

Chapter 36.83 RCW
ROADS AND BRIDGES—SERVICE DISTRICTS

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Transportation benefit districts: Chapter 36.73 RCW.

RCW 36.83.010 Service districts authorized—Bridge and road improvements—Powers—Governing body. The legislative authority of a county may establish one or more service districts within the county for the purpose of providing and funding capital and maintenance costs for any bridge or road improvement or for providing and funding capital costs for any state highway improvement a county or a road district has the authority to provide. A service district may not include any area within the corporate limits of a city or town unless the city or town governing body adopts a resolution approving inclusion of the area within its limits. A service district is a quasi municipal corporation, an independent taxing "authority" within the meaning of Article VII, section 1 of the state Constitution, and a "taxing district" within the meaning of Article VII, section 2 of the state Constitution.

A service district shall constitute a body corporate and shall possess all the usual powers of a corporation for public purposes as well as all other powers that may now or hereafter be specifically conferred by statute, including, but not limited to, the authority to hire employees, staff, and services, to enter into contracts, to acquire, hold, and dispose of real and personal property, and to sue and be sued. All projects constructed by a service district pursuant to the provisions of this chapter shall be competitively bid and contracted.

A board of three commissioners appointed by the county legislative authority or county executive pursuant to this chapter shall be the governing body of a service district. The county treasurer shall act as the ex officio treasurer of the service

district. The electors of a service district are all registered voters residing within the district. [1996 c 292 § 1; 1985 c 400 § 2; 1983 c 130 § 1.]

County may fund improvements to state highways: RCW 36.75.035.

RCW 36.83.020 Establishment—Notice, hearing—Termination of proceedings—Modification of boundaries—Dissolution. (1) A county legislative authority proposing to establish a service district shall conduct a hearing at the time and place specified in a notice published at least once, not less than ten days prior to the hearing, in a newspaper of general circulation within the proposed service district. This notice shall be in addition to any other notice required by law to be published. The notice shall specify the functions or activities proposed to be provided or funded by the service district. Additional notice of the hearing may be given by mail, posting within the proposed service district, or in any manner the county legislative authority deems necessary to notify affected persons. All hearings shall be public and the county legislative authority shall hear objections from any person affected by the formation, modification of the boundaries, or dissolution of the service district.

(2) Following the hearing held pursuant to subsection (1) of this section, the county legislative authority may establish a service district if the county legislative authority finds the action to be in the public interest and adopts an ordinance or resolution providing for the establishment of the service district. The legislation establishing a service district shall specify the functions or activities to be exercised or funded and establish the boundaries of the service district. Functions or activities proposed to be provided or funded by the service district may not be expanded beyond those specified in the notice of hearing, except as provided in subsection (4) of this section.

(3) At any time prior to the county legislative authority establishing a service district pursuant to this section, all further proceedings shall be terminated upon the filing of a verified declaration of termination signed by a majority of the registered voters of the proposed service district.

(4) With the approval of the county legislative authority, the governing body of a service district may modify the boundaries of, expand or otherwise modify the functions of, or dissolve the service district after providing notice and conducting a public hearing or hearings in the manner provided in subsection (1) of this section. The governing body must make a determination that the proposed action is in the public interest and adopt a resolution providing for the action. [1996 c 292 § 2; 1983 c 130 § 2.]

RCW 36.83.030 Excess ad valorem property taxes authorized. (1) A service district may levy an ad valorem property tax, in excess of the one percent limitation, upon the property within the district for a one-year period whenever authorized by the voters of the district pursuant to RCW 84.52.052 and Article VII, section 2(a) of the state Constitution.

(2) A service district may provide for the retirement of voter approved general obligation bonds, issued for capital purposes only, by levying bond retirement ad valorem property tax levies, in excess of the one percent limitation, whenever authorized by the voters of the district pursuant to Article VII, section 2(b) of the state Constitution and RCW 84.52.056. [1983 c 130 § 3.]

RCW 36.83.040 General obligation bonds, excess property tax levies authorized—Limitations. (1) To carry out the purpose of this chapter, a service district may issue general obligation bonds, not to exceed an amount, together with any other outstanding nonvoter approved general obligation indebtedness, equal to three-eighths of one percent of the value of taxable property within the district, as the term "value of taxable property" is defined in RCW 39.36.015. A service district may additionally issue general obligation bonds for capital purposes only, together with any outstanding general obligation indebtedness, not to exceed an amount equal to one and one-fourth percent of the value of the taxable property within the district, as the term "value of taxable property" is defined in RCW 39.36.015, when authorized by the voters of the service district pursuant to Article VIII, section 6 of the state Constitution, and to provide for the retirement thereof by excess property tax levies as provided in RCW 36.83.030(2). The service district may submit a single proposition to the voters which, if approved, authorizes both the issuance of the bonds and the bond retirement property tax levies.

(2) General obligation bonds with a maturity in excess of forty years shall not be issued. The governing body of the service district shall by resolution determine for each general obligation bond issue the amount, date, terms, conditions, denominations, maximum fixed or variable interest rate or rates, maturity or maturities, redemption rights, registration privileges, manner of execution, manner of sale, callable provisions, if any, covenants, and form, including registration as to principal and interest, registration as to principal only, or bearer. Registration may include, but not be limited to: (a) A book entry system of recording the ownership of a bond whether or not physical bonds are issued; or (b) recording the ownership of a bond together with the requirement that the transfer of ownership may only be effected by the surrender of the old bond and either the reissuance of the old bond or the issuance of a new bond to the new owner. Facsimile signatures may be used on the bonds and any coupons. Refunding general obligation bonds may be issued in the same manner as general obligation bonds are issued.

(3) Whenever general obligation bonds are issued to fund specific projects or enterprises that generate revenues, charges, user fees, or special assessments, the service district which issues the bonds may specifically pledge all or a portion of the revenues, charges, user fees, or special assessments to refund the general obligation bonds. [1983 c 130 § 4.]

RCW 36.83.050 Local improvement districts authorized—Assessments—Special assessment bonds and revenue bonds—Limitations.

(1) A service district may form a local improvement district or utility local improvement district to provide any local improvement it has the authority to provide, impose special assessments on all

property specially benefited by the local improvements, and issue special assessment bonds or revenue bonds to fund the costs of the local improvement. Improvement districts shall be created and assessments shall be made and collected pursuant to chapters 35.43, 35.44, 35.49, 35.50, 35.53, and 35.54 RCW.

(2) The governing body of a service district shall by resolution establish for each special assessment bond issue the amount, date, terms, conditions, denominations, maximum fixed or variable interest rate or rates, maturity or maturities, redemption rights, registration privileges, if any, covenants, and form, including registration as to principal and interest, registration as to principal only, or bearer. Registration may include, but not be limited to: (a) A book entry system of recording the ownership of a bond whether or not physical bonds are issued; or (b) recording the ownership of a bond together with the requirement that the transfer of ownership may only be effected by the surrender of the old bond and either the reissuance of the old bond or the issuance of a new bond to the new owner. Facsimile signatures may be used on the bonds and any coupons. The maximum term of any special assessment bonds shall not exceed thirty years beyond the date of issue. Special assessment bonds issued pursuant to this section shall not be an indebtedness of the service district issuing the bonds, and the interest and principal on the bonds shall only be payable from special assessments made for the improvement for which the bonds were issued and any local improvement guaranty fund that the service district has created. The owner or bearer of a special assessment bond or any interest coupon issued pursuant to this section shall not have any claim against the service district arising from the bond or coupon except for the payment from special assessments made for the improvement for which the bonds were issued and any local improvement guaranty fund the service district has created. The service district issuing the special assessment bonds is not liable to the owner or bearer of any special assessment bond or any interest coupon issued pursuant to this section for any loss occurring in the lawful operation of its local improvement guaranty fund. The substance of the limitations included in this subsection shall be plainly printed, written, or engraved on each special assessment bond issued pursuant to this section.

(3) The governing body may establish and pay moneys into a local improvement guaranty fund to guarantee special assessment bonds issued by the service district.

(4) The governing body of a service district shall provide for the payment of both the special assessments which are imposed and a portion of the utility income from the utility improvement into a special fund established for the payment of the revenue bonds to defray the cost of the utility local improvement district whenever it desires to create a utility local improvement district and issue revenue bonds to fund the local improvement. [1983 c 130 § 5.]

RCW 36.83.060 Bonds—Form. Where physical bonds are issued pursuant to RCW 36.83.040 or 36.83.050, the bonds shall be printed, engraved, or lithographed on good bond paper and the manual or facsimile signatures of both the treasurer and chairperson of the governing body shall be included on each bond. [1983 c 130 § 6.]

RCW 36.83.070 Bonds—Use of proceeds. (1) The proceeds of any bond issued pursuant to RCW 36.83.040 or 36.83.050 may be used to pay costs incurred on such bond issue related to the sale and issuance of the bonds. Such costs include payments for fiscal and legal expenses, obtaining bond ratings, printing, engraving, advertising, and other similar activities.

(2) In addition, proceeds of bonds used to fund capital projects may be used to pay the necessary and related engineering, architectural, planning, and inspection costs. [1983 c 130 § 7.]

RCW 36.83.080 Gifts, grants, and donations. A service district may accept and expend or use gifts, grants, and donations. [1983 c 130 § 8.]

RCW 36.83.090 Eminent domain. A service district may exercise the power of eminent domain to obtain property for its authorized purposes in the manner counties exercise the powers of eminent domain. [1983 c 130 § 9.]

RCW 36.83.100 Commissioners—Appointment—Terms—Vacancies—Compensation—Powers. If the county legislative authority establishes a road and bridge service district, it shall promptly appoint three persons who are residents of the territory included in that service district to serve as the commissioners of the service district. For counties having an elected executive, the executive shall appoint those commissioners subject to confirmation by the legislative authority of the county. The commissioners first appointed shall be designated to serve for terms of one, two, and three years, respectively, from the date of their appointment. Thereafter, service district commissioners shall be appointed for a term of office of five years. Vacancies must be filled for any unexpired term in the same manner as the original appointment. No member of the legislative authority of the county in which a service district is created may be a commissioner of that service district, except that, if the boundaries of the service district are included within or coterminous with the boundaries of a county commissioner or council district, the county commissioner or councilmember elected from that commissioner or council district may be appointed to serve as a commissioner of the service district. A commissioner shall hold office until his or her successor has been appointed and qualified, unless sooner removed from office for cause in accordance with this chapter or removed by referendum in accordance with RCW 36.83.110. A certificate of the appointment or reappointment of any commissioner must be filed with the county auditor, and such certificate is conclusive evidence of the due and proper appointment of the commissioner. The commissioners of the service district shall receive no compensation for their services, in any capacity, but are entitled to reimbursement for reasonable and necessary expenses, including travel expenses, incurred in the discharge of their duties.

The powers of each service district are vested in the commissioners of the service district. Two commissioners constitute a quorum of the service district for the purpose of conducting its business and exercising its powers and for all other purposes. The

commissioners of the service district shall organize itself and select its chair, vice chair, and secretary, who shall serve one-year terms but may be selected for additional terms. When the office of any officer becomes vacant, the commissioners of the service district shall select a new officer from among the commissioners for the balance of the term of office. [1996 c 292 § 3.]

RCW 36.83.110 Election to retain commissioners—Referendum petition. Any registered voter residing within the boundaries of the road and bridge service district may file a referendum petition to call an election to retain any or all commissioners. Any referendum petition to call such election shall be filed with the county auditor no later than one year before the end of a commissioner's term. Within ten days of the filing of a petition, the county auditor shall confer with the petitioner concerning form and style of the petition, issue an identification number for the petition, and write a ballot title for the measure. The ballot title shall be posed as a question: "Shall (name of commissioner) be retained as a road and bridge service district commissioner?" and the question shall be posed separately for each commissioner. The petitioner shall be notified of the identification number and ballot title within this ten-day period.

After this notification, the petitioner shall have thirty days in which to secure on petition forms the signatures of not less than twenty-five percent of the registered voters residing within the boundaries of the service district and file the signed petitions with the county auditor. Each petition form shall contain the ballot title. The county auditor shall verify the sufficiency of the signatures on the petitions. If sufficient valid signatures are properly submitted, the county auditor shall submit the referendum measure to the registered voters residing in the service district in a special election no later than one hundred twenty days after the signed petition has been filed with the county auditor.

The office of any commissioner for whom there is not a majority vote to retain shall be declared vacant. [2011 c 10 § 79; 1996 c 292 § 4.]

Notice to registered poll voters—Elections by mail—2011 c 10:
See note following RCW 29A.04.008.

RCW 36.83.120 Removal of commissioner. For neglect of duty or misconduct in office, a commissioner of a service district may be removed by the county legislative authority after conducting a hearing. The commissioner must be given a copy of the charges at least ten days prior to the hearing and must have an opportunity to be heard in person or by counsel. If a commissioner is removed, a record of the proceedings, together with the charges and findings, must be filed in the office of the county auditor. [1996 c 292 § 5.]

RCW 36.83.130 Improvements—Ownership. Any road or bridge improvements financed in whole by funds of a service district, including but not limited to proceeds of bonds issued by a service district, shall be owned by that service district. Improvements financed jointly by a service district and the county or city within

which the improvements are located may be owned jointly by the service district and that county or city pursuant to an interlocal agreement. [1996 c 292 § 6.]

RCW 36.83.140 Local service district fund. If a service district is formed, there shall be created in the office of the county treasurer, as ex officio treasurer of the service district, a local service district fund with such accounts as the treasurer may find convenient or as the state auditor or the governing body of the service district may direct, into which shall be deposited all revenues received by or on behalf of the service district from tax levies, gifts, donations and any other source. The fund shall be designated "(name of county) (road/bridge) service district No. . . . fund." [1996 c 292 § 7.]

RCW 36.83.900 Liberal construction. The rule of strict construction does not apply to this chapter, and this chapter shall be liberally construed to permit the accomplishment of its purposes. [1983 c 130 § 10.]