RESOLUTION NO. _____'03-386_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FEDERAL WAY, WASHINGTON, TO FORM LAKE MANAGEMENT DISTRICT NUMBER 1 FOR STEEL LAKE AND CALLING FOR A VOTE OF AFFECTED PROPERTY OWNERS ON THE FORMATION OF THE MANAGEMENT DISTRICT.

WHEREAS, the City of Federal Way completed the Steel Lake Aquatic Plant Management Plan in December of 1995 and updated this plan in April of 2003 (renamed the Steel Lake Integrated Aquatic Vegetation Management Plan) (the “Plan”); and

WHEREAS, the Plan was initiated because of citizen interest in the long-term protection of Steel Lake; and

WHEREAS, Steel Lake contains significant natural resources, such as wetlands, and forms the headwaters for Redondo Creek; and

WHEREAS, the existing lake quality supports fishing, wildlife habitat, swimming, boating, visual aesthetics, waterfront property values, irrigation, and other beneficial uses; and

WHEREAS, pursuant to RCW 35.21.403 and RCW 36.61, a lake management district can be formed to generate funds for financing lake improvement and maintenance projects as recommended in the Plan; and

WHEREAS, the City of Federal Way is committed to a good faith effort of continuing these activities; and

WHEREAS, the Steel Lake community has demonstrated support for the formation of a lake management district through submittal of a petition pursuant to the requirements of RCW 36.61; and

Res. # _____'03-386_______ Page 1
WHEREAS, a public hearing was conducted on June 17, 2003, on the formation of a lake management district; and

WHEREAS, consistent with Chapter 36.61 RCW, public notice of the hearing was provided to all affected property owners on May 27, 2003; and

WHEREAS, testimony was provided by Steel Lake Committee members and interested citizens; and

WHEREAS, the City of Federal Way City Council considered the testimony received at the public hearing; and

WHEREAS, the City of Federal Way City Council declares that submitting the question of formation of a lake management district to a vote by the affected property owners is within the public’s interest; and

WHEREAS, proposed financing for a lake management district is considered feasible;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF FEDERAL WAY HEREBY RESOLVES AS FOLLOWS:

Section 1. Vote of Affected Property Owners. The formation of the Steel Lake Management District Number One (the “District”) shall be referred to a vote of the property owners within the proposed management district. The residents’ Petition to the Federal Way City Council to Create a Lake Management District for Steel Lake is attached hereto as Attachment A and incorporated herein by this reference. The City Clerk of Federal Way shall prepare the appropriate ballot, based upon criteria in Chapter 36.61.080 RCW, calling for a vote on the formation of the District. The ballot shall be submitted to the affected residents no later than July 14, 2003, and shall be returned to the City of Federal Way by no later than five o’clock p.m. (5:00 p.m.) on August 13, 2003 (30 days from the submittal date). If approved by the voters
within the proposed district, the implementation of the District will be effective January 1, 2004 and shall remain in effect for a term of ten (10) years, said term to expire on December 31, 2013.

Section 2. Severability. If any section, sentence, clause or phrase of this resolution should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this resolution.

Section 3. Ratification. Any act consistent with the authority and prior to the effective date of the resolution is hereby ratified and affirmed.

Section 4. Effective Date. This resolution shall be effective immediately upon passage by the Federal Way City Council.

RESOLVED BY THE CITY COUNCIL OF THE CITY OF FEDERAL WAY,
WASHINGTON, this 1st day of July, 2003.

CITY OF FEDERAL WAY

MAYOR, JEANNE BURBIDGE

ATTEST:

CITY CLERK, N. CHRISTINE GREEN, CMC

APPROVED AS TO FORM:

PATRICIA A. RICHARDSON, CITY ATTORNEY
FILED WITH THE CITY CLERK: 6/20/03
PASSED BY THE CITY COUNCIL: 7/1/03
RESOLUTION NO. 03-386
Petition to the Federal Way City Council to Create a Lake Management District for Steel Lake

We, the undersigned Steel Lake property owners, request that the Federal Way City Council approve the creation of a Lake Management District (LMD) for Steel Lake pursuant to RCW 36.61. The LMD funds will finance efforts to protect and enhance Steel Lake in terms of water quality, recreational and aesthetic value.

1. Purpose of the Lake Management District:
   - Form a Lake Management District that creates a funding source for all future aquatic plant management activities, and continue to seek grant opportunities.
   - Perform annual diver surveys to monitor changes in the aquatic plant community.
   - Control and contain both milfoil populations and fragrant water lily populations at as low a density as is environmentally and economically feasible, and at levels that will not impact public safety or the beneficial uses of the lake.
   - Reduce all other identified species of noxious weeds as listed in WAC 16-750 to levels that do not impact public safety or the beneficial uses of the lake.
   - Use appropriate aquatic plant control and treatment methods as needed for all other problematic aquatic weeds, using the best available science to identify and understand their effects on human, aquatic and terrestrial ecosystems prior to implementation.
   - Provide for adequate native vegetation for fish and, if necessary, mitigate for any negative impacts to fish habitat due to non-native plant removal activities.
   - Continue public education to prevent the introduction of noxious weeds, nuisance plants and non-native animal species to the lake; and to aid in the early detection of aquatic weed re-infestations.
   - Continue to involve the Steel Lake Community in the aquatic plant management process.
   - Conduct public education to reduce the amounts of non-point source pollutants entering the lake, which can result in an increase in aquatic algae.

2. Boundary
   The proposed boundary of the LMD would include all the property with lakefront on Steel Lake.

3. Duration
   The proposed duration of the LMD is 10 years.

4. Charges to property:
   Annual rates and charges will be used to raise funds to support LMD activities.

The following is the formula of rates and charges proposed for establishment of the assessment role for the LMD:

Res. # 03-386 _______ Page 5
### Property assessed on dollar per unit

<table>
<thead>
<tr>
<th>Type</th>
<th># of Units</th>
<th>Rate/Unit</th>
<th>Total ($)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undeveloped parcel</td>
<td>7</td>
<td>$30</td>
<td>$210</td>
<td>1%</td>
</tr>
<tr>
<td>Developed parcel (1 single-family dwelling)</td>
<td>89</td>
<td>$85</td>
<td>$7,565</td>
<td>57%</td>
</tr>
<tr>
<td>Parcel with multifamily dwelling</td>
<td>1</td>
<td>$275</td>
<td>$275</td>
<td>2%</td>
</tr>
<tr>
<td>City Park</td>
<td>1</td>
<td>$2,048</td>
<td>$2,048</td>
<td>15%</td>
</tr>
<tr>
<td>Public Boat Launch</td>
<td>1</td>
<td>$3,500</td>
<td>$3,500</td>
<td>25%</td>
</tr>
<tr>
<td><strong>Annual Total</strong></td>
<td></td>
<td></td>
<td><strong>$13,598</strong></td>
<td></td>
</tr>
</tbody>
</table>

The estimated maximum amount that is proposed for the LMD in 2004 is $13,598. An automatic increase based on the Seattle Consumer Price Index (CPI) will be included in each annual billing after 2004. At no time is the increase to be more than five (5) percent per year. Total maximum LMD rate revenue for the ten year LMD based on an annual five percent increase for inflation is $166,440. Issuance of revenue bonds is not proposed.

The attached Steel Lake Integrated Aquatic Vegetation Management Plan includes an estimated itemization of the use of these funds for the ten-year period.

The LMD budget and rates will be approved through a public hearing and a public vote after the city council adopts a resolution to form the LMD. Once approved by the public and city council, the annual rates and charges may not be altered without another public vote and city council approval with the exception of the CPI increase described above.

5. Steel Lake Management District Steering Committee

The volunteer Steel Lake Management District Steering Committee is proposed to represent the interests of LMD property owners in the various neighborhoods around the lake. City staff will work with the Steering Committee to develop the annual work plan. The annual LMD work plan and budget will be forwarded by the Steering Committee for implementation by the City's surface water utility. The Steering Committee will track and review activities and expenditures by the City as well as outside contractors. City staff will provide Steering Committee support including quarterly financial reports.