Council Meeting Date: October 13, 2008 Agenda Item: 7(e)

CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Transfer of Richmond Beach Saltwater Sewer Pumps and

Appurtenances to Ronald Wastewater District

DEPARTMENT: City Attorney's Office, Parks and Cultural Services Department

PRESENTED BY: Ian Sievers, City Attorney

PROBLEM/ISSUE STATEMENT:

In 1986, King County transferred ownership of the sewer system in Richmond Beach area to Ronald Wastewater District. This transfer appears to have unintentionally excluded the sewer system serving Richmond Beach Saltwater Park and, therefore, the City is the presumed owner. The District has requested the City release its interest in the lift stations, pumps, and related appurtenances serving the park.

FINANCIAL IMPACT:

The District currently bills the City for sewer service based on water consumption as well as \$5,000 per year to maintain and operate the system. After transfer, the District will continue to bill the City for sewer service based on water consumption, but will no longer bill the City the \$5,000 per year to maintain and operate the sewer facilities in the park. Instead, the District will bill the City approximately \$200/month for the amortized cost (over 20 years) of replacement of pumps at the lower pump station and for a depreciation cost for the pumps. The monthly bill for the City will increase slightly due to the replacement cost, but overall the City should be paying slightly less as the District will no longer bill the City \$5,000/year for maintenance and operation of the facilities. In addition, with this transfer, the City is avoiding having to pay the full cost (\$50,000) of the pump replacement up-front.

RECOMMENDATION

Staff recommends the City Council authorize the City Manager to execute the bill of sale and associated easement, in order to transfer ownership of the sewer system in Richmond Beach Saltwater Park from the City to the Ronald Wastewater Sewer District.

Approved By:

City Manager

City Attorney

INTRODUCTION

Ronald Wastewater District ("District") has requested the City transfer ownership of the two lift stations with pumps and related force main located in the Richmond Beach Saltwater Park. In the 1980s, King County transferred to the District ownership of the sewer system in the Richmond Beach area. It appears this transfer did not include the sewer system within the park. In 1986, King County transferred to the District the majority of its ownership of the sewer system located within the Richmond Beach area. The City relies wholly on the District for maintenance and operation of the sewer system in the park. The exiting sewer pumps require replacement and this proposal addresses a transfer of sewer facilities to address this need as well as ongoing maintenance of the park sewer system.

DISCUSSION

Of the two park lift stations, one is located on the beach, between the foot bridge and the shelter(s) (hereafter "lower lift station") and the second lift station is located in the parking lot (hereafter "upper lift station"). The District has requested that the City release to the District all interest in the stations, pumps and force main so they can consolidate ownership and make needed repairs. According to the District, the lower lift station is designed for two pumps but one has failed (and has been removed) and the other is barely operational. Without pumps, the restroom adjacent to the beach would be unusable. The pumps at the upper lift station are newer and do not need replacement at this time.

The District currently operates and maintains the sewer facilities in the Saltwater Park under an agreement with the City and bills the City \$5,000 per year for these services. The City is billed for sewer service under District rates which are based on water consumption. After transfer of the park sewer system the City's contract payment of \$5,000/year to maintain and operate the facilities will cease, but in addition to the base sewer rate, the District will add a supplemental charge for the cost of replacing the lower lift station pumps amortized over the 20 year expected life of the pumps. The District has estimated the cost to replace the pumps to be \$50,000. The amortization charge together with a depreciation charge on the transferred park sewer system would add a supplemental charge to the current rate of approximately \$200 per month.

To complete the transfer, the City Council needs to authorize the City Manager to execute a bill of sale for the lift stations, pumps and related sewer appurtenances and an easement authorizing the District the right of ingress and egress to/from the park for the purposes of installing, construction, operating and implementing other actions related to operation and maintenance of the sewer system. Staff recommends the City Council authorize execution of the bill of sale and the easement in order to transfer the ownership to the responsible entity.

RECOMMENDATION

Staff recommends the City Council authorize the City Manager to execute the bill of sale and associated easement, in order to transfer ownership of the sewer system in Richmond Beach Saltwater Park from the City to the Ronald Wastewater Sewer District.

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