

## CITY COUNCIL REGULAR SESSION

Resolution authorizing execution of an Amended and Restated Agreement for Maintenance, Operation, Repair, Emergency Response, and Capital Improvement of the Bellevue Pipeline Segment of the Cascade Water Alliance Pipeline.

Nav Ota, Director, 452-2041

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*Utilities Department*

## EXECUTIVE SUMMARY

This Resolution will authorize an interlocal agreement with the Cascade Water Alliance (Cascade) with respect to the operation/maintenance of a 1.2 mile segment of the Cascade-owned Bellevue Pipeline Segment (Pipeline), located between Eastgate Park and 161<sup>st</sup> Avenue SE along Newport Way. This agreement replaces a previous 2006 agreement with Cascade concerning this segment of the Pipeline.

## RECOMMENDATION

Move to adopt Resolution No. 10224

## BACKGROUND/ANALYSIS

### Background

In 2006, the City agreed via Resolution No. 7367 to transfer ownership and all operations, maintenance, improvements, repairs and emergency response responsibilities of a 1.2 mile, 24 inch water transmission Pipeline to Cascade. The Pipeline is located between Seattle's Eastside Reservoir at Eastgate Park and the intersection of 161<sup>st</sup> Avenue SE/SE Newport Way. The City also agreed to continue to operate and maintain said Pipeline via the Pipeline Operations Agreement ("Operations Agreement") because Cascade did not have the staff to do so. All of Bellevue's costs are fully reimbursed by Cascade.

The Operations Agreement said that Bellevue would follow its current operations and maintenance practices until the parties developed "mutually agreeable operating guidelines". Excluded from the agreement was any responsibility for Bellevue to deliver water supply or ensure the water quality of such supply through the Pipeline.

Councilmember Barksdale is the City's representative on the Cascade Board of Directors.

### Proposed amendments to the Operations Agreement

The City and Cascade wish to replace the original terms of their agreement with an amended and restated Operations Agreement (See Attachment A) to clarify the roles, responsibilities, and expectations between each party regarding maintenance, operations, repair, emergency response, and to address future expansion, renovation, replacement, or improvement of the Pipeline. This will help ensure continuity of smooth operations and clear communications.

Specifically, the Operations Agreement:

- Clarifies that Cascade is ultimately responsible for any Pipeline operation, maintenance, repair, emergency response, and capital improvements, and is contracting with the City to perform day-to-day operation, maintenance, repairs, and assist in responding to emergencies.
- Offers the City the opportunity to manage capital improvements that Cascade determines may be necessary to the Pipeline, given the City's day-to-day operation of the Pipeline.
  - All capital improvements to be performed by the City will be the subject of a separate agreement to be approved by the City Council;
- Requires a memorandum of understanding (MOU) to be developed, and modified as needed, to effectively administer the interlocal.
  - A copy of the proposed MOU is included in the Council Library and contemplates the Utilities Director being able to execute the MOU and any modifications, provided the MOU and amendments comply with the interlocal approved by Council.

The following existing key provisions will not change:

- Liability/Hold harmless indemnification by each party to the other.
- No responsibility for Bellevue to deliver water supply or ensure the water quality of such supply through the Pipeline.
- Cascade will fully reimburse Bellevue for the City's costs.

On January 25, pursuant to Resolution No. 2023-01, the Cascade Board authorized the Cascade Chief Executive Officer to sign the Operations Agreement.

## **POLICY & FISCAL IMPACTS**

### **Policy Impact**

No policy impact is expected.

RCW 39.34.080 requires Council approval to execute any interlocal agreement.

### **Fiscal Impact**

Cascade will fully reimburse Bellevue for the City's costs to operate and maintain the Pipeline, including any Pipeline capital improvement projects performed by the City. The City's costs to provide operations, maintenance, and minor repairs to the Pipeline in 2021 and 2022 was about \$26,900 and \$21,500 respectively.

## **OPTIONS**

1. Adopt the Resolution authorizing execution of an Amended and Restated Agreement for Maintenance, Operation, Repair, Emergency Response, and Capital Improvement of the Bellevue Pipeline Segment of the Cascade Water Alliance Pipeline.
2. Do not adopt the Resolution and provide alternative direction to staff.

## **ATTACHMENTS**

- A. Amended and Restated Operations Agreement for Bellevue Segment of Cascade Pipeline  
Proposed Resolution No. 10224

## **AVAILABLE IN COUNCIL LIBRARY**

DRAFT – MOU for Cascade Pipeline

Pipeline Operations Agreement between City and Cascade

Pipeline Transfer and Acquisition Agreement between City and Cascade

Cascade Resolution No. 2023-01 approving Pipeline Operations Agreement with the City of Bellevue