

**INTERLOCAL AGREEMENT
FOR
CLASS A+ RECLAIMED WATER DEMONSTRATION
PILOT PROJECT**

THIS AGREEMENT is entered into as of the date of the last signature affixed hereto between the LOTT CLEAN WATER ALLIANCE, a Washington nonprofit mutual corporation and 501(c)(3) corporation acting as a public agency to provide wastewater resource management services (hereinafter “**LOTT**”) and the City of Olympia, a municipal corporation (hereinafter “**City**”). LOTT and the City are referred to herein collectively as “**the Parties.**”

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 the basis of mutual advantage and thereby to provide services and facilities in a manner and pursuant to forms of governmental organization that will accord best with geographic, economic, population, and other factors influencing the needs and development of local communities; and

WHEREAS, pursuant to RCW 39.34.080, each party is authorized to contract with any one or more other public agencies to perform any governmental service, activity, or undertaking which each public agency entering into the contract is authorized by law to perform provided that such contract shall be authorized by the governing body of each party to the contract and shall set forth its purposes, rights, objectives, and responsibilities of the contracting parties; and

WHEREAS, securing new drinking water resources is becoming increasingly challenging for municipal water providers; and

WHEREAS, the historic and anticipated population growth of our community demonstrates the Parties’ need to explore opportunities for use of all available water resources; and

WHEREAS, the discharge of treated wastewater effluent is subject to increasingly stringent regulations; and

WHEREAS, the Parties recognize that the need for producing Class A+ reclaimed water to supplement the drinking water supply may become necessary in the future; and

WHEREAS, water is a finite and valuable resource that should be conserved and beneficially reused wherever possible;

NOW, THEREFORE, in consideration of the mutual promises contained herein, **IT IS MUTUALLY AGREED AS FOLLOWS:**

- I. Participation in LOTT's Class A+ Reclaimed Water Demonstration Pilot Project (hereinafter "the Pilot") will enable the Parties to generate meaningful data and insights that can inform and influence future regulatory approaches to potable reuse.
- II. The Pilot is likely to result in lower long-term costs for both LOTT and the City's water and wastewater ratepayers by enabling the development of technical expertise and informed decision-making ahead of broader adoption.
- III. LOTT will lead, administer, and operate the Pilot in coordination with the Washington State Department of Health, the Washington State Department of Ecology, local regulatory agencies, and other interested parties.
- IV. The City agrees to contribute \$50,000 towards the Pilot and agrees to make payment within 60 days of this Agreement. Additionally, the City will consider further contributions to the Pilot during its next budgeting process, subject to funding availability.
- V. In coordination with LOTT, the City agrees to provide periodic staff support for the Pilot for operational, outreach, and education activities.
- VI. LOTT will provide the City with periodic updates on the progress of the Pilot, as well as a final report summarizing key findings upon completion.
- VII. Outreach, partnership development, public events, media relations, and announcements will be managed by LOTT in coordination with the City and other interested parties.
- VIII. LOTT is responsible for all compliance with applicable laws, regulations, and permitting requirements in connection with its activities under this Agreement.
- IX. LOTT agrees to indemnify, hold harmless, and defend the City, its officers, officials, employees, and agents from any and all claims, damages, losses, and costs, including, but not limited to, reasonable attorney's fees and litigation costs, arising out of claims by third parties for property damage and bodily injury, including death,

and any other third-party claims of any kind caused by or arising out of LOTT's performance or failure to perform any of its obligation under this Agreement, except for claims arising out of the sole negligence of the City.

- X. No liability shall attach to the Parties by reason of entering into this Agreement except as expressly provided herein, and this Agreement is not intended for the benefit of any third party.
- XI. This agreement has been and shall be construed as having been made and delivered within the State of Washington and it is agreed by each party hereto that this Agreement shall be governed by the laws of the State of Washington both as to its interpretation and performance. Any action at law, suit in equity, or judicial proceeding arising out of this Agreement shall be instituted and maintained only in a court of competent jurisdiction in Thurston County, Washington.
- XII. A failure by either party to exercise its rights under this Agreement shall not preclude that party from subsequent exercise of such rights and shall not constitute a waiver of any other rights under this Agreement unless stated to be such in a writing signed by an authorized representative of the party and attached to the original Agreement.
- XIII. If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, if such remainder conforms to the requirements of applicable law and the fundamental purpose of this Agreement, and to this end the provisions of this Agreement are declared to be severable.
- XIV. The parties have participated and had an equal opportunity to participate in the drafting of this Agreement, and Exhibits, if any, attached. No ambiguity shall be construed against any party upon a claim that such party drafted the ambiguous language.
- XV. No separate legal entity is created through this Agreement. The parties will not jointly acquire, hold, or dispose of any real or personally property through this Agreement. LOTT shall establish and maintain the budget for the activities under this Agreement. LOTT shall administer this Agreement and the activities through this Agreement, in consultation with the City.

XVI. This Agreement is effective until terminated by either party. Either party may terminate this with 90 day’s notice of termination to the other party.

This Agreement is hereby entered into among the Parties and shall take effect on the last authorizing signature affixed here to:

CITY OF OLYMPIA

LOTT CLEAN WATER ALLIANCE

Steven J. Burney
City Manager

Matthew J. Kennelly, P.E.
Executive Director

Date

Date

Approved as to form:

Approved as to form:

Michael M. Young

Senior Deputy City Attorney

LOTT Attorney