



Regional Wastewater Contract Negotiations Update

MWPAAC

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Team Members

- ▶ Bob Burns, King County
- ▶ Mark Isaacson, King County
- ▶ Ron Speer, Soos Creek
- ▶ Fanny Yee, Northshore
- ▶ Pat Brodin, Tukwila
- ▶ Dave Christensen, Renton
- ▶ Linda De Boldt, Redmond
- ▶ Judi Gladstone, Seattle
- ▶ Alison Bennett, Bellevue



Goals for Contract Negotiations

- ▶ **Strong, open, collaborative partnership between WTD and contract agencies**
- ▶ Environmental and financial stewardship
- ▶ Regulatory compliance
- ▶ Proactive work together to maximize benefits for all
- ▶ Certainty as well as the capacity to be flexible for future opportunities



Documents



- ▶ Proposed Regional Wastewater Contract Provisions Summary
- ▶ Completed to Date Guiding Principles Directory
- ▶ Recommended Board Roles (based on Guiding Principles)



Guiding Principles Completed to Date

- ▶ Asset Management
- ▶ Audit
- ▶ Billing Methodology
- ▶ Capital Projects
- ▶ Contract Amendments
- ▶ Contracting Out WTD Operational Services
- ▶ Conveyance Wheeling
- ▶ Innovation
- ▶ Industrial Waste
- ▶ Infiltration and Inflow
- ▶ Local v. Regional Facility Ownership
- ▶ Negotiations
- ▶ Operating Board
- ▶ Rate Setting
- ▶ Recycled Water
- ▶ Regulatory Requirements and Legislation
- ▶ Residential Customer Equivalent (RCE)
- ▶ Service Area Expansion and Contraction
- ▶ Strategic Financing
- ▶ WaterWorks



Proposed Operating Board

- ▶ New governance structure
- ▶ Provides a formal voice for contract agencies
- ▶ Focus is on operational issues - major policy direction memorialized in contract
- ▶ Composition of the Board:
 - ▶ 3 King County
 - ▶ 7 contract agencies (groupings based on RCE percentages; updated every 6 years)
 - ▶ Seattle (40% vote)
 - ▶ Large City (12%); Medium City (12%); Small City (12%)
 - ▶ Large District (8%); Medium District (8%); Small District (8%)
 - ▶ Each subgroup above is responsible for selecting its representative
 - ▶ Three year term; alternates elected along with representatives



Proposed Operating Board (continued)

- ▶ Voting
 - ▶ King County: 1
 - ▶ Contract agencies: 1
 - ▶ If agreement cannot be reached, both positions will be outlined (with rationale) and presented to the decision maker(s) (such as the KC Executive)
 - ▶ Voting by contract agencies is by weighted majority vote (any one of the following three combinations):
 - ▶ At least 50% total RCEs *and* at least 1 district and 1 non-Seattle city, OR
 - ▶ Any combination of agencies that represent 60% or more of the RCEs, OR
 - ▶ 50% or more of the RCEs *and* 5 out of 7 of the total votes.



Next Steps



- ▶ Obtain feedback from MWPAAC on work to date
- ▶ King County will assign an attorney to meet with the Regional Negotiating Team to begin a legal review of the Guiding Principles
 - ▶ Goal: Understand the principles, obtain clarifications on language and intent before beginning to draft a contract