

**LAKWOOD WATER DISTRICT
PIERCE COUNTY, WASHINGTON**

RESOLUTION NO. B-1464

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF LAKEWOOD WATER DISTRICT, PIERCE COUNTY, WASHINGTON, ESTABLISHING A SPECIAL CONNECTION CHARGE FOR THE UPSIZING OF WATER MAIN CONCURRENTLY WITH CITY OF LAKEWOOD RIGHT-OF-WAY WORK FOR 123rd STREET SW BRIDGEPORT WAY TO 47th AVENUE SW PROJECT.

WHEREAS, Lakewood Water District (“District”) is a special purpose water-sewer municipal corporation authorized and existing under the laws of the State of Washington, Title 57 RCW; and

WHEREAS, the District supplies water to its customers through a water supply system which includes water mains, wells, reservoirs, transmission facilities, and remote stations; and

WHEREAS, Pierce County, a home rule charter county and a political subdivision of the State of Washington (the “County”) owns certain real property legally described on **Exhibit A** attached hereto and depicted on **Exhibit B** attached hereto and incorporated herein by this reference (the “Property”); and

WHEREAS, in or about April 2019, the County sought to sell or lease the Property to a developer (“Developer”) for construction of approximately 605,250 square feet of industrial warehouse/distribution buildings on the Property (the “Warehouse Project”); and

WHEREAS, in reviewing the proposed Warehouse Project, District staff identified limitations in the fire flow capacity of the District water system located in 123rd Street SW in the City of Lakewood, Washington (the “City”) to serve the Warehouse Project due to the size of the existing water main adjacent to the Property. Following review, District staff determined that the approximately 1,400 feet of existing District water main in City right-of-way adjacent to the Property required replacement and upsizing from an 8-inch main to a 12-inch main to provide necessary fire flow capacity for the Warehouse Project; and

WHEREAS, in order for the development of the Warehouse Project to proceed, and as a condition to receiving District water service to the Warehouse Project, the County and/or the Developer would be responsible for and required, at their sole cost and expense, to replace and upsize the 8-inch main to a 12-inch water main, as described in the preceding Recital (the “Upsizing Work”); and

WHEREAS, on April 22, 2019, the City Council for the City of Lakewood authorized the award of a contract for construction of certain right-of-way improvements to extend 123rd Street SW and 47th Avenue SW (the “City Project”). The City Project was to commence in May 2019 and be completed in July 2019; and

WHEREAS, City staff advised the District, the County, and the Developer that if the Upsizing Work was not performed within the City Project area concurrently with the construction of the City Project, the Upsizing Work would be subject to the City's trenching and pavement moratorium in 123rd Street SW for several years and/or would be subject to significant fees charged by the City associated with pavement degradation; and

WHEREAS, due to the possible impacts of delay and financial burdens on the Warehouse Project caused by the City Project, the County requested that the District proceed with the performance of the Upsizing Work at the District's expense to avoid such delay and financial impacts, and offered to pay and reimburse the District for all of its fees, costs, and expenses incurred to perform the Upsizing Work; and

WHEREAS, in reliance on the County's representations that it would reimburse the District for all of its fees, costs, and expenses incurred in performing the Upsizing Work, the District adopted Resolution No. B-1451 on April 25, 2019, declaring an emergency and authorizing District staff to contract with a contractor to perform the Upsizing Work; and

WHEREAS, District staff entered into a contract dated May 17, 2019, with Miles Resources, LLC (the "Contractor") to perform the Upsizing Work; and

WHEREAS, the improvements installed in connection with the Upsizing Work provide special benefit to the Property and are completed and available to serve the Property; and

WHEREAS, as itemized on **Exhibit C** attached hereto and incorporated herein by this reference, the final costs to the District for the Upsizing Work, including construction costs, and the District's engineering, legal, inspection, and overhead costs, total Two Hundred Eighty-Six Thousand Four Hundred Sixty-Four and 21/100 Dollars (\$286,464.21) (the "Total Costs").

WHEREAS, on or about December 23, 2019, the District received from the County the sum of Two Hundred Fifty Thousand Dollars (\$250,000.00), which amount the District has applied to the Total Costs;

WHEREAS, the sum of Thirty-Six Thousand Four Hundred Sixty-Four and 21/100 Dollars (\$36,464.21) of the District's Total Costs remains unpaid; and

WHEREAS, RCW 57.08.005(11) authorizes the District to charge property owners seeking to connect to the District's water system, as a condition to granting the right to connect, such reasonable connection charges as the District Board of Commissioners shall determine to be proper in order that the property owners shall bear their equitable share of the cost of such system; and the improvements required by property owners seeking to connect to the system; and

WHEREAS, District staff have recommended the District (a) establish a special connection charge for the Property, based on the location of the Property and the Upsizing Work performed by District in order to make adequate water service available to improvements on the Property, including the contemplated Warehouse Project; and (b) pursuant to RCW 57.08.005(11), include in such special connection charges an interest charge applied from the date of the adoption of the special connection charges by District resolution until connection, or for a period not exceeding ten (10) years,


whichever is shorter, at a rate commensurate to the rate of interest applicable to the District at the time of construction of the Upsizing Work, now therefore,

BE IT RESOLVED by the Board of Commissioners of Lakewood Water District of Pierce County, Washington, as follows:

1. The Recitals set forth above are adopted as if set forth in full herein.
2. A special charge in the amount of Thirty-Six Thousand Four Hundred Twenty-Four and 21/100 Dollars (\$36,421.21) for connection of water service to the Property is hereby adopted and shall be assessed against the owner of the Property as further described in **Exhibit A** and depicted on **Exhibit B** attached hereto at the time such owner applies to the District for the connection of the real property to the water main improvements constructed in connection with the Upsizing Work.
3. Notice of the adoption of the special connection charge referenced in Paragraph 1 above shall be recorded with the Pierce County recorder, together with the attached **Exhibits A** and **B** describing the Property affected by such special connection charge.
4. The special connection charge referenced in Paragraph 2 above shall be adjusted at the time such charges are payable to the District to include an interest charge of 6 percent (6%) per annum applied from the date of construction of the Upsizing Work until the connection, or for a period not to exceed ten (10) years from the date of this Resolution, whichever occurs first.
5. This Resolution shall be effective the date of its adoption set forth below.

ADOPTED by the Board of Commissioners of Lakewood Water District, Pierce County, Washington, at the regular open public meeting thereof held the 16th of April 2020.


LAKWOOD WATER DISTRICT

By: 

John S. Korsmo, Commissioner and President

By: 

Gregory S. Rediske, Commissioner and Vice President

By: 

Gary J. Barton, Commissioner and Secretary

Legal Description of Property

PARCEL A

That portion of Government Lot 1 in the SE Quarter of the NW Quarter of Section 12, Township 19 North, Range 2 East of the W.M. in Pierce County, WA, lying southerly and easterly of a Tract conveyed to the State of Washington for Primary State Highway No. 1 in Deed recorded under Recording Number 1802941 and lying westerly of the westerly line of the Northern Pacific Railroad Right of Way.

PARCEL B

A portion of the George Gibbs Donation Land Claim, recorded as follows:
Commencing at the SE corner of Lot 2, Section 12, Township 19 North, Range 2 East of the W.M., in Pierce County, WA;

Thence south parallel with the west line of Section 12, 2002 feet; thence east at right angles 586.6 feet to the westerly line of the Northern Pacific Railroad Right of Way; thence north along said westerly line of the Northern Pacific Railroad Right of Way 2,010 feet, more or less, to the easterly prolongation of the north line of the George Gibbs Donation Land Claim; thence west 729.4 feet to the Point of Beginning.

Except the west 30 feet conveyed to Pierce County for F.T Carlyle County Road (74th Avenue SW) in Deed recorded under Recording Number 1364082; and

Except the south 200 feet thereof; and

Except that portion conveyed to the State of Washington for Primary State Highway No. 1 by Deed recorded November 26, 1957 under Recording Number 1802941.

EXHIBIT B

Depiction of Property

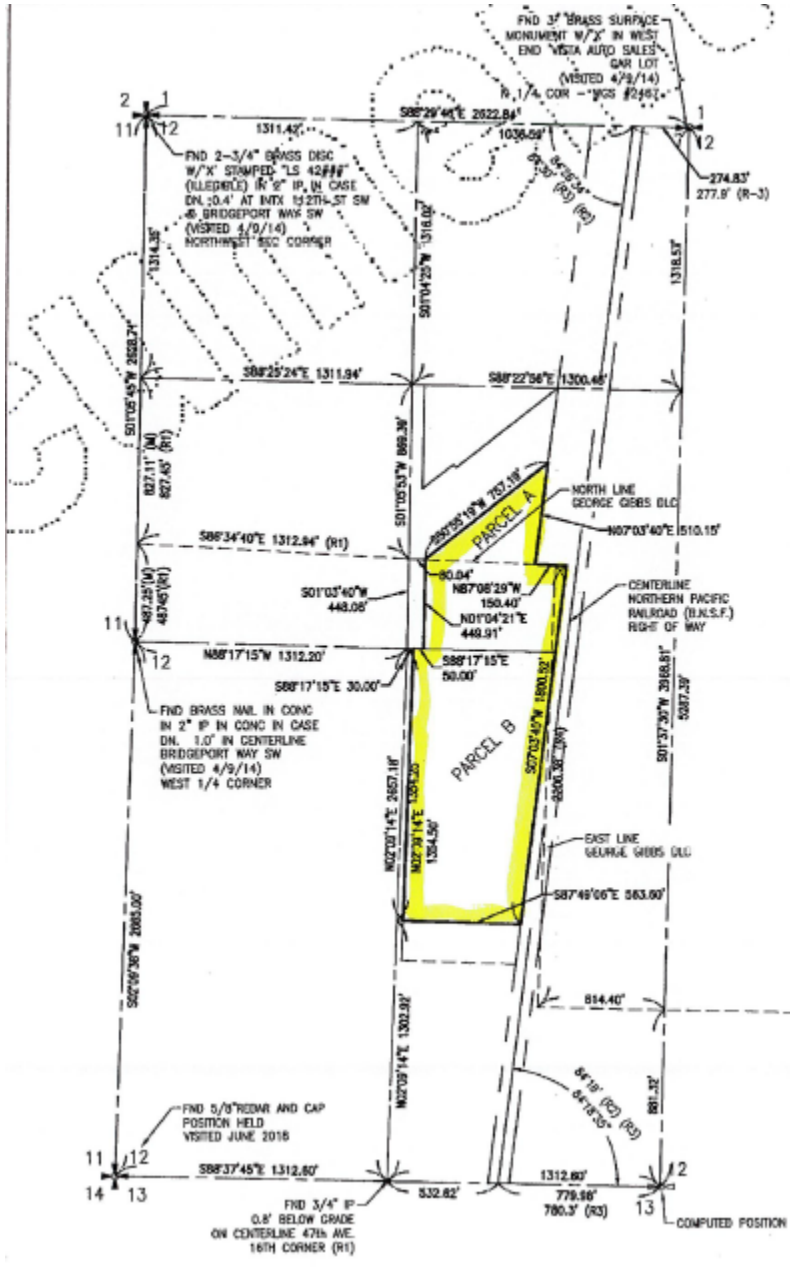


EXHIBIT C

Total Costs



COMMISSIONERS
J.S. Korsmo, Jr.
G. J. Rediske
G. J. Barton

GENERAL MANAGER
Randall M. Black

INVOICE # 6718

April 16, 2020
Originally Dated : August 8, 2019
1st Revision (with 10% late fee): November 7, 2019

Pierce County Facilities Management
1102 Broadway Ste 302
Tacoma WA, 98402

RE: Reimbursement Request for 123rd St Project per County Agreement

DESCRIPTION	AMOUNT
Engineering Costs	
- Craig D. Gibson Consulting Engineer, P.E. (4/16-4/30/19)	\$ 1,023.50
- Craig D. Gibson Consulting Engineer, P.E. (5/1-5/15/19)	\$ 178.00
- Craig D. Gibson Consulting Engineer, P.E. (5/16-5/31/19)	\$ 445.00
- Craig D. Gibson Consulting Engineer, P.E. (6/1-6/15/19)	\$ 267.00
- Craig D. Gibson Consulting Engineer, P.E. (6/16-6/30/19)	\$ 133.50
- Craig D. Gibson Consulting Engineer, P.E. (7/1-7/15/19)	\$ 267.00
- RH2 Engineering	\$ 12,151.33
Subtotal - Engineering Costs	\$ 14,465.33
Construction Costs	
- Miles Resources	\$ 249,025.26
Subtotal - Construction Costs	\$ 249,025.26
Legal Costs	
- Inslee, Best, Doezie and Ryder, P.S.	\$ 3,217.50
Subtotal - Legal Costs	\$ 3,217.50
Inspection Costs - Lakewood Water	
- May 2019 - 65 hrs @ \$50.00 per hour	\$ 3,250.00
- June 2019 - 161.25 hrs @ \$50.00 per hour	\$ 8,062.50
- July 2019 - 2 hrs @ \$50.00 per hour	\$ 100.00
Subtotal - Inspection Costs	\$ 11,412.50
3% Overhead Costs	\$ 8,343.62
TOTAL DUE	\$ 286,464.21
PAYMENT MADE (12/23/2019 - CHECK NO. 1526175)	\$ (250,000.00)
BALANCE DUE	\$ 36,464.21
THANK YOU	

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