

**INTERLOCAL AGREEMENT
118/116 EMERGENCY WATER INTERTIE**

THIS AGREEMENT is made this 21st day of May, 2012, between the **NORTHSHORE UTILITY DISTRICT**, a municipal corporation in King County, Washington ("District") and the **CITY OF KIRKLAND**, a municipal corporation in King County, Washington ("City").

SECTION 1. RECITALS

- 1.1 District provides water service to the area northeast of Lake Washington, including the Totem Lake, Finn Hill, Juanita and Kingsgate area of City, in King County, Washington. City provides water service to the rest of City limits not served by District. A portion of the District's water service boundary is located adjacent to the City's water service boundary.
- 1.2 District and City desire to obtain supplemental water supply for emergency purposes through an intertie between their respective water systems, subject to certain terms and conditions.
- 1.3 District and City are authorized by Chapter 39.34 RCW, the Interlocal Cooperation Act, to enter into cooperative agreements.

In consideration of the terms and conditions contained herein, the parties now agree as follows:

SECTION 2. EMERGENCY INTERTIE

- 2.1 District and City agree to provide each other with an emergency standby source of water through an intertie connection between the District and City water systems, at the location described and depicted on Exhibit "1" attached hereto ("Intertie").
- 2.2 Intertie shall consist of an 8" ductile iron water main, a fire hydrant, and two normally-closed valves, as depicted on Exhibit "1". Intertie shall be constructed by City at City's sole expense. City shall transfer ownership of said 8" water main located within District's water service boundaries, at no cost to District by bill of sale. Each party shall then own, operate, and maintain that portion of Intertie located within their respective water service boundaries.
- 2.3 Intertie shall be used only in the event of an emergency, or when otherwise required due to a planned, temporary disruption of service resulting from construction or maintenance.
- 2.4 An emergency shall be considered any event that requires District's or City's water supply to be augmented on a temporary, emergency basis.
- 2.5 In case of water supply required for emergency use, District or City shall provide water immediately upon oral notification of such emergency. Follow-up written notice of such emergency request shall be made by District or City to the other party.
- 2.6 In case of water supply required for a planned, temporary disruption of service, District or City shall notify the other party in writing at least forty-eight (48) hours in advance of the time either party desires to receive water through Intertie. The request shall include the startup time and estimated duration of service.

- 2.7 When activating emergency Intertie service, each party shall operate their respective system components only, and shall provide adequate flushing of the system prior to activating Intertie.
- 2.8 District and City shall make reasonable efforts to provide an uninterrupted supply of water. Neither party shall be liable for any shortage or interruption in the delivery of water. In addition, neither party shall be liable for any failure, interruption or shortage of water, or any loss or damage resulting therefrom occasioned by any cause beyond the control of either party. District and City do not guarantee the availability of water through Intertie at all times because of each party's respective needs and water demand. Further, during critical water shortage periods as determined by either party, District or City may deny use of the intertie until sufficient water supply exists to make such available for use by either party.

SECTION 3. BILLING FOR THE COST OF WATER USED

- 3.1 A written estimate of the quantity of water used shall be reported by the receiving party to the supplying party, within three (3) days after the termination of Intertie use. The estimate of water used shall include a detailed explanation as to how the estimate was derived. If the emergency water use continues for more than 30 days, the written estimate of water use shall be provided on the 1st of each month.
- 3.2 In the event that District or City receives water through Intertie, both parties agree to pay the other party for such water delivered at the wholesale rate plus ten percent (10%). Wholesale rate per CCF shall be determined based on the preceding complete calendar year, by dividing the total annual volume of water (in CCF) delivered to City's or District's retail end users within their respective service boundaries, into the total annual costs of potable water purchased from the wholesale supplier(s) during the same calendar year. The party delivering such water shall bill the party receiving such water monthly for the amount of water delivered. The party receiving such water shall pay the other party within forty-five (45) days of the date of such billing. Any billings not paid by the party within such 45-day period shall accrue interest at the rate of twelve percent (12%) per annum until paid.

SECTION 4. GENERAL PROVISIONS

- 4.1 Neither party shall by virtue of this Agreement acquire any proprietary or governmental interest in the water system of the other party. Each party shall be solely responsible for the operation and maintenance of its own system of water distribution.
- 4.2 District and City agree to hold harmless and indemnify the other party and its officers, employees and agents from any and all claims, damages, costs or other liabilities caused by parties' sole negligence or the parties' concurrent negligence, but only to the extent of the parties' concurrent negligence and arising by reason of participation in connection with or relating to the performance of this Agreement.
- 4.3 This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.
- 4.4 Any notice to be given or any documents to be delivered by any party to any other shall be delivered in person or by certified mail and addressed to the District or City at the following addresses:

District:

General Manager
Northshore Utility District
6830 NE 185th Street
Kenmore, WA 98028

With a Copy To:

Kinnon Williams
Williams & Williams, PSC
18806 Bothell Way NE
Bothell, WA 98011

City:

Mayor
City of Kirkland
123 Fifth Avenue
Kirkland, WA 98033

With a Copy To:

City Attorney
City of Kirkland
123 Fifth Avenue
Kirkland, WA 98033

- 4.5 This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and may be modified only by an agreement in writing signed by both parties.
- 4.6 This Agreement shall be administered jointly by the City Public Works Director and the District General Manager.
- 4.7 This Agreement shall take effect upon ratification of this Agreement by the Board of Commissioners of District and the City Council of City. This Agreement shall remain in effect until terminated by either party by thirty (30) days' prior written notice to the other party.
- 4.8 A copy of this Interlocal Agreement shall be filed with the City Clerk, the King County Recorder's Office, Seattle Public Utilities, and the State Department of Health.

CITY:

CITY OF KIRKLAND

By *Marilynne Beard*
Name: *Marilynne Beard*
Title: *Assistant City Manager*

Approved as to Form:

OFFICE OF THE CITY ATTORNEY

By *Oskar Rey*
Name: *Oskar Rey*
Title: *Asst. City Attorney*

DISTRICT:

NORTHSHORE UTILITY DISTRICT

By *Fanny Yee*
Fanny Yee, its General Manager

Approved as to Form:

DISTRICT GENERAL COUNSEL

By *Kinnon Williams*
Kinnon Williams

EXHIBIT "1"

