Utility Update

Port of Olympia

July 14, 2025

Matt Kennelly, P.E.
Executive Director

LOTT™
Clean Water Alliance

1. Our role as a regional utility

2. Our performance

3. Community connections

4. Our planning for the future

LOTT™
Clean Water Alliance

LOTT Clean Water Alliance

Collaboration of four local governments

- **L**acey
- **O**lympia
- **T**umwater
- **T**hurston County

Board of Directors

- One elected official from each jurisdiction
- Meet monthly to oversee LOTT business

Mission: Protect public health and the environment by cleaning water and restoring resources for our community.

Dani Madrone, Olympia

Tye Menser, Thurston County

Leatta Dahlhoff, Tumwater

Carolyn Cox, Lacey

Evolution of Service


The Daily Olympian, Wednesday, December 15, 1976

State Gives Blessing To LOTT,

1976

"LOTT" Formed

2000

New Interlocal Agreement

2025

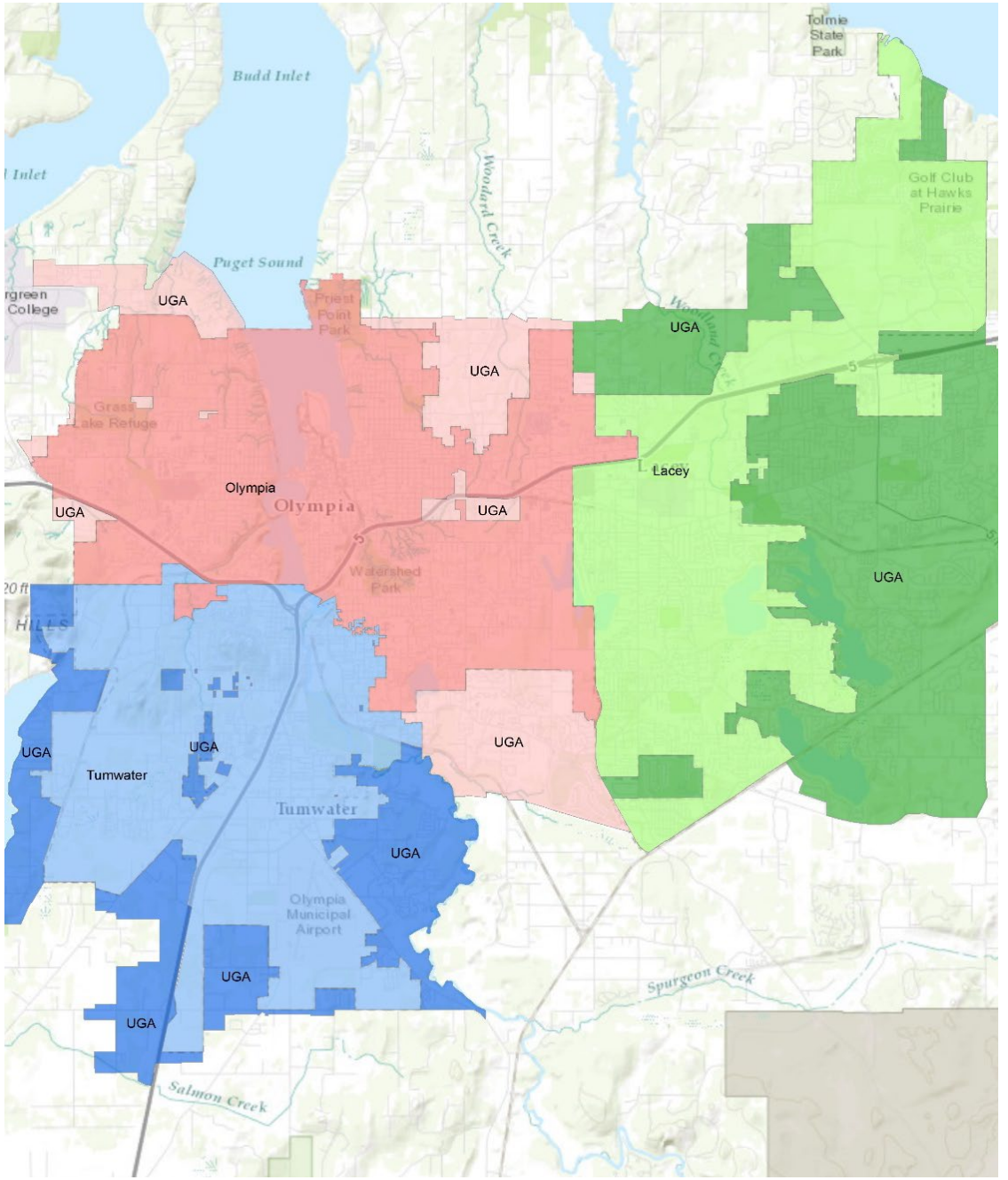
Our Present

2050

Our Future

Service Area

- Population served ~ 140,000
- Ratepayers served through cities (some in urban growth areas)
- Cities build and maintain own collection piping



Budd Inlet Treatment Plant

- Treats 13 million gallons per day
- Major process upgrade just completed

Other Infrastructure

- Budd Inlet Reclaimed Water Plant
- Martin Way Reclaimed Water Plant
- Hawks Prairie Recharge Basins
- Three major pump stations
- 22 miles of sewer interceptor lines
- 11 miles of reclaimed water lines
- 1 million gallon storage tank

LOTT is Highly Regulated

National Pollutant Discharge Elimination System (NPDES) permit

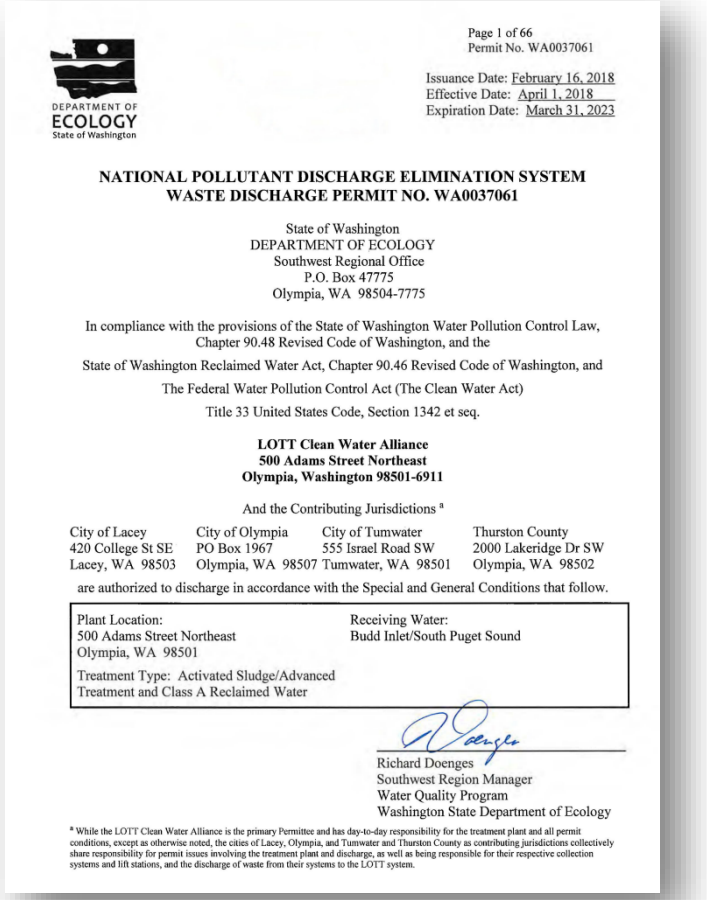
- Issued by State Department of Ecology
- Authorized by U.S. Environmental Protection Agency

Stringent regulatory requirements

- Discharge limits (treatment performance)
- Monitoring and reporting

U.S. EPA requirement

- CMOM – Capacity, Management, Operations, and Maintenance



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Permit No. WA0037061

DEPARTMENT OF ECOLOGY
State of Washington

Issuance Date: February 16, 2018
Effective Date: April 1, 2018
Expiration Date: March 31, 2023

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
WASTE DISCHARGE PERMIT NO. WA0037061

State of Washington
DEPARTMENT OF ECOLOGY
Southwest Regional Office
P.O. Box 47775
Olympia, WA 98504-7775

In compliance with the provisions of the State of Washington Water Pollution Control Law, Chapter 90.48 Revised Code of Washington, and the

State of Washington Reclaimed Water Act, Chapter 90.46 Revised Code of Washington, and

The Federal Water Pollution Control Act (The Clean Water Act)

Title 33 United States Code, Section 1342 et seq.

LOTT Clean Water Alliance
500 Adams Street Northeast
Olympia, Washington 98501-6911

And the Contributing Jurisdictions [a]

City of Lacey	City of Olympia	City of Tumwater	Thurston County
420 College St SE	PO Box 1967	555 Israel Road SW	2000 Lakeridge Dr SW
Lacey, WA 98503	Olympia, WA 98507	Tumwater, WA 98501	Olympia, WA 98502

are authorized to discharge in accordance with the Special and General Conditions that follow.

Plant Location:	Receiving Water:
500 Adams Street Northeast Olympia, WA 98501	Budd Inlet/South Puget Sound
Treatment Type: Activated Sludge/Advanced Treatment and Class A Reclaimed Water	

Richard Doenges
Southwest Region Manager
Water Quality Program
Washington State Department of Ecology

[a] While the LOTT Clean Water Alliance is the primary Permittee and has day-to-day responsibility for the treatment plant and all permit conditions, except as otherwise noted, the cities of Lacey, Olympia, and Tumwater and Thurston County as contributing jurisdictions collectively share responsibility for permit issues involving the treatment plant and discharge, as well as being responsible for their respective collection systems and lift stations, and the discharge of waste from their systems to the LOTT system.

2. Our performance

LOTT™
Clean Water
Alliance

Annual Report 2024

Protect public health and the environment by cleaning water and recovering resources for our community.

LOTT Clean Water Alliance

LOTT's Performance in 2024

Each year, LOTT compares our performance with 10 key performance objectives and 20 priority activities identified in the Strategic Plan. The plan spanned the 2019-2024 planning period and can be found in full at www.lottcleanwater.org. For 2024, LOTT met nearly all performance objectives and concluded this planning cycle.

Objective 1 — Achieve permit compliance

LOTT met 100% of all the water quality permit requirements for wastewater treatment at the Budd Inlet Treatment Plant. These requirements include strict discharge limits April through October for nutrients (nitrogen) and biochemical oxygen demand. LOTT is proud to report that there were no violations of these water quality permit requirements, which are measured two ways – average concentrations and total pounds discharged to Budd Inlet. LOTT also met all water quality permit requirements related to Class A reclaimed water production at the Budd Inlet Reclaimed Water Plant and the Martin Way Reclaimed Water Plant.

Permit compliance

Zero *instances where limits were exceeded for total amount of pollutant discharged to Budd Inlet*

Most other treatment plants that discharge to Puget Sound do not have strict discharge limits for nutrients. For LOTT, the permit specifies a discharge loading limit of 338,000 pounds of total inorganic nitrogen annually. In 2024, we measured a total of 145,448 pounds – only 43% of the annual load limit.

LOTT was recognized with a Silver Peak Performance award for the Martin Way Reclaimed Water Plant and Gold Peak Performance awards for the Budd Inlet Treatment Plant and Budd Inlet Reclaimed Water Plant from the National Association of Clean Water Agencies.

Permit Compliance

Budd Inlet Treatment Plant

Type	Discharge Limits*	Performance
Biochemical Oxygen Demand (BOD)	7 mg/L 671 lbs/day	3.91 mg/L 291 lbs/day
Total Suspended Solids (TSS)	30 mg/L 5,265 lbs/day	6.62 mg/L 486 lbs/day
Total Inorganic Nitrogen (TIN)	3 mg/L 288 lbs/day	2.10 mg/L 158 lbs/day
Fecal Coliform Bacteria	200/100 mL	6.75/100 mL

* Average monthly discharge limits for summer season June-September

Budd Inlet Reclaimed Water Plant

Type	Discharge Limits	Performance
Total Nitrate	10 mg/L	3.77 mg/L
Turbidity	2-5 NTU	0.36-0.88 NTU
Total Coliform Bacteria	< 23 MPN/ 100 mL	0 MPN/ 100 mL

Martin Way Reclaimed Water Plant

Type	Discharge Limits	Performance
Biochemical Oxygen Demand	20 mg/L	2 mg/L
Total Suspended Solids	30 mg/L	0.09 mg/L
Total Nitrogen	10 mg/L	2.26 mg/L
Turbidity	0.2-0.5 NTU	0.025-0.19 NTU
Total Coliform Bacteria	< 23 MPN/ 100 mL	< 0 MPN/ 100 mL

Abbreviation	Unit
mg/L	milligrams per liter
lbs/day	pounds per day
mL	milliliter
NTU	nephelometric turbidity unit
MPN	most probable number

Your Wastewater Utility

The LOTT Clean Water Alliance is a non-profit corporation responsible for wastewater treatment in the urban areas of north Thurston County, Washington. L-O-T-T stands for the four government partners – the cities of Lacey, Olympia and Tumwater, and Thurston County – that formed and govern the regional utility.

In 2024, LOTT met nearly all our performance objectives for the year. Our dedicated staff worked hard to treat and clean the water you use every day and to plan for the future, ensuring we continue to protect water quality and public health for years to come.

- 139,848 people served
- 4.46 billion gallons of wastewater treated
- 163.25 million gallons of reclaimed water produced
- 91 staff members
- 3 treatment plants
- 23,275 laboratory tests
- 113 active contracts
- 5,593 work orders
- 157,826 therms recovered (biogas)
- 12,421 education program participants

LOTT's Mission

To protect public health and the environment by cleaning water and recovering resources for our community.

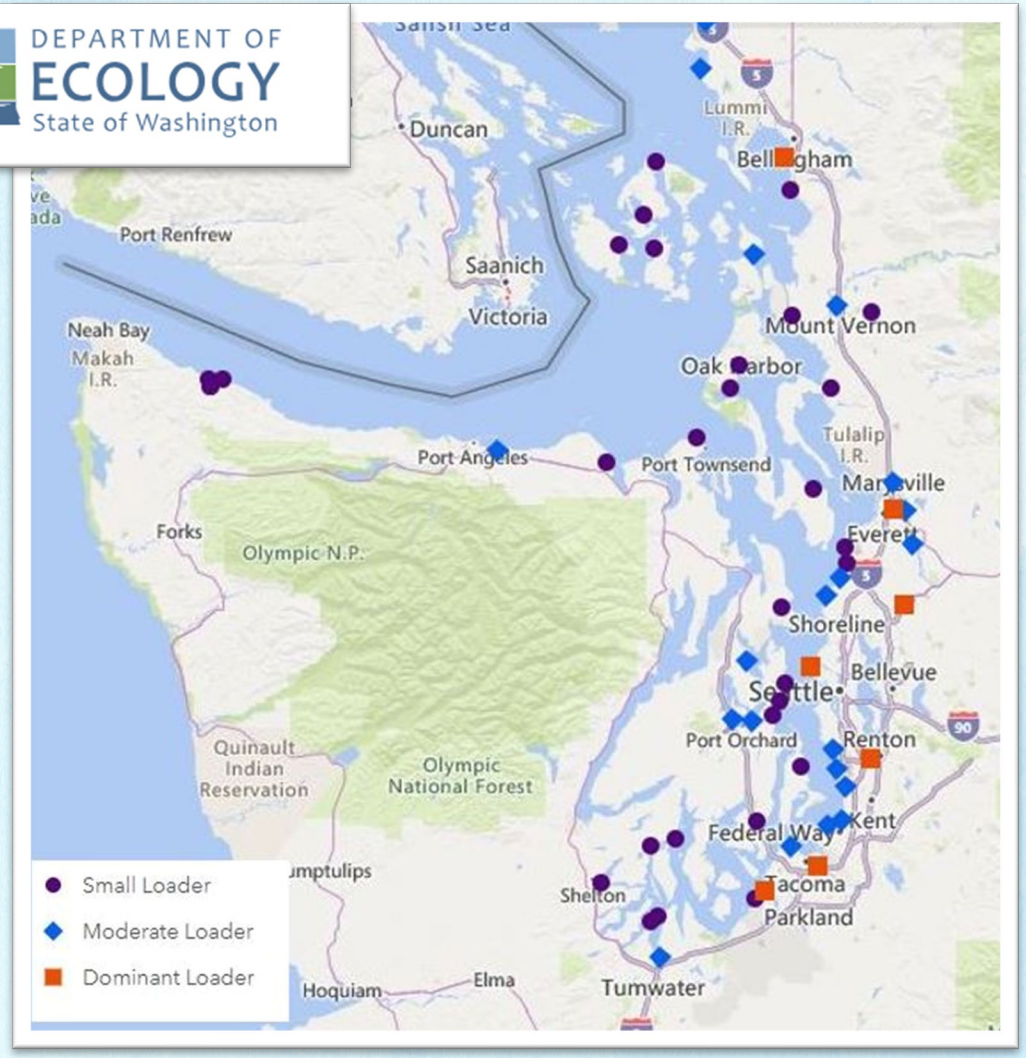
LOTT Clean Water Alliance

500 Adams Street NE, Olympia, WA 98501 • www.lottcleanwater.org

Continue to have zero instances where pollution discharge limits were exceeded.

Highest Level of Treatment on Puget Sound

DEPARTMENT OF ECOLOGY
State of Washington



57 Other Treatment Facilities

Wastewater Rate Comparisons

	2024 Rate	2023 Rate	Percent Change	Flat or Volume
City of Shelton	$135.89	$130.02	4.5%	V
City of Seattle	$128.10	$123.41	3.8%	V
City of Tenino	$125.66	$125.66	0.0%	F
Thurston County*	$120.31	$119.71	0.5%	F
City of Bonney Lake	$113.53	$129.01	-12.0%	V
City of Bellevue	$110.90	$103.70	6.9%	V
City of Chehalis (in city limits)	$98.50	$98.50	0.0%	V
City of Centralia (in city limits)	$91.85	$89.08	3.1%	V
City of Yelm	$89.27	$89.27	0.0%	F
City of Renton	$88.78	$84.80	4.7%	F
City of Everett	$87.53	$87.53	0.0%	F
Average 2024 Rate: $87.38				
City of Auburn	$85.15	$80.05	6.4%	F
City of Sumner	$84.46	$80.83	4.5%	V
City of Snoqualmie	$83.76	$82.16	1.9%	F
City of Puyallup	$77.62	$73.38	5.8%	V
City of Bremerton (in city limits)	$77.57	$74.96	3.5%	V
City of Lacey	**$76.39**	**$72.43**	**5.5%**	**F**
City of Longview (in city limits)	$75.28	$75.28	0.0%	V
City of Tacoma	$74.85	$69.64	7.5%	V
City of Olympia	**$72.95**	**$70.59**	**3.3%**	**F**
City of Aberdeen	$72.00	$66.00	9.1%	F
City of Kelso	$70.42	$68.37	3.0%	F
City of Tumwater	**$69.48**	**$66.64**	**4.3%**	**F**
City of Orting	$69.41	$64.87	7.0%	F
City of Mount Vernon	$63.03	$60.23	4.6%	V
Pierce County Sewer	$61.57	$59.06	4.2%	F
Lakehaven Sewer District	$60.60	$52.24	16.0%	V
City of Bellingham (in city limits)	$56.43	$53.54	5.4%	F
City of Edmonds	$53.06	$53.06	0.0%	F
City of Vancouver	$48.44	$45.71	6.0%	V

Below the average

Major Project Awards for our Plant Upgrade

ACEC American Council of Engineering Companies of Washington

Gold Award

National Environmental Achievement AWARDS

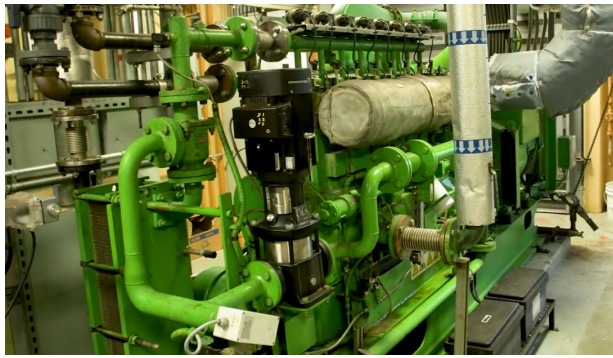
National Environmental Achievement Award

APWA American Public Works Association

WA Project of the Year

ACEC American Council of Engineering Companies of Washington

National Excellence in Engineering Grand Award



Reuse of Biogas

Reuse of Biosolids

Water Reuse

3. Community connections

LOTT™
Clean Water
Alliance

Creating Community Connections

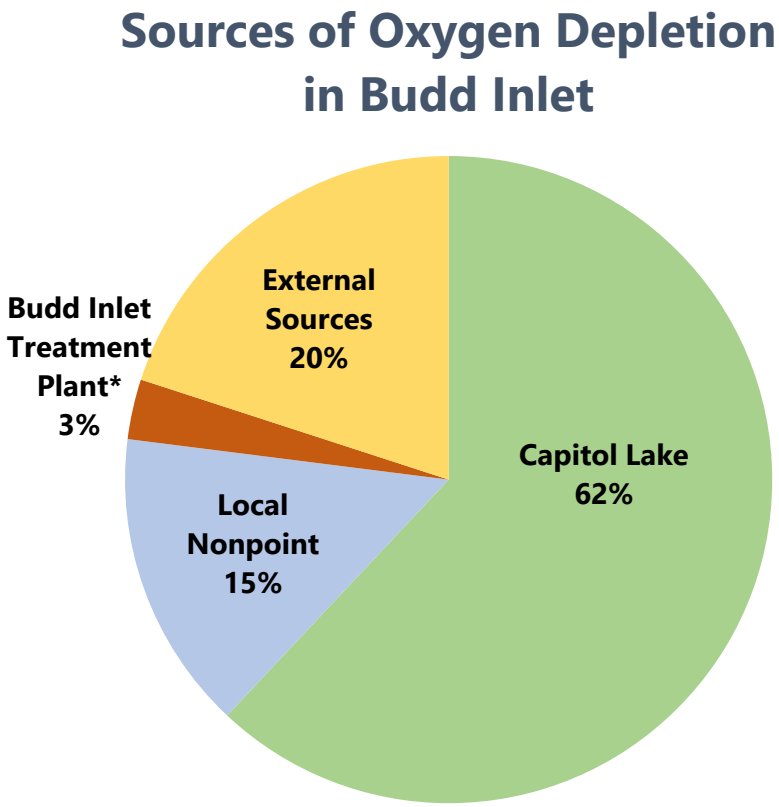
Educating

- WET Science Center
- School field trips w/bus support
- New summer high school course
- Treatment plant tours

- Reached nearly 12,000 people last year
- ~ 3,000 students served
  - North Thurston School District
  - Olympia School District
  - Tumwater School District

WET™ Science Center
Come Explore • Discover More

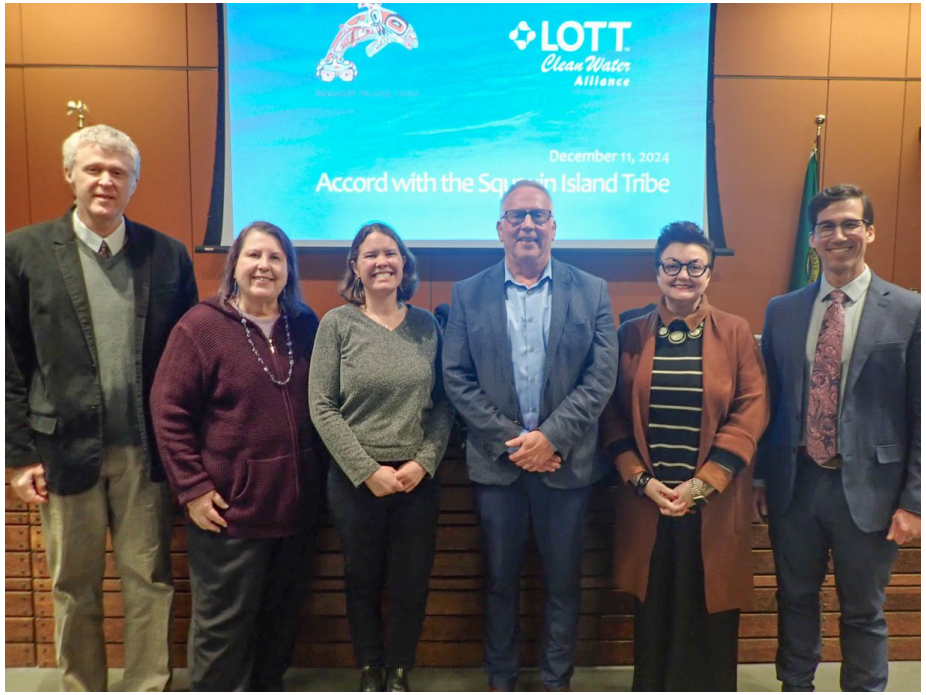
Community Approach to Water Quality Improvements



- High level of treatment at Budd Inlet Treatment Plant
- Support for further water quality regulations
- Maintenance of a restored Deschutes Estuary
- Incentivize septic to sewer conversion
- Reduce water quality impacts from unhoused population
  - Affordable housing connection fee rebates
  - Hygiene trailers/portable toilets

*"Local WWTPs" per Ecology

Squaxin Island Tribe Partnership



New Accord signed December 2024

Recent Award

LOTT honored for 'watershed collaboration' in receiving national award

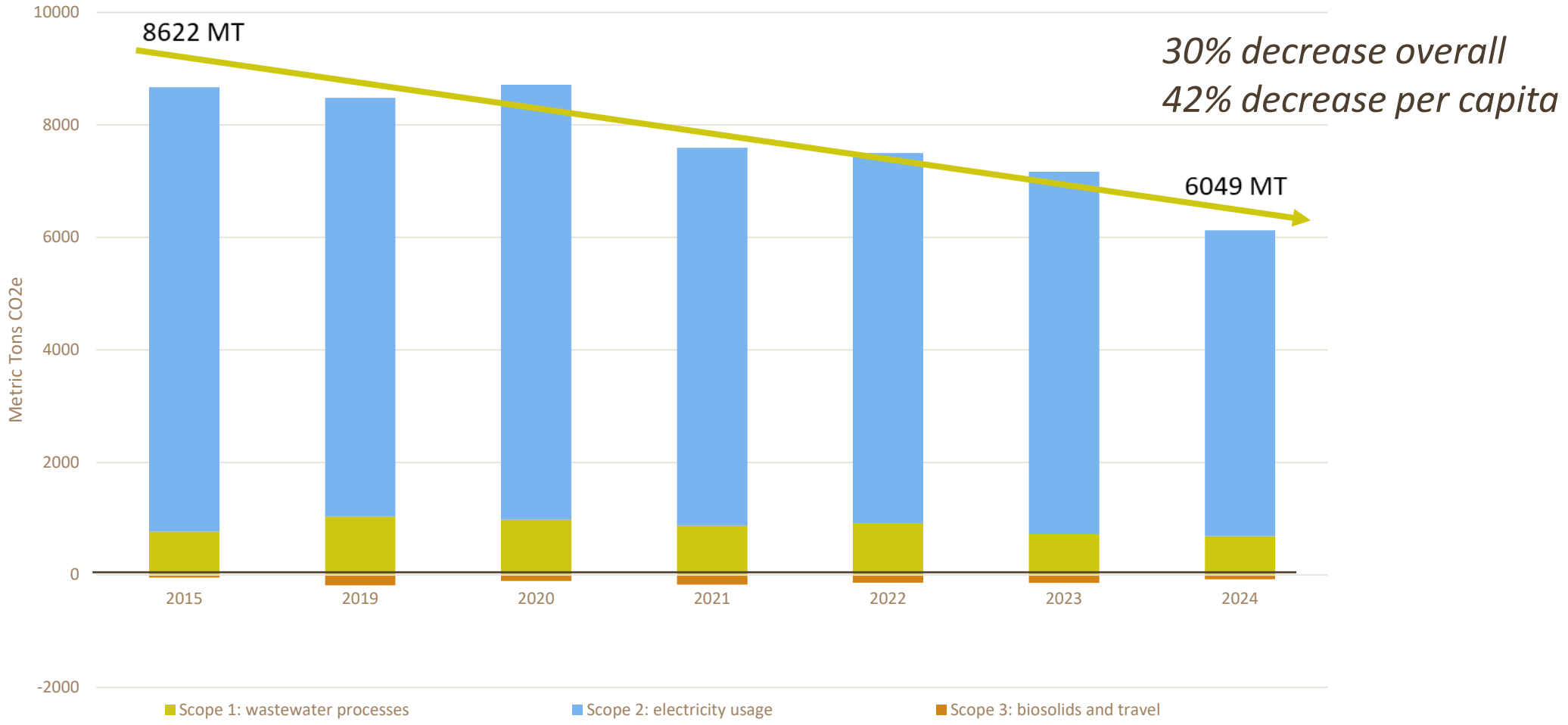
Environmental Achievement Award

(National Association of Clean Water Agencies)

Septic to Sewer Conversion Rebates

Affordable Housing Connection Fee Rebates

Aligning with Regional Climate Goals

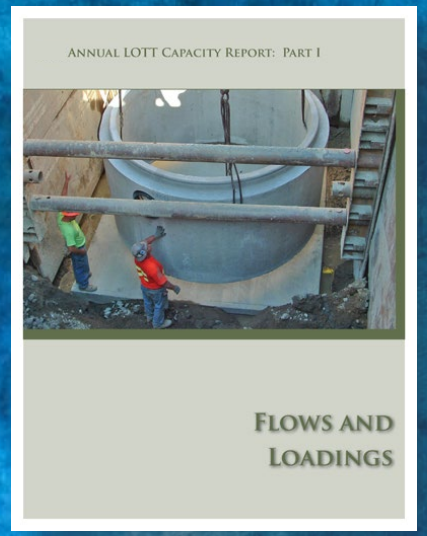


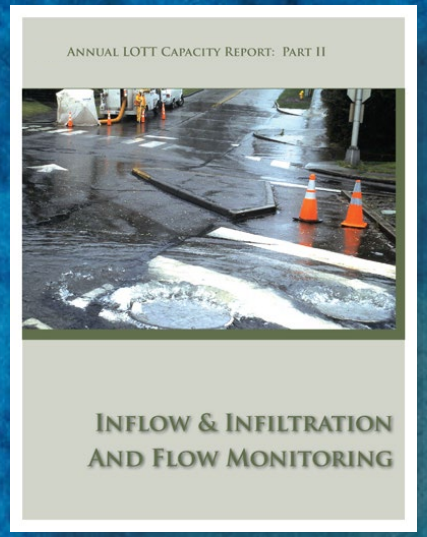
4. Our planning for the future

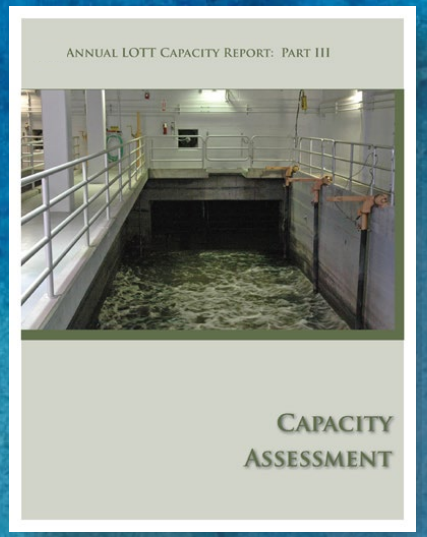
LOTT™
Clean Water
Alliance

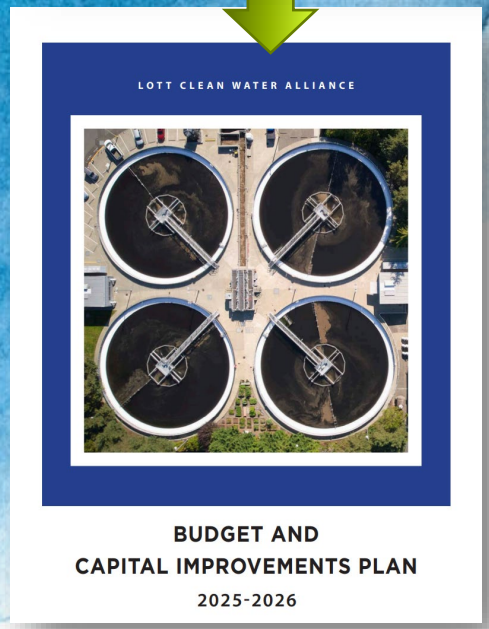
How We Plan for Growth

Detailed annual planning in response to growth of partner cities









Consistent Capital Project Efforts

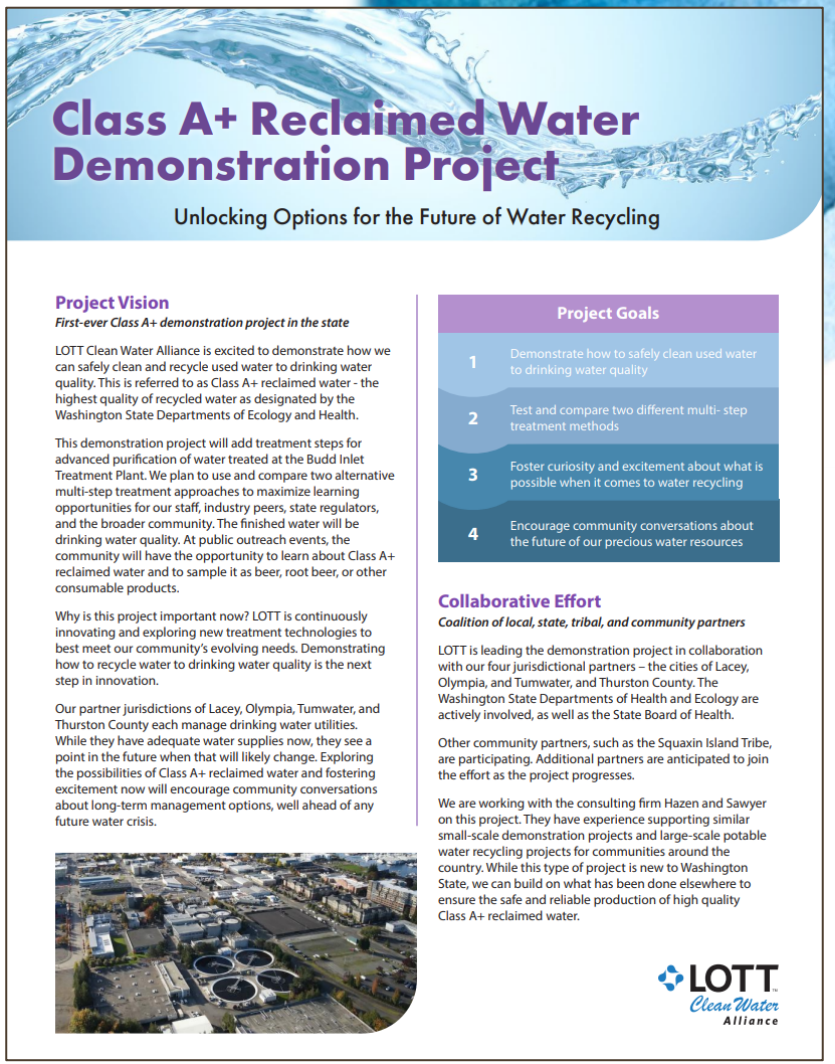
e.g. Digesters Upgrade: $34 million (2024-2028)

Future Technologies Pilot Team

Water Reuse

Drinkable Water Demonstration Project

- First in Washington State
- Unique coalition
- LOTT's future capacity tied to re-using water



Class A+ Reclaimed Water Demonstration Project

Unlocking Options for the Future of Water Recycling

Project Vision

First-ever Class A+ demonstration project in the state

LOTT Clean Water Alliance is excited to demonstrate how we can safely clean and recycle used water to drinking water quality. This is referred to as Class A+ reclaimed water - the highest quality of recycled water as designated by the Washington State Departments of Ecology and Health.

This demonstration project will add treatment steps for advanced purification of water treated at the Budd Inlet Treatment Plant. We plan to use and compare two alternative multi-step treatment approaches to maximize learning opportunities for our staff, industry peers, state regulators, and the broader community. The finished water will be drinking water quality. At public outreach events, the community will have the opportunity to learn about Class A+ reclaimed water and to sample it as beer, root beer, or other consumable products.

Why is this project important now? LOTT is continuously innovating and exploring new treatment technologies to best meet our community's evolving needs. Demonstrating how to recycle water to drinking water quality is the next step in innovation.

Our partner jurisdictions of Lacey, Olympia, Tumwater, and Thurston County each manage drinking water utilities. While they have adequate water supplies now, they see a point in the future when that will likely change. Exploring the possibilities of Class A+ reclaimed water and fostering excitement now will encourage community conversations about long-term management options, well ahead of any future water crisis.

Project Goals

1. Demonstrate how to safely clean used water to drinking water quality
2. Test and compare two different multi- step treatment methods
3. Foster curiosity and excitement about what is possible when it comes to water recycling
4. Encourage community conversations about the future of our precious water resources

Collaborative Effort

Coalition of local, state, tribal, and community partners

LOTT is leading the demonstration project in collaboration with our four jurisdictional partners – the cities of Lacey, Olympia, and Tumwater, and Thurston County. The Washington State Departments of Health and Ecology are actively involved, as well as the State Board of Health.

Other community partners, such as the Squaxin Island Tribe, are participating. Additional partners are anticipated to join the effort as the project progresses.

We are working with the consulting firm Hazen and Sawyer on this project. They have experience supporting similar small-scale demonstration projects and large-scale potable water recycling projects for communities around the country. While this type of project is new to Washington State, we can build on what has been done elsewhere to ensure the safe and reliable production of high quality Class A+ reclaimed water.

LOTT Clean Water Alliance

Project Goal

LOTT™ Clean Water Alliance

Demonstrate that water should be judged by its quality and not its history.

2050 Plan Outlines Future Infrastructure

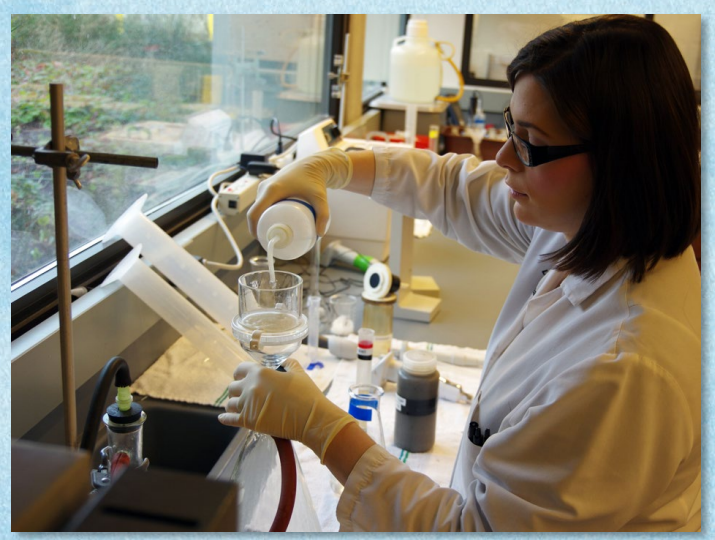
- Focus on high level treatment at existing facilities
- Regional collaboration for:
  - Water quantity
  - Water quality
  - Resilience (e.g. Sea Level Rise)
  - Planning

Property Sales

LOTT Clean Water Alliance

Staff Make it Happen 24/7

Staff Make it Happen 24/7



The LOTT Way

COLLABORATING

We work together and help each other as a team for common goals, beyond individual job duties, to achieve excellence in our work.

TAKING RESPONSIBILITY

We are dedicated to, and take pride in, our work and the LOTT mission of cleaning water, and we accept responsibility for our individual role in its success.

FOSTERING BELONGING

We are friendly, inclusive, and considerate of others, showing appreciation for each other's work and all of our important roles in this organization.

SOLVING PROBLEMS

We are solutions-focused with a growth mindset, seeing challenges as opportunities and always learning for continuous improvement.

BEING INNOVATIVE

We leverage our skills to be creative thinkers, developing new ideas and methods, and building on proven concepts to advance the future of LOTT.

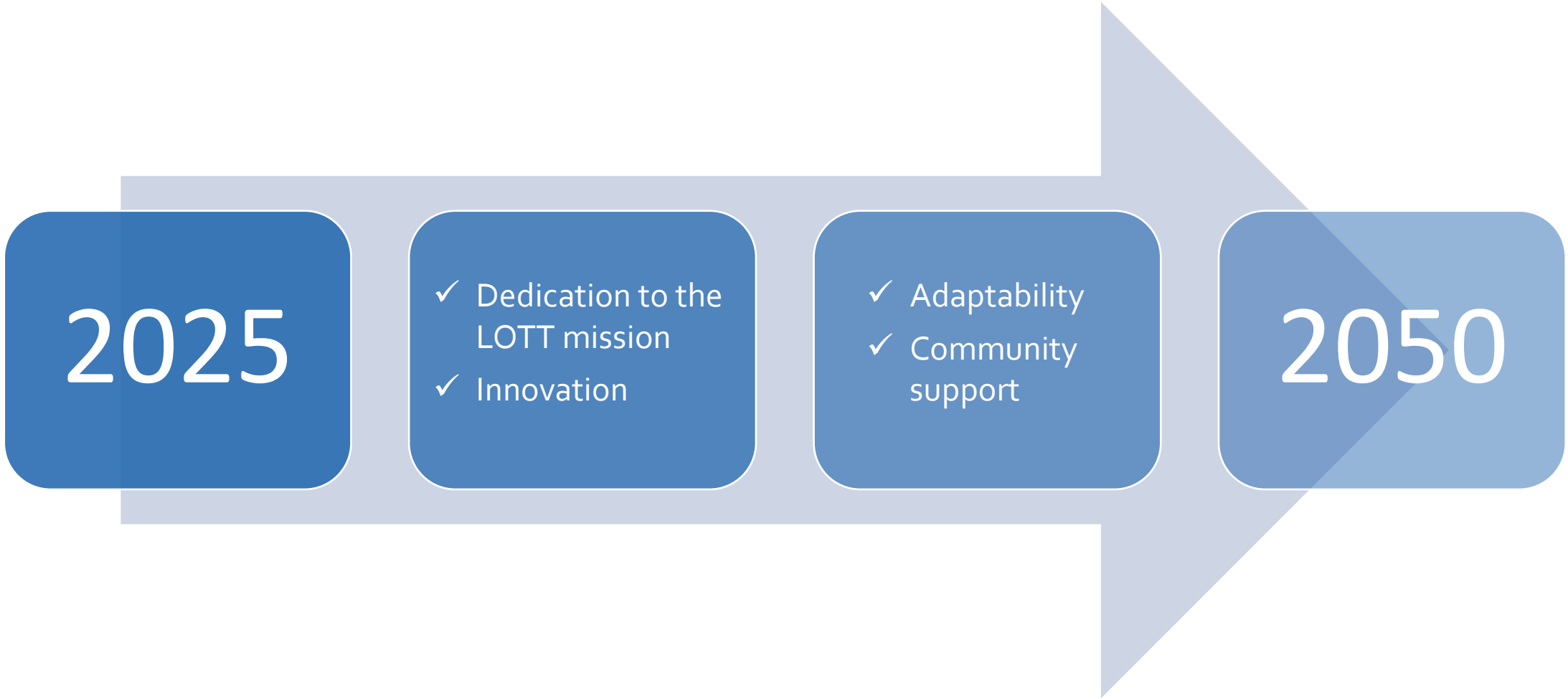
ENSURING HIGH STANDARDS

We set a high bar for quality work, integrity, and honesty, and commit to doing every part of the job to the best of our collective ability.

Voluntary personnel turnover rate:

- **2024: 2%**
- **Year to date: 0%**

How We Meet Future Needs



Questions?

Matt Kennelly, P.E., Executive Director
lottcleanwater.org