## STAFF REPORT

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| **Agenda Item:** | 7 | **Name:** | Andy Micklow |
| **Proposed No**.: | 2021-0043 | **Date:** | March 23, 2021 |

**SUBJECT**

An ordinance approving the North City Water District 2020 Water System Plan.

**SUMMARY**

Proposed Ordinance 2021-0043 would approve the North City Water District 2020 Water System Plan, meeting the requirement for utilities that are special purpose districts created pursuant to Title 57 RCW.

**BACKGROUND**

The North City Water District (District) serves an area that extends from the southern border of Mountlake Terrace on the north to State Route 523 on the south, and from approximately Interstate 5 on the west to Lake Washington on the east. The retail service area includes portions of the cities of Shoreline and Lake Forest Park. As of 2018, the District served an estimated population of 25,512 through 8,161 connections. The District purchases its entire water supply from the Seattle Public Utilities (SPU)

regional water supply system.

The previous water system plan was approved in 2013 by King County Ordinance 17714.

**King County Utility Comprehensive Plan Criteria**

King County Code Chapter 13.24 requires the Utilities Technical Review Committee (UTRC) to review and make recommendations to the Executive and County Council on the adequacy of all water and sewer comprehensive plans and related matters, and to determine whether the plan:

* is consistent with the King County Comprehensive Plan,
* is consistent with local comprehensive plans,
* reflects current supply and demand,
* forecasts future supply and demand,
* provides a capital plan for obtaining, using, storing and conveying water and sewage, and
* provides sufficient information to demonstrate the utility district’s ability to provide service consistent with all applicable laws and regulations.

In addition to satisfying the requirement of KCC Chapter 13.24, the County's approval also provides state regulatory agencies with the determination required under RCW 43.20.260 that the Plan is consistent with the King County Comprehensive Plan and implementing development regulations.

Additionally, King County has adopted a Comprehensive Plan that includes policies that address water policies for facilities and services, calling for consistency with other adopted plans, pursuit of reclaimed water, water conservation, and protection of water resources.

**UTRC ANALYSIS OF THE North City 2020 Water System Plan**

The UTRC finalized its review of the Plan in August 2020 (see Attachment 5 to this staff report for a more detailed description of the UTRC review). The UTRC found that the Plan meets the requirements of KCC chapter 13.24 and has recommended its approval. Highlights of the Plan, as reviewed by the UTRC, are outlined below.

**Service Area:** The North City Water District's existing retail service area encompasses approximately 5 square miles from Mountlake Terrace on the north to State Route 523 on the south, and from approximately Interstate 5 on the west to Lake Washington on the east. The retail service area includes portions of the cities of Shoreline and Lake Forest Park. The service area is nearly fully developed. As of 2019, the District served a population of approximately 25,512 residents providing water for approximately 11,073 equivalent residential units (ERU) through 8,161 service accounts.

The District has remaining annexation areas available and has some boundary inconsistencies with the Lake Forest Park Water District affecting 34 parcels, wherein North City serves 22 properties within Lake Forest Park’s boundary, while Lake Forest Park serves 2 properties within North City’s boundary. The remaining parcels are in an unannexed area between the two providers. This planning process clarified the service inconsistencies, but there have been no annexation or boundary review changes.

**Supply:** The District obtains its water from Seattle Public Utilities (SPU). Additionally, the District maintains two emergency interties with Mountlake Terrace.

The UTRC determined that the 2020 Water System Plan demonstrates the ability of the North City Water District to provide service consistent with the requirements of all applicable statutes, codes, rules, and regulations.

**Growth:** As of 2018, the District served an estimated population of 25,512 and is forecast to serve a projected population of 26,714 by 2029 and 28,323 in 2039. There is a projected annual demand of 687 million gallons in 2039.

The 2020 Water System Plan demonstrates that the District is able accommodate the both the growth in population and demand within its service area.

**System Improvements:** The 2020 Water System Plan contains a ten-year capital improvement plan with an estimated cost of $29.2 million. The District identified multiple funding sources for the proposed improvement projects including water sales, connection charges, utility local improvement district (ULID) financing, developer extensions, bonds, and state or federal grants and/or loans.

**SEPA:** The District completed a State Environmental Policy Act (SEPA) checklist for the Plan and, as lead agency, issued a Determination of Nonsignificance for the issuance of the Plan on March 17, 2020. There were no appeals.

**AMENDMENT**

Amendment 1 is a technical amendment that would update the attachment to the ordinance to the final version of the water system plan dated October 2020.

**INVITED**

* Jae Hill, Chair, Utilities Technical Review Committee

**ATTACHMENTS**

1. Proposed Ordinance 2021-0043 ([click here for link](https://mkcclegisearch.kingcounty.gov/View.ashx?M=F&ID=9205753&GUID=74782ADE-8918-4DD6-BC53-8AE659724199) to Attachment A dated March 2020)
2. Amendment 1 ([click here for link](https://mkcclegisearch.kingcounty.gov/View.ashx?M=F&ID=9257718&GUID=E2CE7612-B7A6-44AD-A5D0-914F87282282) to the new Attachment A dated October 2020)
3. Transmittal Letter
4. Fiscal Note
5. UTRC Matrix