

**INTERLOCAL AGREEMENT BETWEEN THE CITIES OF KIRKLAND AND
REDMOND FOR SANITARY SEWER SERVICE IN THE 132ND AVENUE NE
CORRIDOR**

This agreement (“Agreement”) is made and entered into by and between the City of Kirkland and the City of Redmond, both Washington municipal corporations, for the purposes of coordinating efficient delivery of sanitary sewer service along a portion of the 132nd Avenue NE corridor.

RECITALS

Whereas, the 132nd Avenue NE right-of-way (the “Corridor”) is completely within the city limits of the City of Kirkland and owned and operated by Kirkland, and a portion of the Corridor abuts the city limits of the City of Redmond; and

Whereas, while each city has sanitary sewer infrastructure in or adjacent to the Corridor, but many parcels along the Corridor are not currently served by sanitary sewer service, and it is in the interest of both Kirkland and Redmond (collectively, “Cities”) to ensure that utility infrastructure in the Corridor is efficiently and sustainably planned; and

Whereas, the Cities strive to deliver efficient and cost-effective sanitary sewer infrastructure and service for their respective ratepayers, and coordinating infrastructure in the Corridor will reduce infrastructure overlap and cost for ratepayers in both Cities; and

Whereas, the Cities have evaluated an area along the Corridor and determined that certain current and future Kirkland sanitary sewer system customers (“Kirkland Customers”) and Redmond sanitary sewer system customers (“Redmond Customers”) would be served better by connecting their side sewers to the other City’s sewer system; and,

Whereas, the area evaluated along the Corridor is an area bordered approximately by 130th Avenue NE to the west, NE 116th Street to the north, 133rd Avenue NE to the east, and NE 60th Street to the south (see Exhibit A); and

Whereas, there are properties within Redmond’s service area that currently are being served and billed directly by Kirkland, and it is in the interest of both Cities to provide service to properties within their respective jurisdictions; and

Whereas, the Cities each are willing to convey the sewerage of the other city’s customers through their respective sanitary sewer systems, provided such conveyance does not burden ratepayers unreasonably.

Now, therefore, in consideration of the terms and conditions set forth below, the Cities agree as follows:

1. Purpose.

The purpose of this Agreement is to authorize connections by Redmond sanitary sewer customers to Kirkland’s sanitary sewer lines in or adjacent to the Corridor, and to authorize connections by Kirkland sanitary sewer customers to Redmond’s sanitary sewer lines in or adjacent to the Corridor.

2. 132nd Corridor Sanitary Sewer Planning.

No later than December 31, 2024, the Cities will develop and complete a sanitary sewer area plan for the Corridor (“Basin Plan”) jointly. By this Agreement, each City’s Public Works Director (“Director” or “Directors”) is authorized to approve the Basin Plan. The Basin Plan will identify locations of future sanitary sewer extensions within the Corridor to serve future connections, with the goals being to minimize the overall funding required to serve the Corridor and to provide efficient and effective service. The final Basin Plan will establish the City that will own particular service extensions in the event such extensions are constructed and will identify the particular parcels expected to be served. The Cities agree to share the cost of the study 50/50.

3. Sanitary Sewer Construction and Connections.

A) Prior to completion of the Basin Plan, the Directors or their designees will work together in a timely manner to evaluate appropriate sanitary sewer extensions to support development in a manner that is consistent with the goals of this Agreement and the Basin Plan both as it is being developed and after its approval. Once approved, the Basin Plan will be used by both Cities as the General Sewer Plan for the Corridor. By this Agreement, the Directors are delegated the authority to review, negotiate, and approve, on behalf of their respective city, any sewer construction and connections in the Corridor, including agreements for sanitary sewer service outside their respective city’s limits as required by the respective municipal code, provided such construction and connections are consistent with this Agreement.

B) *Costs.* The future sanitary sewer infrastructure construction contemplated in or adjacent to the Corridor may be accomplished at the sole cost and expense of a developer or other third party. The Cities agree that, as between the two Cities, the City that will own sanitary sewer infrastructure assets after construction will pay for any related city costs of construction for those infrastructure assets.

C) *Permitting.*

- i. All construction in the Corridor will require necessary permits from Kirkland.
- ii. Any party constructing or connecting to Kirkland infrastructure 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.
- iii. Any party constructing or connecting to Redmond infrastructure must obtain any necessary permits from Redmond to make the connection, and must obtain Redmond’s approval of plans for the connection prior to any construction.

4. Customer Accounts.

A) *Sewer Service Provider.*

- i. Kirkland Customers within the identified area of Kirkland’s service area shall at all times be Kirkland sanitary sewer customers and subject to Kirkland’s rates and charges, including connection charges. Redmond shall not bill any such Kirkland Customers directly for sanitary sewer service.

- ii. Redmond Customers within the identified area of Redmond's service area shall at all times be Redmond sanitary sewer customers and subject to Redmond's rates and charges, including connection charges. Kirkland shall not bill any such Redmond Customers directly for sanitary sewer service.

B) *Customer Reporting.*

- i. Each December, Redmond will notify Kirkland in writing of the number of its residential customer equivalents (RCE or RCEs) connected to Kirkland's system, and Kirkland will notify Redmond in writing of the number of its RCEs connected to Redmond's system. RCEs shall be determined in the same manner as per the King County Wastewater Treatment Division contract. Annual review of RCEs shall include connection addresses.
- ii. These annual RCE counts will be utilized for the purposes of calculating costs as described in Section 5, below. Each city will identify the employee or position to be notified of the RCE counts.

C) *Transfer of Accounts.* Kirkland currently is providing sanitary sewer service and directly charging three properties located within Redmond's service area. The Cities shall work together to transfer those accounts from Kirkland to Redmond in a reasonable time. Beginning the month the accounts are transferred, Redmond shall pay to Kirkland the wheeling fee(s) for these customers as described in Section 5, below.

5. Maintenance and Operation Costs.

A) *Maintenance and Operation and Costs.* Each city shall provide all repairs, maintenance, and operation reasonably necessary for the assets that it owns. Each city shall be responsible for its own costs of such repairs, maintenance, and operations, including the cost of cleaning/flushing, video inspecting, and otherwise operating and maintaining the sanitary sewer line(s), maintenance holes, lift stations, and the costs of any necessary supplies and power.

B) *Wheeling Fee.*

- i. On January 1st of each year, the number of RCEs shall be reviewed and agreed upon by the Cities.
- ii. For each Redmond property connected to Kirkland sanitary sewer, Redmond shall pay to Kirkland twenty percent (20%) of the local collection component of Redmond sewer service charge as compensation to Kirkland for transmission of sanitary sewage to King County for treatment and disposal. Redmond shall report flows for each connection to King County and pay the regional wastewater treatment charges. Payment to Kirkland shall be made annually in a lump sum payment by January 31 for the prior year's sewer charges. Kirkland shall perform the same for any Kirkland property connected to Redmond sanitary sewer.

6. Duration and Termination.

A) This Agreement shall take effect on the date the last party signs the Agreement, and this Agreement shall continue perpetually in full force and effect until otherwise amended or terminated.

- B) Termination of this Agreement may be accomplished by:
- i. Mutual agreement of the Cities; or
 - ii. Unilateral action of either party upon 1-year's notice to the other party and payment by the terminating party of all reasonable costs incurred by the non-terminating party as a result of the termination; or
 - iii. Unilateral action of 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 (30) days to cure the breach and avoid termination.
- C) The parties agree that in the event all customers of both Cities' customers are disconnected from each other's sanitary sewer systems and are connected to another sanitary sewer system, the parties will terminate this Agreement by mutual agreement.
- D) All sewer system improvements of both Cities made in conjunction with this Agreement and completed prior to termination will remain in place, unless such improvements or connections were made in breach of this Agreement.

7. Property and Financing.

No joint property is being acquired by the parties to this Agreement, and the division of infrastructure to be described in the Basin Plan created pursuant to Section 2 of this Agreement shall at all times be solely owned by the city designated to own the property in the Basin Plan. No joint financing of any purchase, improvement, or activity is provided for in this Agreement. Any construction and maintenance of infrastructure to be owned by one city shall be accomplished at no cost and expense to the other city.

8. Administration.

This Agreement shall be jointly administered by the Directors or their designees.

9. Notices.

Any notices required by this Agreement shall be given in writing to the parties at the following:

Kirkland:

Public Works Director
 City of Kirkland
 123 Fifth Avenue
 Kirkland, WA 98033

Redmond

Public Works Director
 City of Redmond
 P.O. Box 97010
 Mail Stop 2NPW
 Redmond, WA 98073-9710

10. Severability.

Any provision or part of the Agreement held to be invalid, void, or unenforceable under any law or regulation shall be deemed stricken. Unless such stricken provision goes to the essence of the consideration bargained for by a party, all remaining provisions shall continue to be valid and binding upon the parties, and the parties agree that the Agreement shall be reformed to replace

such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

11. Entire Agreement.

This Agreement constitutes the final and completely integrated agreement regarding its subject matter and supersedes all prior agreements and understandings. Prior existing interlocal agreements regarding sewer service in the identified area are superseded and rescinded by this Agreement. This Agreement may be amended only by a written instrument signed by both parties.

IN WITNESS WHEREOF, the Parties have executed this Agreement, effective on the last date executed below. The signatories below represent and warrant that they possess the authority to execute this Agreement and bind their respective entities.

CITY OF KIRKLAND

CITY OF REDMOND

Kurt Triplett, City Manager

Angela Birney, Mayor

Dated: _____

Dated: _____

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

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