

Attachment A

**WATER AND SEWER UTILITY ASSUMPTION AGREEMENT
BETWEEN
CITY OF BELLEVUE AND CITY OF ISSAQUAH**

THIS AGREEMENT is made by and between the City of Bellevue, a municipal corporation, in King County, Washington ("Bellevue"), and the City of Issaquah, a municipal corporation, in King County, Washington ("Issaquah") for the purposes set forth herein.

RECITALS

WHEREAS, the City of Bellevue assumed the King County Water District No. 97 which provided water service in the South Cove and Greenwood Point areas in 1973; and

WHEREAS, the City of Bellevue assumed the Eastgate Sewer District which provided sewer service in the South Cove and Greenwood Point areas on December 31, 1994; and

WHEREAS, the City of Issaquah annexed the South Cove/Greenwood Point areas on March 2, 2006; and

WHEREAS, the City of Bellevue continues to provide water and sewer service for the South Cove and Greenwood Point areas despite those areas being annexed into the City of Issaquah; and

WHEREAS, the Cities of Issaquah and Bellevue entered into an Interlocal Agreement in June 2014 in which both cities agreed to cooperatively work together and to negotiate in good faith terms regarding existing capital facilities, joint use facilities where appropriate and shared costs associated with the assumption of utilities by the City of Issaquah; and

WHEREAS, the Cities have completed their negotiations related to the assumption of the water and sanitary sewer utilities in the South Cove/Greenwood Point area within the City of Issaquah; and

WHEREAS, the Cities of Issaquah and Bellevue wish to enter into this agreement to set forth the terms for assumption of the water and sanitary sewer utilities in the South Cove/Greenwood Point area;

NOW, THEREFORE, the Cities of Issaquah and Bellevue agree as follows:

Section 1: The City of Bellevue agrees to:

- A. Support the assumption of its water and sanitary sewer utilities within the South Cove/Greenwood Point area, as shown in Attachment A, by the City of Issaquah.

- B. Transfer its responsibilities to the City of Issaquah associated with providing water and sanitary sewer service to the South Cove/Greenwood Point area, effective January 1, 2017 or at such time as the Issaquah's billing system has been upgraded and is fully operational, whichever date is later (the "Assumption Effective Date").
- C. Transfer its water and sanitary sewer utility assets located within the South Cove/Greenwood Point area, including any necessary easements, to Issaquah at no cost by the Assumption Effective Date.
- D. As of the Assumption Effective Date, wheel Cascade Water supply through Bellevue's water Utility to the South Cove/Greenwood Point Area under the terms of the Amendment to the existing Water Facilities Agreement between City of Bellevue and City of Issaquah, dated September 9, 2005.
- E. Within 2 years of the Assumption Effective Date, coordinate with Issaquah on the installation of pressure reducing valve station along the 12-in water main at 4500 W Lake Sammamish Pkwy to improve fire flows and increase pressures in the South Cove/Greenwood Point area and the upstream water service area in Bellevue. Bellevue shall pay for fifty percent (50%) of the project cost of installing the PRV station, inclusive of the cost for designing and constructing the underground vault structure and lid, pressure reducing valve, and site preparation/restoration. Issaquah shall pay for one hundred percent (100%) of the cost for any telemetry systems to connect the PRV to Issaquah's supervisory control and data acquisition (SCADA) system.
- F. As of the Assumption Effective Date, operate its systems such that the operating hydraulic grade line ("HGL") is maintained at a minimum of 248 feet (NAVD88) at the two interties at approximately the following locations:

4210 181ST AVE SE
4316 W LAKE SAMMAMISH PKWY SE

Within two years of the Assumption Effective Date, Bellevue shall increase the HGL in the water system west of the new Pressure Reducing Valve (PRV) station at 4500 W Lake Sammamish Parkway, such that the operating HGL is maintained at approximately 270 feet (NAVD88) at the two intertie locations.

If additional operational changes are being planned that could impact pressure or flows then Bellevue shall work with Issaquah to mitigate such changes to ensure proper service levels are maintained in the South Cove/Greenwood Point area, unless Issaquah's water system is hydraulically disconnected from Bellevue's system. If capital improvements are necessary to maintain the pressures and flows, the two agencies will work together in good faith to determine how the costs of such facilities will be paid.

- G. Transfer to Issaquah within 15 days of the Assumption Effective Date, \$93,370 from its Water Utility Capital Renewal and Replacement Fund and \$157,574 from its Sanitary Sewer Utility Capital Renewal and Replacement Fund representing an equitable amount attributable to transferring the aging assets.
- H. As of the Assumption Effective Date, provide drinking water supply at the interties that meet all local, state, and federal water quality standards for drinking water. If an issue of water quality arises that potentially affects the intertie locations, Bellevue will notify Issaquah's Operations Department at (425) 837 – 3470 and work with Issaquah for appropriate actions.
- I. Transfer all utility billing information and maintenance records as of the Assumption Effective Date to Issaquah.
- J. As of the Assumption Effective Date, water and sewer service to the Issaquah addresses below are Issaquah's responsibility but will remain connected to Bellevue's water system or downstream sanitary sewer system, unless Issaquah makes system modifications to route flows through Issaquah's system.

Issaquah Addresses Which Flow into
Bellevue's Sewer System

4233 182ND AVE SE, ISSAQUAH
 4261 182ND AVE SE, ISSAQUAH
 18126 SE 42ND PL, ISSAQUAH
 18131 SE 42ND PL, ISSAQUAH
 18135 SE 42ND PL, ISSAQUAH
 18136 SE 42ND PL, ISSAQUAH
 18139 SE 42ND PL, ISSAQUAH
 18144 SE 42ND PL, ISSAQUAH
 18145 SE 42ND PL, ISSAQUAH
 18151 SE 42ND PL, ISSAQUAH
 18156 SE 42ND PL, ISSAQUAH
 18160 SE 42ND PL, ISSAQUAH
 18217 SE 43RD CT, ISSAQUAH
 18220 SE 43RD CT, ISSAQUAH
 18221 SE 43RD PL, ISSAQUAH
 18223 SE 43RD CT, ISSAQUAH
 18224 SE 43RD PL, ISSAQUAH
 18226 SE 43RD CT, ISSAQUAH
 18227 SE 43RD PL, ISSAQUAH
 18229 SE 43RD CT, ISSAQUAH
 18230 SE 43RD PL, ISSAQUAH
 18232 SE 43RD CT, ISSAQUAH

Issaquah Addresses Connected to
Bellevue's Water System

18153 SE 41ST LN, ISSAQUAH

18233 SE 43RD PL, ISSAQUAH
18235 SE 43RD CT, ISSAQUAH
18236 SE 43RD PL, ISSAQUAH
18239 SE 43RD PL, ISSAQUAH
4230 181ST PL SE, ISSAQUAH
4234 181ST PL SE, ISSAQUAH
4240 181ST PL SE, ISSAQUAH
4241 181ST PL SE, ISSAQUAH
4248 181ST PL SE, ISSAQUAH
4249 181ST PL SE, ISSAQUAH
4256 181ST PL SE, ISSAQUAH
4257 181ST PL SE, ISSAQUAH
4263 181ST PL SE, ISSAQUAH
4264 181ST PL SE, ISSAQUAH
4266 182ND AVE SE, ISSAQUAH
4269 181ST PL SE, ISSAQUAH
4304 182ND PL SE, ISSAQUAH
4310 182ND AVE SE, ISSAQUAH
4313 182ND PL SE, ISSAQUAH
4321 182ND PL SE, ISSAQUAH
4326 182ND PL SE, ISSAQUAH
4329 182ND PL SE, ISSAQUAH
4320 W LAKE SAMMAMISH PKWY
SE, ISSAQUAH (Includes 4316-4356)
4337 182ND PL SE, ISSAQUAH
4343 182ND PL SE, ISSAQUAH
4402 W LAKE SAMMAMISH PKWY
SE, ISSAQUAH
4404 W LAKE SAMMAMISH PKWY
SE, ISSAQUAH
4406 W LAKE SAMMAMISH PKWY
SE, ISSAQUAH
4410 W LAKE SAMMAMISH PKWY
SE, ISSAQUAH
4412 W LAKE SAMMAMISH PKWY
SE, ISSAQUAH
4416 W LAKE SAMMAMISH PKWY
SE, ISSAQUAH
4418 W LAKE SAMMAMISH PKWY
SE, ISSAQUAH

Issaquah will read the meters and bill its water and sewer rates for these addresses. Issaquah recognizes that as these meters receive services from Bellevue but are in Issaquah's jurisdiction, that Issaquah will be responsible for

the Cascade Water Alliance purchased water costs and/or for the King County Wastewater Treatment Division wastewater treatment costs, for these addresses.

Should Issaquah receive service-related complaints from these addresses it will notify Bellevue of the complaint and Bellevue will promptly investigate its system if warranted and coordinate with Issaquah for Bellevue's response, unless Issaquah makes system modifications to route the water and/or sewer flows through Issaquah's system.

Bellevue and Issaquah shall seek to connect new or redeveloped customers to their respective water and sewer systems, to the extent feasible. Where infeasible, Bellevue and Issaquah shall work cooperatively to provide water and sewer service through connections to the others' water and sewer systems.

- K. By the Assumption Effective Date, install meters at the two intertie locations in accordance with Bellevue design and operation standards. The meters shall be capable of monitoring and recording flow in both directions. Issaquah shall pay for one hundred percent (100%) of the project cost for designing and installing the meter vaults and lids, the flow meters, communications equipment, and site preparation/restoration.
- L. Continue billing and collection of Direct Facility Connection Charges and Capital Recovery Charges from properties located within the assumption area as applicable.

Section 2: The City of Issaquah agrees to:

- A. Take over the responsibilities associated with providing water and sanitary sewer service to the South Cove/Greenwood area by the Assumption Effective Date.
- B. Within 2 years of the Assumption Effective Date, install a pressure reducing valve (PRV) station along the 12-in water main at 4500 W Lake Sammamish Pkwy to improve fire flows and increase pressures in the South Cove/Greenwood Point area and the upstream water service area in Bellevue. Issaquah shall pay for fifty percent (50%) of the project cost of installing the PRV station, inclusive of the cost for designing and constructing the underground vault structure and lid, pressure reducing valve, and site preparation/restoration. Issaquah shall pay for one hundred percent (100%) of the cost for any telemetry systems to connect the PRV to Issaquah's supervisory control and data acquisition (SCADA) system.
- C. As of the Assumption Effective Date, provide water and/or sewer services to the Bellevue addresses below that will be served by Issaquah's water system or Issaquah's downstream sanitary sewer system, unless Bellevue makes system modifications to route the flows through Bellevue's system.

Addresses Connected to Issaquah's

Addresses Connected to Issaquah's

Sewer System

18110 SE 41ST LN, BELLEVUE
18130 SE 41ST LN, BELLEVUE
18131 SE 41ST LN, BELLEVUE
4300 W LAKE SAMMAMISH PKWY
SE, BELLEVUE

Water System

4300 W LAKE SAMMAMISH PKWY
SE, BELLEVUE

Bellevue will read the meters and bill its water and sewer rates for these addresses. Bellevue recognizes that as these meters receive services from Issaquah but are in Bellevue's jurisdiction, that Bellevue will be responsible for the Cascade Water Alliance purchased water costs and for the King County Wastewater Treatment Division wastewater treatment costs for these addresses.

Should Bellevue receive complaints from these addresses, it will notify Issaquah of the complaint and Issaquah will promptly investigate its system if warranted and coordinate with Bellevue for Issaquah's response, unless Bellevue makes system modifications to route the water and/or sewer flows through Bellevue's system.

Bellevue and Issaquah shall seek to connect new or redeveloped customers to their respective water and sewer systems, to the extent feasible. Where infeasible, Bellevue and Issaquah shall work cooperatively to provide water and sewer service through connections to the others' water and sewer systems.

- D. Assume responsibility for all project costs associated with future system modifications to separate Issaquah's water and sewer customers from Bellevue's water and sewer systems.
- E. Coordinate with Bellevue on the installation of meters at the interties at the time which they are being installed. Issaquah shall pay for one hundred percent (100%) of the project cost for designing and installing the meter vaults and lids, flow meters, communications equipment, and site preparation/restoration. The meters shall be designed and installed by Bellevue.
- F. Provide bi-monthly water consumption data to Bellevue until meters are installed at the interties, for purposes of determining the amount of Cascade Water supply wheeled through Bellevue's water Utility to the South Cove/Greenwood Point Area
- G. If an issue of water quality arises that potentially affects the intertie locations, Issaquah will notify the Bellevue Operations Department at (425) 452 – 7840 and work with Bellevue for appropriate actions.

Section 3: Contracts

- A. Any latecomers agreements or other outstanding contracts for properties or facilities within the assumption area shall be assigned to Issaquah on the Assumption Effective Date.

Section 4: Term and Termination

- A. This Agreement shall remain in effect in perpetuity, unless otherwise terminated as provided herein.
- B. Any party may terminate this Agreement prior to the Assumption Effective Date by providing thirty (30) days written notice to the other parties.

Section 5: Indemnification and Hold Harmless.

Each party to this Agreement agrees to protect, defend, indemnify and hold harmless the other party and their officers, employees and agents from any loss, claim, judgment, settlement or liability, including costs and attorney's fees, arising out of and to the extent caused by the negligent acts or omissions of the indemnifying party related to activities under this Agreement. For this purpose, each indemnifying party, by mutual negotiation, hereby waives, as respects all other non-indemnifying parties only, any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW. In the event the any non-indemnifying party incurs any judgment, award, and/or cost arising therefrom including attorneys' fees to enforce the provisions of this Section, all such fees, expenses and costs shall be recoverable from the indemnifying party. This section shall survive the termination of this Agreement.

Section 6: General Provisions

- A. Governing Law; Forum. The Agreement will be governed by the laws of Washington and its choice of law rules. Venue for any dispute arising out of this Agreement shall be in King County, Washington.
- B. Severability. If any provision of the Agreement is held to be invalid or unenforceable for any reason, the remaining provisions will continue in full force without being impaired or invalidated in any way. The parties agree to replace any invalid provision with a valid provision that most closely approximates the intent and economic effect of the invalid provision.
- C. Nonwaiver. Any failure to enforce strict performance of any provision of this Agreement will not constitute a waiver of the right to subsequently enforce such provision or any other provision of this Agreement.
- D. No Assignment. Neither the Agreement nor any of the rights or obligations of any party arising under the Agreement may be assigned, without the other

party's prior written consent. Subject to the foregoing, the Agreement will be binding upon, enforceable by, and inure to the benefit of, the parties and their successors and assigns.

- E. Force Majeure. None of the parties shall be deemed in default hereunder and none shall be liable to the others if any party is substantially unable to perform its obligations hereunder by reason of any fire, earthquake, flood, tsunami, hurricane, epidemic, accident, explosion, strike, riot, civil disturbance, act of public enemy, embargo, war, military necessity or operations, act of God, any municipal county, state or national ordinance or law, any executive or judicial order, or similar event beyond such party's control.
- F. Notices. All notices and other communications under the Agreement must be in writing, and must be given by registered or certified mail, postage prepaid, or delivered by hand to the party to whom the communication is to be given, at its address set forth below:

City of Bellevue: Deputy Director
Utilities Department
450 110th Ave NE
Bellevue, WA 98004

City of Issaquah: Director
Public Works Engineering Department
City Hall Northwest
1775 12th Ave NW
P.O. Box 1307
Issaquah, WA 98027

Any party may change its address specified in this paragraph by giving the other written notice in accordance with this paragraph.

- G. Legal Fees. In any lawsuit between the parties with respect to the matters covered by the Agreement, the prevailing party will be entitled to receive its reasonable attorney's fees and costs incurred in the lawsuit, in addition to any other relief it may be awarded.
- H. Counterparts. The Agreement may be signed in counterparts, each of which shall be deemed an original, and all of which, taken together, shall be deemed one and the same document.

Approved as to Form
Bellevue Legal Counsel

By [Signature]
Its Dep. City Attorney
Dated 10/21/15

Issaquah Legal Counsel

By Bio Park/mlm
Its City Attorney
Dated 8-7-15

CITY OF BELLEVUE ("Bellevue")

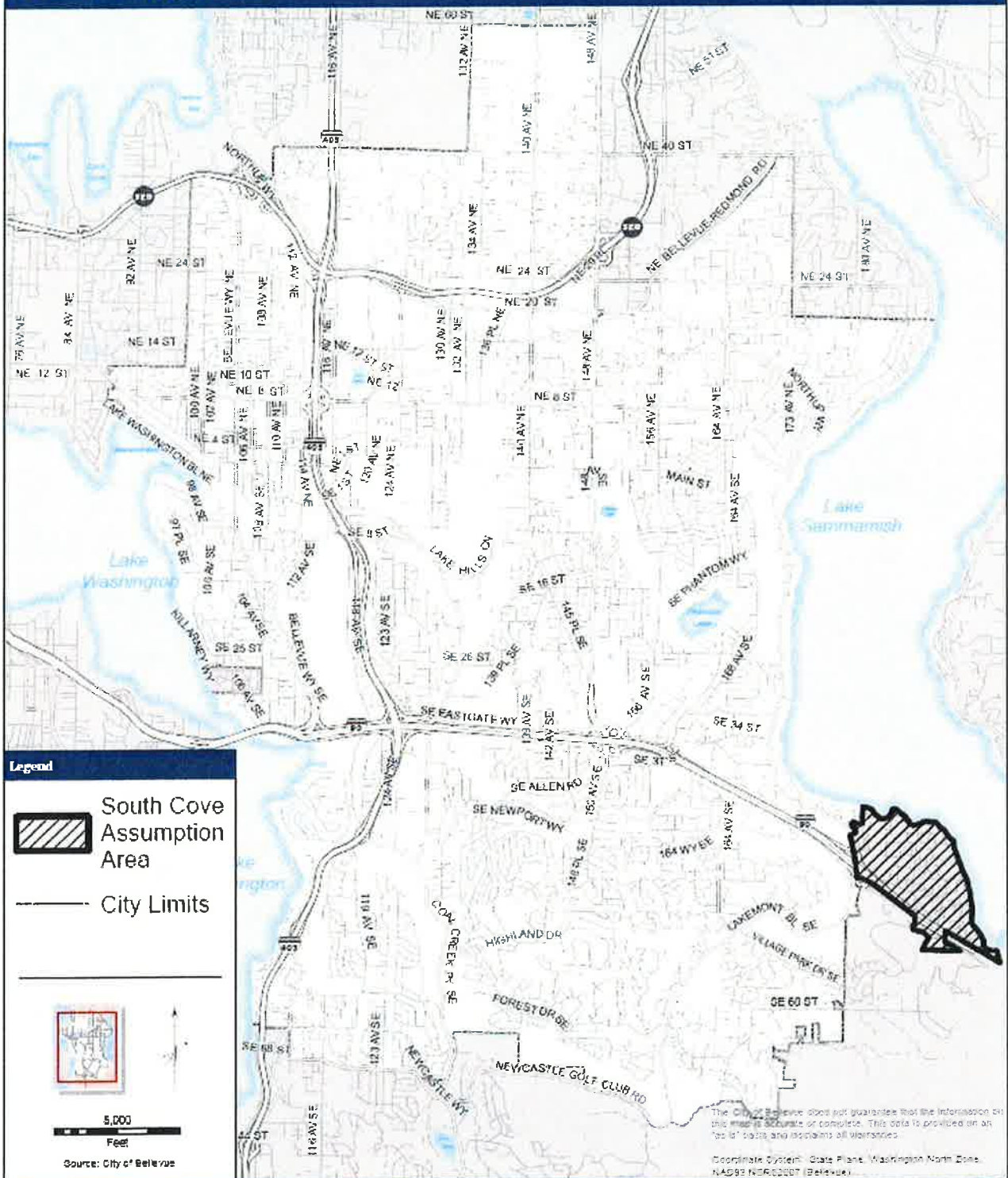
By [Signature]
Its Dep. City Manager
Dated 11/4/15

CITY OF ISSAQUAH ("Issaquah")

By [Signature]
Its Mayor Fred Butler
Dated 8/10/15

City of Bellevue Vicinity

South Cove Assumption



Date: 5/22/2018

File Name: J:\Engineering Division\Planning Section\South Cove Assumption\Bellevue_Map.mxd

IT Department

CITY OF ISSAQUAH

WATER AND SEWER ASSUMPTION VICINITY MAP

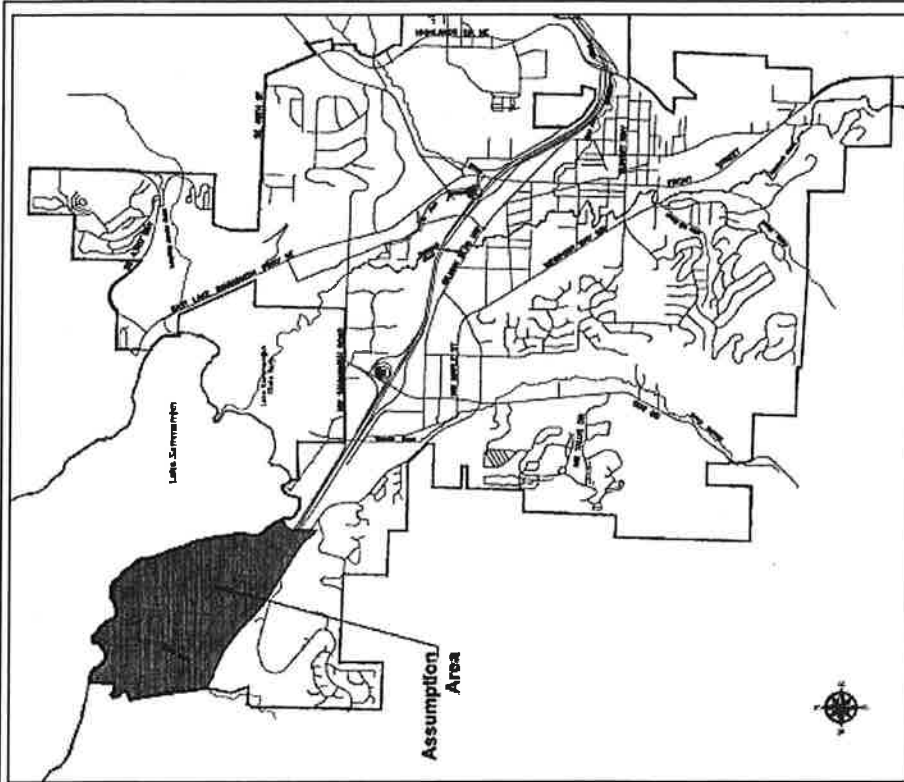
CITY OFFICIALS

MAYOR
FRED BUTLER

DIRECTOR OF PUBLIC WORKS
SHELDON LYNNE

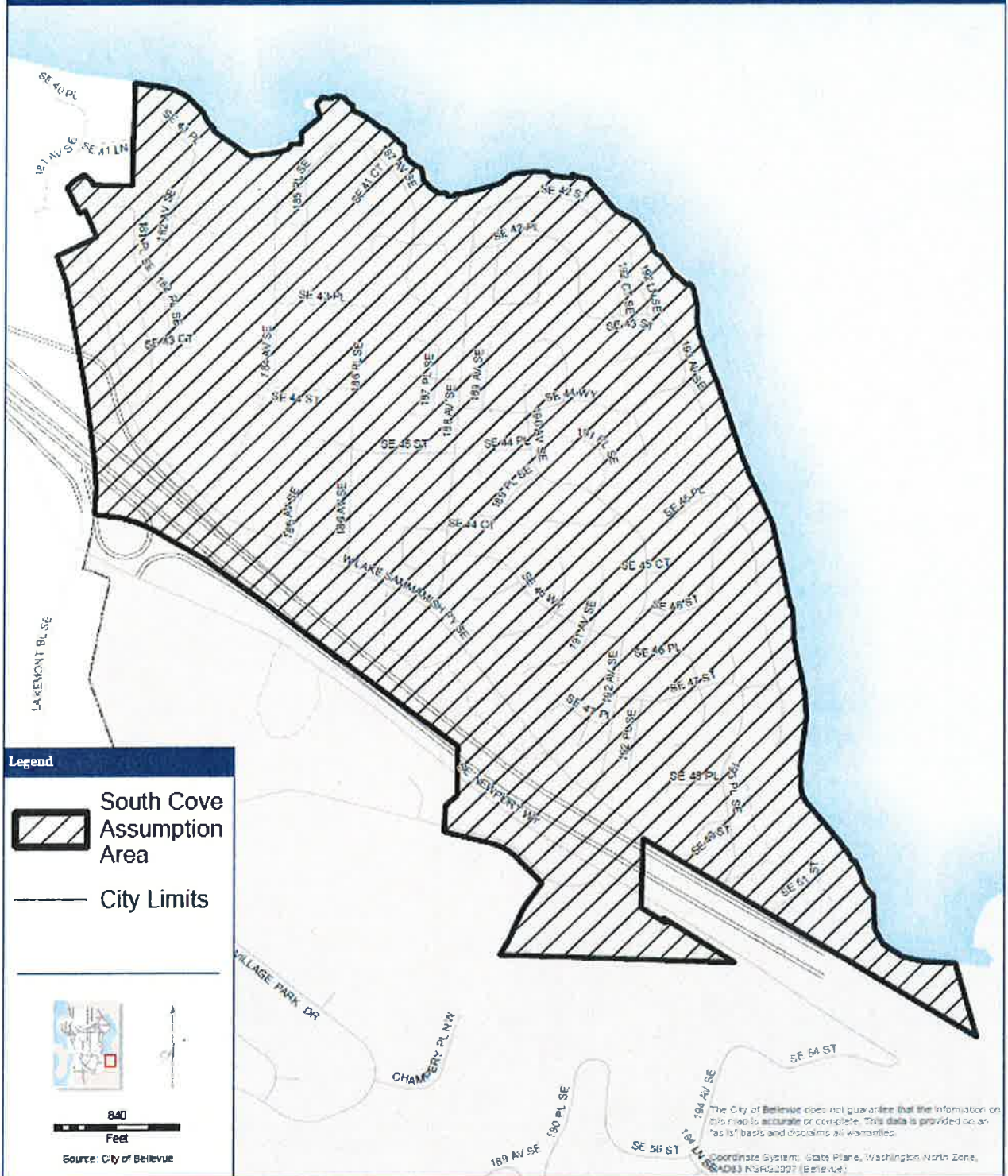
CITY ATTORNEY
WAYNE TANAKA

CITY COUNCIL MEMBERS
EILEEN BARBER
STACY GOODMAN
TOLA MARTS
NINA WILLIGAN
MARY LOU PAULY
JOSHUA SCHAEER
PAUL WINTERSTEIN



South Cove Vicinity

South Cove Assumption



Date: 6/22/2016

File Name: J:\Engineering Division\Planning Section\South Cove Assumption\South Cove_Map.mxd

IT Department

Exhibit B: Legal Description

Legal Description: Water and Sewer Utility Assumption
Greenwood Point/South Cove

Triad Job # 12-138
March 25, 2015

That portion of Sections 18, 19 and 20, Township 24 North, Range 6 East, W.M., King County, Washington, described as follows:

Beginning at a point on the Southwesterly shoreline of Lake Sammamish, said point bears North 01°19'41" East from a point on the North line of Timber Lake Lane, as recorded in Volume 103 of Plats, Pages 16-18, a distance of 154.56 feet Westerly from the Northeast corner of Lot 30 of said plat, said point being on the Bellevue city limits as annexed under Ordinance No. 5277;
Thence along said Bellevue city limits the following courses:
Thence South 01°19'41" West to said point on the North line;
Thence North 88°59'22" West along the North line of Lots 31, 32 and 33 of said plat to the East line of Lot 34 of said plat;
Thence Northerly along said East line to the Southerly most corner of Lot 51 of said plat;
Thence Northwesterly along the Southwest line thereof to the Easterly most corner of Lot 50 of said plat;
Thence Southwesterly along the Southeast line thereof and the Southeast line of Lot 49 of said plat to the Northeast corner of Lot 48 of said plat;
Thence Southeasterly along the Northeast line thereof and the Northeast line of Lot 46 of said plat to the Northwest line of Tract E of said plat;
Thence Northeasterly along said Northwest line to the Northerly most corner of said Tract E;
Thence Southeasterly along the Northeast line thereof to the Easterly most corner of said Tract E;
Thence Southwesterly along the Southeast line thereof to the East margin of SR 901, as shown on SR 90 MP 7.71 to MP 11.73, Richards Road to Lake Sammamish, Right of Way and Limited Access Plan, sheets 10 and 11, dated June 12, 1969;
Thence Southerly along said East margin to an angle point 90.00 feet opposite SR 901 Station 102+00;
Thence Southerly along a line 90 feet Easterly of and parallel with the SR 901 Line to the Southerly limited access line of SR 90, as shown on said Right of Way and Limited Access Plan;
Thence, leaving said Ordinance No. 5277 and following Bellevue Ordinance No. 4789, Southeasterly along said limited access line to the Easterly Bellevue city limits in said Section 18 as described in said Ordinance No. 4789;
Thence South 11°15'01" West 547.48 feet to a point on said city limits;
Thence South 09°57'07" West 159.87 feet;
Thence South 19°40'53" East 519.68 feet to a point on the South line of said Section 18, said point being 595.00 feet Easterly of the Southwest corner of said Section 18, said point also being on the Issaquah city limits as annexed under Ordinance No. 1881;
Thence leaving said Bellevue city limits and following said Issaquah city limits the following courses:
Thence Easterly along said South line to its intersection with the Southwesterly margin of SE Newport Way;
Thence Southeasterly along said Southwesterly margin to its intersection with the East line of the West 99.00 feet of Government Lot 1 of said Section 19;
Thence, leaving said Ordinance No. 1881 and following Issaquah Ordinance No. 1880 Northerly along said East line to the Northeasterly margin of said SE Newport Way;
Thence, leaving said Ordinance No. 1880 and following Issaquah Ordinance No. 1018 to the East line of said section;
Thence Northerly along said East line to its intersection with the Northerly margin of SR 90;
Thence North 58°32'30" West along said Northerly margin 59.78 feet;
Thence North 59°27'00" East 75.58 feet;

Thence North 20°57'00" East 117.14 feet;
Thence North 54°21'00" East 146.11 feet;
Thence North 73°01'30" East 157.79 feet to the shore of Lake Sammamish in Government Lot 6 of said Section 20;
Thence, leaving said Issaquah city limits, Northwesterly and Westerly along said Southwesterly shoreline of Lake Sammamish to the Point of Beginning;

TOGETHER with all adjacent shorelands;

EXCEPT that portion of the Southwest Quarter of Section 18, Township 24 North, Range 6 East, W.M. in King County, Washington described as follows:

Beginning at the intersection of the easterly limits of the City of Bellevue as described in City of Bellevue Ordinance 4789 with the southerly margin of SR 90 as shown on the SR 90 MP 7.71 to MP 11.73, Richard Roads to Lake Sammamish, Right of Way and Limited Access Plans, Sheets 9 and 10 of 25, dated June 12, 1969;
Thence along said easterly limits of the City of Bellevue the following courses and distances:
Thence South 11° 15' 01" West 547.48 feet to an angle point in said easterly limits;
Thence South 09°57'07" West 159.87 feet to an angle point in said easterly limits;
Thence South 19° 40' 53" East 519.68 feet to a point on the South line of said Section 18, said point being 595.00 feet Easterly of the Southwest corner of said Section 18, said point also being on the Issaquah city limits as annexed under Ordinance No. 1881;
Thence easterly along the south line of said of Section 18 to said southerly margin of SR 90;
Thence northwesterly along said margin to the Point of Beginning.

Note: The bearings shown herein were taken from the referenced documents and may not necessarily be on the same basis of bearing.

Note: This legal description was originally prepared for the City of Issaquah by Perteet Inc. and revised by the City of Issaquah to included changes requested on March 22, 2005 by the King County DOT Engineering Services Division. The legal description was revised again on March 25, 2015 to exclude a portion of the assumption area. The exception legal description was prepared by Triad. The legal description prepared by Perteet, Inc. was not verified by Triad.



3/25/15

