RESOLUTION R-5471

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND APPROVING AN INTERLOCAL AGREEMENT WITH THE CITY OF REDMOND TO AUTHORIZE AN INTERTIE BETWEEN THE CITIES' SERVICE AREAS AT NE 124TH STREET AND WILLOWS ROAD NE INTERSECTION, AND AUTHORIZING THE CITY MANAGER TO EXECUTE SAID AGREEMENT ON BEHALF OF THE CITY OF KIRKLAND.

WHEREAS, the water service areas for the City of Kirkland and 1 2 the City of Redmond are interconnected in a contiguous area known as 3 the 285 Pressure Zone; and 4

5 WHEREAS, the City of Redmond desires a new intertie between the two cities' water systems at NE 124th St and Willows Road NE, to provide redundancy and reliability for a new multi-family mixed-use 8 development known as Proctor Willows; and

WHEREAS, the City of Redmond's desired new intertie between 10 11 the two cities' service areas is necessary to facilitate a looped water system, which allows for redundancy and reliability and is required for 12 the Proctor Willows development by Redmond's design requirements; 13 14 and

16 WHEREAS, the City of Kirkland supports this new intertie, 17 provided the City of Redmond ensures that the water main from the intertie is extended south along Willows Road NE to complete the loop 18 by connecting to an existing City of Redmond water main. 19

20 NOW, THEREFORE, be it resolved by the City Council of the City 22 of Kirkland as follows: 23

24 Section 1. The City Manager is hereby authorized and directed to execute on behalf of the City of Kirkland an Interlocal Agreement 25 substantially similar to that attached as Exhibit 1, which is entitled "City 26 of Redmond and City of Kirkland Interlocal Agreement for Willows Road 27 Intertie for the Proctor Willows Development." 28

29 30 Passed by majority vote of the Kirkland City Council in open 31 meeting this _____ day of _____, 2021.

32 Signed in authentication thereof this _____ day of ______, 33 2021. 34

Penny Sweet, Mayor

Attest:

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Kathi Anderson, City Clerk

CITY OF REDMOND AND CITY OF KIRKLAND INTERLOCAL AGREEMENT FOR WILLOWS ROAD INTERTIE FOR THE PROCTOR WILLOWS DEVELOPMENT

THIS AGREEMENT is made and entered into by and between the City of Kirkland, a Washington municipal corporation ("Kirkland"), and the City of Redmond, a Washington municipal corporation ("Redmond") for the purposes, hereafter mentioned.

RECITALS

A. The cities of Redmond, Kirkland, and the City of Bellevue ("Cities") entered into an Assumption Agreement whereby the Cities assumed assets, liabilities, and operations of the Rose Hill Water District, a municipal corporation in King County, Washington ("District").

B. The Cities then entered into an Interlocal Operations and Maintenance Agreement dated October 9, 1997, outlining ownership, operation, and maintenance of the District water system.

C. The Cities assumed ownership and responsibility for the District's water supply facilities within the Cities' respective service areas and certain District facilities are jointly owned and operated by the Cities in accordance with the terms of the Assumption Agreement.

D. After the City of Kirkland expanded the city's corporate boundary in 2011, ownership of a portion of the District facilities was transferred from Redmond to Kirkland through the December 19, 2013 Kingsgate Annexation Agreement Regarding Water Facilities (KAA), in accordance with the terms of the Assumption Agreement.

E. The KAA divided the 285 pressure zone (Zone), a contiguous area, into two interconnected water systems within Kirkland and Redmond. The entirety of the Zone is not jointly owned by the cities. However, the Zone needs to be managed as a single system across jurisdictional boundaries to offer the greatest benefits to the Cities' customers. The Zone includes several pressure reducing valves ("PRVs") with some owned, operated, and maintained by Redmond and some owned, operated, and maintained by Kirkland.

F. Proctor Willows is a multi-family mixed-use development ("the Development") proposed on property located in the northwest corner of Redmond's corporate boundary and within the Zone. The Development is shown on Exhibit A attached to this Agreement and incorporated herein.

G. A looped water system allows for redundancy and reliability. Design requirements of both cities require such construction. A new intertie in the Zone and between the two cities' service areas is necessary to facilitate looping and new construction as proposed by the Development. An interconnected system that crosses jurisdictional boundaries requires coordination and cooperation between the cities.

H. The City of Redmond seeks to approve a new intertie at NE 124th St and Willows Road NE, to provide redundancy and reliability around the Development. The City of Kirkland supports this new intertie, provided the water main from the intertie is extended south along Willows Road NE to complete the loop by connecting to existing City of Redmond water main.

I. It is anticipated the new intertie may be constructed before the City of Redmond completes the water main extension down Willows Road. The City of Kirkland is concerned about the impact the Development may have on the quality of water and fire flow within the system during the interim between construction of the new intertie and completion of the Willows Rd water main. This concern can be mitigated through modeling of the system as well as cooperation between the cities in operating the PRVs that distribute flow to the Zone and between the two systems.

J. The Development is proposed to be constructed on a site that King County announced on January 26, 2021 is included as one of four sites still being considered for a new recycling and transfer station in northeast King County, known as the Northeast Recycling and Transfer Station. King County expects to make a site selection decision by late 2022. Approval of this agreement by the City of Kirkland does not indicate support or opposition to the site as a potential transfer station location.

AGREEMENT

NOW, THEREFORE, IN CONSIDERATION OF the terms and conditions set forth below, Redmond and Kirkland agree as follows:

1. <u>Purpose</u>. The purpose of this Agreement is to provide for a new intertie between the two cities and to ensure safe and reliable water supply to each.

2. <u>Willows Road Water Main Intertie</u>. Kirkland hereby grants Redmond permission to connect a twelve-inch (12") water main, including an intertie tee and control valve, to Kirkland's water main in the intersection of Willows Road and NE 124th St ("Willows Road Water Main intertie"). The new intertie tee and control valve will be owned by Kirkland; any piping downstream of the valve will be owned by Redmond. The intertie improvements will include an extension of twelve-inch (12") water main along the Development frontage in Willows Road. All construction shall be accomplished at the Development's sole cost and expense. The Development must obtain any necessary permits from Kirkland to make the connection and must obtain Kirkland's approval of plans for the connection prior to any construction. The Development shall obtain any necessary permits from Redmond to construct frontage improvements in Willows Road.

3. <u>Willows Road Water Main Extension</u>. The Willows Road water main extension will connect the Willows Road Water Main intertie with City of Redmond water main south of the Development. Redmond will complete the twelve-inch (12") Willows Road water main extension by December 31, 2026 or within three years of completion of the Willows Road Water Main intertie, whichever is later.

4. <u>Zone Water Quality.</u> Prior to issuance of permits authorizing construction of the intertie, Redmond must provide an acceptable water system model. Redmond's water system model will be used to assess "water age" and fire flow as a measure of water quality and availability within the Zone. This modeling will be performed at City of Redmond cost. The model will be used to develop recommended PRV settings within the Zone as the Development constructs each phase and Redmond completes the Willows Road Water Main Extension. Each cities' operations staff will coordinate PRV settings based upon those recommendations. Any change in the demand assumptions will require an updated water system model, to be performed at City of Redmond cost.

5. <u>Service Area.</u> Each City shall be the direct provider of water within its service area within the Zone as set forth in the Assumption Agreement and the 1997 and 2013 ILAs. For purposes of this agreement, "service area" means that portion of the cities' incorporated areas that overlays a portion of the previous District area with the Zone. See Exhibit A.

6. <u>Near-Term Operational Strategy.</u> Kirkland and Redmond will jointly develop a near-term operational strategy (Strategy) for the Zone by July 1, 2021. The Strategy for the Zone must include but not be limited to:

- Water System Modeling (as described in Paragraph 4)
- PRV settings
- Water quality testing and reporting
- Emergency response

7. <u>Future discussion about a single Zone operator</u>. Regardless of the connection granted to the Developer through this agreement between Redmond and Kirkland, the two cities agree to discuss the possibility to transfer the assets, liabilities, and operations of the Zone to one of the cities and, further, to have one of the cities own the responsibilities and obligations to provide for the ongoing operations and maintenance of the Zone. This discussion would occur no earlier than 2-years after the Strategy for the Zone is completed but no later than December 2023. The movement to a single zone operator would be accomplished through an amendment to the 2013 Agreement.

8. <u>**Duration**</u>. This Agreement shall take effect on the date the last party signs the same. Termination may be accomplished only by:

- A. Mutual agreement of Redmond and Kirkland; or
- B. Termination by either party upon material breach of this Agreement by the other, provided, that no such termination may be accomplished unless the terminating party notifies the breaching party of its intent to terminate and provides the breaching party with no less than thirty days to cure the breach and avoid termination.

9. <u>Property and Financing</u>. No joint property is being acquired by the parties to this Agreement. Water main in Redmond is Redmond's water main. Water main in Kirkland is Kirkland's water main. Ownership of the intertie and control valve are as stated in Paragraph 2.

10. <u>Administration</u>. This Agreement shall be jointly administered by the public works directors of Kirkland and Redmond.

11. Northeast Recycling and Transfer Station. In the event that King County selects the Development site for the Northeast Recycling and Transfer Station, the following shall apply:

- A. If the Willows Road Water Main intertie has not yet been constructed or is not yet operational at the time of such selection, the parties are relieved from their respective obligations under this Agreement, except the obligations stated in Section 7.
- B. If the Willows Road Water Main intertie is constructed and operational at the time of such selection, the parties agree to negotiate the timing of the Willows Road water main extension under Section 3.

12. <u>Notices</u>. Any notices required by this Agreement shall be given in writing to the parties at the following addresses:

| Kirkland: | Redmond |
|-------------------------------|------------------------|
| Julie Underwood | Dave Juarez |
| Public Works Director | Public Works Director |
| City of Kirkland | City of Redmond |
| 123 Fifth Avenue | P.O. Box 97010 |
| Kirkland, WA 98033 | Mail Stop 2NPW |
| | Redmond, WA 98073-9710 |
| pwutilityadmin@kirklandwa.gov | djuarez@redmond.gov |

13. <u>Severability</u>. If any section, sentence, clause, or phrase of this Agreement is found to be invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability of any other section, sentence, clause, or phrase. The parties agree that in the event such invalidity or unenforceability deprives either party of any of the benefits provided herein, as determined by the party who believes they have been so deprived, a replacement provision will be negotiated to restore those benefits.

14. <u>Entire Agreement</u>. This Agreement constitutes the final and entire agreement and understanding between the parties concerning the water main intertie supersedes all prior agreements and understandings. This Agreement may be amended only by a written instrument signed by both parties.

CITY OF KIRKLAND

CITY OF REDMOND

Tracey Dunlap, Deputy City Manager

Dated:_____

Angela Birney, Mayor

Dated:

APPROVED AS TO FORM: OFFICE OF THE KIRKLAND CITY ATTORNEY: APPROVED AS TO FORM: OFFICE OF THE REDMOND CITY ATTORNEY:

