



City Hall  
601 4th Avenue E.  
Olympia, WA 98501  
360-753-8244

## City Council

### Approval of Resolution Related to Purchase of Property in Lieu of Condemnation for Construction of Drinking Water Reservoir in Southeast Olympia

**Agenda Date:** 7/23/2013  
**Agenda Item Number:** 4.F  
**File Number:** 13-0576

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**Type:** resolution **Version:** 1 **Status:** Passed

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**Agenda Item:**

Approval of Resolution Related to Purchase of Property in Lieu of Condemnation for Construction of Drinking Water Reservoir in Southeast Olympia

**Issue:**

City staff requests authorization to complete negotiations with the property owner to acquire property and easements to construct a new water reservoir and transmission main in lieu of condemnation. The project is necessary for the City to meet the requirements of the Washington State Department of Health and our obligations in the 2009-2014 Water System Plan. If a negotiated purchase cannot be reached, the Resolution directs staff to return to Council for final authorization to commence a condemnation action.

**Committee Recommendation:**

Not referred to a committee.

**City Manager's Recommendation:**

Move to approve the resolution authorizing staff to complete negotiations towards a purchase and sale agreement in lieu of condemnation, and directing staff to request final authorization to commence a condemnation action if a negotiated agreement cannot be reached.

**Staff Contact:**

Clark Halvorson, Public Works Water Resources, 360.753.8426  
Tom Morrill, City Attorney, 360.753.8223

**Presenter(s):**

None.

**Background and Analysis:**

The City's Water System Plan guides the Drinking Water Utility in operating, maintaining and replacing its existing infrastructure as well as planning for growth. The current six-year Plan was adopted by City Council and approved by the Washington State Department of Health in 2009.

The Water System Plan identified a critical need for additional storage capacity in southeast Olympia, Zone 417 (see attachment titled "Water System Map"). Additional storage is required to provide needed fire flow

and capacity for peak use periods. The existing Reservoir that serves southeast Olympia needs preventative maintenance. This project would allow us to take the existing reservoir offline while maintaining service and fire protection. These needs were identified in the 2009-2014 Water System Plan and are included in the 2013-2018 Capital Facilities Plan.

The City determined that a portion of the property identified as Parcel No. 11830420000 (the Trillium Property - see attachment titled "Property Detail") is the most suitable property due to location and elevation. We have been working with the property owners, DR Horton, since 2009 to acquire approximately 5.3 acres to construct the new reservoir, as well as an access road and 55-foot easement to allow for the construction of the water main that will connect the new reservoir to our existing system.

The property owner has plans for development of the property and has acknowledged the City's need for the Property and the City's intent to proceed with the project. They have reserved the property identified by the City and incorporated it into their development plans.

The attached Resolution directs staff to complete negotiations on a purchase of the Property in lieu of condemnation or return to Council for final authorization to commence condemnation proceedings if a negotiated purchase cannot be accomplished.

**Neighborhood/Community Interests (if known):**

The new reservoir will benefit current and future residents of Southeast Olympia. It will provide adequate fire flow and storage to meet current and future needs. We have received substantial comments on the development where the reservoir will be built.

**Options:**

Approve Resolution authorizing staff to complete negotiations on the purchase of the property and easements in lieu of condemnation and directing staff to request final authorization to commence a condemnation action if a negotiated agreement cannot be reached.

**Financial Impact:**

The Drinking Water Utility has sufficient funds and spending authority to purchase the property and easements.