

**A NOTE TO DISTRICT RATEPAYERS FROM THE SAMMAMISH
PLATEAU WATER AND SEWER DISTRICT BOARD OF
COMMISSIONERS
Lane versus City of Seattle Case**

To the District ratepayers:

A ruling of the Washington State Supreme Court in the Lane v. City of Seattle case in October 2008 potentially affects all municipal water utilities in Washington relating to the allocation and recovery of fire suppression costs. The Supreme Court confirmed that providing fire hydrants is a governmental function providing a general benefit to the public. Lane v. City of Seattle applies to all municipal water utilities, including counties or special purpose districts (such as the Sammamish Plateau Water and Sewer District) with fire hydrant and fire suppression service, because a governmental function provides a general public benefit. Therefore, those non-city municipal water utilities such as the District must reconfigure the way in which fire hydrant costs are subsequently allocated.

Consistent with the Lane v. Seattle decision, effective January 1, 2010, the District will transfer the cost of fire suppression to general purpose governments in the area and this will be factored into a rate adjustment which will be considered by the District in early 2010.

Thank you,

Board of Commissioners
Sammamish Plateau Water and Sewer District