

**INTERLOCAL COOPERATION AGREEMENT
BETWEEN THE LOTT CLEAN WATER ALLIANCE
AND THE CITIES OF LACEY, OLYMPIA AND TUMWATER AND
THURSTON COUNTY REGARDING JOINT WASTEWATER FLOW REDUCTION
AND WATER CONSERVATION PROJECTS**

**WATER CONSERVATION COORDINATION PROGRAM
2014 THROUGH 2018**

This AGREEMENT is made and entered into by and between the LOTT Clean Water Alliance (LOTT) and the Cities of Lacey, Olympia and Tumwater (the Cities) and Thurston County (County). LOTT, the Cities and the County are also jointly referred to as "the Parties". This AGREEMENT sets out the mission, objectives, and general program elements of the Water Conservation Coordination Program beginning on January 1, 2014 and concluding on December 31, 2018.

WHEREAS, the Parties have previously coordinated a successful program and, as of August 1, 2012, achieved the original flow reduction/water conservation goal of 1,000,000 gallons per day; and

WHEREAS, the Parties share an interest in continuing the program to further flow reduction and water conservation; and

WHEREAS, the Water Conservation Coordinating Committee (WC3), consisting of technical staff from LOTT and each of the Cities, has been and will continue to be responsible for developing, managing, and implementing the program; and

WHEREAS, the LOTT Technical Sub-committee (TSC), consisting of Public Works Directors from the three Cities, the Director of Thurston County Environmental Health Division, the LOTT Executive Director, the LOTT Operations and Facilities Director and the LOTT Engineering Director, will provide oversight for the program and make recommendations to the LOTT Board of Directors; and

WHEREAS, RCW 39.34.010 permits local governmental units to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage; and

WHEREAS, RCW 39.34.080 authorizes a public agency to contract with another public agency to perform any governmental service which each public agency is authorized to perform, provided that such contract shall be authorized by the governing body of each party to the contract; and

WHEREAS, it is necessary for the Parties to enter into an agreement to set forth the terms, conditions, and requirements for the implementation of the Water Conservation Coordination Program;

NOW, THEREFORE, in consideration for the terms and conditions contained herein, the Parties agree as follows:

1. MISSION:

The mission of the AGREEMENT is to reduce wastewater flows, thereby delaying the need to develop additional wastewater treatment capacity, through implementation of the Water Conservation Coordination Plan (Plan). The Plan establishes a wastewater flow reduction goal of at least 175,000 gallons per day by 2018. This goal is in addition to flow reduction savings accomplished between 1997-2012.

2. OBJECTIVES:

The objectives for the Plan include:

- Continue interlocal coordination efforts to achieve cost-effective wastewater flow reduction and water conservation savings from LOTT wastewater customers;
- Provide wastewater flow reduction opportunities for single-family customers, multi-family customers, and industrial/commercial/institutional customers;
- Continue existing conservation projects, such as distribution of indoor water saving kits, rebates for water-efficient washing machines, incentives for water-saving retrofits by industrial/commercial/institutional customers, and incentives for high-efficiency toilets, so long as each project is cost-effective;
- Utilize the cost of an additional gallon of treatment capacity as the threshold for determining cost-effectiveness of potential program elements;
- Research potential program elements as identified in the Plan and adjust program offerings as needed to include additional cost-effective measures;
- Respond to advances in water-saving technology and regulatory requirements, such as the State Department of Health Water Use Efficiency Rule, and adjust program elements as needed;
- Gather quantitative data regarding savings related to program elements to measure program success and guide future efforts;
- Simplify and streamline program offerings to improve ease of participation for customers, make program implementation more efficient, and optimize staffing resources; and
- Maintain flexibility in program implementation, evaluating the effectiveness of program elements and adjusting incentives and program elements as necessary to reach the wastewater reduction goal.

3. PROGRAM ELEMENTS:

The Water Conservation Coordination Plan guides the implementation of the program. The Plan has been updated for the planning period of 2013 through 2018, and is hereby incorporated by reference. Activities to be implemented as part of the program fall under the general program elements listed below:

- WashWise Rebates
- Water-Saving Kits
- High-Efficiency Toilet Incentives
- WaterSmart Technology Rebates
- Better-than-Code Rebates
- Promotional/Educational Efforts

4. ANNUAL WORK PLAN AND BUDGET:

The Parties recognize that all elements of the approved Plan cannot be implemented simultaneously due to budget and staffing issues, and they recognize that new water saving technologies and approaches not included in the approved Plan may be identified during the term of this AGREEMENT. Accordingly, an annual Work Plan and Budget shall be developed for each year of the term of this AGREEMENT pursuant to the process set forth below.

4.1 Process

1. By July of each calendar year, the WC3 will prepare a draft work plan and proposed budget detailing planned activities for the program elements listed above.
2. The draft work plan and budget will be routed to the TSC for consideration. The TSC will review and revise the draft work plan and budget to ensure that it is consistent with overall program objectives and staffing resources.
3. The final draft work plan, approved by the TSC, will be forwarded to the LOTT Board of Directors for consideration as an element of the annual LOTT budget process for the upcoming year. LOTT staff and ultimately, the LOTT Board of Directors, may request revision of the work plan and associated budget as necessary, prior to final approval. No joint budget is created by this Agreement; each party maintains control and discretion over its own budget. Further, this Agreement creates no Joint Board and no separate legal entity.

5. RESPONSIBILITIES:

5.1 LOTT

Staff members of the LOTT Clean Water Alliance will be responsible for the following duties in a given year, provided that the LOTT budget allocation allows:

- 1) Facilitate interlocal coordination and implementation of the annual Work Plan through regular meetings of the WC3;
- 2) Plan for and manage data associated with the Water Conservation Coordination Plan;
- 3) Provide interim and annual data summaries to WC3 for program planning;
- 4) Coordinate with the three cities to complete public information and education and marketing program elements;

- 5) Administer contracts and grants associated with program implementation;
- 6) Provide funding for program implementation under the approved annual work plans and associated budgets;
- 7) Manage the program budget; and
- 8) Provide technical support for program development, implementation, and evaluation.

5.2 The Cities

The Cities agree to make a good faith effort to participate at the staffing levels necessary to implement the annual work plan and the overall program, as permitted by the adoption and approval of each City's annual budget.

The Cities will, to the extent that is feasible given each agency's staffing and budgetary resources:

- 1) Participate in interlocal coordination meetings of the WC3;
- 2) Participate in development of the annual work plan and budget;
- 3) Support program implementation, through activities such as promotion of program offerings, direct customer outreach and technical support, distribution of incentive materials and water saving equipment, and collection of program related data;
- 4) Provide water use data as needed for program evaluation and planning;
- 5) Provide feedback and evaluation where needed to adjust program elements and meet overall wastewater reduction goals.

5.3 The County

This AGREEMENT acknowledges that the County currently does not have water utility customers that receive LOTT sewer service, and therefore, is not currently an active participant in development and implementation of the Program. In the event that the County develops a water utility customer base with LOTT sewer service, the County may become active in the program. At such time, County roles and responsibilities will be the same as those listed above for the Cities.

6. DURATION:

The terms and performance of this AGREEMENT shall commence after the approval by the governing bodies of all of the Parties and following the fulfillment of the requirements set forth in RCW 39.34.040. This AGREEMENT will terminate on December 31, 2018.

7. TERMINATION:

This AGREEMENT may also be terminated in whole or in part by mutual AGREEMENT of the Parties. Any termination by mutual AGREEMENT shall be in writing and shall set forth the conditions of termination including the effective date.

In the event that funding, staff or resources for performance under this AGREEMENT are withdrawn, reduced or limited in any material way after the effective date of this AGREEMENT, LOTT may terminate this AGREEMENT. Termination under this paragraph shall be effective upon the date specified in the LOTT's written notice of termination.

8. RECORDING:

LOTT will be responsible for recording this AGREEMENT with the Thurston County Auditor or may request that all Parties post this Agreement on their websites as allowed under RCW 39.34.040.

Executed this _____ day of _____, 2014.

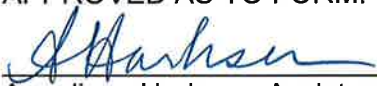
***** Signatures on the Following Page *****

CITY OF OLYMPIA

By: _____
Stephen H. Buxbaum, Mayor

ATTEST:

Debbie Krumpols, City Clerk

APPROVED AS TO FORM:


Annaliese Harksen, Assistant City Attorney

CITY OF LACEY

By: _____
Scott Spence, City Manager

ATTEST:

Carol Litten, City Clerk

APPROVED AS TO FORM:

_____, City Attorney

THURSTON COUNTY

BY: _____

ATTEST:

Clerk of the Board

CITY OF TUMWATER

By: _____
Peter Kmet, Mayor

ATTEST:

Melody Valiant, City Clerk

APPROVED AS TO FORM:

Karen Kirkpatrick, City Attorney

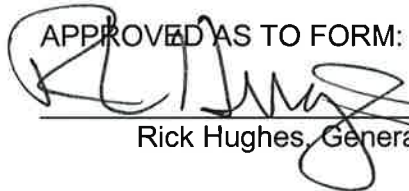
LOTT ALLIANCE

By: 

Cynthia Pratt, Board President

ATTEST:

Farah Derosier, Corporate Secretary

APPROVED AS TO FORM:


Rick Hughes, General Counsel