

In making its determination, the panel shall be mindful of the legislative purpose enumerated in RCW 41.56.430 and as additional standards or guidelines to aid it in reaching a decision, it shall take into consideration the following factors:

- (a) The constitutional and statutory authority of the employer.
- (b) Stipulations of the parties.
- (c) Comparison of the wages, hours and conditions of employment of the uniformed personnel of cities and counties involved in the proceedings with the wages, hours, and conditions of employment of uniformed personnel of cities and counties respectively of similar size on the west coast of the United States.
- (d) The average consumer prices for goods and services, commonly known as the cost of living.
- (e) Changes in any of the foregoing circumstances during the pendency of the proceedings.
- (f) Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment.

~~((g) Findings of fact made by the fact-finder pursuant to RCW 41.56.440.))~~

NEW SECTION. Sec. 4. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the Senate April 2, 1979.

Passed the House May 4, 1979.

Approved by the Governor May 14, 1979.

Filed in Office of Secretary of State May 14, 1979.

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## CHAPTER 185

[Engrossed Second Substitute Senate Bill No. 3033]

### IRRIGATION DISTRICTS—HYDROELECTRIC GENERATION DEVELOPMENT—POWERS AND DUTIES

AN ACT Relating to irrigation districts; amending section 2, chapter 138, Laws of 1923 as last amended by section 1, chapter 206, Laws of 1967 and RCW 87.03.015; amending section 11, page 677, Laws of 1889-90 as last amended by section 5, chapter 129, Laws of 1921 and RCW 87.03.115; amending section 37, page 690, Laws of 1889-90 as last amended by section 7, chapter 171, Laws of 1939 and RCW 87.03.445; amending section 2, chapter 31, Laws of 1933 and RCW 87.03.450; amending section 11, chapter 162, Laws of 1917 as last amended by section 1, chapter 70, Laws of 1970 ex. sess. and RCW 87.03.485; amending section 1, chapter 57, Laws of 1949 as amended by section 1, chapter 74, Laws of 1973 and RCW 87.28.010; amending section 2, chapter 57, Laws of 1949 as last amended by section 2, chapter 74, Laws of 1973 and RCW 87.28.020; amending section 3, chapter 57, Laws of 1949 as amended by section 3, chapter 74, Laws of 1973 and RCW 87.28.030; amending section 4, chapter 57, Laws of 1949 and RCW 87.28.035; amending section 5, chapter 57, Laws of 1949 and RCW 87.28.040; amending section 8,

chapter 57, Laws of 1949 and RCW 87.28.100; amending section 9, chapter 57, Laws of 1949 and RCW 87.28.103; creating a new section; adding new sections to chapter 87.03 RCW; adding new sections to chapter 87.28 RCW; and declaring an emergency.

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

NEW SECTION. Section 1. The legislature finds that a significant potential exists for the development of the hydroelectric generation capabilities of present and future irrigation systems serving irrigation districts. The legislature also finds that the development of such hydroelectric generation capabilities is beneficial to the present and future electrical needs of the citizens of the state of Washington, furthers a state purpose and policy, and is in the public interest. The legislature further finds that it is necessary to revise and add to the authority of irrigation districts to obtain the most favorable interest rates possible in the financing of irrigation district projects which serve the agricultural community and hydroelectric facilities. It is the intent of the legislature to provide irrigation districts with the authority to develop these hydroelectric generation capabilities in connection with irrigation facilities. Further, it is the intent of the legislature that the development of hydroelectric generation capabilities pursuant to this 1979 act not become the sole purpose or function of irrigation districts in existence on the effective date of this 1979 act, nor become a major function of irrigation districts created after that date. Nothing herein shall authorize an irrigation district to sell electric power or energy to any municipal corporation not engaged in the distribution of electric power or energy.

Sec. 2. Section 2, chapter 138, Laws of 1923 as last amended by section 1, chapter 206, Laws of 1967 and RCW 87.03.015 are each amended to read as follows:

Any irrigation district, operating and maintaining an irrigation system, in addition to other powers conferred by law, shall have authority:

(1) To purchase(;) and sell electric power to the inhabitants of the irrigation district for the purposes of irrigation and domestic use, to acquire, construct, and lease dams, canals, plants, transmission lines, and other power equipment and the necessary property and rights therefor and to operate, improve, repair, and maintain the same, for the generation and transmission of electrical energy(~~(, used in the operation of pumping plants and irrigation systems of the district, and to sell the surplus of any such electrical energy over and above the requirements of the irrigation districts to municipalities, public and private corporations and individuals, on such terms and conditions as the board of directors shall determine))~~) for use in the operation of pumping plants and irrigation systems of the district and for sale to the inhabitants of the irrigation district for the purposes of irrigation and domestic use; and, as a further and separate grant of authority and in furtherance of a state purpose and policy of developing hydroelectric

capability in connection with irrigation facilities, to construct, finance, acquire, own, operate, and maintain, alone or jointly with other irrigation districts, boards of control, other municipal or quasi municipal corporations or cooperatives authorized to engage in the business of distributing electricity, or electrical companies subject to the jurisdiction of the utilities and transportation commission, hydroelectric facilities including but not limited to dams, canals, plants, transmission lines, other power equipment, and the necessary property and rights therefor, located within or outside the district, for the purpose of utilizing for the generation of electricity, water power made available by and as a part of the irrigation water storage, conveyance, and distribution facilities, waste ways, and drainage water facilities which serve irrigation districts, and to sell any and all the electric energy generated at any such hydroelectric facilities or the irrigation district's share of such energy, to municipal or quasi municipal corporations and cooperatives authorized to engage in the business of distributing electricity, and electrical companies subject to the jurisdiction of the utilities and transportation commission, or to other irrigation districts, and on such terms and conditions as the board of directors shall determine, and to enter into contracts with other irrigation districts, boards of control, other municipal or quasi municipal corporations and cooperatives authorized to engage in the business of distributing electricity, and electrical companies subject to the jurisdiction of the utilities and transportation commission: PROVIDED, That no contract entered into by ~~((such))~~ the board of directors of any irrigation district for the sale of electrical energy ~~((to continue))~~ from such hydroelectric facility for a period longer than ~~((ten))~~ forty years from the date of commercial operation of such hydroelectric facility shall be binding on the district until ratified by a majority vote of the electors of the district at an election therein, called, held and canvassed for that purpose in the same manner as that provided by law for district bond elections.

(2) To construct, repair, purchase, maintain or lease a system for the sale or lease of water to the owners of irrigated lands within the district for domestic purposes.

(3) To construct, repair, purchase, lease, acquire, operate and maintain a system of drains, sanitary sewers, and sewage disposal or treatment plants as herein provided.

(4) To assume, as principal or guarantor, any indebtedness to the United States under the federal reclamation laws, on account of district lands.

(5) To maintain, repair, construct and reconstruct ditches, laterals, pipe lines and other water conduits used or to be used in carrying water for irrigation of lands located within the boundaries of a city or town or for the domestic use of the residents of a city or town where the owners of land within such city or town shall use such ~~((irrigation))~~ works to carry water to the boundaries of such city or town for irrigation, domestic or other purposes within such city or town, and to charge to such city or town the pro

rata proportion of the cost of such maintenance, repair, construction and reconstruction work in proportion to the benefits received by the lands served and located within the boundaries of such city or town, and if such cost is not paid, then and in that event said irrigation district shall have the right to prevent further water deliveries through such ~~((irrigation))~~ works to the lands located within the boundaries of such city or town until such charges have been paid.

(6) To acquire, install and maintain as a part of the irrigation district's water system the necessary water mains and fire hydrants to make water available for fire fighting purposes; and in addition any such irrigation district shall have the authority to repair, operate and maintain such hydrants and mains.

(7) To enter into contracts with ~~((another))~~ other irrigation ~~((district or))~~ districts ~~((or))~~, boards of control ~~((to))~~, municipal or quasi municipal corporations and cooperatives authorized to engage in the business of distributing electricity, and electrical companies subject to the jurisdiction of the utilities and transportation commission to jointly acquire, construct, own, operate, and maintain ~~((for, or partially for, such district or districts or board of control;))~~ irrigation ~~((and drainage))~~ water, domestic water, drainage and sewerage works, and electrical power works to the same extent as authorized by subsection (1) of this section, or portions of such works ~~((; where it is concerned with, and will be affected by, the operation and maintenance thereof))~~.

(8) To acquire from a water district wholly within the irrigation district's boundaries, by a conveyance without cost, the water district's water system and to operate the same to provide water for the domestic use of the irrigation district residents. As a part of its acceptance of the conveyance the irrigation district must agree to relieve the water district of responsibility for maintenance and repair of the system. Any such water district is authorized to make such a conveyance if all indebtedness of the water district, except local improvement district bonds, has been paid and the conveyance has been approved by a majority of the water district's electors voting at a general or special election.

This section shall not be construed as in any manner abridging any other powers of an irrigation district conferred by law.

Sec. 3. Section 11, page 677, Laws of 1889-90 as last amended by section 5, chapter 129, Laws of 1921 and RCW 87.03.115 are each amended to read as follows:

The directors of the district shall organize as a board and shall elect a president from their number, and appoint a secretary, who shall keep a record of their proceedings. The office of the directors and principal place of business of the district shall be at some place in the county in which the organization was effected, to be designated by the directors. The directors shall hold a regular monthly meeting at their office, on the first Tuesday in

every month, or on such other day in each month as the board shall direct in their bylaws, and may adjourn any meeting from time to time as may be required for the proper transaction of business. Special meetings ~~((may)) shall~~ be called ~~((at any time by order of a majority of the directors, but in case all directors do not join in said order, the secretary shall give the members not joining, five days' notice of such meeting, which notice shall specify what business shall be transacted, and none other than that specified shall be transacted at such special meeting: PROVIDED, That if all members of the board are present, no order for said special meeting shall be necessary and any business may be transacted at such special meeting as could be transacted at a regular meeting)) and conducted in the manner required by chapter 42.30 RCW. All meetings of the directors must be public. A majority of the directors shall constitute a quorum for the transaction of business, and in all matters requiring action by the board there shall be a concurrence of at least a majority of the directors. All records of the board shall be open to the inspection of any electors during business hours. The board shall have the power, and it shall be its duty, to adopt a seal of the district, to manage and conduct the business and affairs of the district, to make and execute all necessary contracts, to employ and appoint such agents, officers and employees as may be necessary and prescribe their duties, and to establish equitable bylaws, rules and regulations for the government and management of the district, and for the equitable distribution of water to the lands within the district, upon the basis of the beneficial use thereof, and generally to perform all such acts as shall be necessary to fully carry out the provisions of this chapter~~((, including the acquisition, construction and operation and maintenance of drainage works and waste-ways))~~: PROVIDED, That all water, the right to the use of which is acquired by the district under any contract with the United States shall be distributed and apportioned by the district in accordance with the acts of congress, and rules and regulations of the secretary of the interior until full reimbursement has been made to the United States, and in accordance with the provisions of said contract in relation thereto. The bylaws, rules and regulations must be printed in convenient form for distribution in the district. All leases, contracts, or other form of holding any interest in any state or other public lands shall be, and the same are hereby declared to be title to and evidence of title to lands and for all purposes within this act, shall be treated as the private property of the lessee or owner of the contractual or possessory interest: PROVIDED, That nothing in this section shall be construed to affect the title of the state or other public ownership, nor shall any lien for such assessment attach to the fee simple title of the state or other public ownership. The board of directors shall have authority to develop and to sell, lease, or rent the use of: (1) Water ~~((or power))~~ derived from the operation of the district ~~((irrigation or drainage works for delivery to occupants of public or other lands situated within or adjacent to the district, or~~~~

~~to municipal corporations, at such prices and on such terms as it deems best)) water facilities to such municipal and quasi municipal entities, the state of Washington, and state entities and agencies, public and private corporations and individuals located within and outside the boundaries of the district and on such terms and conditions as the board of directors shall determine; and (2) power derived from hydroelectric facilities authorized by RCW 87.03.015(1) as now or hereafter amended, to such municipal or quasi municipal corporations and cooperatives authorized to engage in the business of distributing electricity, electrical companies subject to the jurisdiction of the utilities and transportation commission, and other irrigation districts and on such terms and conditions as the board of directors shall determine: PROVIDED, No water ((or power)) shall be furnished for use outside of said district until all demands and requirements for water ((and power)) for use in said district are furnished and supplied by said district: AND PROVIDED FURTHER, That as soon as any public lands situated within the limits of the district shall be acquired by any private person, or held under any title of private ownership, the owner thereof shall be entitled to receive his proportion of water as in case of other land owners, upon payment by him of such sums as shall be determined by the board, and at the time to be fixed by the board, which sums shall be such equitable amount as such lands should pay having regard to placing said lands on the basis of equality with other lands in the district as to benefits received, and giving credit if equitable for any sums paid as water rent by the occupant of said lands prior to the vesting of private ownership, and such lands shall also become subject to all taxes and assessments of the district thereafter imposed.~~

NEW SECTION. Sec. 4. There is added to chapter 87.03 RCW a new section to read as follows:

For the purpose of developing hydroelectric generation capabilities in connection with irrigation facilities, the board of directors of an irrigation district shall have the power, in accordance with procedures provided in this chapter, to acquire, either by purchase or condemnation, or other legal means, all lands, waters, water rights, and other property located within or outside the boundaries of the district necessary for the construction, use, supply, maintenance, repair, or improvement of hydroelectric facilities to the extent authorized by RCW 87.03.015(1), as now or hereafter amended.

Irrigation districts are prohibited from condemning: (1) Any hydroelectric power plants, hydroelectric power sites, power lines or other power facilities or any lands, water rights, or other property of municipal and quasi municipal corporations, cooperatives authorized to engage in the business of distributing electricity, and electrical companies subject to the jurisdiction of the utilities and transportation commission; and (2) water rights held by private individual landowners where such waters are being put to beneficial use.

Sec. 5. Section 37, page 690, Laws of 1889-90 as last amended by section 7, chapter 171, Laws of 1939 and RCW 87.03.445 are each amended to read as follows:

The cost and expense of purchasing and acquiring property, and construction, reconstruction, extension and betterment of the works and improvements herein provided for, and the expenses incidental thereto, and indebtedness to the United States for district lands assumed by the district, and for the carrying out of the purposes of this chapter, may be paid for by the board of directors out of the funds received from bond sales as well as other district funds.

For the purpose of defraying the costs and expenses of the organization of the district, and of the care, operation, management, maintenance, repair and improvement of the district and its irrigation water, domestic water, ~~((electrical))~~ electric power, drainage, or ~~((telephone system and appliances))~~ sewer facilities or of any portion thereof, or for the payment of any indebtedness due the United States or the state of Washington, or for the payment of district bonds, the board may either fix rates or tolls and charges, and collect the same from all persons for whom district service is made available for irrigation water, domestic water, electric ~~((energy))~~ power, drainage or sewerage, and other purposes, or ~~((they))~~ it may provide for the payment of said costs and expenses by a levy of assessment therefor, or by both said rates or tolls and charges and assessment ~~((; if by the latter method, such levy)).~~

If the assessment method is utilized, the levy of assessments shall be made on the completion and equalization of the assessment roll each year, and the board shall have the same powers and functions for the purpose of said levy as possessed by it in case of levy to pay bonds of the district. The procedure for the collection of assessments by such levy shall in all respects conform with the provisions of this chapter, relating to the collection of assessments for the payment of principal and interest of bonds herein provided for, and shall be made at the same time.

If the rates or tolls and charges method is adopted in whole or in part, the secretary shall deliver to the board of directors, within the time for filing the assessment roll, a schedule containing the names of the ~~((persons to whom the toll is to be charged or to whom the property is assessed, the description))~~ owners or reputed owners, as shown on the rolls of the county treasurer as of the first Tuesday in November of each year such a schedule is filed of the various parcels of land against which rates or tolls and charges are to be levied, the description of each such parcel of land and the amount to be charged against each parcel for irrigation water, domestic water, electric power, drainage, sewerage and other ~~((public uses))~~ district costs and expenses. Said schedule of rates or tolls and charges shall be equalized pursuant to the same notice, in the same manner, at the same time and with the same legal effect as in the case of assessments. Such schedule of rates or

tolls and charges for a given year shall be filed with the proper county treasurer within the same time as that provided by law for the filing of the annual assessment roll, and the county treasurer shall collect and receipt for the payment of said rates or tolls and charges and credit them to the proper funds of the district. The board may designate the time and manner of making such collections and shall require the same to be paid in advance of delivery of water and other service ~~((and may accept short term interest bearing notes with or without collateral in their discretion for any portion of such charges. The board may also base such charges upon the quantity of water to be delivered and may fix a minimum charge to be paid by each acre of land within the district which shall represent the delivery of a stated quantity of water in acre feet with the graduated charge for each additional acre-foot of water delivered))~~. All tolls and charges levied shall also at once become and constitute an assessment upon and against the lands for which they are levied, with the same force and effect, and the same manner of enforcement, and with the same rate of interest from date of delinquency, in case of nonpayment, as other district assessments.

As an alternative method of imposing, collecting, and enforcing such rates or tolls and charges, the board may also base such rates or tolls and charges upon the quantity of irrigation water, domestic water, or electric power delivered, or drainage or sewage disposed of, and may fix a minimum rate or toll and charge to be paid by each parcel of land or use within the district for the delivery or disposal of a stated quantity of each such service with a graduated charge for additional quantities of such services delivered or disposed of. If the board elects to utilize this alternative method of imposing, collecting, and enforcing such rates or tolls and charges, there shall be no requirement that the schedule referred to in the preceding paragraph be prepared, be filed with the board of directors by the secretary, be equalized, or be filed with a county treasurer. The board shall enforce collection of such rates or tolls and charges against property to which and its owners to whom the service is available, such rates or tolls and charges being deemed charges against the property to which the service is available. The board may provide by resolution that where such rates or tolls and charges are delinquent for any specified period of time, the district shall certify the delinquencies to the treasurer of the county in which the real property is located, and the charges and any penalties added thereto and interest thereon at the rate not to exceed twelve percent per annum fixed by resolution shall be a lien against the property to which the service was available, subject only to the lien for general taxes. The district may, at any time after such rates or tolls and charges and penalties provided for herein are delinquent for a period of one year, bring suit in foreclosure by civil action in the superior court of the county in which the real property is situated. The court may allow, in addition to the costs and disbursements provided by statute, such attorney's fees as it may adjudge reasonable. The action shall



be in rem against the property, and in addition may be brought in the name of the district against an individual, or against all of those who are delinquent, in one action, and the rules of the court shall control as in other civil actions. The board may in the same year use the assessment method for part of the lands in the district and the rates or tolls and charges method for the remaining lands in the district in such proportion as it may deem advisable for the best interest of the district.

~~((All tolls and charges levied shall also at once become and constitute an assessment upon and against the lands for which they are levied, with the same force and effect, and the same manner of enforcement, and with the same rate of interest from date of delinquency, in case of nonpayment, as other district assessments.))~~

The procedures herein provided for the collection and enforcement of rates, tolls and charges also shall be applicable and available to the districts board of directors for the collection and enforcement of charges for water imposed by contract entered into or administered by the district's board of directors.

Sec. 6. Section 2, chapter 31, Laws of 1933 and RCW 87.03.450 are each amended to read as follows:

All income derived from the sale, delivery and distribution of electrical energy, shall be deposited with the county treasurer of the county in which the office of the board of directors of the district is located, and shall be apportioned to such fund or funds of the district authorized by law, as the board of directors shall deem advisable~~((:PROVIDED, That such income, or any part of the same, may, upon a favorable vote of the electors of the district at an election therein called, held and canvassed for that purpose, in the same manner as that provided by law for district bond elections, be pledged, in addition to income from district assessments)), including, but not limited to the payment of district bonds or any portion of the same (( on the face of which the substance of such pledge must be endorsed,))~~ for which such revenues have been pledged and thereafter said income, or such portion thereof so pledged, shall be placed by the county treasurer to the credit of the fund from which said bonds are required to be paid until the same or the portion thereof secured by such pledge are fully paid.

Sec. 7. Section 11, chapter 162, Laws of 1917 as last amended by section 1, chapter 70, Laws of 1970 ex. sess. and RCW 87.03.485 are each amended to read as follows:

In the event that the said board shall approve said petition, the board shall fix a time and place for the hearing thereof and shall publish a notice once a week for two consecutive weeks preceding the date of such hearing and the last publication shall not be more than seven days before such date and shall mail such a notice on or before the second publication date by first class mail, postage prepaid, to each owner or reputed owner of real property within the proposed local improvement district, as shown on the rolls of the

county treasurer as of a date not more than twenty days immediately prior to the date such notice was mailed. Such notice must be published in a newspaper of general circulation in each county in which any portion of the land proposed to be included in such local improvement district lies. Such notice shall state that the lands within said described boundaries are proposed to be organized as a local improvement district, stating generally the nature of the proposed improvement; that bonds for such local improvement district are proposed to be issued as the bonds of the irrigation district, or that a contract is proposed to be entered into between the district and the United States or the state of Washington, or both, that the lands within said local improvement district are to be assessed for such improvement, that such bonds or contract will be a primary obligation of such local improvement district and a general obligation of the irrigation district and stating a time and place of hearing thereon. At the time and place of hearing named in said notice, all persons interested may appear before the board and show cause for or against the formation of the proposed improvement district and the issuance of bonds or the entering into of a contract as aforesaid. Upon the hearing the board shall determine as to the establishment of the proposed local improvement district. Any landowner whose lands can be served or will be benefited by the proposed improvement, may make application to the board at the time of hearing to include such land and the board of directors in such cases shall, at its discretion, include such lands within such district. The board of directors may exclude any land specified in said notice from said district provided, that in the judgment of the board, the inclusion thereof will not be practicable.

As an alternative plan and subject to all of the provisions of this chapter, the board of directors may initiate the organization of a local improvement district as herein provided. To so organize a local improvement district the board shall adopt and record in its minutes a resolution specifying the lands proposed to be included in such local improvement district or by describing the exterior boundaries of such proposed district or by both. Said resolution shall state generally the plan, character and extent of the proposed improvements, that the land proposed to be included in such improvement district will be assessed for such improvements; that coupon bonds of the irrigation district will be issued or a contract entered into as hereinabove in this section provided to meet the cost thereof and that such bonds or contract will be a primary obligation of such local improvement district and a general obligation of the irrigation district. Said resolution shall fix a time and place of hearing thereon and shall state that unless a majority of the holders of title or of evidence of title to lands within the proposed local improvement district file their written protest at or before said hearing, consent to the improvement will be implied.

A notice containing a copy of said resolution must be published once a week for two consecutive weeks preceding the date of such hearing and the

last publication shall not be more than seven days before such date, and shall be mailed on or before the second publication date by first class mail, postage prepaid, to each owner or reputed owner of real property within the proposed local improvement district, as shown on the rolls of the county treasurer as of a date not more than twenty days immediately prior to the date such notice was mailed, and the hearing thereon shall not be held in less than twenty days from the adoption of such resolution. Such notice must be published in one newspaper, of general circulation, in each county in which any portion of the land proposed to be included in such local improvement district lies. Said hearing shall be held and all subsequent proceedings conducted in accordance with the provisions of this act relating to the organization of local improvement districts initiated upon petition.

Sec. 8. Section 1, chapter 57, Laws of 1949 as amended by section 1, chapter 74, Laws of 1973 and RCW 87.28.010 are each amended to read as follows:

The board of directors of any irrigation district in this state which is furnishing or may furnish irrigation water, domestic water ((service)), electric power ((service, a system of drains, or a system of sanitary sewer and sewage disposal or treatment plants)), drainage or sewerage services for which rates or tolls and charges are imposed or contract payments made, or any combination of such services, shall have authority to issue and sell bonds of the district payable from revenues derived from district rates or tolls and charges or contract payments for such service or services ((for the benefit of such service and the facilities therefor)), and ((the)) to pledge such revenues from one or more of ((the)) such services ((may be pledged)) for the payment and retirement of bonds issued for ((water, sewer, and electric)) irrigation water, domestic water, electric power, and drainage or sewer improvements: PROVIDED, That nothing in this section shall authorize a district which is not on March 8, 1973, engaged in providing electrical service permission to pledge revenue from water and sewer service to support the issuance of revenue bonds for the acquisition or construction of electrical power facilities other than those authorized by RCW 87.03.015(1), as now or hereafter amended.

Sec. 9. Section 2, chapter 57, Laws of 1949 as last amended by section 2, chapter 74, Laws of 1973 and RCW 87.28.020 are each amended to read as follows:

Said bonds shall be in such form as the board of directors shall determine ((and shall be payable to bearer, shall be in denominations of not less than one hundred dollars nor more than five thousand dollars, shall be numbered from one and up consecutively, shall bear the date of their issue, shall be payable at such time or times up to a maximum period of not to exceed forty years)); shall be in bearer form or registered as to principal or interest or both, and may provide for conversion between registered and coupon bonds; shall be in such denominations, shall be numbered, shall bear

such date and shall be payable at such time or times up to a maximum of not to exceed forty years as shall be determined by the board of directors; shall bear interest at ((a)) such rate or rates ((aH)), payable at such time or times as authorized by the board of directors ((payable semiannually, evidenced by coupons attached to said bonds)); shall be payable at the office of the county treasurer of the county in which the principal office of the district is located or at such other place as the board of directors shall provide and specify in the bonds; shall be executed by the president of the board of directors and attested and sealed by the secretary thereof and may have facsimile signatures of the president and secretary imprinted on the interest coupons in lieu of original signatures and the facsimile seal of the district and the facsimile signature of either the president or the secretary on the bonds in lieu of a manual signature. Said bonds may provide that the same or any part thereof at the option of the board of directors may be redeemed in advance of maturity on any interest payment date upon the terms and conditions established by the board, may include in the amount of the issue funds for the purpose of paying interest on the bonds during the period of construction of the facility being financed by the proceeds of the bonds, and may include in the amount of the issue funds for the purpose of establishing, maintaining, or increasing reserves in the manner, for the purposes, and subject to the restrictions set forth in RCW 39.44.140.

Sec. 10. Section 3, chapter 57, Laws of 1949 as amended by section 3, chapter 74, Laws of 1973 and RCW 87.28.030 are each amended to read as follows:

The board of directors of the issuing district shall have authority and is required to create a special fund ((to be designated revenue bond fund)) or funds to be carried in said county treasurer's office for the account of the district for the sole purpose of paying the interest and principal of such bonds((, into which special fund said)). The board of directors of the issuing district shall obligate and bind the district to set aside and pay into such special fund or funds a fixed proportion, or any fixed amount of and not exceeding a fixed proportion of, or a fixed amount or amounts without regard to any fixed proportion of the gross revenues from the charges made by the district for the irrigation water, domestic water ((service and/or)), the electric power ((service, and/or)), drainage, or sewer service, or any combination of such services as the case may be, for which the bonds are issued, and such bonds and the interest thereon shall be payable only out of such special fund or funds but shall be a lien and charge against all revenues received for ((such)) the service or services ((superior)) the revenues of which are pledged to such fund or funds and payments received from any utility local improvement district or districts pledged to secure such bonds, subject only to operating and maintenance expenses of such service.

Sec. 11. Section 4, chapter 57, Laws of 1949 and RCW 87.28.035 are each amended to read as follows:

In creating such special fund or funds the board of directors of the district shall have due regard for the cost of the operation and maintenance of the district system required by the district to furnish said irrigation water, domestic water ((service or)), electric power, drainage, or sewer service, as the case may be, and shall not set aside into such special fund a greater amount or proportion of the revenue of such service or services, than, in its judgment, will be available over and above such cost of maintenance and operation and the amount or proportion, if any, of the revenue ((so)) previously pledged to such special fund or funds.

Sec. 12. Section 5, chapter 57, Laws of 1949 and RCW 87.28.040 are each amended to read as follows:

Any such bonds, and interest thereon, issued against ~~((such))~~ a special fund as herein provided shall be a valid claim of the holder thereof only as against said special fund or funds and its fixed proportion or amount of the ~~((annual))~~ revenue pledged to such fund or funds and shall not constitute a general indebtedness against the issuing irrigation district. Each such bond shall state upon its face that it is payable from ~~((such))~~ a special fund or funds only, naming ~~((it))~~ the special fund or funds and the resolution creating ~~((it))~~ the fund or funds.

Sec. 13. Section 8, chapter 57, Laws of 1949 and RCW 87.28.100 are each amended to read as follows:

When ~~((such))~~ a special fund has been created and ~~((such))~~ bonds have been issued as herein provided, the fixed proportion or amount of ~~((said))~~ the revenues((:)) pledged to the payment of the bonds and interest~~((:))~~ shall be set aside and paid into the special fund~~((:))~~ monthly as collected, as provided in the resolution creating the fund, and in case any irrigation district shall fail thus to set aside and pay said fixed proportion or amount as aforesaid, the holder of any bond against ~~((said))~~ the special fund may bring appropriate court action against the district and compel such setting aside and payment.

Sec. 14. Section 9, chapter 57, Laws of 1949 and RCW 87.28.103 are each amended to read as follows:

When the ~~((board of))~~ directors of the district have decided to issue revenue bonds as herein provided, they shall call a special election in the irrigation district at which election shall be submitted to the electors thereof possessing the qualifications prescribed by law the question whether revenue bonds of the district in the amount and payable according to the plan of payment adopted by the board and for the purposes therein stated shall be issued. Said election shall be called, noticed, conducted and canvassed in the same manner as provided by law for irrigation district elections to authorize an original issue of bonds payable from revenues derived from annual assessments upon the real property in the district: **PROVIDED,** That the board of directors shall have full authority to issue revenue bonds as herein

provided payable within a maximum period of ~~((ten))~~ forty years without a special election: AND PROVIDED, FURTHER, That any irrigation district indebted to the state of Washington shall get the written consent of the director of the department of ~~((conservation and development))~~ ecology prior to the issuance of said revenue bonds.

NEW SECTION. Sec. 15. There is added to chapter 87.03 RCW a new section to read as follows:

Every member of an irrigation district board of directors is subject to recall and discharge by the legal voters of such district pursuant to the provisions of chapter 29.82 RCW.

NEW SECTION. Sec. 16. There is added to chapter 87.03 RCW a new section to read as follows:

As used in this chapter, in accordance with RCW 87.03.440, the term "county treasurer" or "treasurer of the county" or other reference to that office means the treasurer of the district, if the district has designated its own treasurer, unless the context clearly requires otherwise.

NEW SECTION. Sec. 17. There is added to chapter 87.28 RCW a new section to read as follows:

As used in this chapter, in accordance with RCW 87.03.440, the term "county treasurer" or "treasurer of the county" or other reference to that office means the treasurer of the district, if the district has designated its own treasurer, unless the context clearly requires otherwise.

NEW SECTION. Sec. 18. There is added to chapter 87.28 RCW a new section to read as follows:

Irrigation districts may also issue interest bearing warrants to provide interim financing pending the issuance of district revenue bonds. The items, form and content, and the manner of the issuance and sale of such interest bearing warrants as well as any covenants for the redemption of such warrants shall be established by resolution of the district's board of directors.

NEW SECTION. Sec. 19. There is added to chapter 87.28 RCW a new section to read as follows:

Any irrigation district shall have the power to establish utility local improvement districts within its territory and to levy special assessments within such utility local improvement districts in the same manner as provided for irrigation district local improvement districts: PROVIDED, That it must be specified in any petition for the establishment of a utility local improvement district that the sole purpose of the assessments levied against the real property located within the utility local improvement district shall be the payment of the proceeds of those assessments into the revenue bond fund for the payment of revenue bonds, that no warrants or bonds shall be issued in any such utility local improvement district, and that the collection of interest and principal on all assessments in such utility local improvement district, when collected, shall be paid into the revenue bond fund.

NEW SECTION. Sec. 20. There is added to chapter 87.28 RCW a new section to read as follows:

The board of directors of any irrigation district may by resolution convert any then existing local improvement district into a utility local improvement district at any time prior to the adoption of a resolution approving and confirming the initial assessment roll of such local improvement district. The resolution so converting the local improvement district shall provide for the payment of the special assessments levied in that district into the special fund established or to be established for the payment of revenue bonds issued to defray the cost of the local improvement district.

NEW SECTION. Sec. 21. There is added to chapter 87.28 RCW a new section to read as follows:

The board of directors may make such covenants as it may deem necessary to secure and guarantee the payment of the principal of and interest on revenue bonds of the district, including but not being limited to covenants for: The establishment and maintenance of adequate reserves to secure or guarantee the payment of such principal and interest; the protection and disposition of the proceeds of sale of such bonds; the use and disposition of the gross revenues of the service or services of the district providing revenues for the payment of such bonds and any additions or betterments thereto or extensions thereof; the use and disposition of any utility local improvement district assessments; the creation and maintenance of funds for renewals and replacements of the service or services providing revenues for the payment of such bonds; the establishment and maintenance of rates and charges adequate to pay principal and interest of such bonds and to maintain adequate coverage over debt service; the maintenance, operation, and management of the service or services providing revenues for the payment of such bonds and the accounting, insuring, and auditing of the business in connection therewith; the terms upon which such bonds or any of them may be redeemed at the election of the district; limitations upon the right of the district to dispose of its service or services providing revenues for the payment of such bonds or any part thereof; the appointment of trustees, depositaries, and paying agents to receive, hold, disburse, invest, and reinvest all or any part of the income, revenue, and receipts of the district; and the board of directors may make such other covenants as it may deem necessary to accomplish the most advantageous sale of such bonds. The board of directors may also provide that revenue bonds payable out of the same source or sources may later be issued on a parity with any revenue bonds being issued and sold.

NEW SECTION. Sec. 22. There is added to chapter 87.28 RCW a new section to read as follows:

The board of directors of any irrigation district may, by resolution, without submitting the matter to the voters of the district, provide for the issuance of refunding revenue bonds to refund one or more of the following:

Outstanding assessment bonds, revenue bonds, contracts with the United States or state of Washington, or any part thereof, and all outstanding local improvement district bonds, at maturity thereof, or before maturity thereof if they are subject to call for prior redemption or if all of the holders thereof consent thereto. The refunding bonds shall be issued in the manner and for the purposes set forth in chapter 39.53 RCW.

Whenever district bonds or contracts payable in whole or part from assessments have been refunded pursuant to this section, all assessments remaining unpaid shall thereafter when collected be paid into the revenue bond redemption fund established for payment of the refunding revenue bonds, and the cash balances, if any, in the reserve or guaranty funds for such refunded bonds and the proceeds received from any other assets owned by such funds shall be used in whole or in part as a reserve or guaranty fund for the refunding revenue bonds or be transferred in whole or in part to any other funds of the district as the board of directors may determine. In the event that any warrants are outstanding against the local improvement guaranty fund of the district at the time of the issuance of such refunding revenue bonds, said bonds shall be issued in an amount sufficient also to fund and pay such outstanding warrants.

NEW SECTION. Sec. 23. If any provision of this 1979 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.

NEW SECTION. Sec. 24. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the Senate May 2, 1979.

Passed the House May 1, 1979.

Approved by the Governor May 14, 1979.

Filed in Office of Secretary of State May 14, 1979.

## CHAPTER 186

[Substitute House Bill No. 1308]

### MOBILE HOME LANDLORD-TENANT ACT—REVISIONS, ADDITIONS

AN ACT Relating to landlords and tenants; amending section 3, chapter 279, Laws of 1977 ex. sess. and RCW 59.20.030; amending section 4, chapter 279, Laws of 1977 ex. sess. and RCW 59.20.040; amending section 5, chapter 279, Laws of 1977 ex. sess. and RCW 59.20.050; amending section 6, chapter 279, Laws of 1977 ex. sess. and RCW 59.20.060; amending section 7, chapter 279, Laws of 1977 ex. sess. and RCW 59.20.070; amending section 8, chapter 279, Laws of 1977 ex. sess. and RCW 59.20.080; amending section 9, chapter 279, Laws of 1977 ex. sess. and RCW 59.20.090; amending section 2, chapter 190, Laws of 1915 as amended by section 1, chapter 138, Laws of 1955 and RCW 19.48-.020; and adding new sections to chapter 59.20 RCW.