



## City Council

### Approval of a Resolution to Adopt the First Amendment of Memorandum of Agreement between the City of Olympia and the Nisqually Indian Tribe

**Agenda Date:** 1/24/2017  
**Agenda Item Number:** 6.A  
**File Number:** 17-0068

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

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#### **Title**

Approval of a Resolution to Adopt the First Amendment of Memorandum of Agreement between the City of Olympia and the Nisqually Indian Tribe

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee.

##### **City Manager Recommendation:**

Move to Approve Resolution to Adopt the First Amendment of Memorandum of Agreement between the City of Olympia and the Nisqually Indian Tribe and authorize the Mayor and City Manager to sign the First Amendment

#### **Report**

##### **Issue:**

Whether to Approve a Resolution adopting the First Amendment of the Memorandum of Agreement

##### **Staff Contact:**

Rich Hoey, P.E., Public Works Director, 360.753.8495

##### **Presenter(s):**

Rich Hoey, P.E., Public Works Director

#### **Background and Analysis:**

In May 2008, the City and Tribe entered into a historic agreement to jointly develop the McAllister Wellfield, and to permanently protect McAllister Springs. The agreement called for the City to retain ownership of the McAllister Springs properties, and for the City and Tribe to work together on access and a plan for long-term use for the properties.

The McAllister Springs properties total about 181 acres. The properties include the headwaters of

McAllister (Medicine) Creek and are important historically and culturally to the Nisqually Tribe. There are a total of five City-owned parcels (parcels A-E) within the McAllister Springs complex.

Since the move to the McAllister Wellfield, the majority of the McAllister Springs properties (all but Parcel B) no longer have any direct use for the Drinking Water Utility. Parcel B includes the main water transmission line from the McAllister Wellfield and remains vital for the City's Drinking Water Utility. Parcel B will be retained by the City.

The cost to maintain all of the McAllister Springs properties is high and will increase over time as facilities age and need repair. Ongoing costs for taxes, insurance, fire protection, and site maintenance are \$25,000 to \$30,000 per year. In addition, known facility repair costs exceed \$145,000 and are increasing. The City also has legal liabilities connected with its ownership of the properties. These costs are currently being borne by the City's utility rate payers, although McAllister Springs is no longer used as the City's drinking water source.

On January 10, 2017, the City Council took action at a regularly scheduled public meeting to declare the McAllister Springs and Abbott Springs properties (jointly referred to as "McAllister Springs") as surplus to the needs of the drinking water utility and the City.

While the original historic 2008 Memorandum of Agreement with the Nisqually Indian Tribe called on the City to retain ownership of the McAllister Springs properties, the Tribe has expressed a willingness to take over ownership of the properties along with all maintenance costs. The Tribe has also expressed a willingness to ensure permanent protection of the property, and to provide periodic access to the City for environmental educational purposes.

Staff recommends that Council adopt a resolution to approve the First Amendment to the Memorandum of Agreement between the City and Nisqually Tribe (see attached) that provides that the plan for ownership of McAllister Springs be changed to convey ownership of a portion of McAllister Springs, consisting of approximately 177.2 acres, more or less, as is, to the Nisqually Tribe and the City retain rights to access and use the McAllister Springs properties for educational and scientific purposes. Also that the McAllister Springs properties remain in a state of perpetual conservation and that the name of the properties known as McAllister Springs and Abbott Springs should be officially changed to their Nisqually name and the parties agree to support efforts to rename the springs by its native Nisqually name. The remainder of the historic Memorandum of Agreement between the parties shall remain unchanged or amended, other than as provided in the First Amendment to the Memorandum of Agreement, except as the parties may so mutually provide in the future by written amendment.

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

The City no longer uses McAllister Springs as a water supply, yet maintenance of the buildings and grounds is currently being borne by the City's water utility rate payers. Over the years, many residents and school groups have toured McAllister Springs for environmental education purposes. There is interest in maintaining access to the property for this type of environmental education which the First Amendment to the Memorandum of Agreement does provide.

**Options:**

1. Approve the Resolution to adopt the First Amendment to the Memorandum of Agreement and

to authorize the Mayor and City Manager to execute such First Amendment on behalf of the City of Olympia.

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2. Do not approve the Resolution to adopt the First Amendment to the Memorandum of Agreement.

**Financial Impact:**

The Drinking Water Utility currently bears the costs of maintaining the McAllister Springs property and facilities.

**Attachments:**

1. Resolution
2. First Amendment of Memorandum of Agreement Between the City and Tribe
3. Map of McAllister Springs Properties