

# **INTERGOVERNMENTAL AGREEMENT FOR TRANSFERRING WATER SATELLITE SYSTEM**

## **BETWEEN**

### **CITY OF CAMAS AND CLARK PUBLIC UTILITIES**

THIS AGREEMENT (Agreement), entered into by and between City of Camas, a Washington Municipal Corporation, (City) and Clark Public Utilities, a Washington Municipal Corporation, and collectively referred to herein as “the Parties.”

WHEREAS, Clark County and the water purveyors within Clark County conduct capital facilities and land use planning under the Growth Management Act (RCW Chapter 36.70A); and

WHEREAS, RCW Chapter 70.116, Public Water System Coordination Act, and WAC 246-293-250 require development of a Coordinated Water System Plan, including establishment of service area boundaries; and

WHEREAS, the designation of service area boundaries facilitates efficient planning and delivery of water services within Clark County, ensures that unnecessary duplication of service is avoided, and provides predictability to the water purveyors, Clark County, and citizens using water services; and

WHEREAS, the designation of service area boundaries will assure that water reserved for public water supply is used in the future in an efficient and planned manner; and

WHEREAS, the designation of service area boundaries for the City of Camas and Clark Public Utilities have been established and the Mountain Glen Class A satellite water system currently operated by Clark Public Utilities is located in the Camas Water Service Area as depicted on the attached Exhibit A; and

WHEREAS, the Green Mountain Planned Residential Development (PRD) is an approved Subdivision in the City of Camas that is located adjacent to the Mountain Glen Subdivision and satellite water system as also depicted on the attached Exhibit A; and

WHEREAS, the water source for the Mountain Glen satellite water system is located on property owned by the Green Mountain PRD and the Green Mountain PRD developer has requested of Clark Public Utilities and the City that the well be decommissioned on condition that another adequate and lawful source(s) can be provided; and

WHEREAS, pursuant to RCW Chapter 39.33, municipalities and political subdivisions of the State of Washington may transfer their real and personal property to another municipality or political subdivision under such terms mutually agreed upon between the parties; and

WHEREAS, Clark Public Utilities' Commissioners approved a transfer of the Mountain Glen satellite water system depicted in Exhibit A in a public meeting held on \_\_\_\_\_, 2018; and

WHEREAS, the City of Camas City Council accepted the Mountain Glen satellite water system in a public meeting held on March 19, 2018; and

WHEREAS, by transferring such satellite water system, Clark Public Utilities is relieved of the obligation and expense of operating and maintaining such system and the City acquires assets and customers from such transfer, but also incurs the obligation of the satellite water system's operation; and

WHEREAS, since the transfer of the satellite water system mutually benefits both Parties, no monetary compensation to either party is provided for in this Agreement.

NOW THEREFORE, in consideration of covenants, conditions, performances, and promises hereinafter contained the undersigned parties hereto agree as follows:

1. Service Area Boundaries. The Parties acknowledge that the map identifying the service area boundaries attached to this Agreement as Exhibit A, accurately identifies the Parties' future water service areas. The Parties agree that there are currently no service area conflicts between the City and Clark Public Utilities.
2. Satellite System Management Program. Clark Public Utilities operates and maintains the Mountain Glen Class A satellite water system within the Camas Service Area and identified on the attached Exhibit A. This system includes a water source, a distribution system, and individual customer meters.
3. Reliability and Fire Safety. The Parties note that the Satellite System has a low-producing well that can compromise fire safety. Increasing reliability for water supply to the area served by the Satellite System and enhancing fire suppression capabilities will benefit the developed property at these sites.
4. Transfer Satellite System. Pursuant to this Agreement, Clark Public Utilities will transfer its interest in the Satellite System to the City. This transfer includes the existing supply well, distribution system, associated water rights, and all Clark Public Utilities real property interest and personal property associated with the System. The transfer of the Satellite System also includes the assumption by the City of the obligation to operate and maintain the Satellite System upon the effective date of the transfer. The transfer of the Satellite System mutually benefits both parties; therefore, there will be no exchange of money for this transaction.

5. Schedule of Satellite System Transfers. Transfer of the Mountain Glen satellite system shall occur when the following conditions for water quality and reliability have been met and the City provides formal written notice to Clark Public Utilities:
  - a. A Camas water distribution main along Ingle Road and NE 199<sup>th</sup> Avenue is installed and an approved connection is made to the existing water main in NE 48<sup>th</sup> Circle.
  - b. The existing Mountain Glen satellite system well and all associated appurtenances are properly decommissioned and the watermain from the well site to the system in NE 48<sup>th</sup> Circle is abandoned.

The effective date of the transfer shall be sixty (60) calendar days after the aforementioned written notice is given. Each transfer may take place separately.

6. Customer Relations. To preserve customers' confidence in their present and future water service and to maintain communication with customers, Clark Public Utilities, 45 days prior to transfer of the system, shall provide written notice of the transfer to their affected customers. The affected customers shall be informed that the existing interim system is temporary and a new water supply shall be provided from the City. The City will also concurrently send pertinent information to the customers concerning the transfer. Clark Public Utilities and City information may be combined in a single mailing packet for convenience.
7. Rates and Charges. Upon the effective transfer to the City, customers within the transferred satellite system area will have the option of entering into a Special Contract with the City per Camas Municipal Code 13.12.080 to pay water rates equal to the rates established for "inside" City of Camas customers, using the same rate schedule as provided to other similar customer classes located inside the City Limits. It is agreed that customers within the transferred satellite system have already paid for their share of, or are vested in, the existing system and shall not be required to pay any System Development Charges to the City upon the transfer date.
8. Transfer of Liabilities. The City will assume liabilities for operating the Satellite Systems on the effective date of the transfer as provided herein and will collect the payments for such service thereafter. Clark Public Utilities will transfer its accounts receivable from Satellite System customers on the date of transfer. City will remit to Clark Public Utilities payments collected for service prior to the date of the transfer.
9. Transfer of Lands that Support Well Fields. It is not the intent of the City to maintain ownership or sell its acquired interest in the existing lands that support each well field after decommissioning of the well system and related facilities. Each parcel that supports a well field shall be quit claimed to the property owner on which the well field and supporting facilities is located on.

10. Indemnification.

- a. Clark Public Utilities agrees to indemnify, defend, save and hold harmless the City, its officials, employees and agents from any and all liability, demands, claims, causes of action, suits or judgments, including costs, attorney fees and expenses incurred in connection therewith, arising out of, or in connection with, or incident to, Clark Public Utilities' operation of the Satellite Systems prior to the effective date of the transfer, as provided for herein. This indemnification shall not apply to liability arising from City's negligence or willful misconduct.
- b. City agrees to indemnify, defend, save and hold harmless Clark Public Utilities, its officials, employees and agents from any and all liability, demands, claims, causes of action, suits or judgments, including costs, attorney fees and expenses incurred in connection therewith, arising out of, or in connection with, or incident to, City's operation of the Satellite Systems after the effective date of the transfer, as provided for herein. This indemnification shall not apply to liability arising from Clark Public Utilities' negligence or willful misconduct.
- c. Clark Public Utilities and City specifically acknowledge that the provisions contained herein have been mutually negotiated by the parties and it is the intent of the parties that the broadest scope of indemnity permitted by law is provided.

IN WITNESS WHEREOF, the parties have executed this Agreement at Camas, Washington, this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

CLARK PUBLIC UTILITIES

CITY OF CAMAS

\_\_\_\_\_  
Wayne Nelson/General Manager

\_\_\_\_\_  
Scott Higgins, Mayor

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

Approved as to form:

Approved as to form:

\_\_\_\_\_  
John Eldridge, Legal Counsel

\_\_\_\_\_  
City Attorney