



CITY OF KIRKLAND
Department of Public Works
123 Fifth Avenue, Kirkland, WA 98033 425.587-3800
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Phillip Vartanian, Development Engineering
Rob Jammerman, Development Engineering Manager
Ray Steiger, P.E., Public Works Director

Date: September 14, 2012

Subject: City Council Resolution Approving a Sewer Facility Agreement with Chris Gaytes of Gayteway Custom Homes LLC

RECOMMENDATION:

It is recommended that the City Council approve the attached resolution authorizing the City Manager to execute a Sewer Facility Agreement with Chris Gaytes of Gayteway Custom Homes LLC.

BACKGROUND DISCUSSION:

The City of Kirkland is authorized pursuant to Chapter 35.91 RCW to enter into a Sewer Facility Agreement (also known as a Sewer Latecomers' Agreement) allowing developers to receive compensation for the installation of public sewer main line extensions, i.e. persons connecting to the extensions are required to pay a portion of the construction costs as a condition of connection. Latecomers' fees are calculated based on the square footage of the property being served: dividing the total square footage of the properties being served into the total cost of the sewer extension yields the latecomers' charge per square foot. 15% of the sewer latecomers' fee is retained by the City of Kirkland for administering the agreement, and 85% of the fee is returned to the developer. The agreement is valid for 20 years and is administered by the Department of Public Works.

Chris Gaytes installed approximately 203 lineal feet of 8 inch sewer main line extension along 126th Ave N.E. (Exhibit 1). This public sewer main extension provides sewer service to their four lot short plat as well as other neighboring property. A Sewer Facility Agreement has been filed with the Department of Public Works to receive reimbursement for the sewer main extension. Property owners listed in this agreement applying for connection to the sewer main will be required to pay \$1.3567 per square foot of their lot plus normal City of Kirkland sewer connection fees.

Upon approval of the resolution and subsequent signing by the City Manager, the agreement will be sent to King County for recording. Finally, notice of latecomers' connection charges will be sent to each property owner included in the agreement.

cc: City Attorney

RESOLUTION R-4938

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND APPROVING A SEWER FACILITY AGREEMENT WITH CHRIS GAYTES OF GAYTEWAY CUSTOM HOMES LLC AND AUTHORIZING THE CITY MANAGER TO SIGN SAID AGREEMENT ON BEHALF OF THE CITY OF KIRKLAND.

WHEREAS, the improvement of public health is furthered by adequate water systems; and

WHEREAS, the Washington State Legislature enacted the Municipal Water and Sewer Facilities Act (RCW 35.91.010 et seq.) in furtherance of this goal and authorizing municipalities to enter into agreements of this nature; and

WHEREAS, The City of Kirkland concludes entering into this agreement will promote this goal; and

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. The City Manager is hereby authorized and directed to execute on behalf of the City the Sewer Facility Agreement between the City and Chris Gaytes of Gayteway Custom Homes LLC. A copy of this Agreement is attached as Exhibit A.

Passed by majority vote of the Kirkland City Council in open meeting this ____ day of _____, 2012.

Signed in authentication thereof this ____ day of _____, 2012

MAYOR

Attest:

City Clerk



SEWER FACILITIES AGREEMENT PURSUANT TO CHAPTER 35.91 REVISED CODE OF WASHINGTON

THIS AGREEMENT made and entered into this day, pursuant to RCW Chapter 35.91, between the City of Kirkland, a non-charter optional code city, hereinafter referred to as "City" and Chris Gaytes-Gateway Custom Homes LLC hereinafter referred to as "Developer":

WITNESSETH

Section 1. Developer does hereby agree to construct, at its sole expense, the SEWER FACILITIES described in EXHIBIT 1, attached hereto and by this reference incorporated herein, all in accordance with the specifications and standards of the City of Kirkland pertaining to sewer construction and installation.

Section 2. Upon completion of said sewer facilities to the satisfaction of the Kirkland Director of Public Works, and acceptance thereof by the City of Kirkland, said facility shall become the property of the City of Kirkland and a part of its sewer system with full power of the City of Kirkland to charge for its use such sewer connection and service rates and charges as the City of Kirkland may be authorized by law to establish, and all further maintenance operation costs of said facility shall be borne by the City of Kirkland.

Section 3. The benefit area to be served by said facility is described and designated on EXHIBIT 1 attached to this agreement and by this reference incorporated herein. Said Exhibit is a map showing the total benefit area and delineating thereon that portion of the benefit area owned by Developer. EXHIBIT 2 attached to this agreement and by this reference incorporated herein is a listing of each lot or parcel within the benefit area including the lot or parcel legal description and the lot of parcel's "pro rata share" of the cost of construction of the sewer facilities. EXHIBIT 3 identifies those lots or parcels owned by Developer and not subject to the provisions of Section 4 of this agreement.

Section 4. Any owner of any real property located within the benefit area (other than those properties designated in EXHIBIT 3 as Developer's properties) who shall hereafter tap into or use said sewer facility (including not only connecting directly into, but also to users connecting laterals or branches connected thereto) shall, prior to such tap in or use, pay to the City of Kirkland, in addition to any connection or other change required by the ordinances of the City of Kirkland to be paid upon connecting to a sewer facility, their fair pro rata share of the cost of construction of said facility.

Section 5. For the purposes of determining such "fair pro rata share" the cost of construction of said facility shall be considered to be \$115,683.40, provided, however, the City may adjust said cost to reflect the true and final cost of construction of said facility. The "FAIR PRO RATA SHARE" of the cost of construction as designated on EXHIBIT 2, and is hereby approved by the City of Kirkland.

Section 6. Within sixty (60) days after receipt by the City of any "fair pro rata share," the City shall disburse said sum, less fifteen (15) percent thereof to be retained by the City of Kirkland to cover costs of administering the provisions of this agreement, to Developer at P.O. Box 1727 Bellevue WA 98009 until such time as Developer shall have received the total sum of \$65,415.00, or the expiration of twenty (20) years from the date of this agreement, whichever event shall first occur. Thereafter, any amount of charge made or received by the City to tap into or use said facility shall be retained by the City. It shall be the duty of the Developer to advise the City of any change in the Developer's mailing address.

Section 7. The provisions of this agreement shall not be effective as to any owner of real property designated in EXHIBIT 2, other than Developer, until such time as this agreement shall have been recorded in the Office of the King County Department of Elections and Records and then only as to such real property owners as tap into or connect into said facility subsequent to such recording. City shall not be required to disburse any "fair pro rata share" to Developer which may not be lawfully collected from such real property owner at the time said real property taps into or connects to said facility.

Section 8. In the event the cost, or any part thereof, of a or sewer improvement, whether local or general, is or will be assessed against the owners of real property and such improvement will be connected into or will make use of the facility constructed pursuant to this agreement and the cost thereof was not contributed to by the owners of said real property, there shall be included in the Engineer's estimate for the hearing or any such improvement, separately itemized, and in such assessments, a sum equal to the amount provided for in this agreement as a fair pro rata share due from such owners in accordance with the provisions of this agreement.

Section 9. No person, firm, or corporation, other than Developer's, as to the real property identified as owned by Developer in EXHIBIT 3 hereto, shall be granted a permit or authorized to tap into or use said facility or extensions thereof without first paying their fair pro rata share as herein provided.

DATED at Kirkland, Washington, this _____ day of _____, _____.

CITY OF KIRKLAND:

DEVELOPER:

CITY MANAGER FOR THE City of Kirkland
KIRKLAND WHO IS AUTHORIZED TO
EXECUTE THIS AGREEMENT ON
BEHALF OF SAID CITY BY VIRTUE
OF RESOLUTION NO. _____

By: _____

By: _____

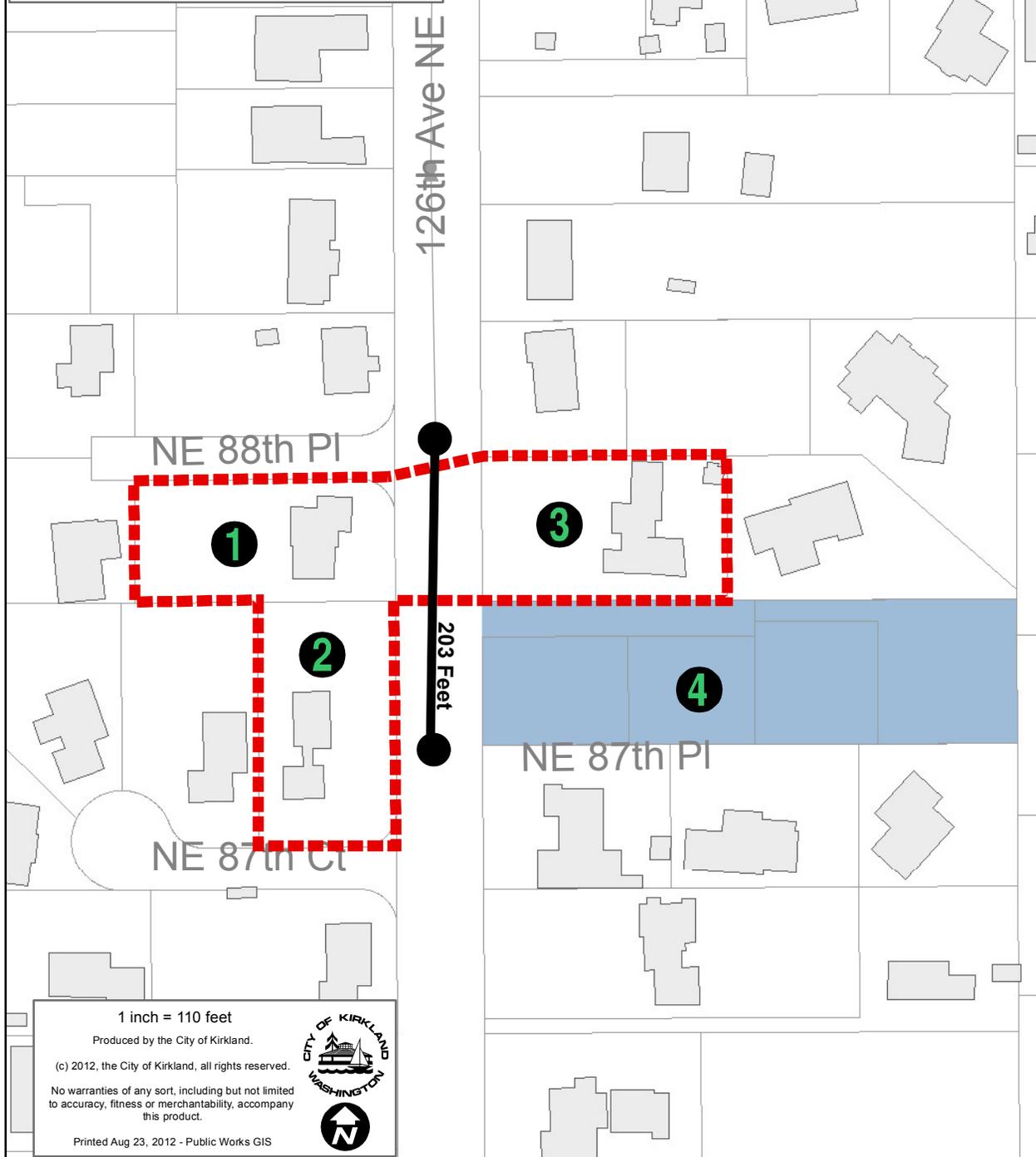
Exhibit 1
Darby Latecomers
8700 Block 126th Ave NE



Direct Benefit Area



Developers Property



1 inch = 110 feet

Produced by the City of Kirkland.

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No warranties of any sort, including but not limited to accuracy, fitness or merchantability, accompany this product.

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**R-4938
EXHIBIT 2**

Darby 4 lots short plat latecomer's assessment roll

Ref No.	Tax/Parcel No.	Owner/Address	Abbreviated Legal Description	Total Area (SF)	Direct Benefit Area (SF)	General Benefit Area (SF)	Direct Benefit Cost	General Benefit Cost	Total Cost	Reimburse Developer @ 85%	Reimburse City @ 15%
1	1233100890	CHRISTOPHER & ELLEN CELLA 8721 126th Ave NE Kirkland, WA 98033	BURKE-FARRARS KIRKLAND DIV #6 LOT 4 TGW UND INT IN TR X OF KCSP #182049 REC #8208270258 SD SP DAF LOTS 18-19 BLK 15 SUBJ TO ESMT C OF S TRANS LN	15,182	15,182	15,182	\$15,448.47	\$5,149.49	\$20,597.96	\$17,508.26	\$3,089.69
2	1233100726	JASON WITCHER 8724 126th Ave NE Kirkland, WA 98033	The West 170 feet of Lot 5, Block 14, Burke and Farrar's Kirkland Additin to City of Seattle Division 6, according to the plat thereof recorded in Volume 19 of Plats, page 68, records of King County, Washington, Situated in City of Kirkland, County of King, State of Washington	17,000	17,000	17,000	\$17,298.38	\$5,766.13	\$23,064.50	\$19,604.83	\$3,459.68
3	1233100885	Louise R Eineigl 8707 126th Ave NE Kirkland WA 98033	BURKE-FARRARS KIRKLAND DIV #6 LOT 1 TGW UND INT IN TR X OF KCSP #182048 REC # 8208270257 SD SP DAF LOTS 16-17 BLK 15 SUBJ TO ESMT C OF S TRANS LN	16,033	16,033	16,033	\$16,314.40	\$5,438.13	\$21,752.54	\$18,489.66	\$3,262.88
4	1233100733	JET CITY DEVELOPMENT INC 8720 126th Ave NE Kirkland, WA 98033	BURKE-FARRARS KIRKLAND DIV #6 LOT 4 KIRKLAND SP #SPL06- 00022 REC #20071226900008 SD SP DAF LOT 6 BLOCK 14 OF SD ADD	37,051	37,051	37,051	\$37,701.30	\$12,567.10	\$50,268.40	\$42,728.14	\$7,540.26

TOTALS	85,266	85,266	85,266	\$86,762.55	\$28,920.85	\$115,683.40	\$98,330.89	\$17,352.51
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Cost Per Square Foot of Sewer Construction		Calculation of the Cost Per Square Foot of Sewer Construction	
Construction Monitoring/Mgmt	\$0.00	75% of Total Cost Shall be borne by the Total Direct Benefit Area (TDBA)	
Engineering Cost	\$1,500.00	25% of Total Cost Shall be borne by the Total General Benefit Area (TGBA)	
Construction Cost	\$92,191.00	Therefore the following are cost per square foot for each bendfit area:	
Overlay Cost	\$18,086.00	$((75%) \times (\text{Total Cost} / \text{TDBA})) = .75 \times \$115683.40 / 85266 =$	1.017552
Permit Fees	\$3,906.40	$((25%) \times (\text{Total Cost} / \text{TGBA})) = .25 \times \$115683.40 / 85266 =$	0.339184
Total	\$115,683.40		

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EXHIBIT 3

Darby 4 lot short plat latecomer's assessment roll Exempt from collection

Ref No.	Tax/Parcel No.	Owner/Address	Abbreviated Legal Description	Total Area (SF)	Direct Benefit Area (SF)	General Benefit Area (SF)	Direct Benefit Cost	General Benefit Cost	Total Cost	Reimburse Developer @ 85%	Reimburs e City @ 15%
1	1233100733	JET CITY DEVELOPMENT INC 8720 126th Ave NE Kirkland, WA 98033	BURKE-FARRARS KIRKLAND DIV #6 LOT 4 KIRKLAND SP #SPL06-00022 REC #20071226900008 SD SP DAF LOT 6 BLOCK 14 OF SD ADD	37,051	37,051	37,051	\$37,701.30	\$12,567.10	\$50,268.40	\$42,728.14	\$7,540.26
2						0				\$0.00	\$0.00
3						0				\$0.00	\$0.00
4							\$37,701.30	\$12,567.10	\$50,268.40	\$42,728.14	\$7,540.26
										\$0.00	\$0.00
										\$0.00	\$0.00

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