BRIDLE VIEW ANNEXATION AGREEMENT REGARDING WATER FACILITIES

This Bridle View Annexation Agreement Regarding Water Facilities ("Agreement") is made by and between the cities of Kirkland ("Kirkland"), and Redmond ("Redmond"), municipal corporations in King County, Washington.

RECITALS

A. The cities of Kirkland, Redmond, and Bellevue previously entered into an Assumption Agreement whereby the cities assumed the assets, liabilities and operations of the Rose Hill Water District, a former municipal corporation in King County, Washington.

B. The cities of Kirkland, Redmond, and Bellevue previously entered into an Interlocal Operation and Maintenance Agreement dated October 9, 1997 (the "1997 Agreement").

C. Section 2 of the 1997 Agreement assigned the Service Areas to the three cities and provided that any unincorporated area which is subsequently annexed into a city shall remain in or be transferred to the service area of the annexing City.

D. The City of Kirkland has annexed the Bridle View Annexation area. (see Exhibit A)

E. The 1997 agreement is silent on the process and mechanism to transfer the Bridle View Annexation service area and its associated facilities between the cities.

F. Section 14 of the 1997 Agreement provides that the cities may agree to adjust the use and/or ownership of the joint facilities identified in the 1997 Agreement either temporarily or permanently and may agree upon a payment for such transfer.

G. Kirkland and Redmond wish to adjust the ownership percentage of the South Rose Hill Pump Station and provide for payment.

H. Kirkland and Redmond wish to transfer the ownership of the distribution facilities within the Bridal View Annexation;

NOW, THEREFORE, in consideration of the terms and conditions contained herein, the parties agree as follows:

1. Redmond agrees to transfer ownership of the water distribution facilities within the Bridal View Annexation area consisting of approximately 5700 feet of 6-inch AC water mains, fire hydrants, water meters and other appurtenances

2. Redmond agrees to transfers 2% ownership of the South Rose Hill Pump Station.

3. Kirkland agrees that all assets transferred by Redmond to Kirkland under this agreement are transferred "as is, where is" without warranty of any kind. Kirkland agrees that Redmond is not responsible for any defects in the assets transferred under this agreement and that all responsibility for maintenance, repair, or correction of any defects in said assets shall be the sole responsibility of Kirkland upon transfer of the assets.

4. Kirkland hereby agrees to pay and Redmond agrees to accept $21,787 as fair compensation for the transferred assets.

5. Kirkland and Redmond administrative staff shall coordinate the transfer of the assets and customers. City Staff shall select a convenient date for Redmond to do a final reading of the transferred customers meters, for Kirkland to do a beginning read of the transferred customer's meters, and for Kirkland to make payment for the transfer of the assets. Redmond shall provide a bill of sale for the distribution assets that are transferred.

6. Severability. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this Agreement shall not affect the validity of the remainder of this Agreement.

7. This Agreement shall take effect upon signature by each City. Except as expressly modified by this Agreement, all terms and conditions of the 1997 Agreement and 2005 Amendment shall remain in full force and effect.

EXECUTED by the parties on the dates set forth below.

CITY OF KIRKLAND

By: [signature]
Its: City Manager
Dated: 10/21/09

APPROVED AS TO FORM:

By: [signature] 10-21-09
Kirkland City Attorney Date

CITY OF REDMOND

By: [signature]
Its: MAYOR
Dated: 10/29/09

APPROVED AS TO FORM:

By: [signature] 10/29/09
Redmond City Attorney Date

ATTACHMENT A

ORDINANCE NO. 4204

AN ORDINANCE OF THE CITY OF KIRKLAND ANNEXING PURSUANT TO RCW 35A.14.120 ET SEQ. CERTAIN UNINCORPORATED TERRITORY DESCRIBED IN THE PROPERTY OWNERS PETITION FOR ANNEXATION; PROVIDING FOR THE ASSUMPTION OF THE EXISTING INDEBTEDNESS; AND ZONING SAID TERRITORY IN ACCORDANCE WITH SECTION 10.45 OF ORDINANCE NO. 3719, AS AMENDED, THE KIRKLAND ZONING CODE.

Whereas, a Petition for Annexation (circulation of which was authorized pursuant to Kirkland Resolution No. 4749) signed by owners of not less than 60% in value of the property in the annexation area according to the assessed valuation for general taxation of the property described in said Petition has been filed with the City and found to be valid in form; and

Whereas, pursuant to State Law, said proposed annexation has been approved by the King County Boundary Review Board; and

Whereas, pursuant to RCE 35A.14.120 et seq., a public hearing on said proposed annexation was held before the City Council on August 4, 2009; and

Whereas, pursuant to the State Environmental Policy Act RCW 43.21C.222, annexations are exempt from SEPA; and

Whereas, the Kirkland City Council finds said proposed annexation to be within the public interest,

NOW, THEREFORE, be it ordained by the City Council of the City of Kirkland as follows:

Section 1. The unincorporated territory of King County, hereinafter described in Section 4, is hereby annexed to the City of Kirkland.

Section 2. Said territory shall be subject to the existing indebtedness of the City of Kirkland as of the effective date of this annexation ordinance.

Section 3. Said territory shall be zoned in accordance with Section 10.45 of the Kirkland Zoning Code, Ordinance 3719 as amended, which provides that upon annexation to the City, property will be deemed to be zoned with a classification the same as, or as nearly comparable as possible, with the classification that

the property was zoned immediately prior to annexation. Pursuant to said section of the Kirkland Zoning Code, the zoning for the annexed territory is hereby declared to be as set forth in this section and the Director of the Department of Planning and Community Development is hereby directed to make the necessary modifications and extensions of the Zoning Map of the City of Kirkland to so reflect. The real property described in Section 4 shall, under the Zoning and Land Use Policies and Regulations of the City of Kirkland, be zoned RSX 35.

Section 4. The territory annexed to the City of Kirkland by this ordinance is depicted on Exhibit A and is described as follows:

Bridle View Annexation Legal Description

That portion of the southwest quarter of Section 10, Township 25 North, Range 5 East, Willamette Meridian, in King County, Washington and further described as follows:

Beginning at the southwest corner of Section 10, Township 25 North, Range 5 East, Willamette Meridian, in King County, Washington;

Thence easterly, along the south line of said Section 10, a distance of 1312.50 feet, more or less, to the east line of the west half of the southwest quarter of said Section 10, also being the Redmond City Limits as established by Redmond Ordinance #309;

Thence northerly, along said east line, to the easterly extension of the north line of the Plat of Bridle View, as recorded in Volume 74 of Plats, on Page 59, records of King County, Washington, also being the Redmond City Limits as established by Redmond Ordinance #967;

Thence westerly, along said easterly extension, and the north line thereof, to the east line of the west 660 feet of the southwest quarter of said Section 10; also being the Redmond City limits as established by Redmond Ordinance #1578

Thence continuing westerly, along said north line and city limits, a distance of 90.50 feet.

Thence northerly, along said city limits, to the south margin of the Redmond City Limits as established by Redmond Ordinance # 2285, also being the south margin of the widened Old Redmond Rd.;

Thence westerly, along said south margin and its westerly extension to the west line of said Section 10;

Thence southerly, along said west line, to the true point of beginning.

EXCEPT that portion of the 132nd Avenue NE right-of-way as previously annexed under City of Kirkland Ordinance # 3064.

Section 5. The Director of Administration and Finance (ex officio City Clerk) is hereby directed to file certified copies of this annexation ordinance with the King County Council and with the State of Washington Office of Financial Management, together with such additional offices as may be required by law or regulation.

Section 6. This ordinance and annexation shall be effective upon the effective date of this ordinance which shall be October 2, 2009, which is more than 5 days after the date of passage of this ordinance and publication as required by law.

Passed by majority vote of the Kirkland City Council in open meeting this 1st day of September, 2009.

Signed in authentication thereof this 1st day of September, 2009.

Mayor

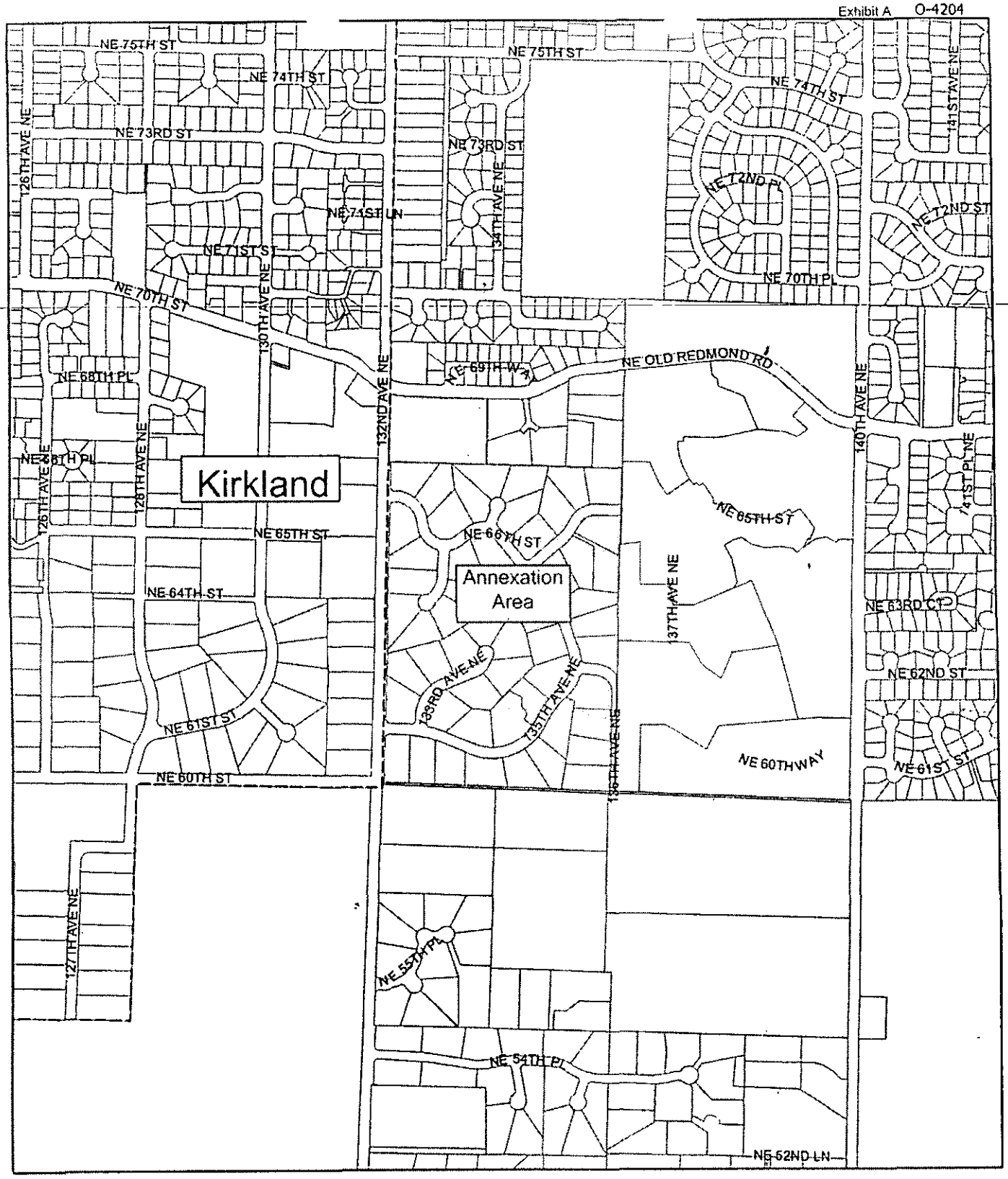
ATTEST:

City Clerk

Approved as to Form:

City Attorney

Exhibit A O-4204



Overview Map

Kirkland City Limits

parcel

Annexation Boundary

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No warranties of any sort, including
but not limited to accuracy, fitness or
merchantability, accompany this product.

1:8,000

BILL OF SALE

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the City of Redmond hereby conveys, bargains and sells and transfers to the City of Kirkland, all its present and future right, title and any interest in and to all of the following property as established in the Bridal View Annexation Agreement, and as approved by the respective councils, on October 20, 2009:

> *Water distribution facilities within the Bridal View Annexation area consisting of 5761 feet of 6-inch AC water mains, fire hydrants, water meters and other appurtenances and the City of Redmond transfers 2% ownership of the South Rose Hill Pump Station.*

to have and hold the same for itself, its successors and assigned forever, free of all liens and encumbrances, or interest of third parties.

DATED this 29 day of October, 20 09.

By John Marchione

Its MAYOR

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that John Marchione signed this instrument, acknowledged it to be his/her free and voluntary act for the uses and purposes mentioned in the instrument.

DATED this 29th day of October, 20 09.

ELIZABETH M. MCANLIS
NOTARY PUBLIC
COMMISSION EXPIRES
01-22-12
STATE OF WASHINGTON

Elizabeth M. McAnlis

NOTARY PUBLIC

My Commission Expires: 01.22.12