

CITY COUNCIL REGULAR SESSION

Resolution authorizing execution of a Sewer Collection Facilities Interlocal Agreement between the City of Bellevue and the City of Redmond.

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EXECUTIVE SUMMARY

This Resolution adopts one consolidated interlocal agreement that supersedes and replaces six existing agreements governing sewer flows between the cities of Bellevue and Redmond.

Due to local ground elevations along Bellevue-Redmond city limits, it has always been necessary and mutually beneficial for wastewater to flow by gravity between both cities' sewer systems. Currently, a patchwork of six interlocal agreements dating to 1968 stipulate the terms of these flow transfers and the maintenance of downstream shared infrastructure. The new, consolidated agreement fills gaps in coverage areas, updates terms to current standards, updates maintenance charges (which did not adjust for inflation), and streamlines permitting of re-development and sewer hookups adjacent to City limits.

RECOMMENDATION

Move to adopt Resolution No. 9982.

BACKGROUND/ANALYSIS

In 1968, the Lake Hills Sewer District (later assumed by the City of Bellevue) entered into an agreement with the City of Redmond to transfer limited sewage flows to and from both utilities in joint-use sewer mains. This agreement accommodated local residential development while maintaining reliable service at minimal cost for customers of both utilities using gravity (as opposed to pumping). Subsequently, agreements in 1971, 1981, 1986, 1997 and 2000 added new upstream neighborhoods to joint-use sewer mains, but retained the structure and general terms of the original 1968 agreement.

Attachment A shows the areas that benefit from the existing agreements. These areas largely include Bellevue customers east of Bel-Red Road and north of NE 24th Street (Ardmore vicinity), a portion of the Tam O'Shanter neighborhood, and the Sheffield Greens development near NE 57th Street and 148th Avenue. Currently, there are approximately 256 Redmond customers served by Bellevue's sewer system and 1,614 Bellevue customers served by Redmond's sewer system. The agreements cover approximately 2.0 miles of joint-use pipe maintained by Bellevue, and 4.6 miles of joint-use pipe maintained by Redmond.

A new consolidated agreement is proposed to avoid the need for future amendments with each upstream development, modernize legal terms and general nomenclature, adjust the outdated 1968 maintenance charge, and clarify roles and responsibilities for permitting new sewer connections along City limits.

This agreement covers all new development under existing zoning in both cities. Future amendments may be necessary if there is any change in zoning. The new agreement allows explicitly for re-zoning by either city but requires downstream analysis to confirm capacity is available. If the re-zoning activity necessitates capacity upgrades, then a new agreement would be necessary.

The new agreement adjusts the monthly maintenance charge from \$0.12 to \$0.99 per single-family customer or equivalent, to better reflect current maintenance costs, and requires annual adjustment for inflation. The agreement also requires analysis every 10 years to verify that inflationary adjustments keep pace with actual maintenance costs. The new net charge in 2021 will be a payment from Bellevue to Redmond of approximately \$16,400 (\$19,500 for flows from Bellevue into Redmond, minus \$3,100 for flows from Redmond into Bellevue). The new net charge was verified to reflect actual costs using Bellevue's current budget per mile to maintain gravity sewers system-wide, applied to the applicable length of pipe covered by the agreement.

The new agreement also includes future capital cost-sharing responsibilities for renewal and replacement (R&R) of applicable pipelines. These remain unchanged from previous agreements. R&R costs will be split by the parties based on the portion of flow in the pipeline contributed from each city.

The new agreement also clarifies roles and responsibilities regarding permitting and customer service for 38 lots located in Redmond that would connect directly to a joint-use sewer main owned and maintained by Bellevue. Redmond would issue the side sewer permit and collect fees, and Bellevue would review based on construction standards and, if necessary, issue a street use permit.

Upon execution, the new agreement shall supersede and replace the previous six interlocal agreements that are available in the Council Library.

POLICY & FISCAL IMPACTS

Policy Impact

Council approval is required to execute an interlocal agreement with another government. RCW 39.34.080; Procurement Policy at 43. The agreement is necessary to maintain reliable sewer service at the lowest cost for benefitting customers in both cities. It is also necessary to accommodate local growth and re-development.

Fiscal Impact

The new agreement does not change Bellevue's share of capital costs for future pipeline renewal and replacement. The new agreement does adjust the net annual operating costs paid by Bellevue for ongoing maintenance from approximately \$1,960 (based on the original, un-inflated 1968 cost) to \$16,400 in 2021. The agreement requires annual inflation adjustment of the maintenance charge thereafter based on the local Seattle CPI-U published by U.S. Bureau of Labor Statistics.

OPTIONS

1. Adopt the Resolution authorizing execution of a Sewer Collection Facilities Interlocal Agreement between the City of Bellevue and the City of Redmond.
2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS & AVAILABLE DOCUMENTS

- A. Redmond Joint-Use Sewer Agreements Map
 - B. Sewer Collection Facilities Interlocal Agreement Between the City of Bellevue and the City of Redmond
- Proposed Resolution No. 9982

AVAILABLE IN COUNCIL LIBRARY

Joint Use and Transfer of Facilities Agreement (1968)
Joint Use and Transfer of Facilities Agreement – Addendum No. 1 (1971)
Sanitary Sewer Service Agreement – Plat of Wethersfield South (1981)
Interlocal Sewer Service Agreement for the Plat of Sheffield Greens, Division 3 (1986)
Interlocal Sewer Service Agreement for the Plats of Sheffield Place and Interlake Court (1997)
Interlocal Sewer Service Agreement for the Reilly Short Plat (2000)

Redmond Joint-Use Sewer Agreements Map

Attachment 1

