

RESOLUTION R.-3377.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND APPROVING PARTICIPATION BY THE CITY IN AN INTERLOCAL COOPERATIVE AGREEMENT FOR THE EAST KING COUNTY REGIONAL WATER ASSOCIATION AND AUTHORIZING THE CITY MANAGER TO SIGN SAID AGREEMENT ON BEHALF OF THE CITY OF KIRKLAND.

Whereas, the City of Kirkland, along with other cities and special districts, operating water utilities within the area of King County lying east of Lake Washington, desire to form a Regional Association of Water Purveyors, to serve as the managing agency in the development of a coordinated water supply plan as required by the Public Water System Coordination Act of 1977; and

Whereas, said agencies are also interested in exploring the resolution of other problems affecting water utilities in the region, such as establishment of fire flow standards, promotion of conservation, duplication of facilities, overlapping of service areas, and development of a regional ground water management plan, including application for grants from the State of Washington, to assist in the funding of the Coordinated Water Supply Plan and the Ground Water Management Plan; and

Whereas, the City of Kirkland is authorized, pursuant to Chapter 39.34 Revised Code of Washington, to enter into such an interlocal cooperative agreement.

Now, therefore, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. Participation by the City of Kirkland in the interlocal cooperative agreement for the East King County Regional Water Association, as set forth in the agreement attached to the original of this Resolution as Exhibit A and by this reference incorporated herein is approved.

Section 2. The City Manager of the City of Kirkland is hereby authorized and directed to sign on behalf of the City of Kirkland said agreement as set forth in Exhibit A hereto.

Passed by majority vote of the Kirkland City Council
in regular, open meeting this 18th day of May,
1987.

Signed in authentication thereof this 18th day of
May, 1987.

Loris Cooper
MAYOR

ATTEST:

Janice J. Perry DEPUTY
CLERK
Director of Administration & Finance
(ex officio City Clerk)

AMENDED INTERLOCAL COOPERATIVE AGREEMENT
FOR THE EAST KING COUNTY REGIONAL WATER ASSOCIATION

Pursuant to Chapter 39.34 of the Revised Code of Washington, the undersigned parties all being municipal corporations organized under the laws of the State of Washington, do hereby agree to the cooperative undertaking and conditions set forth below.

1. Recitals. All of the parties hereto operate water utilities and are concerned about maximumization of use of existing sources and the development of new sources of water supply to meet the demand for water created by future population growth in the King County area.

King County Council has declared portions of King County lying easterly of the City of Seattle to be a critical water supply area under the Public Water System Coordination Act of 1977 (herein called "Act"). It is anticipated that the critical water supply area will be bounded on the north by the Snohomish county line, on the south by the South King County Regional Water Association, on the west by the City of Seattle and on the east by the foothills of the Cascades (herein called the "study area"). The parties desire to form a regional association (herein called the "Association") of water purveyors to serve as a managing agency or facilitator in the development of the coordinated water supply plan required under

the Act.

The parties desire to build a consensus among all water purveyors in the study area concerning the coordinated water supply plan.

Simultaneously, with the development of a coordinated water supply plan for the study area, the parties desire to develop a regional groundwater management plan within the study area.

Through the Association the parties desire to apply for grants from the Department of Social and Health Services and the Department of Ecology for the State of Washington, from the federal government, and from other agencies and institutions to assist in the funding of the coordinated water supply plan and the groundwater management plan.

The parties are also interested in exploring through this cooperative undertaking, the resolution of other problems affecting water utilities in the region, such as establishment of fire flow standards, promotion of conservation, duplication of facilities and overlapping of service areas.

2. Purpose. The purpose of the cooperative undertaking authorized hereby is to:

a. Study the most effective allocation of existing water resources, the future demand for water in the study area, and the availability of alternative sources of water supply.

b. Serve as a managing agency or facilitator for preparing the coordinated water supply plan required under the

Act for the defined study area, and to provide consulting staff and other support services and materials to the Water Utility Coordinating Committee (herein called "WUCC") in developing said plan.

c. Serve as a managing agency or facilitator for purposes of preparing a regional groundwater management plan for the defined study area, provided that groundwater protection studies instituted by a party for its service area shall be managed by that party and integrated into the regional plan.

d. Apply for and receive grants from other governmental agencies and enter agreements with other governmental agencies to develop a coordinated water supply plan and a regional groundwater management plan for the study area, except for the pending Redmond and Issaquah Groundwater Protection Studies.

e. Study long term water supply contracts with the City of Seattle and other governmental agencies for water supply to the water purveyors in the study area.

f. Facilitate joint undertakings by two or more of the members of the regional association for common sources of water supply.

g. Retain consultants to assist in carrying out the foregoing purposes.

h. Form a nonprofit corporation under the laws of the State of Washington to carry out the purposes set forth

above.

i. Do all things necessary or ancillary to the carrying out of the foregoing purposes.

3. Review Process. To the extent the Association is authorized to direct the approval process of any coordinated water supply or groundwater plan for the study area, the Association shall seek to provide each party with copies of the proposed plan and an opportunity for review and comment at least 90 days before submittal for approval by the appropriate governmental agency.

4. Term. The term of this agreement shall commence upon the adoption of this agreement by two parties. The agreement shall be terminated upon acceptance of the critical water supply and groundwater management plans by King County and the appropriate state agency.

5. Organization.

a. Entity. A nonprofit corporation organized under the laws of the State of Washington shall be formed for the purpose of carrying out and administering this joint undertaking.

b. Name. This cooperative undertaking shall be operated and the nonprofit corporation shall be known as the "East King County Regional Water Association."

c. Governing Board. All actions of this cooperative undertaking shall be authorized and directed by the governing board of the nonprofit corporation (hereinafter

called the "Board") comprised of representatives of the parties. All actions authorized in the name of this undertaking shall require the majority vote of representatives of the parties present in a regular or special meeting of the Board. The Board may delegate authority to committees formed by resolution to carry out special studies, projects or tasks and may establish different voting rules and procedures for committee approval of actions.

(1) Representation. Each party to this agreement shall designate and shall be entitled to one representative who shall serve as a member of the Board and to one alternative representative who shall serve as a member of the Board during the absence of the designated representative.

(2) Voting. On all issues before the Board, each member of the Board shall cast one vote. Votes must be cast in person by the representative or the alternate and may not be made by proxy.

(3) Meetings. The Board shall hold regular meetings on such dates and at such places as the Board may designate. Special meetings of the Board may be called by the chairman of the Board or by any two members of the Board upon ten (10) days prior written notice to all representatives and alternates of the date, time, place and agenda of the special meeting.

(4) Bylaws. The Board shall establish such bylaws as it deems advisable to govern its operating procedures

and those of the nonprofit corporation, including the establishment of officers of the corporation. The bylaws shall be established and may be thereafter amended by the affirmative vote of a majority of the membership, provided notice of the change in bylaws as an agenda item for the meeting has been given as provided in subparagraph (6) below.

(5) Quorum. A quorum at any meeting shall consist of the Board members (or alternates) who represent at least 50% of the parties to the agreement, and parties whose retail water sales equal 50% of the total retail water sales of all of the parties. If the Board fails to obtain a quorum at any two successive regular meetings, then the quorum may be reduced by a two-thirds vote of the Board members present at a special meeting called for such purpose, provided that notice of such special meeting is sent to all representatives and alternates by certified mail, return receipt requested within the time periods set forth below.

(6) Notice. Notice of the agenda of any meeting which contains as an agenda item the passage of an assessment, passage of the budget or amendments of the budget, or changes of the bylaws, shall be sent by regular mail or delivered in person to each representative and alternate not less than seven (7) days nor more than twenty-one (21) days before the meeting at which the action is to be taken. Notice under this agreement shall be deemed given when the notice is deposited in the regular mails of the United States, postage

prepaid to the last known address of the representative or alternate to whom notice is due. Where a representative or alternate has failed to provide a mailing address, notice may be sent to the office of the party he or she represents. Notice shall also be deemed given when delivered to a representative or alternate in person or to a responsible individual at his or her residence. No notice of a regular meeting of the Board is required where there is not action to be taken affecting the budget, assessment of the parties or bylaws.

7. Finances. The Board shall adopt an annual budget for the projected expenditures reasonably necessary to achieve the Association's purposes, including but not limited to clerical support, staff and officer compensation (if any), travel expense, consultant's fees, legal and accounting fees, postage, printing and other expenses related to carrying out its purposes. To fund such budget, the Board shall assess and the parties agree to pay annual dues assessments. The Board shall assess the parties in an equitable manner based on the relative levels of retail water sales of the parties, provided that (1) no annual assessment of a party shall exceed \$15,000; (2) no assessment of a Class I water purveyor shall be less than \$500 and (3) no assessment of a Class II water purveyor shall be less than \$100.

Some of the original parties to this Agreement, who conducted studies as members of the Eastside Regional Water Supply Venture, prepared through their consultant a projection of

costs of developing the coordinated water supply and groundwater management plans, funding sources and the cash needs of the Association. Based on those budget projections, their consultant prepared a schedule of first year dues based on retail water sales of the possible participants in the Association, which is attached hereto as Exhibit A. It is anticipated that the annual assessment for the first year for each party will be approximately the amount set forth in Exhibit A, depending upon the level of the participation in the Association by all cities and water districts in the study area.

8. Staffing. The Board shall have the authority to hire in the name of the nonprofit corporation an independent administrator and other staff as it determines necessary. The staff shall be hired on a contracted basis. The Board shall also have authority to contract on behalf of the nonprofit corporation with any party hereto or with third parties to provide desired consulting and other staff support.

9. Audit and Accounting. The Association shall be subject to generally accepted accounting procedures. The books and records of the Association shall be open for inspection by any party and to audit in the manner provided by law for the auditing of public funds.

10. Limitations.

a. By this agreement no party has committed itself to participate financially in any future public works project with respect to a future water supply.

b. The Association shall not assume or exercise any regulatory function or lobby to or otherwise seek to obtain such regulatory function.

c. This Agreement shall not constitute a delegation of any of the powers of the individual parties to the Association.

d. The Association shall not enter into agreements or take actions which are inconsistent with the purposes and authorizations set forth in this Agreement.

11. Additional Parties. This agreement may be amended to add additional cities or water districts as parties hereto upon the majority vote of the Board. It is intended that cities and water districts within the study area shall generally be added as members on fair and equitable terms.

12. Limitation of Liability of Members. Nothing in this Agreement shall alter or waive those provisions of the Association's Articles of Incorporation which establish the limited liability of the members for the debts and obligations of the Association, whether such obligations arise under contract, tort or statute. Each member shall be obliged to contribute to the Association only those amounts which have been approved by the members, pursuant to the procedures set forth in this Agreement and in the Bylaws of the Association.

13. Effect and Amendment of Prior Agreement. This Amended Agreement shall amend and supersede that certain Inter-local Cooperative Agreement for East King County Regional Water

Association dated December 10, 1986, when executed by four of the six signators to said Interlocal Cooperative Agreement. This Amended Agreement shall not be effective until so executed.

14. Associate Members. The Board may establish a class of "associate membership" in the Association for water purveyors in the study area operated as cooperatives or private water companies. Such associate members may attend and be heard at Board meetings. However, such associate members may not (1) vote on expenditure of Association funds received from public members' dues or from grants, (2) receive a distribution of Association assets upon dissolution, except for contributions from such associate members which have been segregated from other assets of the Association or (3) vote to bind the Association to any contract.

15. Amendment and Termination. This agreement shall be amended only upon the written approval of two-thirds of the parties to the agreement at the time of the amendment.

Upon termination of this agreement, the nonprofit corporation shall be dissolved; all obligations of the corporation shall be paid; and any funds or assets remaining after payment of all obligations shall be distributed to the parties equitably in relation to their relative contributions to the finances of the corporation.

16. Withdrawal. Any party may withdraw from this agreement and membership in the nonprofit corporation upon thirty

(30) days prior written notice to the Board. Upon such withdrawal, a party shall cease to be a member of the nonprofit corporation formed to carry out this agreement. However, withdrawal of a party shall not terminate the joint undertaking authorized by this agreement or the nonprofit corporation so long as there remains at least two parties to the agreement and two members of the nonprofit corporation. Upon withdrawal from this joint undertaking, a party shall not be entitled to a refund of any contributions nor shall it be relieved from paying assessed, but uncollected dues for the current fiscal year. Refunding of contributions shall be strictly governed by the agreement and shall only be due upon termination of the agreement.

17. Counterparts. This agreement may be signed in counterparts and, if so signed, shall be deemed one integrated agreement.

Dated: _____

Rose Hill Water and Sewer District

By _____

Dated: _____

Its _____

Witness _____

King County Water District No. 82

By _____

Dated: _____

Its _____

Witness _____

City of Bellevue

By _____

Dated: _____

Its _____

Witness _____

Northeast Lake Washington Sewer and Water District

By _____

Dated: _____

Its _____

Witness _____

Northeast Lake Washington Sewer and Water District

By _____

Dated: _____

Its _____

Witness _____

Northeast Sammamish Sewer and Water District

By _____

Dated: _____

Its _____

Witness _____

City of Kirkland

By _____

Dated: _____

Its _____

Witness _____

City of Redmond

By _____

Dated: _____

Its _____

Witness _____

City of Issaquah

By _____

Dated: _____

Its _____

Witness _____

City of Renton

By _____

Dated: _____

Its _____

Witness _____

City of Mercer Island

By _____

Dated: _____

Its _____

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City of Bothell

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Dated: _____

Its _____

Witness _____

City of North Bend

By _____

Dated: _____

Its _____

Witness _____

City of Snoqualmie

By _____

Dated: _____

Its _____

Witness _____

City of Carnation

By _____

Dated: _____

Its _____

Witness _____

Cedar River Water and Sewer District

By _____

Dated: _____

Its _____

Witness _____

Woodinville Water District

By _____

Dated: _____

Its _____

Witness _____

King County Water District No. 42

By _____

Dated: _____

Its _____

Witness _____

King County Water District No. 49

By _____

Dated: _____

Its _____

Witness _____

King County Water District No. 58

By _____

Dated: _____

Its _____

Witness _____

King County Water District No. 83

By _____

Dated: _____

Its _____

Witness _____

King County Water District No. 90

By _____

Dated: _____

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Witness _____

King County Water District No. 107

By _____

Dated: _____

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King County Water District No. 117

By _____

Dated: _____

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Witness _____

King County Water District No. 119

By _____

Dated: _____

Its _____

Witness _____

King County Water District No. 122

By _____

Dated: _____

Its _____

Witness _____

King County Water District No. 127

By _____

Dated: _____

Its _____

Witness _____

EXHIBIT A

Estimated Schedule of Annual Dues for First Year.

<u>Water Sales (100,000 gal/year)</u>	<u>Dues/Year</u>
0 to 1,000	\$ 500
1,001 to 2,000	\$ 2,000
2,001 to 4,000	\$ 4,000
4,001 to 6,000	\$ 6,000
6,001 to 8,000	\$ 8,000
8,001 to 10,000	\$10,000
10,001 to 15,000	\$12,000
15,001 to 20,000	\$13,000
20,001 and above	\$15,000