

#### ***Decision Point 4 - Consider Intergovernmental Agreement (IGA)***

Staff recommended an Intergovernmental Agreement (IGA) within version-one of the draft regulations presented to Council during the June 2022 work session. The proposed language provided an option for an applicant and City to enter into an intergovernmental agreement (IGA) in lieu of the City issuing a 1041 permit. The IGA is considered a legislative act and would require City Council adoption by ordinance. Under the previous proposal, the IGA would still have to meet the purpose and intent of the 1041 regulations, however it would not be subject to the 90-day shot-clock.

During the phase II public engagement during the summer of 2022 several stakeholders from both the environmental community and potential applicants opposed the use of IGAs in lieu of 1041 permit a provided legal question related to the enforceability. Based on stakeholder feedback, staff removed Code language for Council to pursue IGA in lieu of a 1041 permit and received general support for the version-two draft presented during the November 2022 work session. Since the February 2023 Council meeting, water providers are requesting Council repeal the designation and moratorium ordinance, and rather than adopt 1041 regulations, these stakeholders have suggested that city staff propose an IGA for each major domestic water projects respectively. Staff do not recommend the use of IGAs in lieu of 1041 regulations given the direction from council to create a permit program that is binding in its decision-making authority.