

and not less than ~~((ten))~~ three hundred thousand dollars for any vehicle having a capacity of sixteen passengers or less and not less than five hundred thousand dollars ~~((and in such additional amount as the commission shall determine;))~~ for any vehicle having a capacity of seventeen passengers or more for all persons receiving personal injury by reason of at least one act of negligence and not ((to exceed one)) less than fifty thousand dollars for damage to property of any person other than the assured((- and maintain)). The commission shall fix the amount of the insurance policy or policies or security deposit giving due consideration to the character and amount of traffic, the number of persons affected, and the degree of danger which the proposed operation involves. Such liability and property damage insurance or surety bond shall be maintained in force on each motor propelled vehicle while so used, each policy for liability or property damage insurance or surety bond required herein, shall be filed with the commission and kept in full force and effect and failure so to do shall be cause for the revocation of the certificate.

Passed the House June 10, 1977.

Passed the Senate June 9, 1977.

Approved by the Governor June 21, 1977.

Filed in Office of Secretary of State June 21, 1977.

CHAPTER 299

[Substitute House Bill No. 292]

WATER DISTRICTS

AN ACT Relating to water districts; amending section 3, chapter 108, Laws of 1959 and RCW 57.08.090; amending section 1, chapter 50, Laws of 1953 and RCW 57.08.015; amending section 6, chapter 18, Laws of 1959 as amended by section 6, chapter 108, Laws of 1959 and RCW 57.16.010; amending section 8, chapter 18, Laws of 1959 as amended by section 8, chapter 108, Laws of 1959 and RCW 57.16.030; amending section 10, chapter 108, Laws of 1959 and RCW 57.16.035; amending section 9, chapter 18, Laws of 1959 as last amended by section 70, chapter 195, Laws of 1973 1st ex. sess. and RCW 57.16.040; amending section 11, chapter 18, Laws of 1959 as amended by section 1, chapter 39, Laws of 1965 ex. sess. and RCW 57.16.060; amending section 17, chapter 251, Laws of 1953 as amended by section 13, chapter 108, Laws of 1959 and RCW 57.20.025; and adding a new section to chapter 57.08 RCW.

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

Section 1. Section 3, chapter 108, Laws of 1959 and RCW 57.08.090 are each amended to read as follows:

The district may, at any time after the connection charges or rates and charges for water supplied and penalties are delinquent for a period of sixty days, bring suit in foreclosure by civil action in the superior court of the county in which the district is situated. The court may allow, in addition to the costs and disbursements provided by statute, such an attorney's fee as it adjudges reasonable. The action shall be in rem, and 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 laws and rules of the court shall control as in other civil actions.

In addition to the right to foreclose provided in this section, the district may also cut off all or part of the service after charges for water supplied are delinquent for a period of sixty days.

Sec. 2. Section 1, chapter 50, Laws of 1953 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 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. 3. Section 6, chapter 18, Laws of 1959 as amended by section 6, chapter 108, Laws of 1959 and RCW 57.16.010 are each amended to read as follows:

The water district commissioners before ordering any improvements hereunder or submitting to vote any proposition for incurring any indebtedness shall adopt a general comprehensive plan of water supply for the district. They shall investigate the several portions and sections of the district for the purpose of determining the present and reasonably foreseeable future needs thereof; shall examine and investigate, determine and select a water supply or water supplies for such district suitable and adequate for present and reasonably foreseeable future needs thereof; and shall consider and determine a general system or plan for acquiring such water supply or water supplies; and the lands, waters and water rights and easements necessary therefor, and for retaining and storing any such waters, erecting dams, reservoirs, aqueducts and pipe lines to convey the same throughout such district. There may be included as part of the system the installation of fire hydrants at suitable places throughout the district, and the purchase and maintenance of necessary fire fighting equipment and apparatus, together with facilities for housing same. The water district commissioners shall determine a general comprehensive plan for distributing such water throughout such portion of the district as may then reasonably be served by means of subsidiary aqueducts and pipe lines, and the method of distributing the cost and expense thereof against such water district and against local improvement districts or utility local improvement districts within such water district for any lawful purpose, and including any such local improvement district or utility local improvement district lying wholly or partially within the limits of any city or town in such district, and shall determine whether the whole or part of the cost and expenses shall be paid from water revenue bonds as in this act provided. The commissioners may employ such engineering and legal service as in their discretion is necessary in carrying out the objects and purposes of this act.

The general comprehensive plan shall be adopted by resolution and submitted to an engineer designated by the legislative authority of the county in which fifty-one percent or more of the area of the district is located, and to the director of

health of the county in which the district or any portion thereof is located, and must be approved in writing by the engineer and director of health.

Before becoming effective, the general comprehensive plan shall also be submitted to, and approved by resolution of, the legislative authority of every county within whose boundaries all or a portion of the water district lies. If the district includes portions or all of one or more cities or towns, the general comprehensive plan shall be submitted also to, and approved by resolution of, the legislative authority of cities and towns before becoming effective.

Before becoming effective, any amendment to, alteration of, or addition to, a general comprehensive plan shall also be subject to such approval as if it were a new general comprehensive plan: PROVIDED, That only if the amendment, alteration, or addition effects a particular city or town, shall the amendment, alteration or addition be subject to approval by such particular city or town legislative authority.

Sec. 4. Section 8, chapter 18, Laws of 1959 as amended by section 8, chapter 108, Laws of 1959 and RCW 57.16.030 are each amended to read as follows:

The commissioners may ~~((submit at any general or special election, a proposition that))~~, without submitting a proposition to the voters, authorize by resolution the district to issue revenue bonds for the construction costs, interest during the period of construction and six months thereafter, working capital or other costs of any part or all of the general comprehensive plan. The amount of the bonds to be issued shall be included in the ~~((proposition))~~ resolution submitted.

~~((The proposition to issue such))~~ Any resolution authorizing the issuance of revenue bonds may include provision for refunding any local improvement district bonds of a district, out of the proceeds of sale of revenue bonds, and a district may pay off any outstanding local improvement bonds with such funds either by purchase in the open market below their par value and accrued interest or by call at par value and accrued interest at the next succeeding coupon maturity date.

~~((No proposition for the issuance of revenue bonds shall be submitted at any election if there are outstanding any district local improvement district bonds issued under the provisions of RCW 57.20.030 to 57.20.090, unless the proposition provides that all such local improvement district bonds shall be paid out of the proceeds of the sale of the revenue bonds.~~

The proposition for issuance of revenue bonds shall be adopted by a majority of the voters voting thereon.) When a ~~((proposition))~~ resolution authorizing revenue bonds has been adopted the commissioners may forthwith carry out the general comprehensive plan to the extent specified.

Sec. 5. Section 10, chapter 108, Laws of 1959 and RCW 57.16.035 are each amended to read as follows:

Whenever a water district shall have adopted a general comprehensive plan and bonds to defray the cost thereof shall have been authorized by ~~((the electors of the district))~~ resolution of the board of water commissioners, and before the completion of the improvements the board of water commissioners shall find by resolution that the authorized bonds are not sufficient to defray the cost of such improvements due to the increase of costs of construction subsequent to the adoption of said plan, the board of water commissioners may by resolution ~~((, without submitting the matter to the voters of the district,))~~ authorize the issuance and sale of additional water

revenue bonds for such purpose in excess of those previously ~~((authorized: PROVIDED, That in no event shall the principal amount of such additional water revenue bonds exceed twenty percent of such previously authorized bonds))~~ issued.

Sec. 6. Section 9, chapter 18, Laws of 1959 as last amended by section 70, chapter 195, Laws of 1973 1st ex. sess. and RCW 57.16.040 are each amended to read as follows:

In the same manner as provided for the adoption of the original general comprehensive plan, a plan providing for additions and betterments to the original general comprehensive plan may be adopted. Without limiting its generality "additions and betterments" shall include any necessary change in, amendment of or addition to the general comprehensive plan.

The district may incur a general indebtedness payable from annual tax levies to be made in excess of the constitutional and/or statutory tax limitations for the construction of the additions and betterments in the same way that general indebtedness may be incurred for the construction of the original general comprehensive plan after submission to the voters of the entire district in the manner the original proposition to incur indebtedness was submitted. Upon ratification the additions and betterments may be carried out by the commissioners to the extent specified or referred to in the proposition to incur the general indebtedness.

The district may issue revenue bonds to pay for the construction of the additions and the betterments pursuant to resolution of the board of water commissioners ~~((without submitting a proposition therefor to the voters of the district))~~.

Sec. 7. Section 11, chapter 18, Laws of 1959 as amended by section 1, chapter 39, Laws of 1965 ex. sess. and RCW 57.16.060 are each amended to read as follows:

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

In case the board of water commissioners shall desire to initiate the formation of a local improvement district or a utility local improvement district by resolution, it shall first pass a resolution declaring its intention to order such improvement, setting forth the nature and territorial extent of such proposed improvement, designating the number of the proposed local improvement district or utility local improvement district, and describing the boundaries thereof, stating the estimated cost and expense of the improvement and the proportionate amount thereof which will be borne by the property within the proposed district, and fixing a date, time and place for a public hearing on the formation of the proposed local district.

In case any such local improvement district or utility local improvement district shall be initiated by petition, such petition shall set forth the nature and territorial extent of the proposed improvement requested to be ordered and the fact that the signers thereof are the owners according to the records of the county auditor of at least fifty-one percent of the area of land within the limits of the local improvement district or utility local improvement district to be created. Upon the filing of

such petition the board shall determine whether the same shall be sufficient, and the board's determination thereof shall be conclusive upon all persons. No person shall withdraw his name from the petition after the same has been filed with the board of water commissioners. If the board shall find the petition to be sufficient, it shall proceed to adopt a resolution declaring its intention to order the improvement petitioned for, setting forth the nature and territorial extent of said improvement, designating the number of the proposed local district and describing the boundaries thereof, stating the estimated cost and expense of the improvement and the proportionate amount thereof which will be borne by the property within the proposed local district, and fixing a date, time and place for a public hearing on the formation of the proposed local district.

Notice of the adoption of the resolution of intention, whether the resolution was adopted on the initiative of the board or pursuant to a petition of the property owners, shall be published in at least two consecutive issues of a newspaper of general circulation in the proposed local district, the date of the first publication to be at least fifteen days prior to the date fixed by such resolution for hearing before the board of water commissioners. Notice of the adoption of the resolution of intention shall also be given each owner or reputed owner of any lot, tract, parcel of land or other property within the proposed improvement district by mailing said notice at least fifteen days before the date fixed for the public hearing to the owner or reputed owner of the property as shown on the tax rolls of the county treasurer at the address shown thereon. Whenever such notices are mailed, the water commissioners shall maintain a list of such reputed property owners, which list shall be kept on file at a location within the water district and shall be made available for public perusal. The notices shall refer to the resolution of intention and designate the proposed improvement district by number. Said notices shall also set forth the nature of the proposed improvement, the total estimated cost, the proportion of total cost to be borne by assessments, the date, time and place of the hearing before the board of water commissioners(~~(; and)~~). In the case of improvements initiated by resolution, said notice shall also: (1) State that all persons desiring to object to the formation of the proposed district must file their written protests with the secretary of the board of water commissioners before the time fixed for said public hearing; (2) state that if owners of at least forty percent of the area of land within the proposed district file written protests with the secretary of the board, the power of the water commissioners to proceed with the creation of the proposed district shall be divested; (3) provide the name and address of the secretary of the board; and (4) state the hours and location within the water district where the names of the property owners within the proposed district are kept available for public perusal. In the case of the notice given each owner or reputed owner by mail, the notice shall set forth the estimated amount of the cost and expense of such improvement to be borne by the particular lot, tract, parcel of land or other property.

Whether the improvement is initiated by petition or resolution, the board shall conduct a public hearing at the time and place designated in the notice to property owners. At this hearing the board shall hear objections from any person affected by the formation of the local district and may make such changes in the boundaries of the district or such modifications in the plans for the proposed improvement as shall be deemed necessary: PROVIDED, That the board may not change the

boundaries of the district to include property not previously included therein without first passing a new resolution of intention and giving a new notice to property owners in the manner and form and within the time herein provided for the original notice.

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

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

Sec. 8. Section 17, chapter 251, Laws of 1953 as amended by section 13, chapter 108, Laws of 1959 and RCW 57.20.025 are each amended to read as follows:

The board of water commissioners of any water district may by resolution(~~(; without submitting the matter to the voters of the district;)~~) provide for the issuance of refunding revenue bonds to refund outstanding general obligation bonds and/or revenue bonds, or any part thereof, and/or all outstanding local improvement district bonds, at maturity thereof, or before maturity thereof if they are subject to call for prior redemption or all of the holders thereof consent thereto. The total interest cost to the district over the life of the refunding bonds shall not exceed the total cost to the district which the district would have incurred but for such refunding over the remainder of the life of the bonds to be refunded thereby. The refunding bonds may be exchanged for the bonds to be refunded thereby, or may be sold in such manner as the board of water commissioners deems to be for the best interest of the district, and the proceeds used, except as hereinafter provided, exclusively for the purpose of paying, retiring and canceling the bonds to be refunded and interest thereon.

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

Whenever local improvement district bonds have been refunded as **((required))** provided by RCW 57.16.030 as now or hereafter amended, or pursuant to this section, all local improvement district 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 balance, if any, in the local improvement guaranty fund of the district and the proceeds received from any other assets owned by such fund shall be used in whole or in part as a reserve 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 water commissioners 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.

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

Passed the House June 11, 1977.

Passed the Senate June 10, 1977.

Approved by the Governor June 21, 1977.

Filed in Office of Secretary of State June 21, 1977.

CHAPTER 300

[Substitute House Bill No. 293]

SEWER DISTRICTS

AN ACT Relating to sewer districts; amending section 11, chapter 210, Laws of 1941 as last amended by section 2, chapter 272, Laws of 1971 ex. sess. and RCW 56.08.020; amending section 15, chapter 210, Laws of 1941 as amended by section 7, chapter 250, Laws of 1953 and RCW 56.08.050; amending section 16, chapter 210, Laws of 1941 as last amended by section 5, chapter 103, Laws of 1959 and RCW 56.16.020; amending section 17, chapter 210, Laws of 1941 as last amended by section 64, chapter 195, Laws of 1973 1st ex. sess. and RCW 56.16.030; amending section 7, chapter 103, Laws of 1959 and RCW 56.16.035; amending section 23, chapter 210, Laws of 1941 as last amended by section 5, chapter 272, Laws of 1971 ex. sess. and RCW 56.16.100; amending section 24, chapter 210, Laws of 1941 as last amended by section 6, chapter 272, Laws of 1971 ex. sess. and RCW 56.16.110; amending section 16, chapter 250, Laws of 1953 as last amended by section 66, chapter 195, Laws of 1973 1st ex. sess. and RCW 56.16.115; amending section 17, chapter 210, Laws of 1941 as last amended by section 64, chapter 195, Laws of 1973 1st ex. sess. and RCW 56.16.030; amending section 4, chapter 58, Laws of 1974 ex. sess. and RCW 56.20.015; amending section 27, chapter 210, Laws of 1941 as last amended by section 5, chapter 58, Laws of 1974 ex. sess. and RCW 56.20.020; and prescribing penalties.

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

Section 1. Section 11, chapter 210, Laws of 1941 as last amended by section 2, chapter 272, Laws of 1971 ex. sess. and RCW 56.08.020 are each amended to read as follows:

The sewer commissioners before ordering any improvements hereunder or submitting to vote any proposition for incurring indebtedness shall adopt a general comprehensive plan for a system of sewers for the district. They shall investigate all portions and sections of the district and select a general comprehensive plan for a system of sewers for the district suitable and adequate for present and reasonably foreseeable future needs thereof. The general comprehensive plan shall provide for treatment plants and other methods for the disposal of sewage and industrial and other liquid wastes now produced or which may reasonably be expected to be produced within the district and shall, for such portions of the district as may then reasonably be served, provide for the acquisition or construction and installation of