

RCW 36.61.260 Bonds. (1) Counties may issue lake or beach management district revenue bonds in accordance with this section. Lake or beach management district bonds may be issued to obtain money sufficient to cover that portion of the special assessments that are not paid within the thirty-day period provided in RCW 36.61.190.

(2) Whenever lake or beach management district revenue bonds are proposed to be issued, the county legislative authority shall create a special fund or funds for the lake or beach management district from which all or a portion of the costs of the lake or beach improvement and maintenance activities shall be paid. Lake or beach management district bonds shall not be issued in excess of the costs and expenses of the lake or beach improvement and maintenance activities and shall not be issued prior to twenty days after the thirty days allowed for the payment of special assessments without interest or penalties.

(3) Lake or beach management district revenue bonds shall be exclusively payable from the special fund or funds and from a guaranty fund that the county may have created out of a portion of proceeds from the sale of the lake or beach management district bonds.

(4) (a) Lake or beach management district revenue bonds shall not constitute a general indebtedness of the county issuing the bond nor an obligation, general or special, of the state. The owner of any lake or beach management district revenue bond shall not have any claim for the payment thereof against the county that issues the bonds except for: (i) With respect to revenue bonds payable from special assessments, payment from the special assessments made for the lake or beach improvement or maintenance activities for which the lake or beach management district bond was issued and from the special fund or funds, and a lake or beach management district guaranty fund, that may have been created; and (ii) with respect to revenue bonds payable from rates and charges, payment from rates and charges deposited in the special fund or funds that the county may have created for that purpose. Revenue bonds may be payable from both special assessments and from rates and charges. The county shall not be liable to the owner of any lake or beach management district bond for any loss to a lake or beach management district guaranty fund occurring in the lawful operation of the fund. The owner of a lake or beach management district bond shall not have any claim against the state arising from the lake or beach management district bond, rates and charges, special assessments, or guaranty fund. Tax revenues shall not be used to secure or guarantee the payment of the principal of or interest on lake or beach management district bonds. Notwithstanding the provisions of this subsection, nothing in this section may be interpreted as limiting a county's issuance of bonds pursuant to RCW 36.67.010 in order to assist in the financing of improvements to lakes or beaches located within or partially within the boundaries of the county, including without limitation lakes or beaches located within a lake or beach management district.

(b) The substance of the limitations included in this subsection (4) shall be plainly printed, written, engraved, or reproduced on: (i) Each lake or beach management district bond that is a physical instrument; (ii) the official notice of sale; and (iii) each official statement associated with the lake or beach management district bonds.

(5) If the county fails to make any principal or interest payments on any lake or beach management district bond or to promptly collect any special assessment securing lake or beach management district revenue bonds when due, the owner of the lake or beach management district revenue bond may obtain a writ of mandamus from

any court of competent jurisdiction requiring the county to collect the special assessments, foreclose on the related lien, and make payments out of the special fund or guaranty fund if one exists. Any number of owners of lake or beach management districts may join as plaintiffs.

(6) A county may create a lake or beach management district bond guaranty fund for each issue of lake or beach management district bonds. The guaranty fund shall only exist for the life of the lake or beach management district bonds with which it is associated. A portion of the bond proceeds may be placed into a guaranty fund. Unused moneys remaining in the guaranty fund during the last two years of the installments shall be used to proportionally reduce the required level of installments and shall be transferred into the special fund into which installment payments are placed. A county may, in the discretion of the legislative authority of the county, deposit amounts into a lake or beach management district bond guaranty fund from any money legally available for that purpose. Any amounts remaining in the guaranty fund after the repayment of all revenue bonds secured thereby and the payment of assessment installments, may be applied to lake or beach improvement and maintenance activities or to other district purposes.

(7) Lake or beach management district bonds shall be issued and sold in accordance with chapter 39.46 RCW. The authority to create a special fund or funds shall include the authority to create accounts within a fund. [2014 c 85 § 7; 2008 c 301 § 23; 2000 c 184 § 6; 1985 c 398 § 26.]

Effective date—2000 c 184: See note following RCW 39.96.010.