

**KING COUNTY WATER DISTRICT NO. 125
KING COUNTY, WASHINGTON**

RESOLUTION NO.09-08-26-429

RESOLUTION OF THE BOARD OF COMMISSIONERS OF KING COUNTY WATER DISTRICT NO. 125, KING COUNTY, WASHINGTON, APPROVING A SETTLEMENT AGREEMENT WITH THE CITY OF TUKWILA RELATING TO RIGHT-OF-WAY FEES.

WHEREAS, King County Water District No. 125 ("District") is a special purpose utility district providing water utility service to property within its boundaries; and

WHEREAS, the City of Tukwila ("City") is a municipal corporation which regulates its rights-of-way, and imposes a review, inspection and pavement mitigation fee ("Fees") for work within the right-of-way pursuant to Chapter 11.08 of the Tukwila Municipal Code; and

WHEREAS, the District and Valley View Sewer District (collectively the "Districts") disputed the application and legality of the Fees, and filed a lawsuit challenging the Fees under King County Superior Court Cause No. 07-2-22797-1KNT ("Litigation"); and

WHEREAS, after the Litigation was initiated, the parties met on several occasions to discuss the legal issues raised. In response to the Districts' concerns, the City issued two "Informational Memorandum", dated July 8, 2008 and August 12, 2008, which clarified the application of the pavement mitigation fee; and

WHEREAS, the issuance of the Informational Memoranda afforded the parties with a basis to resolve their dispute, and provided the framework for a negotiated settlement which is set forth in the Settlement Agreement, attached hereto as Exhibit 1;

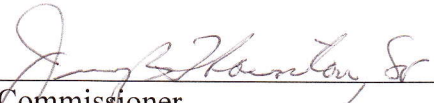
WHEREAS, the District's Board of Commissioners has reviewed the Settlement Agreement and desires to approve the same;

BE IT RESOLVED, by the Board of Commissioners of King County Water District No. 125, King County, Washington, as follows:

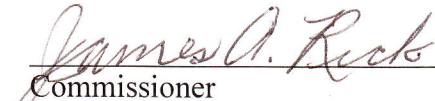
Section 1. Approval of Settlement Agreement. The Board hereby approves the Settlement Agreement, attached hereto as Exhibit 1 and incorporated herein by reference as if set forth in full.

Section 2. Authorization to Implement. The Board authorizes the Board President to execute the attached Settlement Agreement, and directs District staff to perform all necessary actions to implement the Settlement Agreement.

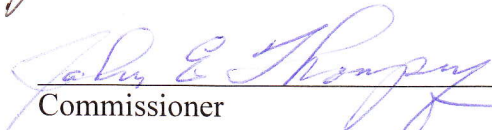
ADOPTED by the Board of Commissioners of King County Water District No. 125, King County, Washington, at a regular open public meeting thereof held on the 26th day of August, 2009.



Commissioner



Commissioner



Commissioner