

CHAPTER 308

[Substitute House Bill No. 1217]

WATER AND SEWER DISTRICTS—POWERS, ANNEXATIONS, AND MERGERS

AN ACT Relating to water and sewer districts; amending RCW 56.08.010, 57.08.010, 56.24.070, 57.24.010, 56.08.080, 56.08.090, 57.08.015, 57.08.016, 56.32.010, 56.32.080, 57.32.010, and 57.36.010; adding a new section to chapter 36.93 RCW; and adding a new section to chapter 57.08 RCW.

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

Sec. 1. Section 1, chapter 449, Laws of 1987 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 and towns, 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)~~). A sewer district 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, approved septic tanks or approved septic tank systems, other facilities and systems for the collection, interception, treatment, and disposal of wastewater, and for the control of pollution from wastewater and for the protection, preservation, and rehabilitation of surface and underground waters, 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 and may construct, acquire, or own buildings and other necessary district facilities. 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 permit payment of the cost of connection and the reasonable connection charge to be paid with interest in installments over a period not exceeding fifteen years. The county treasurer may charge and collect a fee of three dollars per parcel for each year for the treasurer's services. Such fees shall be a charge to be included as part of each annual installment, and shall be credited to the county current expense fund by the county treasurer. 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.

Sec. 2. Section 8, chapter 114, Laws of 1929 as last amended by section 1, chapter 11, Laws of 1988 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, content, distribution, and price thereof in such a manner as is not in conflict with general law and may construct, acquire, or own buildings and other necessary district facilities. A water district contiguous to Canada may contract with a Canadian corporation for the purchase of water and for the construction, purchase, maintenance and supply of waterworks to furnish the district and inhabitants thereof and residents of Canada with an ample supply of water under terms approved by the board of commissioners. 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.

A district may permit payment of the cost of connection and the reasonable connection charge to be paid with interest in installments over a period not exceeding fifteen years. The county treasurer may charge and collect a fee of three dollars for each year for the treasurer's services. Such fees shall be a charge to be included as part of each annual installment, and shall be credited to the county current expense fund by the county treasurer.

Sec. 3. Section 1, chapter 11, Laws of 1967 ex. sess. as last amended by section 13, chapter 162, Laws of 1988 and RCW 56.24.070 are each amended to read as follows:

Territory ((adjoining or in close proximity to a district)) within the county or counties in which a district is located, or territory adjoining or in close proximity to a district but which is located in another county, may be annexed to and become a part of the district. ((In addition, any nonadjoining territory in a county of the fifth class or smaller composed entirely of islands may be annexed to and become part of a district operating within the county.)) All annexations shall be accomplished in the following manner: Twenty percent of the number of registered voters residing in the territory proposed to be annexed who voted at the last election may file a petition with the district commissioners and cause the question to be submitted to the electors of the territory whether the territory will be annexed and become a part of the district. If the commissioners concur in the petition, they shall file it with the county election officer, who shall, within ten days, examine the signatures thereon and certify to the sufficiency or insufficiency thereof; and for such purpose the county election officer shall have access to all registration books in the possession of the officers of any city or town in the proposed district. If the petition contains a sufficient number of signatures, the election officer shall transmit it, together with a certificate of sufficiency attached thereto to the sewer commissioners of the district. If there are no electors residing in the territory to be annexed, the petition may be signed by such a number as appear of record to own at least a majority of the acreage in the territory, and the petition shall disclose the total number of acres of land in the territory and the names of all record owners of land therein. If the commissioners are satisfied as to the sufficiency of the petition and concur therein, they shall send it, together with their certificate of concurrence attached thereto to the county legislative authority.

The county legislative authority, upon receipt of a petition certified to contain a sufficient number of signatures of electors, or upon receipt of a petition signed by such a number as own at least a majority of the acreage,

together with a certificate of concurrence signed by the sewer commissioners, at a regular or special meeting shall cause to be published once a week for at least two weeks in a newspaper in general circulation throughout the territory proposed to be annexed a notice that the petition has been filed, stating the time of the meeting at which it shall be presented, and setting forth the boundaries of the territory proposed to be annexed.

Sec. 4. Section 15, chapter 18, Laws of 1959 as last amended by section 14, chapter 162, Laws of 1988 and RCW 57.24.010 are each amended to read as follows:

Territory ((adjoining or in close proximity to a district)) within the county or counties in which a district is located, or territory adjoining or in close proximity to a district but which is located in another county, may be annexed to and become a part of the district. ((In addition, any nonadjoining territory in a county of the fifth class or smaller composed entirely of islands may be annexed to and become part of a district operating within the county.)) All annexations shall be accomplished in the following manner: Twenty percent of the number of registered voters residing in the territory proposed to be annexed who voted at the last election may file a petition with the district commissioners and cause the question to be submitted to the electors of the territory whether such territory will be annexed and become a part of the district. If the commissioners concur in the petition, they shall file it with the county election officer of each county in which the real property proposed to be annexed is located, who shall, within ten days, examine and validate the signatures thereon and certify to the sufficiency or insufficiency thereof; and for such purpose the county election officer shall have access to all registration books in the possession of the officers of any city or town in the proposed district. If the petition contains a sufficient number of signatures, the county election officer of the county in which the real property proposed to be annexed is located shall transmit it, together with a certificate of sufficiency attached thereto to the water commissioners of the district. If there are no electors residing in the territory to be annexed, the petition may be signed by such a number as appear of record to own at least a majority of the acreage in the territory, and the petition shall disclose the total number of acres of land in the territory and the names of all record owners of land therein. If the commissioners are satisfied as to the sufficiency of the petition and concur therein, they shall send it, together with their certificate of concurrence attached thereto to the county legislative authority of each county in which the territory proposed to be annexed is located.

The county legislative authority, upon receipt of a petition certified to contain a sufficient number of signatures of electors, or upon receipt of a petition signed by such a number as own at least a majority of the acreage, together with a certificate of concurrence signed by the water commissioners, at a regular or special meeting shall cause to be published once a week

for at least two weeks in a newspaper in general circulation throughout the territory proposed to be annexed a notice that the petition has been filed, stating the time of the meeting at which it shall be presented, and setting forth the boundaries of the territory proposed to be annexed.

Sec. 5. Section 1, chapter 51, Laws of 1953 as amended by section 1, chapter 172, Laws of 1984 and RCW 56.08.080 are each amended to read as follows:

The board of commissioners of a sewer district may sell, at public or private sale, property belonging to the district if the board determines ~~((by unanimous vote of the elected members of the board))~~ that the property is not and will not be needed for district purposes and if the board gives notice of intention to sell as in this section provided: PROVIDED, That no notice of intention is required to sell personal property of less than five hundred dollars in value. ~~((If property is sold without notice, such property may not be purchased by a commissioner or an employee of the district, or relatives of commissioners or employees.))~~

The notice of intention to sell shall be published once a week for three consecutive weeks in a newspaper of general circulation in the district. The last publication shall be at least twenty days but not more than thirty days before the date of sale. The notice shall describe the property and state the time and place at which it will be sold or offered for sale, the terms of sale, whether the property is to be sold at public or private sale, and if at public sale the notice shall call for bids, fix the conditions thereof and shall reserve the right to reject any and all bids.

Sec. 6. Section 2, chapter 51, Laws of 1953 as last amended by section 1, chapter 162, Laws of 1988 and RCW 56.08.090 are each amended to read as follows:

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

(2) If no purchasers can be obtained for the property at ninety percent or more of its appraised value after one hundred eighty days of offering the property for sale, the board of commissioners of the sewer district may adopt a resolution stating that the district has been unable to sell the property at the ninety percent amount. The sewer district then may sell the

property at the highest price it can obtain at public auction. A notice of intention to sell at public auction shall be published once a week for three consecutive weeks in a newspaper of general circulation in the sewer district. The last publication shall be at least twenty days but not more than thirty days before the date of sale. The notice shall describe the property, state the time and place at which it will be offered for sale and the terms of sale, and shall call for bids, fix the conditions thereof, and reserve the right to reject any and all bids.

Sec. 7. Section 1, chapter 50, Laws of 1953 as amended by section 2, chapter 299, Laws of 1977 ex. sess. and RCW 57.08.015 are each amended to read as follows:

The board of commissioners of a water district may sell, at public or private sale, property belonging to the district if the board determines (~~by unanimous vote of the elected members of the board~~) that the property is not and will not be needed for district purposes and if the board gives notice of intention to sell as in this section provided: PROVIDED, That no such notice of intention shall be required to sell personal property of less than (~~two hundred=fifty~~) five hundred dollars in value.

The notice of intention to sell shall be published once a week for three consecutive weeks in a newspaper of general circulation in the district. The last publication shall be at least twenty days but not more than thirty days before the date of sale. The notice shall describe the property and state the time and place at which it will be sold or offered for sale, the terms of sale, whether the property is to be sold at public or private sale, and if at public sale the notice shall call for bids, fix the conditions thereof and shall reserve the right to reject any and all bids.

Sec. 8. Section 2, chapter 50, Laws of 1953 as last amended by section 2, chapter 162, Laws of 1988 and RCW 57.08.016 are each amended to read as follows:

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

(2) If no purchasers can be obtained for the property at ninety percent or more of its appraised value after one hundred eighty days of offering the property for sale, the board of commissioners of the water district may

adopt a resolution stating that the district has been unable to sell the property at the ninety percent amount. The water district then may sell the property at the highest price it can obtain at public auction. A notice of intention to sell at public auction shall be published once a week for three consecutive weeks in a newspaper of general circulation in the water district. The last publication shall be at least twenty days but not more than thirty days before the date of sale. The notice shall describe the property, state the time and place at which it will be offered for sale and the terms of sale, and shall call for bids, fix the conditions thereof, and reserve the right to reject any and all bids.

Sec. 9. Section 2, chapter 197, Laws of 1967 as amended by section 1, chapter 86, Laws of 1975 1st ex. sess. and RCW 56.32.010 are each amended to read as follows:

Two or more sewer districts(~~(, adjoining or in close proximity to each other;)~~) may be joined into one consolidated sewer district. The consolidation may be initiated in either of the following ways: Ten percent of the legal electors residing within each of the sewer districts proposed to be consolidated may petition the board of sewer commissioners of each of their respective sewer districts to cause the question to be submitted to the legal electors of the sewer districts proposed to be consolidated; or, the boards of sewer commissioners of each of the sewer districts proposed to be consolidated may by resolution determine that the consolidation of such districts shall be conducive to the public health, welfare, and convenience and to be of special benefit to the lands of such districts.

Sec. 10. Section 9, chapter 197, Laws of 1967 as amended by section 6, chapter 86, Laws of 1975 1st ex. sess. and RCW 56.32.080 are each amended to read as follows:

Whenever ~~((there are))~~ two sewer districts(~~(, the territories of which are adjoining or in close proximity to each other))~~ desire to merge, either district hereinafter referred to as the "merging district", may merge into the other districts, hereinafter referred to as the "merger district", and the merger district will survive under its original name or number.

Sec. 11. Section 1, chapter 267, Laws of 1943 as last amended by section 28, chapter 17, Laws of 1982 1st ex. sess. and RCW 57.32.010 are each amended to read as follows:

Two or more water districts(~~(, adjoining or in close proximity to each other;)~~) may be joined into one consolidated water district. The consolidation may be initiated in either of the following ways: Ten percent of the legal electors residing within each of the water districts proposed to be consolidated may petition the board of water commissioners of each of their respective water districts to cause the question to be submitted to the legal electors of the water districts proposed to be consolidated; or the boards of

water commissioners of each of the water districts proposed to be consolidated may by resolution determine that the consolidation of the districts shall be conducive to the public health, welfare, and convenience and to be of special benefit to the lands of the districts.

Sec. 12. Section 1, chapter 28, Laws of 1961 as last amended by section 29, chapter 17, Laws of 1982 1st ex. sess. and RCW 57.36.010 are each amended to read as follows:

Whenever ~~((there are))~~ two water districts~~((, the territories of which are adjoining or in close proximity to each other))~~ desire to merge, either district, hereinafter referred to as the "merging district", may merge into the other district, hereinafter referred to as the "merger district", and the merger district will survive under its original number. ~~((The term "in proximity to" as used hereinabove shall mean within one mile of each other, measured in a straight line between the closest points of approach of the territorial boundaries of the two districts:))~~

NEW SECTION. Sec. 13. A new section is added to chapter 36.93 RCW to read as follows:

The proposal by a water district or sewer district to annex territory that is not adjacent to the district shall not be deemed to be violative of the objectives of a boundary review board solely due to the fact that the territory is not adjacent to the water district or sewer district. The proposed consolidation or merger of two or more water districts or two or more sewer districts that are not adjacent to each other shall not be deemed to be violative of the objectives of a boundary review board solely due to the fact that the districts are not adjacent.

NEW SECTION. Sec. 14. A new section is added to chapter 57.08 RCW to read as follows:

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

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

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

Passed the House March 13, 1989.

Passed the Senate April 19, 1989.

Approved by the Governor May 11, 1989.

Filed in Office of Secretary of State May 11, 1989.

CHAPTER 309

[Substitute House Bill No. 1408]

PUBLIC EMPLOYEES' RETIREMENT SYSTEM—SERVICE CREDIT—DEFINITION OF "POSITION"

AN ACT Relating to service credit in the public employees' retirement system; and amending RCW 41.40.010.

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

Sec. 1. Section 1, chapter 274, Laws of 1947 as last amended by section 7, chapter 13, Laws of 1985 and RCW 41.40.010 are each amended to read as follows:

As used in this chapter, unless a different meaning is plainly required by the context:

(1) "Retirement system" means the public employees' retirement system provided for in this chapter.

(2) "Retirement board" means the board provided for in this chapter and chapter 41.26 RCW.

(3) "State treasurer" means the treasurer of the state of Washington.

(4) (a) "Employer" for persons who establish membership in the retirement system on or before September 30, 1977, means every branch, department, agency, commission, board, and office of the state, any political subdivision or association of political subdivisions of the state admitted into the retirement system, and legal entities authorized by RCW 35.63.070 and 36.70.060 or chapter 39.34 RCW as now or hereafter amended; and the term shall also include any labor guild, association, or organization the membership of a local lodge or division of which is comprised of at least forty percent employees of an employer (other than such labor guild, association, or organization) within this chapter. The term may also include any city of the first class that has its own retirement system.

(b) "Employer" for persons who establish membership in the retirement system on or after October 1, 1977, means every branch, department, agency, commission, board, and office of the state, and any political subdivision and municipal corporation of the state admitted into the retirement system, including public agencies created pursuant to RCW 35.63.070, 36.70.060, and 39.34.030.