

RESOLUTION NO. 00 03 09 - 324

A Resolution of the Board of Commissioners of Water District No. 125, King County, Washington, authorizing execution of an agreement providing for membership in the Water Supply Association.


WHEREAS, the Board of Commissioners deems it advisable and in the District's best interests to join in and cooperate with a group of water purveyors invited by the City of Seattle to form a caucus to negotiate new water supply contracts; NOW, THEREFORE:

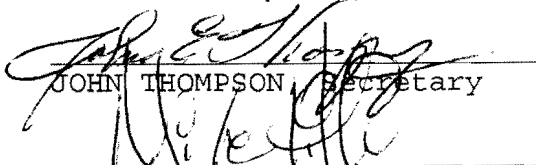
BE IT RESOLVED by the Board of Commissioners of Water District No. 125, King County, as authorized by the Interlocal Cooperation Act, R.C.W. 39.34, the District is authorized and does hereby execute an Interlocal Agreement establishing the District's membership in the Water Supply Association, a copy of which agreement is appended to this resolution.


DONE at a regular, open public meeting of the Board of Commissioners of Water District No. 125, King County, Washington held on the ninth day of March, 2000.

ATTEST:

  
JOHN THOMPSON, Secretary

  
GARY JOHNSON, President

  
JOHN THOMPSON, Secretary

  
MICHAEL HIHN, Commissioner

WATER SUPPLY ASSOCIATION  
INTERLOCAL AGREEMENT

I. RECITALS.

A. Parties. Except as provided herein, the undersigned municipal corporations are parties to water supply contracts with the City of Seattle or desire to obtain such contracts.

B. General Statement of Purpose. The undersigned have been invited by Seattle to form a caucus to negotiate new contracts for water supply. The undersigned desire to join together and create, by this interlocal agreement, a body to establish representation, guidelines and funding for such negotiations and to participate in regional water planning.

C. Non-members. Certain municipal corporations which purchase water from Seattle have joined the Cascade Water Alliance. Those municipal corporations will utilize the Cascade Water Alliance for representation before Seattle and will not be parties to this interlocal agreement.

Now, therefore, the parties hereto agree as follows:

II. DEFINITIONS.

A. "Water Supply Association" or "Association" means the association of municipal corporations formed by this interlocal agreement.

B. "Supermajority Vote" means Board approval of a proposal by a fifty-five percent (55%) vote on the basis of one vote per Member or a Weighted Vote.

C. "Weighted Vote" means a vote that is based upon each Member's average annual volume of water purchased from the City of Seattle during the three complete calendar years prior to the vote.

C. "Dual Supermajority Vote" means Board approval of a proposal by two(2) fifty-five percent (55%) votes on the basis of one vote per Member and a Weighted Vote.

E. "Member" means a signatory to this interlocal agreement.

F. "Board" means the joint board of the Association as described herein.

G. "Member Representative" means an elected official, staff member or other person duly authorized by the Member to sit on the Board.

### III. FORMATION; NAME; PURPOSE; AND POWERS.

A. Formation. Pursuant to RCW Ch. 39.34 (The Interlocal Cooperation Act), the undersigned hereby join the Association and agree to be bound by the terms and conditions hereof. This interlocal agreement shall take effect and the Association shall be formed upon the execution hereof by two parties. The Association shall be a public body and an instrumentality of the Members.

B. Name. The Association shall conduct its business under the name "Water Supply Association."

C. Optional Formation of Corporation; Bylaws. The Association may, under RCW 39.34.040(3) be incorporated as a public non-profit corporation under RCW Ch. 24.03 or 24.06, or organized in any other manner permitted by law. The officers of the Association may execute and file with the proper authorities articles of incorporation or similar documents in connection with incorporating the Association or organizing it in some other manner. Whether or not the Association is incorporated or otherwise organized, the Board may adopt bylaws for purposes of internal governance.

D. Membership. Membership shall be limited to municipal corporations having or desiring to obtain water supply contracts with Seattle who are not members of the Cascade Water Alliance. Members may be admitted upon reasonable terms and conditions as the Board may determine, including, but not limited to, payment of a percentage share of the costs of forming the Association on the basis of water consumption used for determining the Member's Weighted Vote.

E. Purposes. The Association's purposes are to: (1) assist its Members in negotiating water supply contracts with the City of Seattle; (2) appoint representatives to the caucus with Seattle referred to in the recitals hereof and provide assistance of professional consultants with respect to such representation; (3) participate in regional water planning, and (4) to do any and all things necessary or incidental to carry out such purposes.

F. Powers. To further its purposes, the Association shall have the full power and authority to do the following:

1. To enter into such contracts as are appropriate to its purposes;
2. To hire and fire personnel and consultants;
3. To sue and be sued;
4. To invest its funds;
5. To establish policies, guidelines or regulations to carry out its powers and responsibilities; and
6. To exercise all other corporate powers that the Association may exercise under law subject to the terms hereof.

G. Term. This agreement shall terminate upon dissolution of the Association in accordance with Article V., section B. hereof.

#### IV. ORGANIZATION; BOARD; OFFICERS.

A. Board. The Association shall be governed by a joint Board which shall be composed of one duly appointed Member's Representative of each Member. The Board shall have the authority to manage all of the business and interests of the Association.

1. Member Representatives. Each Member shall provide written documentation to verify the appointment of their Member Representative to the Board. Members may change their Member Representatives at any time and may designate alternates who may serve in the absence of the first designated Member Representative.

2. Votes. Every proposal submitted to the Board for approval is subject to approval by a Supermajority Vote of the Interlocal Agreement

Members present at a duly called and convened meeting. Any Member may also call for a Dual Supermajority Vote of the Members present on any proposal at such a meeting.

3. Meetings. The Board shall adopt a regular meeting schedule. Special meetings may be called by the Chair or by not less than twenty percent (20%) of the Members. Written notice of regular and special meetings shall be mailed or electronically transmitted to each Member at least seven (7) days prior to the meeting date. An emergency meeting may be called utilizing such notice as is reasonably feasible in accordance with RCW 42.30.070.

4. Quorum. At least forty percent (40%) of the Members must be present at any meeting of the Board as a condition to the transaction of any business.

B. Executive Committee/Officers. The officers of the Association shall be a Chair, Vice Chair, Secretary and Treasurer. The offices of Secretary and Treasurer may be combined. Officers must be duly appointed representatives to the Board. The Officers shall constitute the Executive Committee of the Association which shall have no power except to make recommendations to the full Board. Officers shall have the power to accomplish all proposals authorized by the Board. Officers shall be elected by the Board at the first meeting of the Association held in each calendar year.

C. Committees. The Board may establish such committees as it may determine from time to time.

D. Financial Management.

1. Budget. The Board must approve an annual budget determining the Association's revenues and expenditures at least ninety (90) days before the beginning of the fiscal year in which that budget will be in effect, except for the year 2000, when the annual budget shall be effective immediately upon Board approval.

2. Dues. Each Member must pay annual dues by a date established by the Board in payment of the Member's share of the Interlocal Agreement

costs of operating the Association. The dues payable by each Member shall be based on water usage as defined for the purpose of the Member's Weighted Vote.

3. Special Assessments. The Board shall have the power to levy special assessments during the course of a year as required to fund specific actions approved by the Board.

4. Limits on Board Powers. The Board shall not incur debt or obligations beyond that contained in an annual budget or special assessment.

5. Inspection. All Association books and records shall be open to inspection by the Washington State Auditor and any Member.

#### V. DISSOLUTION; WITHDRAWAL.

A. Withdrawal. Any Member may withdraw from the Association and this interlocal agreement upon sixty (60) days prior written notice to the Association. Withdrawal shall be effective upon the sixtieth (60th) day from the receipt of the notice by Association. All dues and assessments shall be deemed fully earned upon Board approval thereof. Notwithstanding the foregoing, a Member shall not be responsible for payment of (1) dues which are contained in an annual budget which is approved by Board vote after the Association's receipt of a Member's notice of withdrawal, and (2) special assessments which are approved by Board vote after which the Member's notice of withdrawal is received within thirty (30) days.

B. Dissolution. The Association shall be dissolved when there are less than two (2) members or upon a Dual Supermajority Vote. Upon dissolution, the Association shall wind up its affairs, pay its debts and distribute its remaining assets, if any, to the remaining Members in accordance with the same percentage as their Weighted Vote.

#### VI. MISCELLANEOUS.

A. Filing. This agreement shall be filed with the proper governmental agencies as provided in RCW 39.04.040 and .050.

B. Amendments. This agreement may be amended upon a Dual Supermajority Vote.

C. Applicable Law and Venue. This agreement shall be governed by the laws of the State of Washington. Venue for any legal action hereunder shall be the King County Superior Court in Seattle, Washington.

D. Severability. If any provision of the agreement or its application is held by a court of competent jurisdiction to be illegal, invalid, or void, the validity of the remaining provisions of this agreement or its application to other entities or circumstances shall not be affected. The remaining provisions shall continue in full force and effect and the parties' rights and obligations shall be construed and enforced as if the agreement did not contain the particular invalid provision. Notwithstanding the foregoing, if the invalid provision or its application is found by a court of competent jurisdiction to be substantive and to render performance of the remaining provisions unworkable and infeasible, to seriously affect the consideration upon which this agreement is founded and is inseparably connected to the remainder of the agreement, then the entire agreement shall be deemed void.

E. Entire Agreement. This agreement constitutes the entire and exclusive agreement between the parties relating to the specific matters covered in this agreement. All prior or contemporaneous verbal or written agreements, understandings, representations, or practices relative to the foregoing are superseded, revoked, and rendered ineffective for any purpose. This agreement may be altered, amended, or revoked only as set forth herein. No verbal agreement of implied covenant may be held to vary the terms of the agreement, any statute, law or custom to the contrary notwithstanding.

F. Execution. This agreement may be executed in one or more counterparts.

IN WITNESS WHEREOF, the parties hereby execute this agreement as of the respective dates set forth below.

Purveyor Name: \_\_\_\_\_

by: Barry L. Johns

by: John E. Hargis

Date: 3-9-00, 2000

Authorizing Resolution or Ordinance no.: 00-03-09-324