

HIGHLANDS SEWER DISTRICT
KING COUNTY, WASHINGTON

RESOLUTION NO. 2023.08

A RESOLUTION of the Board of Commissioners of Highlands Sewer District, King County, Washington, approving application to the Metropolitan King County Council to change the name of the District to Highlands Utility District; and providing for related matters.

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF HIGHLANDS SEWER DISTRICT, KING COUNTY, WASHINGTON, as follows:

Section 1. Findings and Determinations. The Board of Commissioners (“Board”) of Highlands Sewer District, King County, Washington (“District”) takes note of the following facts and makes the following findings and determinations:

(a) The District was formed in 1968 and began operations in 1972, when its sewer system was put into service. Since then, the District has served approximately 110 customers in a service area of approximately 450 acres. The boundaries of the District are coextensive with The Highlands (“The Highlands”), a gated community incorporated in 1907 that is populated by private residential homes, located in the City of Shoreline, Washington.

(b) The Highlands Community Facilities Association (“HCFA”), a Washington nonprofit corporation, owns certain water facilities and storm water facilities within the boundaries of the District, the acquisition and construction of which were financed with bonds issued by HCFA on behalf of the District. The District will become the owner of the HCFA facilities when the HCFA bonds are paid off (which is expected to occur in 2029 or earlier).

(c) The District has determined it is the best interests of the District and its ratepayers for the District to own substantially all water, sewer and storm and surface water facilities and infrastructure within The Highlands. The District effected this policy by approving the HCFA financing, as well as entering into a series of utility facility acquisition agreements with The Highlands, including:

(1) The “Storm Water System Acquisition Agreement,” dated December 14, 2004, under which the District acquired from The Highlands certain stormwater facilities and improvements, a retaining wall, necessary easements and related contracts and intangibles;

(2) The “Stormwater Facilities Acquisition and Improvement Agreement,” dated March 14, 2019, under which the District acquired from The Highlands certain storm and surface water drainage, collection and transmission facilities and related contracts and intangibles; and

(3) The “Water System Acquisition Agreement,” dated May 2, 2022, under which the District acquired from The Highlands certain domestic water system assets, facilities, infrastructure and improvements and related contracts and intangibles.

(d) Pursuant to the foregoing arrangements, the District now owns, maintains and operates a sanitary sewage collection and transmission system, a storm and surface water drainage, collection and transmission system and a domestic water distribution system, and in the future will own the HCFA facilities, all pursuant to Title 57 RCW.

(e) Under RCW 57.04.065, a Washington water-sewer district "... may apply to change its name by filing with the county legislative authority in which was filed the original petition for organization of the district, a certified copy of a resolution of its board of commissioners adopted by majority vote of all of the members of that board at a regular meeting thereof providing for such change of name."

(f) In order to avoid the potential confusion that the District provides only sewer service and to better reflect its current scope of services, it is in the best interests of the District and its rate payers for the District to change its name from "Highlands Sewer District" to "Highlands Utility District."

Section 2. Change of Name. The Board hereby approves the change of the name of the District to "Highlands Utility District."

Section 3. Application. The District Administrator is authorized and directed to apply to change the District's name to "Highlands Utility District" by filing a certified copy of this resolution with the Metropolitan King County Council for approval.

Section 4. General Authorization; Ratification. The President of the Board, the District Administrator, and the appropriate consultants, agents and representatives of the District are authorized to take any further action necessary or advisable to implement this resolution and effect the name change provided herein. All actions taken prior to the effective date of this resolution and consistent with the terms of this resolution are ratified and confirmed in all respects.

Section 5. Effective Date. This resolution takes effect from and after its adoption.

ADOPTED by the Board of Commissioners of Highlands Sewer District, King County, Washington, at an open public meeting thereof, this 26th day of July, 2023.

HIGHLANDS SEWER DISTRICT



President and Commissioner



Commissioner

Commissioner

CERTIFICATION

I, Karl V. D'Ambrosio, Secretary of the Board of Commissioners of the Highlands Sewer District, hereby certifies that the attached resolution is a true and accurate copy of Resolution No. 2023-08 duly approved and adopted by the Board of Commissioners of the Highlands Sewer District by majority vote at a special Board meeting thereof held on July 26, 2023.



Karl V. D'Ambrosio, Secretary
Board of Commissioners
Highlands Sewer District