

RESOLUTION R- 3989

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND AUTHORIZING AND DIRECTING THE CITY MANAGER TO SIGN ON BEHALF OF THE CITY OF KIRKLAND THAT CERTAIN INTERLOCAL GOVERNMENTAL AGREEMENT TITLED "INTERLOCAL AGREEMENT FOR THE INTERIM WATER GROUP" COPY OF WHICH IS ATTACHED TO THIS RESOLUTION.

Whereas, three years ago elected officials representing the Association of Suburban Cities, the King County Water District Alliance, and the City of Seattle formed a "Tri-Caucus" to discuss and to propose action with regard to the future water supply and planning for the region; and

Whereas, the Tri-Caucus has reached agreement on several key issues as memorialized in the "Regional Water Supply Governance Accord" dated March 24, 1993; the "Resolution of Intent Regarding Regional Water Supply Governance" dated December 8, 1993; the "Water Governance General Agreement of Principals" dated December 14, 1994; and most recently, the "Principles Regarding the Relationship Between Seattle and the New Entity and Guiding Vision Statement" dated August 30, 1995, which defines the relationship between the City of Seattle and the proposed new water supply governance organization ("New Entity"); and

Whereas, it is the desire of the Tri-Caucus to create an interim group by interlocal agreement composed of water purveyors and other interested municipalities to focus on the organizational and financial structure of the New Entity; and

Whereas, the purpose of the interlocal agreement is to provide a mechanism for the accumulation of financial resources; to retain professional assistance for the purpose of developing a framework for the New Entity and to develop financial data to assess impacts of various proposals; to negotiate a final agreement between Seattle and the New Entity; to provide a focus for negotiations with Tacoma on the Second Supply; and to assist in implementing and carrying out the principles agreed to by the Tri-Caucus; and

Whereas, the City Council believes it is in the best interest of the City of Kirkland and its residents for Kirkland to be a participating member of the Interim Water Group;

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

Section 1. The City Manager of the City of Kirkland is hereby authorized and directed to sign on behalf of the City of Kirkland that certain interlocal governmental agreement titled "Interlocal Agreement for the Interim Water Group" a copy of which is attached to the original copy of this resolution and by this reference incorporated herein.

Passed by majority vote of the Kirkland City Council in regular, open meeting this 6th day of February, 1996.

Signed in authentication thereof this 6 day of February, 1996.



MAYOR

Attest:



CITY CLERK

Interlocal Agreement for the Interim Water Group

WHEREAS, three caucuses representing the King County Water Alliance, the City of Seattle and the Suburban Cities Association (the "Tri-Caucus") have met since 1993 to discuss and to propose action with regard to the future of water supply and planning for the region; and

WHEREAS, the Tri-Caucus has reached agreement on several key issues as memorialized in the Regional Water Supply Governance Accord dated March 24, 1993; the Resolution of Intent Regarding Regional Water Supply Governance dated December 8, 1993; the Water Governance General Agreement of Principles dated December 14, 1994; and most recently, the Principles Regarding the Relationship Between Seattle and the New Entity and Guiding Vision statement dated August 30, 1995, which defines the relationship between the City of Seattle and a proposed new water supply governance organization ("New Entity"); and

WHEREAS, the undersigned parties desire to create an interim group by interlocal agreement composed of water purveyors and other interested municipalities to focus on the organizational and financial structure of the New Entity; and

WHEREAS, the purpose of this interlocal agreement is to provide a mechanism for the accumulation of financial resources; to retain professional assistance for the purpose of developing a framework for the New Entity and to develop financial data to assess impacts of various proposals; to negotiate a final agreement between Seattle and the New Entity; to provide a focus for negotiations with Tacoma on the Second Supply; and to assist in implementing and carrying out the principles agreed to by the Tri-Caucus; and

WHEREAS, this Agreement is entered into by the undersigned parties, municipal corporations organized under the laws of the State of Washington, pursuant to the Interlocal Cooperation Act, chapter 39.34 RCW, and has been authorized by the legislative bodies of each jurisdiction;

NOW, THEREFORE, it is hereby agreed by the parties as follows:

1. Purpose. The purpose of this agreement is to bring together interested municipalities which are potentially impacted by proposed changes in regional water supply governance and to provide a mechanism for the accumulation of financial resources in order to retain professional assistance for the purpose of developing a framework for the New Entity, to negotiate a final agreement between Seattle and the New Entity, to develop financial data to assess impacts of various proposals, to provide a focus for negotiations with the City of Tacoma on the Second Supply and to assist in implementing and carrying out the principles agreed to by the Tri-Caucus.

2. Organization. This agreement does not establish a separate legal entity but rather creates an administrative entity to be known as the Interim Water Group ("Group") which shall act at the direction of a board comprised of representatives from each of the parties to this agreement. The Interim Water Group shall perform purely administrative functions and except as otherwise noted herein, no power or authority to act on behalf of or in the stead of the undersigned parties is delegated to the Interim Water Group.

3. Governance. Governance shall be through the Joint Board ("Board") as provided in the By-Laws of the Group. The By-Laws shall include, but not be limited to, provisions governing representation, meetings, voting requirements/quorum, notice, officers and terms and provisions concerning the membership, responsibilities, organization, and procedures of the Board. The initial By-Laws shall be adopted by the Board and may thereafter be amended by a vote of the Board. The By-Laws may

provide for a weighted vote method related to assessments and/or financial contributions.

4. Duration. This Agreement shall remain in effect until December 31, 1997, unless earlier terminated or amended pursuant to Section 8.

5. Finances.

a. Budget. The Board shall adopt a budget. The budget shall include projected expenditures reasonably necessary to achieve the Group's purposes and may include staff compensation and staff support, as well as compensation for professionals hired by the Group. Because the monetary needs of the Group may not be foreseeable for any annual period and because contributions/assessments of the parties may occur at various times, the budget may be amended as needed by the Board.

b. Dues, Assessments, and Membership Fee. To fund the budget, the parties may agree to commit to paying dues and assessments as recommended by the Board or make voluntary contributions. In addition, a one-time new member fee shall be paid by parties to this agreement as a requirement of membership. This fee shall be non-refundable. The new member fee shall be an amount equal to the product of \$1,000 times the member's average annual retail water sales for the previous calendar year measured in million gallons per day (mgd) to the nearest tenth of an mgd, not to exceed \$2,500.

c. Special Fund. The Group shall establish a special fund with one of the parties to this Agreement for the purpose of administering all funds of the Group, which fund shall be designated the "Operating fund of Interim Water Group Joint Board."

d. Credits. When developing agreements forming the New Entity, the Board shall consider and implement ways to provide parties to this agreement a credit for all fees, dues, assessments, and voluntary contributions paid to the Group if at a later date the member joins the New Entity.

6. Staffing and Contracting. The Board shall have the authority to enter into contracts in order to carry out the purposes of this Agreement including, but not limited to, contracts to provide desired administrative, consulting, and professional services. The parties may lend or otherwise provide staff support to the Group. Reimbursements may be made to members providing services to the Group based upon a defined work product and cost approved by the Board.

7. Limitations.

a. The Board may not take any actions or make any decisions until at least ten cities and/or districts have become a party to this agreement.

b. By becoming a party to this Agreement, no member has committed itself to participate financially beyond the dues, assessment, or membership fee provisions set forth herein or any voluntary contributions such member may make to the Group.

c. By becoming a party to this Agreement, no member thereby obligates itself to join or otherwise become a member of the New Entity or to forego or otherwise alter its current water purveyor contract with Seattle.

d. This Agreement shall not constitute a delegation of any of the powers of the individual parties to the Group.

e. The Group and its Board shall not enter into agreements or take actions which are inconsistent with the purpose and authorizations set forth in this Agreement.

f. The Board shall not incur debt or obligations beyond the financial resources that have been committed to and received from members.

8. Amendment and Termination.

a. Amendment. This Agreement may be amended by written approval of the parties.

b. Termination. This Agreement may be terminated at any time by a vote of the Board. Upon termination, all obligations of the Group shall be paid and any assets of the Group shall be distributed to the parties pursuant to a distribution formula established in the By-Laws based on fees, dues, assessments, and voluntary contributions of the parties.

9. Limitation of Liability. Neither the members of the Group nor its Board or officers shall be individually liable for any debts or obligations of the Group. Each member shall be obligated to contribute to the Group only those amounts determined pursuant to the procedures set forth in the By-Laws.

10. Withdrawal. Any member may withdraw from this Agreement by giving at least 60 days written notice to the Board of its intention to terminate membership. In addition, any member may withdraw by giving written notice within 60 days after receiving notice of any proposed dues or assessments without obligation to pay the proposed dues or assessments. Upon withdrawal from this Agreement, a previous member shall not be entitled to a refund of any dues, assessments, fees, or any other

contributions, nor shall it be relieved from paying dues or assessments which have been committed to by the member.

11. Filing. This Agreement shall be effective upon filing with the King County Records and Elections Divisions, the Secretary of State, and the clerk of each member hereto.

12. Counterparts. This Agreement may be signed in counterparts and, if so signed, shall be deemed on integrated Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by the undersigned party on the date set forth below:

By: _____

Dated: _____

Attest: _____

WAG-WATER.FEB/ST:rk