

Water & Sewer Districts: Serving the Public

Infrastructure & Public Depository Task Force
October 31, 2017

Educate ■ **Advocate** ■ **Collaborate**



Mission of Water & Sewer Districts

- **WATER:** “To construct, condemn and purchase, add to, maintain, and supply waterworks to furnish the district and inhabitants thereof 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...”
- **SEWER:** “To construct, condemn and purchase, add to, maintain, and operate systems of sewers for the purpose of furnishing the district, the inhabitants thereof, and persons outside the district with an adequate system of sewers for all uses and purposes, public and private...”

History of Water & Sewer Districts

- 💧 **1889: Special Purpose Districts authorized by the Legislature**
- 💧 **1913: First Water Districts are created**
- 💧 **1941: First Sewer Districts are created**
- 💧 **Water & Sewer Districts are organized and operate under RCW Title 57**

Structure of Water & Sewer Districts

- ◆ **Created by County and Public Vote**
- ◆ **Governed by Commissioners Elected by Residents of the District to Set Terms**
- ◆ **Composed of a Designated Area**
 - ◆ **Can grow by petition from residents outside district**
 - ◆ **Can grow by merger with other district**

Where Do Districts Serve?

- 💧 **Urban & Suburban Areas and Isolated Communities in Rural Areas**
- 💧 **32 Counties (Water) & 27 Counties (Sewer)**
- 💧 **West & East Side of State**

How Big are Districts?

- ◆ **Some of the Largest & Smallest Utilities in the State**
- ◆ **30% of People in State Receive Water or Sewer Service from a Water or Sewer District**
- ◆ **Three of the Top Ten Water Utilities are Districts (Alderwood, Lakehaven, Northshore)**
- ◆ **Many of the Smallest Utilities are Districts (Kapowsin & Burnett, both in Pierce County, each have 35 connections).**

Funding Water & Sewer Service

- 💧 **Unique: No General Taxing Authority**
- 💧 **Build & Operated Through Utility Fees & Connection Charges**
- 💧 **All Funds Stay in the District**
- 💧 **Funds May Not be Used for Other Purposes**

How Do Districts Fund Infrastructure?

- 💧 Bonds-individual districts sell revenue bonds 20-30 year loans.
- 💧 Pay-As-You-Go: Utility Fees, General Facilities Charge(GFC), System Development Charge(SDC)
- 💧 Banks/Credit Unions = Short and Long term loans 10-15 year.

Additional State Resources

- 💧 **Public Works Trust Fund (Public Works Assistance Account)-Commerce**
- 💧 **Drinking Water State Revolving Fund (DWSRF)-DOH: loans and grants**
- 💧 **Clean Water State Revolving Fund (SRF)-Ecology: loans**
- 💧 **319 Clean Water Act & Centennial Clean Water ((unclear if these are used by districts))-Ecology**
- 💧 **Capital Budget Appropriations-community projects**

Questions?

