

June 19, 2017

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT

Ordinance authorizing execution of a contract to accept reimbursement grant funds from King County to assist with a stormwater quality improvement project in the Kelsey Creek drainage basin and authorizing expenditures of said grant funds.

FISCAL IMPACT

In March 2016, the King County Council passed Ordinance 18260 specifying the grant award criteria and a selection process for the WaterWorks Grant Program through their Department of Natural Resources & Parks, Wastewater Treatment Division (WTD). That ordinance stated that up to 1.5 percent of the Wastewater annual operating budget may be allocated for projects to improve water quality within their service area to leverage or compliment the water quality mission of the County's regional wastewater system.

King County accepted applications until May 25, 2016 for the "Round 2" of WaterWorks grant program. King County allocated \$850,000 for Round 2 and received 39 grant applications totaling \$4,263,329 in project resource requests. Bellevue's *Kelsey Creek Water Quality Retrofit Project* was one of 11 projects chosen to receive a grant. The grant amount for the project is \$100,000. If authorization is approved, this grant would supplement the \$343,000 allocated by City Council for this project in the Stormwater Quality Retrofit in Kelsey Creek Program (CIP Plan No. D-109). The grant would be active on a reimbursement basis until April 30, 2019.

STAFF CONTACTS

Nav Ota, Director, 452-2041

Paul Bucich, Assistant Director of Engineering, 452-4596

Utilities Department

POLICY CONSIDERATION

Bellevue Comprehensive Plan:

The City's proposed use of King County funds are consistent with the following 2015 Comprehensive Plan policies for the Storm & Surface Water Utility:

- UT-34: Provide a storm and surface water system that controls damage from storms, protects surface water quality, provides for the safety and enjoyment of citizens, supports fish and wildlife habitat, and protects the environment.
- UT-37: Educate the public about water quality issues.

Bellevue Utilities Storm and Surface Water System Plan:

On December 7, 2015 Council passed Resolution No. 9021 authorizing the City Manager to adopt the *2015 Storm and Surface Water System Plan*. The City's proposed use of King County WaterWorks grant funds are consistent with the following financial policy within that plan:

Capital Investment Policy: The Utilities Department shall invest resources as necessary to further its mission, provided such investment is consistent with Utilities Department financial policies. Specifically, resources shall be invested for capital projects which:

- Protect property from flooding or other stream-related damage; or
- **Protect or improve water quality** or
- Maintain or improve the reliability, effectiveness, and/or integrity of the storm drainage system infrastructure; or
- Promote fiscal stewardship by generating cost savings or reducing potential liability; or
- **Promote resource stewardship by improving fish and/or riparian wildlife habitat**; or
- Respond to regulatory requirements or legal obligations of the Storm and Surface Water Utility; AND PROVIDED
- Such investment has a public benefit, and if the cost is justified by that benefit.

The prioritization and implementation of capital projects shall be based on objective guidelines that are periodically reviewed and published as part of the City's adopted Capital Investment Program plan (CIP). The most recently adopted CIP budget reflects the most current Capital Investment Policy.

The *Kelsey Creek Water Quality Retrofit Project* was identified in the FY 2017-2023 Capital Investment Program adopted by Council in 2016 under D-109, "Storm Retrofit in Kelsey Creek."

BACKGROUND

In 2016, "Round 2" for the King County WTD appropriated \$850,000 to the WaterWorks Grant program for projects that:

- Create a benefit to or improvement in water quality within WTD's service area and benefit its ratepayers; and
- Demonstrate that water quality benefits are related to WTD's regional wastewater treatment responsibilities

Eligible applicants included cities, counties, special purpose districts, non-profit groups, and Tribes.

This project will add stormwater treatment facilities (such as filters) to reduce the amount of contaminants entering into Kelsey Creek from road runoff. Reducing the amount of contaminants to Kelsey Creek has the primary goal of reducing the Coho salmon pre-spawn mortality. In 2014, 100 percent mortality was seen after releasing adult fish into the Creek. The grant will help fund a program to improve water quality in Kelsey Creek. This project will also test the effectiveness of the treatment and engage high school students with an educational Coho pre-spawn mortality curriculum.

The grant funding will cover a portion of the cost of:

- Assessing best locations and types of treatment facilities to use
- Project design and monitoring
- Construction of treatment facilities
- School curriculum implementation

EFFECTIVE DATE

If approved, this Ordinance becomes effective on June 29, 2017.

OPTIONS

1. Adopt the Ordinance authorizing execution of a contract to accept reimbursement grant funds from King County to assist with a stormwater quality improvement project in the Kelsey Creek drainage basin and authorizing expenditures of said grant funds.
2. Do not adopt the Ordinance and provide alternative direction to staff.

RECOMMENDATION

Option 1

MOTION

Move to adopt Ordinance No. 6354 authorizing execution of a contract to accept reimbursement grant funds from King County to assist with a stormwater quality improvement project in the Kelsey Creek drainage basin and authorizing expenditures of said grant funds.

ATTACHMENTS

- A. CIP Project Description
Proposed Ordinance No. 6354

AVAILABLE IN COUNCIL DOCUMENT LIBRARY

- A. WaterWorks Grant Program, Grant Agreement.
- B. WaterWorks Grant Application, Stormwater *Quality Retrofit for Kelsey Creek*.