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May 17, 2024

The Honorable Dave Upthegrove Chair, King County Council Room 1200 C O U R T H O U S E

Dear Councilmember Upthegrove:

This letter transmits a proposed Ordinance that would, if enacted, authorize King County to execute an agreement between the Longacres Owners Association and the Wastewater Treatment Division (WTD) at the former Longacres site located in Renton, Washington. The agreement will allow the Longacres Owners Association to own and utilize an existing, almost 30-year-old, effluent cooling system located at the Longacres office park, and equipment at WTD's South Plant.

In 2020, the King County Council approved Ordinance 19161, authorizing a sewer heat recovery pilot program allowing up to three pilot projects. The Longacres project is being transmitted as a standalone agreement outside of the pilot program because, as an existing installation, it will not provide information about the market for new sewer heat recovery projects.

In December 2021, the Boeing Company sold the Longacres property to Unico Properties. Portions of the property, including the effluent cooling system, will be subsequently transferred to the Longacres Owners Association in 2024. The effluent cooling system is a legacy sewer heat recovery system, utilizing the wastewater effluent line from the South Treatment Plant in Renton. The system was built in the mid-1990s through an agreement with the Municipality of Metropolitan Seattle, the predecessor to WTD. While the original agreement between Metro and Boeing expired in 2017, the system is still operational.

The proposed agreement with the Longacres Owners Association memorializes commitments made in the 1992 agreement for user ownership of the equipment utilized in the effluent cooling system. The proposed agreement also includes key Council-approved terms from Ordinance 19161, namely that the user is responsible for the cost and risk associated with

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operating and maintaining the system; the user will reimburse the County for any costs incurred to the County to operate or maintain the system including materials or staff time; and, the user will pay an Energy Transfer Fee to King County based on actual energy transferred into the County's wastewater line. The 1992 agreement is attached.

The County will replace, own, and operate the Flow Metering System, per the proposed agreement. The current cost estimate is \$180,000 for the installation, and \$1,000 in annual monitoring and maintenance. No additional appropriation is needed. The estimated Energy Transfer Fee from the user to King County will be \$2,000 per year.

Unico Properties will serve as the designated management company for the Longacres Owners Association as well as the operator overseeing the operations of the effluent cooling system. Both Unico Properties and the Longacres Owners Association support the proposed agreement.

This proposed legislation furthers the Strategic Climate Action Plan goal of reducing greenhouse gas emissions by developing renewable energy resources and utilizing public-private partnership to sell renewable resources to local users.

Thank you for your consideration of this proposed Ordinance. This important legislation would help reduce carbon emissions, reduce potable water use, recover more valuable resources, and generate revenue for additional carbon emission reduction projects.

If your staff have questions, please contact Kamuron Gurol, Division Director of the Wastewater Treatment Division of the Department of Natural Resources and Parks, at 206-549-1190.

Sincerely,

Brenn Baddel

Dow Constantine King County Executive

Enclosure

cc: King County Councilmembers

for

<u>ATTN</u>: Stephanie Cirkovich, Chief of Staff Melani Hay, Clerk of the Council Karan Gill, Chief of Staff, Office of the Executive Penny Lipsou, Council Relations Director, Office of the Executive John Taylor, Director, Department of Natural Resources and Parks (DNRP) Kamuron Gurol, Division Director, Wastewater Treatment Division, DNRP