

An Adaptive Work Plan

By and Between

King County and

The Metropolitan Water Pollution Abatement Advisory Committee

Recitals

1. King County (hereinafter referred to as “the county”) is a political subdivision of the State of Washington. As of January 1, 1994 it assumed the rights and powers previously exercised by the Municipality of Metropolitan Seattle (Metro), a metropolitan municipal corporation in the State of Washington authorized by Chapter 35.58 RCW. In assuming the rights and powers of Metro the county also assumed its functions and obligations.
2. As authorized by 35.58 RCW, Metro operated a regional wastewater conveyance and treatment system. It provided sewage disposal service to local sewer utilities, primarily cities and special districts, in accordance with long-term agreements.
3. The county, as successor to Metro, has assumed all rights and obligations of the above mentioned agreements and continues to provide sewage disposal service as previously provided by Metro.
4. The Metropolitan Water Pollution Abatement Advisory Committee (hereinafter referred to as “MWPAAC”) is established by 35.58.230 RCW to advise the metropolitan council on matters pertaining to water pollution abatement. It is constituted of representatives from cities and special districts operating sewer systems in the metropolitan area as defined in 35.58.020.
5. MWPAAC has continued to perform its advisory function since the county’s assumption of Metro’s rights, powers, functions and obligations, making recommendations to the executive branch of county government as well as the Metropolitan King County Council.
6. The county, through its Wastewater Treatment Division in the Department of Natural Resources and Parks (KCWTD), is now proposing to extend the term of, and amend, the long term sewage disposal agreements mentioned above. These proposed changes would: 1) extend the termination date of the agreements from 2036 to 2056; and 2) permit out of cycle rate increases in emergency situations; and 3) change the feature of the agreements that requires concurrence of all local agencies contracted with the county for any amendment that addresses sewer rates and charges and distribution of the county’s wastewater system costs.

7. KCWTD has presented its proposed agreement changes to MWPAAC to obtain its advice and recommendations before transmitting the proposed three changes identified in Recital 6, directly to contracted local agencies for approval and execution.
8. MWPAAC has responded with a list of concerns regarding the KCWTD relationship with local sewer agencies and costs incurred by KCWTD as it performs its wastewater treatment and disposal function. To expedite review and resolution of those concerns, and to separate that effort from MWPAAC's review of the county's proposed changes to the sewage disposal agreements, the county and MWPAAC have developed this Adaptive Work Plan.

It is hereby agreed as follows:

Section 1. Administrative Staff Support. KCWTD will provide staff assistance directly to MWPAAC, its chair and its subcommittees for the purpose of arranging meetings, distributing meeting materials, preparing meeting minutes and otherwise handling communications within MWPAAC. The County will dedicate to this purpose the level of staff effort necessary to accomplish the foregoing tasks and provide a single point of contact and support for MWPAAC logistics and administration.

Section 2. MWPAAC Reporting. MWPAAC will report its activities and recommendations monthly to the King County Council's Regional Water Quality Committee at its regular and special meetings. It will also make recommendations to the Council's Utilities and Budget Committees and the county council as a whole as those entities consider legislation related to water pollution abatement activities, and at such other times as MWPAAC may deem appropriate.

Section 3. Outside Services. KCWTD may fund studies and consultant activities related to water pollution abatement activities, but not limited to such activities, jointly directed by MWPAAC and KCWTD when determined by the parties to be in their mutual and respective interests.

Section 4. County Budget Process. KCWTD will describe and explain to the MWPAAC Finance Subcommittee, in such detail and in such manner as shall be determined by the subcommittee chair in consultation with KCWTD staff, the county's annual process for developing the monthly sewer rate and wastewater program budget.

KCWTD will include an explanation of the county's financial management systems as they pertain to the wastewater program. Evaluation shall include the relationship of KCWTD with its interdepartment divisions including but not limited to WLRD, Parks, SWM, and Solid Waste.

KCWTD, in collaboration with the subcommittee, will produce a manual that details the financial structure of the county's wastewater program as well as the processes

mentioned above. Said manual, to be updated annually, will then be available and presented to all MWPAAC members.

Section 5. Review of Sewer Rate and Capacity Charge Proposal. Beginning no later than February 1 of every year, KCWTD and the MWPAAC Finance Subcommittee will engage in a series of meetings for the purpose of developing MWPAAC recommendations on the monthly sewer rate and capacity charge for the following year.

Prior to the time that the county executive transmits a sewer rate and capacity charge to the county council, KCWTD will describe to the subcommittee sewer rate and capacity charge proposals as they are developed within KCWTD, along with appropriate background information and explanation.

The intent of this section is to enable MWPAAC to formulate recommendations to KCWTD before the executive transmits the rate and capacity charge proposal to the council. The rate is legally required to be adopted by the council no later than June 30.

Section 6. Development of Long Term Financial Strategies. In addition to the review of the annual sewer rate and capacity charge proposal described in Section 5, the Finance Subcommittee will examine alternative strategies for financing the county's Regional Wastewater Service Plan (RWSP). The subcommittee will develop recommendations for consideration by MWPAAC as a whole, who will then adopt recommendations to be delivered to KCWTD, the county executive and county council.

Section 7. Review of Central and Direct Overhead Costs. The MWPAAC Finance Subcommittee will undertake a review of overhead (central and direct) and all interdepartmental charges applied to the wastewater program. KCWTD will make every reasonable effort to provide such explanation and data regarding these costs as may be requested by the subcommittee through its chair. The subcommittee will report its findings and any recommendations it formulates to MWPAAC as a whole. Overhead and interdepartmental charges and the manner in which they are applied to the wastewater program will also be detailed in the manual described in Section 4.

Section 8. King County Program Review. KCWTD and MWPAAC will evaluate on an ongoing basis, the County's Wastewater Program to determine projects that may indirectly impact MWPAAC Component Agencies. As such programs are determined, MWPAAC may establish a subcommittee to work with KCWTD to determine potential impacts and to formulate recommendations for disposition of those impacts

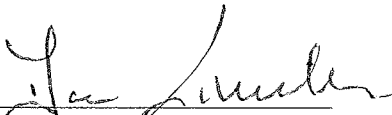
Section 9. Capacity Charge Collection Alternatives. KCWTD, in conjunction with MWPAAC's executive committee and/or any interested member agency, will evaluate alternative approaches for collection of the sewage treatment capacity charge that will include, but not be limited to, payment of the charges by the local sewer agency. The scope and schedule for this evaluation will be determined by the Executive Committee in consultation with KCWTD staff.

Section 10. Capacity Charge Language. MWPAAC, through its executive committee, will continue to work with KCWTD staff on the development of language for inclusion in the sewage disposal agreements that addresses formulation of the county's sewage treatment capacity charge. It is intended that said language would then be added to the agreements as part of the agreement amendment process mentioned in Recital Number 7 above.

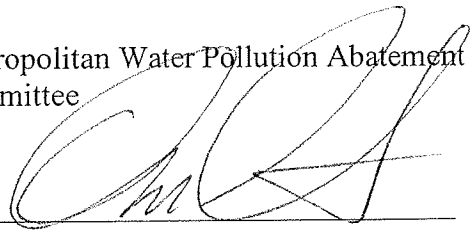
Section 11. Relationship to Sewage Disposal Agreement. Except as provided in Section 10, the purpose and intent of this Adaptive Work Plan is to provide a means for current issues of concern to MWPAAC to be addressed.

The parties have executed this Adaptive Work Plan as of the 19 day of November, 2003.

King County

By   
Director, Wastewater Treatment Division

Metropolitan Water Pollution Abatement  
Committee

By   
Chair