



Memorandum

Date: 2/1/2022
Meeting of: City Council

File No. AM No. 22-007
Type: Consent Item

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Public Works	Phil Williams	425-556-2880
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DEPARTMENT STAFF:

Public Works	Teresa Reed-Jennings	Senior Engineer
Public Works	Steve Hitch	Engineering Supervisor
Public Works	Steve Flude	Deputy Director of Public Works

TITLE:

Approval of Amendment No. 1 to the Agreement for Construction, Operation, and Maintenance of Joint-Use Water Storage and Pumping Facility

OVERVIEW STATEMENT:

In 1990, the Cities of Redmond and Bellevue entered an agreement to share in the construction, operation, and maintenance of a joint-use water reservoir and pump station facility. Per the agreement, Redmond reimbursed Bellevue 44 percent of the costs to construct these facilities and reimburses Bellevue 44 percent of the costs to operate and maintain the facilities. These facilities are geographically situated along NE 40th Street and 148th Avenue NE. The two cities entered this Agreement because of the opportunity for reduced costs and adverse environmental impacts associated with construction of two separate water storage and pumping facilities.

As these facilities age, future improvements will be necessary. The agreement did not anticipate certain future capital improvements and ongoing costs for the facilities to conform to changing codes and industry standards to protect water quality, ensure safety, improve resiliency, enhance efficiency, and maintain reliability for the continued benefit of both cities.

Amendment No. 1 to the 1990 Agreement clarifies ongoing responsibilities and procedures for future capital improvement work related to these facilities.

There was a question from a Councilmember recently about how capital projects at these facilities would be reviewed and approved by Redmond. The following excerpts from the agreement address this issue:

"Bellevue may initiate a joint capital improvement project by submitting a project notice to Redmond that includes a purpose or need statement, joint benefit description, proposed scope of work, schedule, budget, and an overview of any anticipated future phases of the project that may follow the initial work. A project with an initial work budget such that each city's respective share is less than the approval limits delegated to each of the signatories of this Amendment No. 1 may be authorized by written approval of Bellevue's Deputy City Manager and Redmond's Mayor or their designees."

Projects that require approval of the legislative body of either city shall be authorized by a written Project Agreement. The Project Agreement shall include a purpose or need statement, joint benefit description, proposed scope, schedule, budget, and an overview of any anticipated future phases of the project that may follow the initial work. The Project Agreement shall include procedures for each city's review and approval of the scoped tasks, including, but not limited to, the development of construction plans, specifications, and estimates, performance of inspections, and the final acceptance of said capital improvement project. The Project Agreement will also provide for procedures to modify scope of work, budget, schedule, and any other provisions deemed necessary by either city."

☒ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information** ☐ **Provide Direction** ☒ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
N/A
- **Required:**
Interlocal agreements require Council approval.
- **Council Request:**
N/A
- **Other Key Facts:**
N/A

OUTCOMES:

The two cities will have a process in place to authorize future improvements for these facilities. Projects with an initial budget within administrative spending limits for each city may be authorized by written approval of Redmond's Mayor or designee and Bellevue's Deputy City Manager. Projects that require approval of either city Council will be authorized by a written project agreement.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
N/A
- **Outreach Methods and Results:**
N/A
- **Feedback Summary:**
N/A

BUDGET IMPACT:

Total Cost:

The City of Redmond will continue to reimburse the City of Bellevue 44 percent of the costs required to operate and maintain the facilities. The costs of activities needed to maintain or update these aging facilities, which may include planning studies, engineering design services, technology updates, and/or associated construction, will be included in future biennial budget proposals submitted to the Council.

Approved in current biennial budget: ☐ Yes ☐ No ☒ N/A

Budget Offer Number:

N/A

Budget Priority:

Healthy and Sustainable

Other budget impacts or additional costs: ☐ Yes ☐ No ☒ N/A

If yes, explain:

N/A

Funding source(s):

N/A

Budget/Funding Constraints:

N/A

☐ Additional budget details attached

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
1/11/2022	Committee of the Whole - Planning and Public Works	Provide Direction

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:

This agreement does not take effect until both Cities' Council has approved it. The City of Bellevue Council approved this agreement on September 7, 2021.

ANTICIPATED RESULT IF NOT APPROVED:

The two cities will not have a process in place for future improvements necessary to update or maintain these facilities; responsibility for operations and maintenance will remain Bellevue's responsibility without an approved process in place for Redmond's involvement regarding necessary improvements.

ATTACHMENTS:

Attachment A: Amendment No. 1 to the Agreement for Construction, Operation, and Maintenance of Joint-Use Water Storage and Pumping Facility

Attachment B: Agreement for Construction, Operation, and Maintenance of Joint-Use Water Storage and Pumping Facility