

CITY COUNCIL REGULAR SESSION

Resolution (1) authorizing execution of the second amendment to the Interlocal Agreement Implementing the Water and Sewer Utility Assumption Agreement between the City of Bellevue and City of Issaquah; and (2) authorizing the City Manager to execute all documents and to take all actions necessary and appropriate to transfer the Sammamish Reservoir to the City of Issaquah.

Nav Ota, Director, 452-2041

Linda De Boldt, Assistant Director-Engineering Division, 452-7675

Utilities Department

EXECUTIVE SUMMARY

This Resolution will allow for the legal property transfer of the Sammamish reservoir to the City of Issaquah as intended in the Interlocal Agreement Implementing the Water and Sewer Utility Assumption Agreement between the City of Bellevue and City of Issaquah.

RECOMMENDATION

Move to adopt Resolution No. 9665

If approved, effective date: 10/21/2019

BACKGROUND/ANALYSIS

In 1973, the City assumed King County Water District #97 that provided water service to the South Cove and Greenwood Point areas. The Sammamish Reservoir was included in the 1973 assumption. In 2006 the City of Issaquah annexed the South Cove and Greenwood Point areas and Bellevue continued to provide water service. At Council's direction, in 2014, Bellevue and Issaquah entered into an Interlocal Agreement agreeing to work cooperatively to enter into an Assumption Agreement, where Issaquah would assume responsibility for providing water and sewer services to Issaquah citizens in the South Cove/Greenwood Point area. This agreement included negotiating good faith terms regarding the transfer of Bellevue's existing capital facilities at no cost to Issaquah. This transfer included the Sammamish Reservoir.

On October 22, 2015, Issaquah and Bellevue entered into an interlocal agreement (the "Assumption Agreement") to transfer water and sewer services in the South Cove/Greenwood Point area over to Issaquah. Attached to this agreement were maps prepared by Bellevue and Issaquah outlining the properties affected by the agreement. Issaquah prepared a legal description of the area encompassing the affected properties.

After execution of the agreement, it was discovered that Bellevue's and Issaquah's maps appeared to differ in the depicted assumption area. Bellevue's map included the reservoir, but Issaquah's map did not. Examination of the legal description describing the assumption area, showed that the reservoir was inadvertently omitted from the Assumption Agreement.

Approval of the second amendment corrects the legal description to include the property that

contains the Sammamish Reservoir, consistent with the map and original intent of the October 15, 2015 interlocal agreement. The second amendment further prioritizes the legal description over the attached maps if a conflict arises in the future.

The City of Issaquah Mayor signed the second amendment on July 11, 2019.

POLICY & FISCAL IMPACTS

Policy Impact

Issaquah and Bellevue entered into an agreement where Bellevue agreed to transfer all of its water assets and sanitary sewer assets located within the South Cove/Greenwood Point area to the City of Issaquah at no cost. These assets included the Sammamish Reservoir and the property it is sited upon.

This Resolution and the second amendment to the existing assumption agreement clarifies that the transfer includes the subject reservoir and property. This reservoir exclusively serves the South Cove/Greenwood Point area and no Bellevue customers. The Resolution will also authorize the City Manager to execute all documents and take all actions necessary and appropriate to transfer the reservoir to Issaquah since Issaquah's approval of the second amendment on July 11.

Fiscal Impact

Approval of this Resolution and the second amendment would transfer to Issaquah the reservoir and the real property upon which it is sited, which was transferred to the City in 1973 when the City assumed King County Water District #97. As the City obtained the land as part of the assumption from King County Water District #97 at no cost, and the transfer of the land is part of the assumption for the greater public good, the land can be transferred to Issaquah at no cost per BCC 4.32.060.

OPTIONS

1. Adopt the Resolution (1) authorizing execution of the second amendment to the Interlocal Agreement Implementing the Water and Sewer Utility Assumption Agreement between the City of Bellevue and City of Issaquah; and (2) authorizing the City Manager to execute all documents and to take all actions necessary and appropriate to transfer the Sammamish Reservoir to the City of Issaquah.
2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS & AVAILABLE DOCUMENTS

- A. Second amendment to the Interlocal Agreement Implementing the Water and Sewer Utility Assumption Agreement between the City of Bellevue and City of Issaquah
Proposed Resolution No. 9665

AVAILABLE IN COUNCIL LIBRARY

Contracts

Agreements

<https://recordsctr.ci.bellevue.wa.us/contract/26750Contract%20or%20Agreement1%20CITY%20OF%20ISSAQUAH%201510581-000.pdf>

Report