

Legislation Text

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AN ORDINANCE authorizing the King County executive to execute an agreement with Longacres Owners Association for the sale and use of thermal energy from King County wastewater, and to formally memorialize ownership of the system at the former Longacres site in Renton, Washington.

STATEMENT OF FACTS:

1. Wastewater contains heat energy as it flows through pipelines to the treatment plant and can be both a source of heat for buildings and a sink for unwanted heat from buildings.
2. Recovery of heat energy from wastewater is consistent with the wastewater treatment division's mission to recover resources from wastewater.
3. Use of that renewable heat energy reduces use of fossil fuels for heating and cooling, contributing to efforts to reduce the region's carbon footprint, consistent with King County's Strategic Climate Action Plan, and supports countywide greenhouse gas emissions reduction targets adopted as Countywide Planning Policies by the King County Growth Management Planning Council in 2014.
4. In 1992, the former Municipality of Metropolitan Seattle wastewater utility, now known as the King County wastewater treatment division, and the Boeing Company realized the potential to utilize effluent from the Municipality of Metropolitan Seattle's South Treatment Plant in Renton to cool buildings at the adjacent Boeing Longacres building complex, as an early sewer heat recovery system.
5. The Municipality of Metropolitan Seattle and Boeing signed an agreement in 1992 for

construction, operation, and ownership of an effluent cooling model project at the site. The agreement expired in 2017.

6. The effluent cooling system was constructed, has been operating successfully since the mid-1990s, and is currently operational.

7. During the term of the 1992 agreement, ownership of most components of the effluent cooling model project passed to Boeing, although the transfer of title to the components may not have been formally memorialized.

8. The flow metering system listed in the 1992 agreement is obsolete and needs to be upgraded to provide current flow and temperature data to the County and should be permanently owned and operated by the County consistent with other sewer heat recovery projects.

9. In September 2020, Ordinance 19161, creating a sewer heat recovery pilot program for new sewer heat recovery installations, authorizing a template agreement for users, and authorizing the executive to execute up to three agreements with new sewer heat recovery users, was enacted.

10. Ordinance 19161 also authorizes the wastewater treatment division to transmit an ordinance requesting approval to enter into an agreement for an additional project if there is a project that would provide useful information because it is a different type of development than any of the three pilot projects. The Longacres site is that type of development.

11. In December 2021, the Boeing Company sold the Longacres site to Unico Properties, and in 2024 Unico will transfer ownership to the Longacres Owners Association. The Longacres Owners Association wishes to continue using the existing effluent cooling system.

12. The Longacres site is an established project, already constructed and operational, and as such would not yield useful data on the market for new installations, and thus is not suitable for inclusion as a pilot project in the sewer heat recovery pilot program.

13. The agreement with Longacres Owners Association, Attachment A to this ordinance, for sale and use of thermal energy from King County wastewater at the Longacres site in Renton memorializes commitments made in the 1992 agreement including transfer of ownership of most system components to the site owner; upholds the intent and terms of the template agreement for the sewer heat recovery pilot program in Ordinance 19161, which holds the user responsible for operation, maintenance, and risk associated with operating the system; and provides for the financial terms in Ordinance 19161 including reimbursement for county staff time and user payment of an energy transfer fee to provide a public benefit for generating revenue.

14. The unique nature and complexity of determining if, when, and where a sewer heat transfer might be a useable energy option for a given user demonstrates that sewer heat does not lend itself to a sale to the highest responsible bidder at public auction or by sealed bid. Under such unique circumstances, K.C.C. chapter 4.56 authorizes the county to negotiate a sale directly with a person or entity.

15. The sale of this sewer heat transfer resource, based on the terms and conditions set forth in the agreement, Attachment A to this ordinance, will provide a public benefit by generating revenue that can be used to further carbon emission reduction projects within the wastewater treatment division. Such sales are in the overall best interests of the public.

16. To ensure compliance with the state constitution and state law provisions prohibiting the use of wastewater revenue or assets for private purposes, the county will require payment to the county for county staff and administrative costs associated with operating or upgrading this sewer heat transfer project.

17. "Sewer heat transfer user" is synonymous with the term "a wastewater thermal energy user" as used in the agreement, Attachment A to this ordinance.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. The executive is authorized to execute the Agreement for Sale and Use of Thermal Energy from King County Wastewater, in substantially the same form as Attachment A to this ordinance, and to take all actions necessary to implement the terms of this agreement.