

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON,
APPROVING AN AMENDMENT TO THE INTERLOCAL AGREEMENT BETWEEN THE CITIES
OF OLYMPIA, LACEY AND YELM (THE CITIES) FOR IMPLEMENTING DESCHUTES WATER
RIGHTS MITIGATION STRATEGY - PHASE V**

WHEREAS, RCW 39.34.010 permits local governmental units to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage and thereby to provide services and facilities in a manner and pursuant to forms of governmental organization that will accord best with geographic, economic, population and other factors influencing the needs and development of local communities; and

WHEREAS pursuant to RCW 39.34.080, each party is authorized to contract with any one or more other public agencies to perform any governmental service, activity, or undertaking which each public agency entering into the contract is authorized by law to perform: provided, that such contract shall be authorized by the governing body of each party to the contract and shall set forth its purposes, powers, rights, objectives and responsibilities of the contracting parties; and

WHEREAS, the Cities have submitted applications for water rights to Washington Department of Ecology (WDOE); and

WHEREAS, in order to secure approvals of those water rights, the Cities have cooperatively developed a mitigation strategy for the Deschutes River that has been accepted by the WDOE; and

WHEREAS, the mitigation strategy includes restoration of 200 acres of farmland jointly purchased by the Cities in the Deschutes River watershed (Deschutes River property). Habitat restoration mitigation actions will take place over several years on the property and include: riparian planting along 1 mile of river frontage, stream channel and wetland restoration, and ongoing land management responsibilities; and

WHEREAS, by Interlocal Agreement effective November 14, 2007, the Cities completed Phase I of a water rights acquisition strategy by identifying potential water rights for acquisition; and

WHEREAS, by amended Interlocal Agreement effective January 19, 2010, the Cities completed Phase II of a water rights acquisition strategy for mitigation purposes by jointly acquiring water rights and property in the Deschutes River basin and developing a habitat restoration assessment for that property; and

WHEREAS, Olympia's water rights were issued by WDOE in December 2011 and Lacey's water rights were issued by May 2012, and Yelm's water right was approved but appealed in November 2011; and

WHEREAS, through Interlocal Agreement effective August 23, 2012, the Cities completed Phase III of the Deschutes Mitigation Strategy by retiring water rights; fencing the Deschutes River property; developing a 60% design for habitat restoration mitigation actions, project schedule and costs for habitat restoration mitigation actions identified in the cities' mitigation plans; and contracting for the services of a project manager to coordinate and lead this effort; and

WHEREAS, through Interlocal Agreement effective April 27, 2015, the Cities completed Phase IV of the Deschutes Mitigation Strategy by advancing to 100% the design and bid specifications for the habitat

enhancement projects that were designed to 60% under Phase III, applying for and obtaining necessary project permits, and hiring consultants to help support this effort and to oversee ongoing property management; and

WHEREAS, on October 8, 2015, WDOE's approval of Yelm's water right application was overturned by the Washington State Supreme Court thereby eliminating any immediate benefit Yelm would receive from habitat enhancement mitigation projects but not diminishing Yelm's interests as a joint owner of the Deschutes River property; and

WHEREAS, the Cities of Olympia and Lacey are required as a condition of their water rights to continue implementation of the Deschutes Mitigation Strategy by constructing habitat restoration projects designed under Phase IV, by completing riparian revegetation projects described in approved mitigation plans, and by hiring consultants to support this effort and to oversee ongoing property management; and

WHEREAS, the Cities need to continue to manage and maintain the jointly-owned Deschutes River property. Amendment of the Interlocal Agreement between the Cities of Olympia, Lacey, and Yelm for implementing Deschutes water rights mitigation strategy - Phase V is necessary to allow for this continued management and maintenance.

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL DOES HEREBY RESOLVE as follows:

1. The Olympia City Council hereby approves the form of the amendment to the Interlocal Agreement between the Cities of Olympia, Lacey, and Yelm (the Cities) for implementing Deschutes water rights mitigation strategy - Phase V and the terms and conditions contained therein.
2. The City Manager is authorized and directed to execute on behalf of the City of Olympia the Interlocal Agreement, and any other documents necessary to execute said Agreement, and to make any minor modifications as may be required and are consistent with the intent of the Agreement, or to correct any scrivener's errors.

PASSED BY THE OLYMPIA CITY COUNCIL this _____ day of _____ 2021.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

Michael M. Young

DEPUTY CITY ATTORNEY