

**AMENDMENT NO. 1 to WATER AND SEWER UTILITY ASSUMPTION  
AGREEMENT**

**between  
CITY OF BELLEVUE  
and  
CITY OF ISSAQUAH**

This First Amendment to the Interlocal Agreement Implementing the Water and Sewer Utility Assumption Agreement (Agreement) ("First Amendment") is made and entered into by and between the City of Issaquah ("Issaquah") and the City of Bellevue ("Bellevue") this \_\_\_\_ day of \_\_\_\_\_, 2016, as follows:

WHEREAS, Issaquah and Bellevue entered into a certain Interlocal Agreement Implementing the Water and Sewer Utility Assumption Agreement (Agreement) that was fully executed on October 22, 2015; and

WHEREAS, Bellevue made water and sewer improvements in the Assumption Area in 2003 and the cost of these improvements are recovered from benefitting properties as they connect to the improved utility system; and

WHEREAS, Bellevue made capital investments in capacity-related facilities to support future new development throughout Bellevue's water and sewer service area, including the Assumption Area; and

WHEREAS, the Agreement assigns Bellevue the responsibility for continuing to collect and dispose of outstanding Direct Facility Connection Charges (DFCCs) and Capital Recovery Charges (CRCs) in the area; and

WHEREAS, Issaquah, will assume approximately 1,000 water and sewer customer accounts located in the South Cove and Greenwood Pointe communities; and

WHEREAS, because Issaquah will assume the customer accounts, it is in the parties best interests for Issaquah to collect outstanding DFCCs and CRCs and remit to Bellevue either annually or in one lump-sum payment; and

WHEREAS, the Agreement lacks a provision allowing for administrative amendments necessitating action by Issaquah's and Bellevue's respective City Council's for even administrative amendments, such as Amendment 1;

WHEREAS, the parties desire to amend the Agreement to clarify their respective rights and responsibilities regarding the collection of DFCCs and CRCs within the area to be assumed by Issaquah, as more fully set forth below;

NOW THEREFORE, the parties agree as follows:

1. Section 1 is amended as follows:

- A. Paragraph L is deleted in its entirety.
2. Section 2 is amended as follows:
- A. A new paragraph “H” is added to Section 2 as follows:
- H. As of the Assumption Date, assume billing and collection of DFCCs and CRCs from the properties listed in Table 1 below.
- B. A new paragraph “I” is added to Section 2 as follows:
- I. To assure seamless transition for customers upon transition of billing responsibility, DFCCs will be collected upon redevelopment of the property against which the charge is assessed. CRCs will continue to be billed bi-monthly until the customer pays off the outstanding balance.
- C. A new paragraph “J” is added to Section 2 as follows:
- J. Issaquah will remit payment annually to Bellevue on December 31 of each year that amount of outstanding DFCCs and CRCs collected from the properties listed in Table 1 below and as shown in detail in Attachments B and C to Amendment 1.

Table 1: DFCC and CRC Outstanding Balances by Service Address

Service Address	Water DFCC	Sewer DFCC	Water CRC	Sewer CRC
4212 184TH AVE SE [a]	\$14,177.38			
4304 184TH AVE SE [a]	\$21,188.76			
4328 184TH AVE SE [a,b]	\$63,373.92	\$116,792.80		
4352 184TH AVE SE [a,b]	\$21,188.76	\$39,049.10		\$72.18
4364 184TH AVE SE [a,b]	\$10,594.38	\$19,524.55		
4414 184TH AVE SE [a,b]	\$21,188.76	\$39,049.10		
4460 184TH AVE SE [a,b]	\$74,160.66	\$156,196.40		
4505 185TH AVE SE			\$784.38	\$419.56
4509 185TH AVE SE			\$784.38	\$419.56
4511 185TH AVE SE			\$130.56	
4513 185TH AVE SE			\$408.42	\$221.22
4517 185TH AVE SE			\$544.56	\$221.22
4521 185TH AVE SE			\$400.68	\$216.54
4525 185TH AVE SE			\$400.68	\$216.54
4529 185TH AVE SE			\$738.24	\$394.88
4532 185TH AVE SE			\$408.42	\$221.22
4533 185TH AVE SE			\$738.24	\$394.88
4536 185TH AVE SE			\$408.42	\$245.80
4537 185TH AVE SE			\$784.38	\$419.56
4540 185TH AVE SE			\$453.80	\$221.22
4541 185TH AVE SE			\$784.38	\$419.56
4545 185TH AVE SE			\$784.38	\$419.56
4549 185TH AVE SE			\$784.38	\$419.56
4553 185TH AVE SE			\$784.38	\$419.56

4557 185TH AVE SE			\$784.38	\$419.56
4560 185TH AVE SE			\$267.12	\$168.42
4872 194TH AVE SE			\$738.24	\$294.96
4500 W LAKE SAMMAMISH [a,b]	\$10,594.38	\$19,524.55		
4510 W LAKE SAMMAMISH PKWY SE				\$48.12
4528 W LAKE SAMMAMISH PKWY SE				\$120.30
18408 SE 44TH ST [a,b]	\$21,188.76	\$39,049.10		
18415 SE 44TH ST [a,b]	\$31,783.14	\$58,573.65		
19500 SE 51ST ST			\$2,673.52	\$1,241.08
VACANT LOT / PARCEL 1824069093 [a,b]	\$21,188.76	\$39,049.10		
<b>TOTALS</b>	<b>\$310,627.66</b>	<b>\$526,808.35</b>	<b>\$14,585.94</b>	<b>\$7,655.06</b>

[a]: Date of Water DFCC origination: June 18, 1994

[b]: Date of Sewer DFCC origination: November 27, 2001

D. A new paragraph “K” is added to Section 2 as follows:

I. Alternatively, Issaquah may pay Bellevue the full amount owing for the DFCCs and CRCs in lieu of remitting the fees annually as required in Section 2, paragraph H.

E. A new paragraph “L” is added to Section 2 as follows:

J. The obligation to collect and remit DFCCs and CRCs on behalf of and to Bellevue shall terminate when the outstanding balance for the DFCCs and CRCs is zero.

3. Section 6, General Provisions, is amended as follows:

A. A new paragraph “I” is added to Section 6 as follows:

Amendment. The parties, by mutual agreement, may amend, modify or alter this Agreement where the change is for administrative convenience, or greater efficiency and effectiveness has no fiscal impact and furthers the objectives of the Agreement; provided the following sections may not be amended without action by the parties’ respective City Councils:

1. Section 1, paragraphs A, B, C, D, and G.
2. Section 2, paragraphs A and D
3. Section 4
4. Section 5
5. Section 6, paragraphs A, B, C, D, E, G, and H.

4. Except as modified by this Amendment No. 1, the Agreement remains in full force and effect and has not been modified or amended.

Approved as to Form

CITY OF BELLEVUE

Bellevue Legal Counsel

By \_\_\_\_\_

Its \_\_\_\_\_

Dated \_\_\_\_\_

By \_\_\_\_\_

Its \_\_\_\_\_

Dated \_\_\_\_\_

Issaquah Legal Counsel

By \_\_\_\_\_

Its \_\_\_\_\_

Dated \_\_\_\_\_

CITY OF ISSAQUAH (“Issaquah”)

By \_\_\_\_\_

Its \_\_\_\_\_

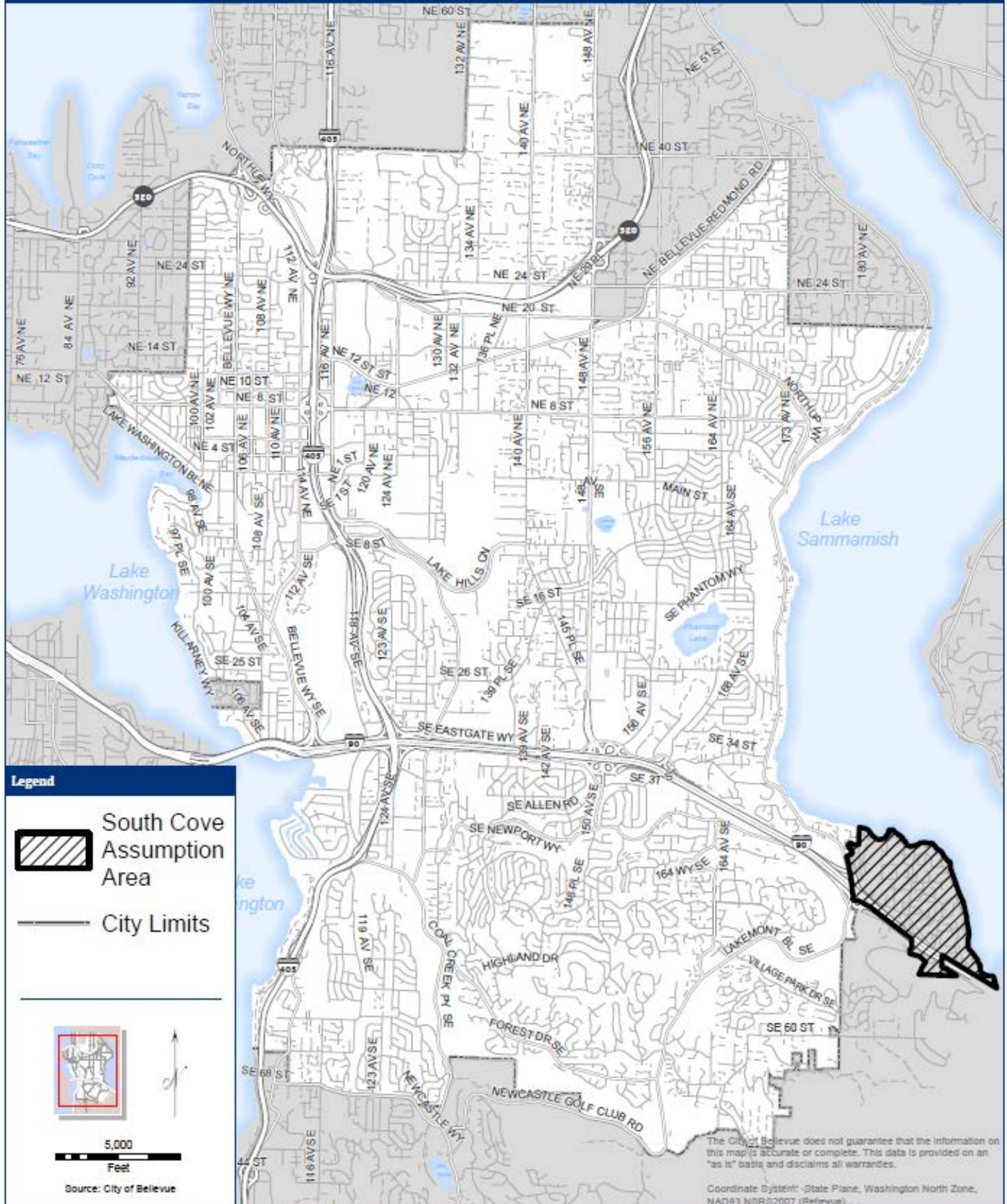
Dated \_\_\_\_\_

# **ATTACHMENT A ASSUMPTION AREA MAPS**

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# City of Bellevue Vicinity

## South Cove Assumption



# CITY OF ISSAQUAH

## WATER AND SEWER ASSUMPTION VICINITY MAP

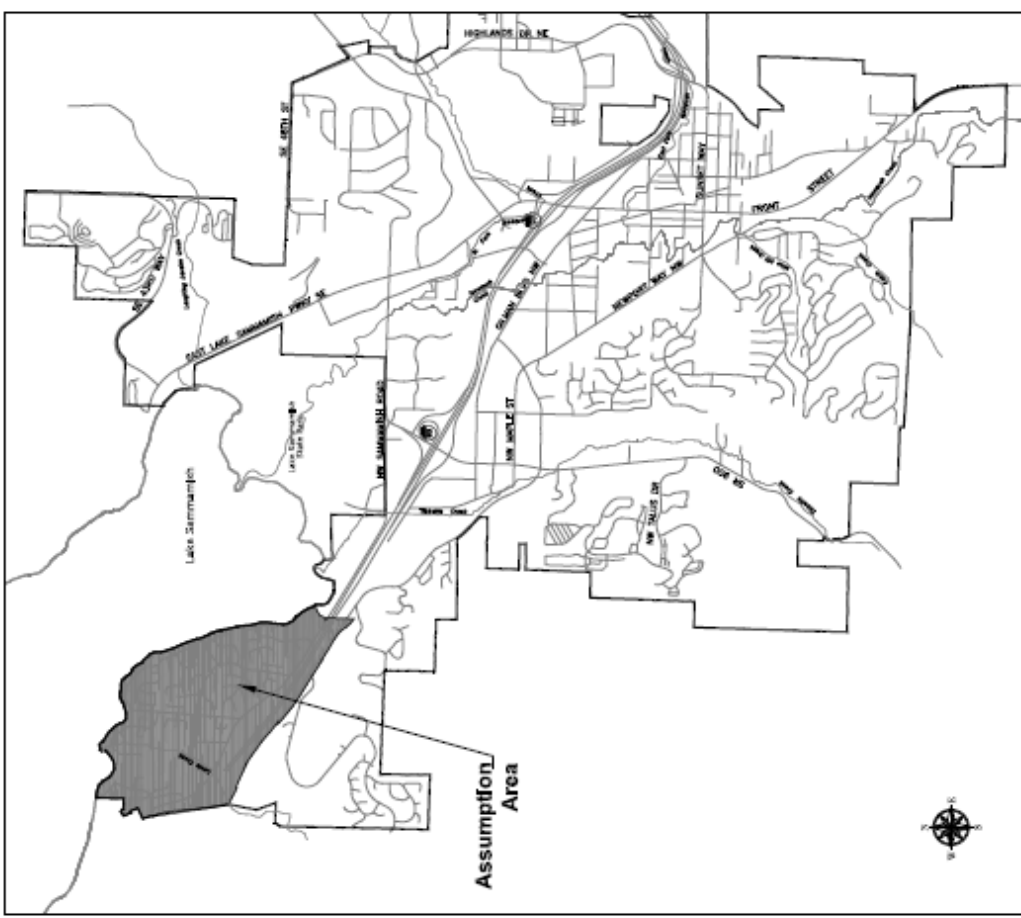
### CITY OFFICIALS

MAYOR  
FRED BUTLER

DIRECTOR OF PUBLIC WORKS  
SHELDON LYNNE

CITY ATTORNEY  
WAYNE TANAKA

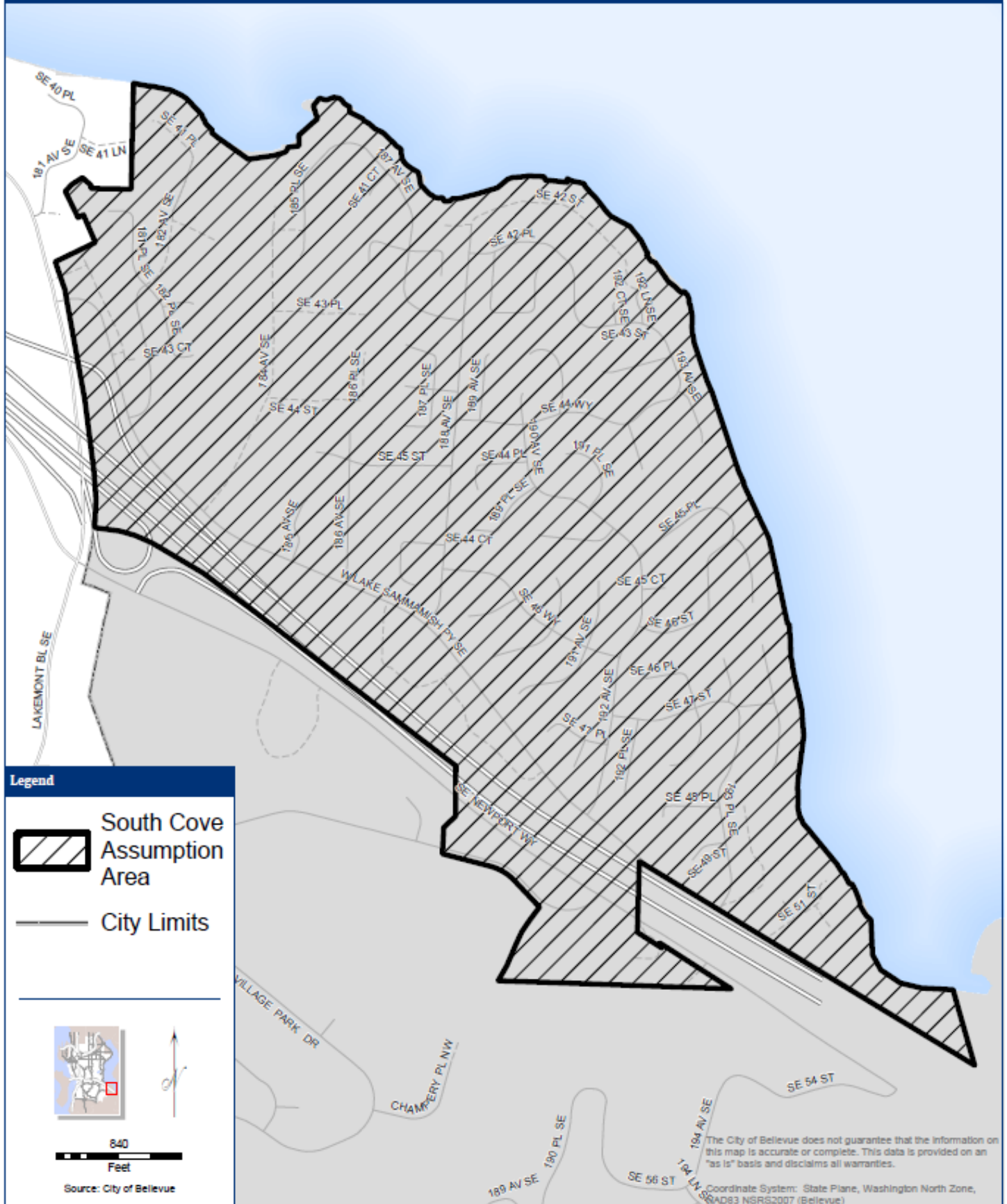
CITY COUNCIL MEMBERS  
EILEEN BARBER  
STACY GOODMAN  
TOLA MARTS  
NINA MILLIGAN  
MARY LOU PAULY  
JOSHUA SCHAEER  
PAUL WINTERSTEIN





# South Cove Vicinity

## South Cove Assumption





## ATTACHMENT B

### OUTSTANDING WATER AND SEWER DIRECT FACILITY CONNECTION CHARGES (DFCCS)

Project: 184th Ave SE Water Extension (Timberlake Park)								Water Connection Charge Per Single Family Lot:		\$8,244		
JDE Revenue Account: 496690999.379100.0535										Amanda Speedi Code: 49-75		
Total Project Cost:		\$288,539	[35 potential single family lots, as of 12/10/03 Cost Allocation Memo]									
Cost Recovered:		\$46,073	Dollar Wise Collected [Principal Amount Paid to Date]									
Difference:		\$242,466										
Date of Charge Origination:		6/18/1994										
Address/ King County Parcel	# of Potential SF Lots	Allocated Project Cost	Allocated Project Interest	Total Allocated Project Principal + Interest	Actual SF Lots Paid	# of Potential SF Lots Left to Pay	Principal Amount Paid to Date	Interest Amount Paid to Date	Total [Principal + Interest] Collected to Date	Outstanding Principal Balance to Date	Outstanding Interest Balance to Date	Outstanding Principal & Interest Balance to Date
18408 SE 44th St Issaquah WA 98027/ 1824069099	2	\$16,488.00	\$4,700.76	\$21,188.76	0	2	\$0.00	\$0.00	\$0.00	\$16,488.00	\$4,700.76	\$21,188.76
18415 SE 44th St Issaquah WA 98027/ 1824069092	3	\$24,732.00	\$7,051.14	\$31,783.14	0	3	\$0.00	\$0.00	\$0.00	\$24,732.00	\$7,051.14	\$31,783.14
4212 184th Ave SE Issaquah WA 98027/ 1824069172 & 18426 SE 43rd Pl Issaquah WA 98027/ 1824069084	3	\$24,732.00	\$7,051.14	\$31,783.14	2	1	\$12,905.00	\$2,629.82	\$15,534.82	\$11,827.00	\$2,350.38	\$14,177.38
4304 184th Ave SE Issaquah WA 98027/ 1824069107	2	\$16,488.00	\$4,700.76	\$21,188.76	0	2	\$0.00	\$0.00	\$0.00	\$16,488.00	\$4,700.76	\$21,188.76
4328 184th Ave SE Issaquah WA 98027/ 1824069085	7	\$57,708.00	\$16,452.66	\$74,160.66	1	6	\$8,436.36	\$1,628.27	\$10,064.63	\$49,271.64	\$14,102.28	\$63,373.92
4352 184th Ave SE Issaquah WA 98027/ 1824069094	3	\$24,732.00	\$7,051.14	\$31,783.14	1	2	\$8,244.00	\$638.45	\$8,882.45	\$16,488.00	\$4,700.76	\$21,188.76
4364 184th Ave SE Issaquah WA 98027/ 1824069090	2	\$16,488.00	\$4,700.76	\$21,188.76	1	1	\$8,244.00	\$2,040.39	\$10,284.39	\$8,244.00	\$2,350.38	\$10,594.38
4414 184th Ave SE Issaquah WA 98027/ 1824069083	3	\$24,732.00	\$7,051.14	\$31,783.14	1	2	\$8,244.00	\$219.84	\$8,463.84	\$16,488.00	\$4,700.76	\$21,188.76
4460 184th Av SE Issaquah WA 98027/ 1824069059	7	\$57,708.00	\$16,452.66	\$74,160.66	0	7	\$0.00	\$0.00	\$0.00	\$57,708.00	\$16,452.66	\$74,160.66
4500 W Lake Sammamish Pkwy SE Issaquah WA 98027	1	\$8,244.00	\$2,350.38	\$10,594.38	0	1	\$0.00	\$0.00	\$0.00	\$8,244.00	\$2,350.38	\$10,594.38
Vacant Single Family Lot [No Property Address]/ 1824069093	2	\$16,488.00	\$4,700.76	\$21,188.76	0	2	\$0.00	\$0.00	\$0.00	\$16,488.00	\$4,700.76	\$21,188.76
	35	\$288,540.00	\$82,263.30	\$370,803.30	6	29	\$46,073.36	\$7,156.77	\$53,230.13	\$242,466.64	\$68,161.02	\$310,627.66

Note: Outstanding Water DFCC balances presented above represent remaining outstanding balances as of September 1, 2016.

Project: 184th Ave SE Sewer Extension (Timberlake Park)								Sewer Connection Charge Per Single Family Lot:				\$15,193
JDE Revenue Account: 596690999.379100.0528										Amanda Speedi Code:		49-68
Total Project Cost:		\$518,405	[34 potential single family lots, as of 12/10/03 Cost Allocation Memo]									
Cost Recovered:		\$108,548	Dollar Wise Collected [Principal Amount Paid to Date]									
Difference:		\$409,857										
Date of Charge Origination:		11/27/2001										
Address/ King County Parcel	# of Potential SF Lots	Allocated Project Cost	Allocated Project Interest	Total Allocated Project Principal + Interest	Actual SF Lots Paid	# of Potential SF Lots Left to Pay	Principal Amount Paid to Date	Interest Amount Paid to Date	Total [Principal + Interest] Collected to Date	Outstanding Principal Balance to Date	Outstanding Interest Balance to Date	Outstanding Principal & Interest Balance to Date
18408 SE 44th St Issaquah WA 98027/ 1824069099	2	\$30,386.00	\$8,663.10	\$39,049.10	0	2	\$0.00	\$0.00	\$0.00	\$30,386.00	\$8,663.10	\$39,049.10
18415 SE 44th St Issaquah WA 98027/ 1824069092	3	\$45,579.00	\$12,994.65	\$58,573.65	0	3	\$0.00	\$0.00	\$0.00	\$45,579.00	\$12,994.65	\$58,573.65
4328 184th Ave SE Issaquah WA 98027/ 1824069085	7	\$106,351.00	\$30,320.85	\$136,671.85	1	6	\$15,547.50	\$3,000.77	\$18,548.27	\$90,803.50	\$25,989.30	\$116,792.80
4352 184th Ave SE Issaquah WA 98027/ 1824069094	3	\$45,579.00	\$12,994.65	\$58,573.65	1	2	\$15,193.00	\$1,657.45	\$16,850.45	\$30,386.00	\$8,663.10	\$39,049.10
4364 184th Ave SE Issaquah WA 98027/ 1824069090	2	\$30,386.00	\$8,663.10	\$39,049.10	1	1	\$15,193.00	\$3,760.28	\$18,953.28	\$15,193.00	\$4,331.55	\$19,524.55
4414 184th Ave SE Issaquah WA 98027/ 1824069083	3	\$45,579.00	\$12,994.65	\$58,573.65	1	2	\$15,193.00	\$405.15	\$15,598.15	\$30,386.00	\$8,663.10	\$39,049.10
4460 184th Av SE Issaquah WA 98027/ 1824069059	8	\$121,544.00	\$34,652.40	\$156,196.40	0	8	\$0.00	\$0.00	\$0.00	\$121,544.00	\$34,652.40	\$156,196.40
4470 184th Ave SE Issaquah WA 98027/ 1824069156	1	\$15,193.00	\$4,331.55	\$19,524.55	1	0	\$15,193.00	\$1,390.14	\$16,583.14	\$0.00	\$0.00	\$0.00
4480 184th Ave SE Issaquah WA 98027/ 1824069162	1	\$15,340.96	\$4,331.55	\$19,672.51	1	0	\$15,340.96	\$3,796.88	\$19,137.84	\$0.00	\$0.00	\$0.00
4500 W Lake Sammamish Pkwy SE Issaquah WA 98027	1	\$15,193.00	\$4,331.55	\$19,524.55	0	1	\$0.00	\$0.00	\$0.00	\$15,193.00	\$4,331.55	\$19,524.55
4510 W Lk Samm Pkwy SE Issaquah WA 98027/ 1824069068	1	\$16,887.87	\$4,331.55	\$21,219.42	1	0	\$16,887.87	\$4,004.85	\$20,892.72	\$0.00	\$0.00	\$0.00
Vacant Single Family Lot [No Property Address]/ 1824069093	2	\$30,386.00	\$8,663.10	\$39,049.10	0	2	\$0.00	\$0.00	\$0.00	\$30,386.00	\$8,663.10	\$39,049.10
	34	\$518,404.83	\$147,272.70	\$665,677.53	7	27	\$108,548.33	\$18,015.52	\$126,563.85	\$409,856.50	\$116,951.85	\$526,808.35

Note: Outstanding Sewer DFCC balances presented above represent remaining outstanding balances as of September 1, 2016.

**ATTACHMENT C**  
**OUTSTANDING CAPITAL RECOVERY CHARGES**

City of Bellevue Account Number	City of Bellevue Customer Number	SERVICE ADDRESS	UNCOLLECTED CRC WATER		UNCOLLECTED CRC SEWER		TOTAL BALANCE OUTSTANDING	Bi-Monthly CRC Billing
			OUTSTANDING BALANCE	FINAL PAYMENT DATE	OUTSTANDING BALANCE	FINAL PAYMENT DATE		
19514006	00105610	4560 185TH AVE SE	\$ 267.12	8/29/2017	\$ 168.42	12/26/2017	\$ 435.54	\$ 68.58
19515001	00035910	4528 W LAKE SAMMAMISH PKWY SE			\$ 120.30	8/21/2017	\$ 120.30	\$ 24.06
42467006	00107469	4872 194TH AVE SE	\$ 738.24	4/29/2019	\$ 294.96	9/3/2018	\$ 1,033.20	\$ 70.72
90101902	00056980	4510 W LAKE SAMMAMISH PKWY SE			\$ 48.12	1/3/2017	\$ 48.12	\$ 24.06
90102317	00097354	4352 184TH AVE SE			\$ 72.18	4/24/2017	\$ 72.18	\$ 24.06
90104537	00130851	4557 185TH AVE SE	\$ 784.38	7/1/2019	\$ 419.56	7/1/2019	\$ 1,203.94	\$ 70.82
90104542	00110297	4553 185TH AVE SE	\$ 784.38	7/1/2019	\$ 419.56	7/1/2019	\$ 1,203.94	\$ 70.82
90104547	00109725	4549 185TH AVE SE	\$ 784.38	7/1/2019	\$ 419.56	7/1/2019	\$ 1,203.94	\$ 70.82
90104552	00136560	4545 185TH AVE SE	\$ 784.38	7/1/2019	\$ 419.56	7/1/2019	\$ 1,203.94	\$ 70.82
90104557	00109190	4541 185TH AVE SE	\$ 784.38	7/1/2019	\$ 419.56	7/1/2019	\$ 1,203.94	\$ 70.82
90104562	00129900	4537 185TH AVE SE	\$ 784.38	7/1/2019	\$ 419.56	7/1/2019	\$ 1,203.94	\$ 70.82
90104567	00126252	4533 185TH AVE SE	\$ 738.24	4/29/2019	\$ 394.88	4/29/2019	\$ 1,133.12	\$ 70.82
90104572	00118686	4529 185TH AVE SE	\$ 738.24	4/29/2019	\$ 394.88	4/29/2019	\$ 1,133.12	\$ 70.82
90104577	00110071	4525 185TH AVE SE	\$ 400.68	2/28/2018	\$ 216.54	2/28/2018	\$ 617.22	\$ 68.58
90104582	00135721	4521 185TH AVE SE	\$ 400.68	2/28/2018	\$ 216.54	2/28/2018	\$ 617.22	\$ 68.58
90104587	00129126	4517 185TH AVE SE	\$ 544.56	8/27/2018	\$ 221.22	2/27/2018	\$ 765.78	\$ 69.96
90104592	00133454	4513 185TH AVE SE	\$ 408.42	2/27/2018	\$ 221.22	2/27/2018	\$ 629.64	\$ 69.96
90104597	00136466	4509 185TH AVE SE	\$ 784.38	7/1/2019	\$ 419.56	7/1/2019	\$ 1,203.94	\$ 70.82
90104602	00136170	4505 185TH AVE SE	\$ 784.38	7/1/2019	\$ 419.56	7/1/2019	\$ 1,203.94	\$ 70.82
90104607	00104029	4532 185TH AVE SE	\$ 408.42	2/27/2018	\$ 221.22	2/27/2018	\$ 629.64	\$ 69.96
90104612	00107705	4536 185TH AVE SE	\$ 408.42	4/25/2018	\$ 245.80	4/30/2018	\$ 654.22	\$ 69.96
90104617	00124168	4540 185TH AVE SE	\$ 453.80	4/30/2018	\$ 221.22	4/25/2018	\$ 675.02	\$ 69.96
90105762	00104522	4511 185TH AVE SE	\$ 130.56	9/3/2018			\$ 130.56	\$ 10.88
90111752	00133284	19500 SE 51ST ST	\$ 2,673.52	5/12/2024	\$ 1,241.08	5/12/2024	\$ 3,914.60	\$ 85.10
<b>TOTAL</b>			<b>14,585.94</b>		<b>7,655.06</b>		<b>22,241.00</b>	

Note: Outstanding Water and Sewer CRC balances presented above represent remaining outstanding balances as of January 1, 2017 as customer accounts will continue monthly payments to the City of Bellevue through December 31, 2016.