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CITY OF SHELTON #39440 Rec Fee: \$71.00 Pages: 10



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City of Shelton
525 W. Cota Street
Shelton, WA 98584

Document Title: Utility Extension Agreement (City Water Service)

Grantor(s): City of Shelton

Grantee: Washington State Patrol

Legal Description:
Section 2 & 11
Township 20, Range 4W

Parcel Number: 420023260010, 420112200010, and 420101000000

UTILITY EXTENSION AGREEMENT
(CITY WATER SERVICE)

C110158GSC

Pursuant to Chapter 17.10 "Water and Sewer Service Outside City Limits" of the Shelton Municipal Code, the Parties, the City of Shelton ("City") and the Washington State Patrol ("WSP") hereby enter into the following utility extension agreement ("Agreement").

WHEREAS, WSP desires to obtain City water services for its property, the WSP Academy, located at 631 W. Dayton-Airport Road, Shelton, WA, including Mason County Parcels No. 420023260010, 420112200010, and 420101000000 ("the Academy"); and

WHEREAS, the Academy is outside the Shelton City limits but inside the City's urban growth area ("UGA"); and

WHEREAS, pursuant to the Growth Management Act ("GMA"), Chapter 36.70A RCW, cities are the preferred providers of municipal services, including water and sewer, within their corporate limits and UGA boundaries; and

WHEREAS, also pursuant to GMA, Shelton will eventually annex to the extent of its UGA boundary, including the Academy; and

WHEREAS, The City has a special interest in extending utilities to the Dayton-Airport Road area in order to stimulate expansion and development of State, commercial and industrial uses; and

WHEREAS, WSP has a special interest in extending water service to the Academy to improve water service, and complete the regional projects that currently include sewer and reclaimed water utility services to the area; and

WHEREAS, the Regional Water System is defined in the *Shelton Area Water and Sewer Regional Plan* (Gray & Osborn, November 2001) adopted by the City and WSP, and approved by Washington Department of Health and Washington Department of Ecology. The Regional Water System includes the facilities defined in a separate Memorandum of Understanding, which is attached as Exhibit A.

NOW, therefore, the Parties hereby agree as follows:

I. Water Service Extension

1. The City warrants that it has sufficient water capacity to serve the needs of WSP for domestic, fire flow and other potable water needs. The City will implement the 6-year and 20-year Capital Improvement Plan in the City's Water Comprehensive Plan 2010

and will provide future service to the property owners in the Dayton-Airport Road area with municipal water, using the same terms as required under this Agreement.

2. The City hereby agrees to allow WSP to connect to the City's water system in accordance with Shelton Municipal Code (SMC) Chapter 17.10. When extending the City water main to the Academy, WSP shall also comply with all terms of SMC Chapter 17.10, the City's Comprehensive Water Plan, the City's public works design and utility standards, and this Agreement.
3. WSP agrees to fund all design, engineering, construction, easements, licenses, inspections and all other associated costs of extending City water service from the Satellite Water Reclamation Plant to the WSP Academy. WSP may enter into cost sharing agreement with Washington Department of Corrections.
4. The City agrees to provide sufficient water to meet WSP's water needs of 63,000 gallons per day, average annual use and 132,000 gallons per day, peak day usage. In the event of an emergency, the City agrees to provide water service to WSP in excess of the allocated peak day usage for a period of up to 30 days, to the extent that the City's water system is capable.
5. The City shall administer a latecomer agreement on WSP's behalf pursuant to Chapter 35.91 RCW, with the goal of reimbursing WSP for its contribution to the extension of the water main over and above its pro rata share.
6. The City shall ensure that engineering of the water main extension is compatible with existing extension of sanitary sewer service and reclaimed water.
7. WSP shall pay all lawfully established rates and charges and comply with all requirements regarding the use and maintenance of the utility services as required in Title 15 of the SMC.
8. WSP shall sign and record an agreement, that shall bind the current and future owners of the subject property, providing the city with an irrevocable power of attorney to allow a city representative to sign a petition of annexation on behalf of the property owner, and which waives its right to protest the formation of any local improvement district per SMC §17.10.020(G) and (I).
9. In addition to all other remedies available at law for noncompliance by WSP or any subsequent property owner with the terms of this Agreement, the City shall have the authority to disconnect utility service, and for that purpose may at any time enter upon the private property.

10. The City shall be responsible for contracting design and construction of the water extension through the competitive bidding process and shall manage the project and pay consultant/contractor with reimbursement by WSP as defined in a separate intergovernmental agreement.
11. WSP shall be responsible for all design and construction of connecting infrastructure on the Academy's property to the City's water meter and water main. WSP shall comply with all requirements of the City's development regulations, zoning, fire codes, and portions of the city building code which are referenced in the fire code, and the City public works standards when developing or redeveloping the property.
12. Each party shall defend, protect and hold harmless the other parties from and against all claims, suits and/or actions arising from any negligent or intentional act or omission of that party's employees, agents, and/or authorized subcontractor(s) while performing under this Agreement.

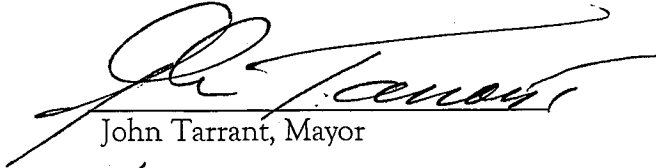
II. Connection to water service

13. WSP shall not connect to the City water system until authorized by the City, and such connection shall be performed under the supervision and direction of the City.
14. Prior to connecting to City water service, WSP shall provide the City with an estimate of daily water consumption at the proposed facilities.
15. WSP agrees to pay all connection charges in the form of General Facilities Charges and consumption rate in accordance with Shelton Municipal Code. The General Facilities Charges will be credited with the design and construction costs provided by WSP for the water extension.
16. Once WSP has connected to City water service, WSP shall use City water as its primary potable water source.

III. Miscellaneous

17. Per SMC § 17.10.020(A), this Agreement shall be recorded in the office of the Mason County Auditor and shall constitute a covenant running with the land that binds current and subsequent property owners to all its terms.
18. Each party agrees to perform any further acts and to execute and deliver any further documents as may be reasonably necessary to fully effectuate the provisions of this Agreement.

CITY OF SHELTON

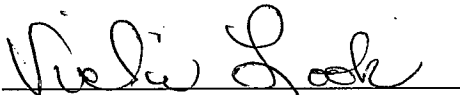


John Tarrant, Mayor

7/26/2010

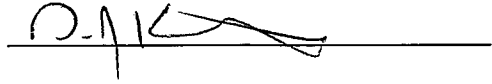
Date

ATTEST



Vicki Look, City Clerk

WASHINGTON STATE PATROL



D.J. Karnitz, Deputy Chief

Name, Title

7-19-10

Date

C110158GSC

Memorandum of Understanding

A Memorandum of Understanding between the City of Shelton, Washington (CITY), Washington State Patrol (WSP) and Washington State Departments of Corrections (DOC) for the Dayton-Airport Road Water Expansion Project and Shelton Regional Water Infrastructure Project

The CITY, WSP and DOC enter into this Memorandum of Understanding (MOU) to show a good faith commitment to a common goal. An MOU is not a legal contract and does not strictly obligate the resources of either governmental entity. This MOU provides a framework to formulate future intergovernmental agreements under authority of RCW 39.34.010 of Washington State Inter-local Cooperation Act to construct water services to WSP and DOC, and the supporting City infrastructure.

1.01 Purpose

This MOU is to collaborate on Phase II of the Shelton Area Regional Water and Wastewater Plan to provide City water and infrastructure to WSP Academy and DOC Correctional Center. This MOU identifies broad areas of collaboration and provides the framework for future intergovernmental agreements.

1.02 Background

- The CITY owns and operates a public water system for purposes of supplying potable water for residential, commercial, industrial, and other public and private use and is authorized to supply water outside of its city limits.
- The WSP and DOC own and operate facilities on the Dayton-Airport Road that require potable water service to improve their function now and in the future. These facilities include the WSP Academy and DOC Correctional Center.
- The CITY has a special interest in extending CITY water and sewer service to the Dayton-Airport Road area in order to stimulate expansion and development, which will ultimately contribute to the CITY's tax base and the financial viability of the CITY's utility.
- Extending water and sewer service to Dayton-Airport Road is consistent with the original intent defined by the Partners in the Shelton Area Water and Sewer Regional Plan (Gray & Osborne, November 2001) to plan and construct infrastructure necessary to provide CITY potable water to the WSP Academy and DOC Correctional Center, including the apportioned percentage for the whole project as defined in Attachment A.
- The parties to this MOU agree providing potable water to the Academy is a high priority and progress is dependant upon secured funding with the desired timeline shown in Attachment B.
- The City is updating its Water Comprehensive Plan as required under RCW 70.116.060 (6) to include an adjustment of service area from the CITY limits to Urban Growth Area, and a six-year Capital Improvement Plan (CIP) that incorporates extending utilities to the Dayton-Airport Road area.

2.01 Objectives

1. The City will own and operate potable water infrastructure to service the WSP Academy in the near term, and the DOC Correctional Center as required to meet long-range plans.
2. The CITY, WSP and DOC will split the cost of various project design and construction activities of water infrastructure. Cost allocation is proposed in Attachment A and will be further defined in a future intergovernmental agreement. Cost estimates are subject to change.
3. The CITY, WSP and DOC understand that partner focus on specific Activities defined in Attachment A offers the opportunity for efficiencies to complete this project in a timely manner. The proposed timeline is described in Attachment B. This will also be included in an intergovernmental agreement.
4. The WSP and DOC commit to design for the extension of the transmission main between the City's Satellite Water Reclamation Plant (SWRP) and the DOC Correctional Center, and construction of the transmission main and appurtenances as needed to supply potable water to the WSP Academy. The WSP and DOC will bear the full cost of this portion of this project.
5. The CITY commits to plan and construct infrastructure such as storage and treatment, disinfection and pipeline improvements, and telemetry necessary to support the supply of potable water to these State facilities once the main is operational. The CITY will bear the full cost of these portions of the Regional Plan to support the potable water extension to WSP and DOC.

4.01 Work Activities and Contacts

- The CITY will be responsible for administering agreements and contracts to complete this project.
- The CITY will prepare an intergovernmental agreement that defines the partner portions of the project costs based upon Attachment A. This agreement will include provisions for latecomers compensation to the state for use of state funded capital investments.
- The WSP and DOC agree to sign Utility Extension Agreements for potable water with the CITY that allows connection only under certain terms and conditions in accordance with the Shelton Municipal Code, as currently enacted or here after amended unless such code is inconsistent with state law.
- The following are contacts directly linked with this project:
 - City of Shelton - Michael J. Michael, P.E. City Engineer (360) 432-5125
 - Washington State Patrol – Arel Solie, Property Management Division Commander (360) 596-6043
 - Department of Correction – Dwight Hollar, Capital Programs Project Manager (360) 725-8344
 - Regional Project Manager – Dennis McDonald (360) 432-5167

5.01 Terms and Conditions

- Terms and Conditions will be defined in future intergovernmental agreements

City of Shelton

THIS IS NOT AN ORIGINAL DOCUMENT

Signed

By:

Date:

Title:

[Signature]

JOHN S. TARRISI

4-19-2010

MAYOR, City of Shelton

Washington State Patrol

WSP No. C100755GSC

Signed

By:

Date:

Title:

[Signature]

D. J. Karnitz

3-31-10

Deputy Chief

Department of Corrections

Signed

By:

Date:

Title:

[Signature]

David B Janssen

4/12/2010

Capital Programs Director

ATTACHMENT A
BUDGET DAYTON-AIRPORT ROAD WATER EXPANSION PROJECT *

Draft CIP Shelton Water Comprehensive Plan Update	Total Estimated Costs	Estimated Design (12% of Total)			Estimated Construction Costs		
		City	WSP	DOC	City	WSP	DOC
D-6 DAR Water Transmission Main - Regional system line SWRP to WSP (11,800 LF)	\$3,192,000		\$206,076#	\$176,964#		\$1,511,220	\$1,297,740
ST-3 Associated Regional system storage & treatment	\$4,824,000	\$578,880			\$4,245,120		
T-1 Shelton Springs Disinfection	\$2,350,000	\$282,000			\$2,068,000		
D-5 Pipeline from Shelton Springs to HS Reservoir							
D-2 Telemetry upgrade	\$160,000				\$160,000		
Estimated TOTAL	\$10,526,000	\$860,880	\$206,076	\$176,964	\$6,473,120	\$1,511,220	\$1,297,740

Estimated Partner Total Shares

	Totals	Anticipated Percent
City (68.6%)	\$7,334,000	69.68%
WSP (16.9%)	\$1,717,296	16.31%
DOC (14.5%)	\$1,474,704	14.01%
TOTAL	\$10,526,000	100%

* Apportioned Project costs based on Contract & Finance Work Group Recommendation 12/16/08

Current WSP and DOC design funds for Water Transmission Main is based on actual state appropriated funds

MOU for Water

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February 2010

ATTACHMENT B

TIMELINE DAYTON-AIRPORT ROAD WATER EXPANSION PROJECT:

Project	Year/Biennium	July 2009-June 2010	July 2010-June 2011	July 2011-June 2012	July 2012-June 2013
D-6 DAR Water Transmission Main - Regional system line SWRP to WSP (11,800 LF)		Design 2010	Design	Construction	
ST-3 Associated Regional system storage & treatment			Design	Design/Construction	Construction
T-1 Shelton Springs Disinfection D-5 Pipeline from Shelton Springs to HS Reservoir			Design	Design/Construction	Construction
D-2 Telemetry upgrade		Completed in 2009	On going as new facilities are constructed		

MOU for Water
City/WSP/DOC

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February 2010