TO: City Council
FROM: Dan Smith, Water Resources & Sustainability Director
DATE: January 4, 2022
SUBJECT: Andersen Water Right Agreement

1) <u>Recommended Action</u>:

Staff requests City Council make a motion authorizing the Mayor to sign the Water Right Purchase and Sale Agreement with Andersen Water LLC. The Agreement was recommended for approval by the Public Works Committee at their December 9, 2021, meeting.

2) <u>Background</u>:

In 2019, Andersen Water LLC informed the Washington State Department of Health and the City of Tumwater that they were ceasing operations as a water service provider to the Velkommen Mobile Home Park. Over the last year, the City has negotiated the transfer of service for the customers of Andersen Water LLC and acquisition of the water rights for service to its existing customers.

The water right, 12 acre-feet, and 100 gallons per minute, is sufficient to supply the on-going needs of the transitioning customers. The City has not yet determined where the water rights will be transferred.

3) <u>Policy Support</u>:

Strategic Priority F - Be a Leader in Environmental Sustainability.

4) <u>Alternatives</u>:

□ There are no identified alternatives that will provide a greater benefit to the City.

5) Fiscal Notes:

Acquisition of the water rights will cost \$27,500.00, funded by the Drinking Water Utility.

6) <u>Attachments</u>:

A. Water Right Purchase & Sale And Conveyance Agreement by and Between City of Tumwater and Andersen Water LLC