

Introductions / housekeeping:

- The subcommittee cannot discuss anything that is the subject of pending litigation.

Background / History of Subcommittee:

- Sharman Herrin gave a brief history of the creation of the subcommittee because it has not met for some time. The subcommittee has also been known as the contracts subcommittee.
- In 2001, WTD initially asked the contracts subcommittee to look at extending the term of the contracts, enabling out-of-cycle rate increases for emergencies, and changing the 100% requirement for certain changes to the agreement to 90%. The subcommittee offered input and the county made some modifications to the out-of-cycle rate increase and the concurrence requirement.
- After its initial review of the changes proposed by WTD, the subcommittee discussed other changes. An alternative sewage disposal agreement was proposed. The county did not agree to these proposals.
- Ron Speer provided additional information with respect to the development of the alternative sewage disposal agreement. The agreement contained provisions relating to an operating board, cost containment, and approval of new capital improvements.

Future role of the subcommittee:

- Subcommittee should discuss issues relevant to the sewage disposal agreements and make recommendations to the full committee.
- The role of any subcommittee is to provide a process for input to MWPAAC on specific issues.
- Subcommittee discussions are not a forum for negotiating the contract.
- We are going to need to move forward. This is an advisory committee.
- Need two-way info sharing between the subcommittee and WTD.
- Should review the ground rules for communications that were previously established for the Finance subcommittee.
- The county will negotiate individually with any agency that wants to move forward on an extension of the contract.

Briefing on the status of contract negotiations:

- Sharman Herrin provided briefing at the request of component agencies that have asked for a current overview of WTD's efforts to amend and extend the agreements. The new terms provide for out-of-cycle emergency rate increases, change the concurrence requirement to 90%, and incorporate the policy of ensuring new customers pay capacity charges and sewer rates that in combination cover 95% of the cost of facilities to serve them, as well as extend the term of the agreements to 2056.
- The City of Carnation and the Muckleshoots have fairly recently entered into sewage disposal agreements with the county and those contain the new terms.
- Five other agencies have extended their agreements: Renton, Tukwila, Issaquah, Pacific, and Vashon.

- In the past, Seattle has insisted that a capacity charge methodology be included in any contract extension. Seattle and the county are currently not negotiating.
- A number of agencies have considered the county's proposal in some fashion, but have not taken a formal position. Those are: Alderwood, Algona, Bellevue, Bothell, Brier, Kirkland, Lake Forest Park, Northshore, Redmond, and Ronald.
- Auburn's consideration of the county's proposal may be influenced by water rights mitigation and reclaimed water.
- Skyway and WTD staff met twice in 2007, but the no formal action has been taken on the proposal.
- Kent has indicated it wants to complete its wastewater comprehensive plan update before committing to any extension of the agreement.
- Negotiations with Soos Creek and Cedar River are at an impasse.
- Mercer Island has not voiced any objections to the proposal, but is not ready to seek council approval.
- Discussions with the City of Black Diamond are ongoing. WTD and the city have been working on issues related to the ownership of certain facilities.
- The following agencies have not responded in any substantive manner to the county's proposal: Valley View, Sammamish Plateau, NE Sammamish, Woodinville, Coal Creek, Lakehaven, Cross Valley, Olympic View, and Highlands.

Suggestions to the Executive Board for work plan items:

- "Reporting Forms" for quarterly sewage reports. Could discuss improvements to the reporting form and instructions for completing the form pending completion of agency audits.
- Could make new list of issues that should be addressed in the agreements (5 or 6 things): what needs to be changed? Are there trade-off possibilities?

Questions/Comments:

- Question regarding whether the contracts are superfluous? County hopes to extend all the contracts. (Sewage disposal agreements are the same as contracts).
- Why separate contracts with each agency? Suggestion that they be negotiated together.
- What is the membership of this subcommittee? Per the bylaws and the chair of MWPAAC, membership is open to any member of MWPAAC who wishes to serve.
- Is there a "Me too" clause in the new agreements? This refers to a provision giving a component agency the option of incorporating into its agreement a term or condition that has been included in an agreement with another agency. Will provide information on how many agreements have this provision.
- What agreement did the Muckleshoots have for sewage disposal before signing an agreement with the county? Will provide available information at next meeting.
- Is there a commonality between the agencies that have extended their agreements? Can't speculate on any commonality.
- Are the newer agreements in effect if 90% have not been signed? We can talk about the 90% concurrence provision if we go over the new terms in those recently signed contracts and those that have been extended at a subsequent subcommittee meeting.
- Will Seattle be participating in future subcommittee meetings?
- Since the county operates a regional system, why not a regional contract?

- Why does the county not send an elected official to the MWPAAC meetings to hear the discussions?
- Would it be proper to copy comments from this subcommittee to Executive or Council? Hope the present mode of communication will work: the subcommittee reports its discussions / recommendations to MWPAAC and the committee can then advise the county executive and council.
- Does WTD have a copy of an earlier MOU concerning the exchange of information between the County and MWPAAC?
- Would Christie True or Theresa Jennings come to a subcommittee meeting?
- What about additional questions? If there are questions bring them to the next meeting of the subcommittee or email to Sharman.