

CITY OF BLAINE
REQUEST FOR COUNCIL ACTION
MEETING DATE: June 12, 2006

SUBJECT: Birch Bay Water and Sewer District's Temporary Bayvue Water Distribution System Intertie Reactivation

SUBMITTING DEPT: Public Works

PREPARED BY: Stephen R. Banham, Director

AGENDA LOCATION: Comments/Communications ; Consent ; Committee Reports
New Business ; Council Action ; Public Hearing ; Standing Committees

ATTACHMENTS: Birch Bay Water & Sewer District-executed *Amendment No. 2 to June 14, 2004 Memorandum of Understanding between Birch Bay Water & Sewer District and the City of Blaine regarding Establishment of a Temporary Bayvue Water Distribution System Intertie*

ANALYSIS/SUMMARY: To accommodate Birch Bay Water and Sewer District's anticipated 2006 summertime water demands, the District desires to reactivate the Temporary Bayvue Water Distribution System Intertie per the terms of the attached amended *Memorandum of Understanding*, which the City and District originally executed in June 2004. The District's request is consistent with the provisions of Article 6.01 of the April 2002 *City/Birch Bay Water and Sewer District Agreement for Wholesale Supply of Water*, which obligates the City to provide water to the District, up to the District's contract demand, at the two existing permanent delivery points, and at additional new or alternate delivery points as specified by the District (to which the City consents).

RECOMMENDATION: Waive 2nd Reading: Staff recommends that City Council waive the second reading and authorize the City Manager to execute the attached *Amended Memorandum of Understanding* to reactivate the Birch Bay Water and Sewer District Temporary Bayvue Water Intertie.

FISCAL ANALYSIS: When Birch Bay Water and Sewer District uses this intertie, the City will receive revenues for actual water consumption at the same wholesale water price rate as the existing Birch Bay Water and Sewer District Birch Point meter.

REVIEWED BY:
City Manager _____ Finance Dir. _____ City Clerk _____

COUNCIL ACTION:
 Approved Denied Tabled/Deferred Assigned to: _____

COUNCIL ACTION: _____

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**Amendment No 2
To
June 14, 2004 Memorandum of Understanding
Between
Birch Bay Water & Sewer District and the City of Blaine
Regarding
Establishment of a Temporary Bayvue Water Distribution System Intertie**

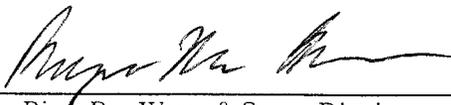
This Memorandum of Understanding (MOU) is entered into by the Birch Bay Water and Sewer District ("District") and the City of Blaine ("City"). The purpose of the MOU is to set forth the conditions and understandings agreed to by City and District in order to establish the temporary Bayvue Water Distribution System Intertie as an additional point of delivery of water from City to District. This MOU serves to augment, and does not supercede, or amend, the Agreement for Wholesale Supply of Water dated April 2, 2002 ("Agreement") between City and District.

Accordingly, City and District agree:

1. To establish a temporary water distribution system intertie ("the Temporary Bayvue Intertie") between City and District water mains on Semiahmoo Parkway and easterly of Bayvue Drive, respectively.
2. That the Temporary Bayvue Intertie constitutes an "additional" point of delivery as provided in Agreement Article 6.01.
3. That District will construct, preserve, and operate, all at District cost, the facilities required for the Temporary Bayvue Intertie, including a protected, but readily accessible and City-lockable flow control valve and a protected, but also readily accessible water consumption meter, at City connection point; and that City understands that District will install all facilities above ground except for a run of about 20 feet in the existing 12 inch diameter culvert under the bike path.
4. That deliveries through the Temporary Bayvue Intertie are interruptible by City and subject to City's ability to meet City's existing and future West Blaine retail customer demands.
5. That, although City water that will flow to the Temporary Bayvue Intertie will transit more of City's West Blaine water distribution system than water that flows to District's Birch Point Meter, City will only charge District the Birch Point Surcharge as delineated in Agreement Article 9.04 for water that flows through the Temporary Bayvue Intertie.
6. This MOU expires one year from the MOU execution date noted below, unless City and District mutually agree by MOU Amendment to revise same.
7. District will, within 30 calendar days of the expiration date, remove all temporary facilities and restore all property within City limits to pre-MOU conditions.
8. That this MOU does not address the terms and conditions applicable to a permanent reciprocal intertie at this location, which District has requested that City consider, nor does this MOU establish any precedent for the rates and other terms of a permanent reciprocal intertie.

Executed this _____ day of _____, 2006

City of Blaine



Birch Bay Water & Sewer District