



King County

Dow Constantine

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January 3, 2023

The Honorable Dave Upthegrove
Chair, King County Council
Room 1200
C O U R T H O U S E

Dear Councilmember Upthegrove:

This letter transmits a proposed Ordinance that, if approved, would authorize me to execute an amendment to an agreement with the Washington state Department of Ecology (Ecology) approved via Ordinance 18959 for loan financing of capital costs associated with the Georgetown Wet Weather Treatment Station project. This project will benefit the public by protecting water quality in our region and the loans will reduce costs to ratepayers.

The proposed legislation would authorize the execution of an Ecology State Revolving Fund (SRF) loan amendment consisting of a 30-year loan for state fiscal year 2022 in the amount of \$43,000,000 with an interest rate of 1.6 percent and a 30-year loan for state fiscal year 2023 in the amount of \$96,311,096 with an interest rate of 1.4 percent. It would also close out the original loan funding and funding provided pursuant to Amendment 1 totaling \$48,684,994 plus interest. The two new low-interest loans from the proposed Amendment 2 will save King County ratepayers \$68,981,780 in interest expenses compared with a 30-year conventional bond financing.

The state fiscal years 2022 and 2023 SRF loans will provide additional funding for reimbursement of King County's construction phase expenditures for the project's treatment station, the related pipes, and a new outfall structure into the Duwamish River. The treatment station construction phase began in 2018. In addition, the 2023 SRF loan will provide additional funding for reimbursement of the project's preconstruction phase expenditures that occurred prior to 2018. Once this project is complete, the treatment station will treat up to 70 million gallons per day of combined stormwater and wastewater that would otherwise discharge directly to the Duwamish River without treatment during storm events.

In designing the Georgetown Wet Weather Treatment Station project, the Department of Natural Resources and Parks (DNRP) engaged neighbors near the project through a Design Advisory Group comprised of individuals connected to the Georgetown community as well as through surveys, community meetings, and interviews. DNRP incorporated community input into the siting, landscaping, and design work for this project.

The Honorable Dave Upthegrove

January 3, 2023

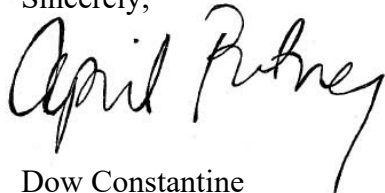
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The proposed legislation furthers the King County Strategic Climate Action Plan goal of preparing for climate change through financing a facility that will help contain and control stormwater.

Thank you for your consideration of this proposed Ordinance. This important legislation will save King County ratepayers money and protect water quality in our region.

If your staff have any questions, please contact Kamuron Gurol, Division Director of the Wastewater Treatment Division of the Department of Natural Resources and Parks, at 206-263-5767.

Sincerely,

 for

Dow Constantine
King County Executive

Enclosure

cc: King County Councilmembers
ATTN: Stephanie Cirkovich, Chief of Staff
Melani Pedroza, Clerk of the Council
Shannon Braddock, Chief of Staff, Office of the Executive
Karan Gill, Deputy Chief of Staff, Office of the Executive
Mina Hashemi, Council Relations Director, Office of the Executive
Christie True, Director, Department of Natural Resources and Parks (DNRP)
Kamuron Gurol, Division Director, Wastewater Treatment Division, DNRP