MEMORANDUM

To: Kurt Triplett, City Manager

From: Julie Underwood, Public Works Director

Ray Steiger, P.E., Public Works Superintendent

Josh Pantzke, Utility Manager

Date: March 4, 2021

Subject: INTERLOCAL AGREEMENT WITH THE CITY OF REDMOND REGARDING THE

PROCTOR WILLOWS PRIVATE DEVELOPMENT

RECOMMENDATION:

It is recommended that the City Council adopt a resolution authorizing the City Manager to enter into an Interlocal Agreement with the City of Redmond for a domestic water system intertie between Kirkland's and Redmond's systems to facilitate the Proctor Willows private development in Redmond.

BACKGROUND DISCUSSION:

Proctor Willows is a multi-family, mixed-use private development project (Development) located in the northwest corner of Redmond's corporate boundary along Willows Road (see Attachment A, Vicinity Map with Area Map Inset). This area is also within Redmond's domestic water service area.

In 1991, the cities of Kirkland, Redmond, and Bellevue (Cities) entered into an Assumption Agreement whereby the Cities assumed the assets, liabilities, and operations of the Rose Hill Water District (District) within their respective corporate boundaries.

In 1997, the Cities entered an Interlocal Operations and Maintenance Agreement (O&M Agreement), supplementing the Assumption Agreement and outlining the ownership, operation, and maintenance of the former District's water system.

In 2011, Kirkland expanded its corporate boundary through the annexation of the Juanita, Finn Hill, and Kingsgate neighborhoods. That Annexation included a portion of the former District's 285 pressure zone (285) that at that time was operated by Redmond.

In 2013, the portion of the 285 within the Kirkland annexation area was transferred from Redmond to Kirkland through the Kingsgate Annexation Agreement Regarding Water Facilities, in accordance with a term in the Assumption Agreement that contemplated annexations. The system includes a 12-inch watermain within the NE 124th Street right-of-way. The annexation-related transfer in a sense split the 285 into two separately operated water systems that function as one contiguous pressure zone. Presently, there is one connection to the 285 on the

western boundary of the proposed Development. That connection remains the property of Redmond.

In order for the Development to meet Redmond's water system flow and fire capacity requirements, Redmond is requesting a new, additional intertie between the two Cities' portions of the 285 to provide redundancy and looping. The intertie is proposed to be located within the intersection of NE 124th Street and Willows Road (within the City of Kirkland).

As of this writing, the King County Solid Waste Division (KCSWD) has identified this parcel as one of four potential sites for the new Northeast Recycling and Transfer Station. The other three sites include the existing Houghton Transfer Station, the Houghton Park-and-Ride, and one site in the City of Woodinville located at 16111 Woodinville-Redmond Road. The KCSWD has indicated that it will decide this coming April as to which potential sites will be selected as finalists to go through the EIS/SEPA review process. If this property is selected for EIS/SEPA review, such selection may preclude the developer from proceeding with construction of its proposed multifamily/mixed-use project.

Approving this agreement does not indicate the City supports or opposes including this property as one of the finalist sites in the KCSWD process. Language stating this has been included as subsection J of the Recitals in Exhibit 1, the Interlocal Agreement.

KEY ELEMENTS OF THE AGREEMENT

The proposed agreement is attached as Exhibit 1 to the proposed Resolution. The key elements of the agreement are as follows.

- Kirkland grants Redmond permission to connect a 12-inch watermain via an intertie tee
 and control valve to Kirkland's watermain in the intersection of NE 124th Street and
 Willows Road. All design, permitting, construction, and inspection services shall be
 accomplished at the sole cost and expense to the Development. The Development must
 obtain any necessary permits from the Cities to make the connection and must obtain
 the Cities approval of plans for the connection prior to any construction.
- Redmond will complete an extension of the existing (Redmond) 12-inch watermain in Willows Road by December 31, 2026 or within three years of completion of the Development, whichever is later.
- Redmond's water system model will be used to assess water age (i.e. chlorine residual)
 and fire flow as a measure of water quality and availability within the 285. This modeling
 will be performed at the City of Redmond's cost. The model will be used to develop
 recommended pressure reducing value settings within the 285 as the Development
 completes each phase and Redmond completes its Willows Road water main extension.
 Redmond will coordinate with Kirkland's water model to ensure up-to-date and accurate
 system data for Kirkland's portion of the 285.
- Each City will continue to be the provider of water within their service area in the 285 as set forth in the Assumption Agreement and the 1997 and 2013 interlocal agreements.
- Kirkland and Redmond will jointly develop a near-term operational strategy for the 285 by July 1, 2021 including, but not limited to, water system modeling (as described above), pressure reducing valve settings, water quality testing and reporting, and emergency response.

At a future date, the two Cities agree to discuss the possibility of transferring the assets, liabilities, and operations of all of the 285 to one of the Cities. This will allocate to one of the Cities the sole responsibility and obligations to provide for ongoing operations and maintenance of the entire 285. This discussion will occur no later than December 2023. The migration to a single 285 operator would be accomplished through an amendment to the 2013 Agreement and be presented to the respective City Councils at that time.

BENEFITS OF THE AGREEMENT

- The intertie allows the Development to create a redundancy loop in Redmond's water system, water system looping is a development requirement that increases fire flow and reliability, it also reduces the likelihood of service disruption and contamination.
- The future extension of Redmond's Willows Road water main will increase fire flow capacity, water quality and operational redundancy for Kirkland's portion of the 285.
- The near-term operational strategy will help balance pressure reducing valve (PRV) operations throughout the 285 to maximize water flow rates through the zone and increase water quality. It will also coordinate staff for planned and emergency system operations, including a water contamination event where public notification is required.
- The system modeling will verify fire flow capacities and help identify PRV settings to minimize water age in the system.
- Transfer of the entire zone to one City or another (likely Redmond because the vast majority of the 285 system is within its city limits) will eliminate the need for staff coordination, allow one City to determine construction and operational standards for the zone, and make one City responsible for customer communication in the event of contamination in the zone. Having the communication process streamlined in a contamination event is paramount.

Overall, staff believes this agreement makes operational changes that will benefit water quality, increase fire flow and reliability, and improve staff responsiveness if there is an unfortunate contamination event.

Attachment A: Vicinity Map

Resolution

Exhibit 1 to Resolution: Proposed Interlocal Agreement

