised in the same manner and by the same procedure as provided for cities of the third class, insofar as consistent with the provisions of this title, except that all assessments or reassessment rolls required to be filed by eminent domain commissioners or commissioners appointed by the court shall be prepared and filed by the district, and the duties devolving upon the city treasurer shall be imposed upon the county treasurer for the purposes hereof; it may construct, condemn and purchase, add to, maintain, and operate systems of sewers for the purpose of furnishing the district and inhabitants thereof with an adequate system of sewers for all uses and purposes, public and private, including but not limited to on-site sewage disposal facilities, facilities for the drainage of storm or surface waters, public highways, streets, and roads with full authority to regulate the use and operation thereof and the service rates to be charged. Such sewage facilities may include facilities which result in combined sewage disposal, treatment, or drainage and electric generation, provided that the electricity generated thereby is a byproduct of the system of sewers. Such electricity may be used by the sewer district or sold to any entity authorized by law to distribute electricity. Such electricity is a byproduct when the electrical generation is subordinate to the primary purpose of sewage disposal, treatment, or drainage. For such purposes a district may conduct sewage throughout the district and throughout other political subdivisions within the district, and construct and lay sewer pipe along and upon public highways, roads, and streets, within and without the district, and condemn and purchase or acquire land and rights of way necessary for such sewer pipe. A district may erect sewage treatment plants, within or without the district, and may acquire by purchase or condemnation, properties or privileges necessary to be had to protect any lakes, rivers, or watercourses and also other areas of land from pollution, from its sewers or its sewage treatment plant. For the purposes of sewage facilities which include facilities which result in combined sewage disposal, treatment, or drainage

and electric generation where the electric generation is a byproduct, nothing in this section may be construed to authorize a district to condemn electric generating, transmission, or distribution rights or facilities of entities authorized by law to distribute electricity, or to acquire such rights or facilities without the consent of the owner. A district may charge property owners seeking to connect to the district system of sewers, as a condition to granting the right to so connect, in addition to the cost of such connection, such reasonable connection charge as the board of commissioners shall determine to be proper in order that such property owners shall bear their equitable share of the cost of such system. A district may compel all property owners within the sewer district located within an area served by the district system of sewers to connect their private drain and sewer systems with the district system under such penalty as the sewer commissioners shall prescribe by resolution. The district may for such purpose enter upon private property and connect the private drains or sewers with the district system and the cost thereof shall be charged against the property owner and shall be a lien upon property served.

NEW SECTION. Sec. 6. A new section is added to chapter 90,54 RCW to read as follows:

In addition to other requirements of this chapter, when the proposed water resource development project involves a new water supply combined with an electric generation facility where such electricity generated may be sold to an entity authorized by law to distribute electricity, the department shall evaluate and utilize, in connection with any application to appropriate water pursuant to the water code, chapter 90.03 RCW, sufficient information furnished by the project applicant regarding the need for the project, alternative means of serving the purposes of the project, the cumulative effects of the project and similar projects that are built, under construction or permitted in the relevant river basin or basins, the impact, if any, on flood control plans and an estimate of the impact, if any, of the sale of the project's electricity on the rates of utility customers of the Bonneville power administration. Such information shall be furnished at the project applicant's own cost and expense.

NEW SECTION. Sec. 7. (1) Nothing in this act exempts any city or town, water district, or sewer district from compliance with applicable state and federal statutes and regulations including but not limited to: State environmental policy act, chapter 43.21C RCW; national environmental policy act, 42 U.S.C. Sec. 4321 et seq.; federal power act, 16 U.S.C. Sec. 791 et seq.; public utility regulatory policies act, 15 U.S.C. Sec. 717f; Pacific northwest electric power planning and conservation act, 16 U.S.C. Sec. 839; energy financing voter approval act, chapter 80.52 RCW; water resources act, chapter 90.54 RCW; federal clean water act, 33 U.S.C. Sec. 1251 et seq.; the public water system coordination act, chapter 70.116 RCW; and the state clean water act, chapter 90.48 RCW.

(2) In addition, if the work proposed under this act involves a new water supply project combined with an electric generation facility with an installed capacity in excess of five megawatts which may produce electricity for sale in excess of present and future needs of the water system, then each of those with a greater than twenty-five percent ownership interest in the project shall jointly prepare an independent economic feasibility study evaluating the cost-effectiveness of the combined facility in the context of forecast regional water needs, alternate sources of water supply, and the potential impact of the combined facility on rates charged for water and electricity.

In addition to the economic feasibility study, the results of the environmental impact statement required by chapter 43.21C RCW and any review by the department of ecology made pursuant to chapter 90.54 RCW shall be made available to the public at least sixty days prior to any public vote on the new combined project.

(3) This act supplements the authority of cities and towns, water districts, and sewer districts and does not restrict or impose limits on any authority such municipal corporations may otherwise have under any laws of this state nor may the authority of such municipal corporations under other laws of this state be construed more narrowly on account of this act.

NEW SECTION. Sec. 8. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

Passed the House April 24, 1985.
Passed the Senate April 19, 1985.
Approved by the Governor May 21, 1985.
Filed in Office of Secretary of State May 21, 1985.

CHAPTER 445

[Senate Bill No. 3765]

MUNICIPAL UTILITIES—GENERAL OBLIGATION BONDS——CITY OR TOWN AUTHORITY

AN ACT Relating to municipal utilities; amending RCW 35.67.030, 35.67.110, 35.92.010, 35.92.020, 35.92.025, 35.92.022, 35.92.030, 35.92.050, 35.92.060, 35.92.070, and 35.92.080; adding a new section to chapter 35.67 RCW; and repealing RCW 35.22.380, 35.22.390, 35.22.400, and 35.67.070.

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

Sec. 1. Section 35.67.030, chapter 7, Laws of 1965 and RCW 35.67-.030 are each amended to read as follows:

Whenever the legislative body of any city or town, shall deem it advisable that such city or town shall purchase, acquire or construct any public