



City of Bellevue

Assumption of King County Water District No. 1

Nav Ota | Utilities Department
January 17, 2023



Direction

Direct staff to prepare an ordinance authorizing assumption of King County Water District No.1.

AGENDA



Background



2004 City/District Interlocal Agreement



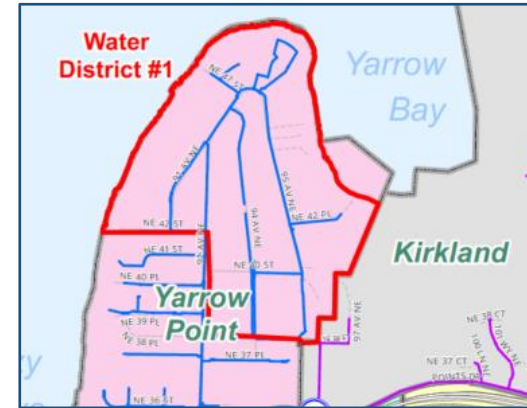
Policy/Fiscal Impacts



Next Steps: Assumption Process

➤ Water District No. 1:

- Serves 210 homes in Yarrow Point
- 12,000 ft watermains
- 212 water meters
- 2 pressure reducing valve stations



- In 2003, District approached City to assume them over ever-increasing State water quality standards. City was already providing water service to rest of Yarrow Point and other communities.

2004 Interlocal Agreement

District required to and have met following:

- Upgrade its system to City standards
- Isolate its wells, transmission lines, reservoirs
- Pay all applicable charges and reserves consistent with rest of Bellevue water ratepayers
- Adopt City water-related programs (e.g. conservation, development review, enforcement)
- Continue as a municipal corporation until it disbursed all surplus cash assets

2004 Interlocal Agreement

City agreed to:

- Provide water supply
- Maintain, operate and renew system
- Treat customers same as other Bellevue ratepayers
 - Cost of water services based on City's rate structure
 - Provide all customer care
- Eventually assume the District

Policy/Fiscal Impacts

Policy Impacts

- RCW 35.13A.111 authorizes the City to assume water districts
- Bellevue agreed to assume District per ILA
- Bellevue Water System Plan anticipated assumption of Water District No. 1

Fiscal Impacts

- No impacts resulting from assumption
- District has paid all requisite fees/charges (CRCs, R&R reserves, RCFCs); made system upgrades; has no outstanding debts, liabilities or is involved in any lawsuits

Assumption & Dissolution Agreement

- Required by RCW 35.13A.111
- Addresses ownership of property, provision of services, maintenance of facilities, allocation of cost, & disposition of liabilities and debt
- District must approve by resolution
- City must approve by ordinance

Next Steps: Assumption Process

1. District adopts resolution approving assumption and dissolution agreement (January 11)
2. City adopts ordinance and approve assumption agreement (February)
3. 30 days after effective date, City and District file joint petition to Superior Court to formally dissolve the District





Direction

Direct staff to prepare an ordinance authorizing assumption of King County Water District No.1.