

RESOLUTION NO. M-2411

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON,  
APPROVING A MEMORANDUM OF AGREEMENT BETWEEN THE CITIES OF OLYMPIA,  
LACEY, AND TUMWATER FOR TRANSFER OF ASSETS RELATED TO THE BREWERY  
WELLFIELD**

**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 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, powers, rights, objectives and responsibilities of the contracting parties; and

**WHEREAS**, the cities Olympia, Lacey, and Tumwater (herein collectively "Cities") each operate a water utility to provide water for municipal use and consumption for residential and nonresidential needs within their respective water service areas; and

**WHEREAS**, under a prior interlocal agreement signed in March 2006 the Cities jointly worked to condemn, purchase, and transfer to their joint ownership certain water rights, wells, water system appurtenances, and land formerly belonging to the Olympia Brewery (currently Thurston County Tax Parcel Nos. 09470019001, 09470045001, and 09470003001), and in that interlocal agreement the Cities agreed to develop additional agreements to evaluate and develop a water supply at the site; and

**WHEREAS**, in 2009 the Cities successfully transferred 6,515 gallons per minute and 2,283.53 acre-feet per year of water rights formerly owned by the Olympia Brewery to their joint ownership, with each City having a right to one-third of the aggregate water rights instantaneous rate and annual volume, the water rights being held by the Cities jointly owned, which total 6,515 gallons per minute and 2,283.53 acre-feet per year. This amount of water right is the aggregate of transfers: THUR-08-02 (Ground Water Certificate (GWC) 785-D and Certificate of Change 621), THUR-08-03 (GWC 784-D and Certificate of Change 622), THUR-08-04 (GWC 34-A and Certificate of Change 620), THUR-08-05 (GWC 453-A and Certificate of Change 623), THUR-08-06 (GWC 4587-A), THUR-08-07 (G2-01073C), THUR-08-08 (G2-01072C), THUR-08-09 (G2-20844C), and THUR-08-11 (G2-26058C). In addition to the water rights, the Cities also purchased, and jointly own, wells, water system appurtenances and land formerly owned by the Olympia Brewery; and

**WHEREAS**, each City owns an undivided one-third share of the Brewery Wellfield water rights, wells, water system appurtenances. This ownership includes not only assets, but also liabilities; and

**WHEREAS**, the Cities previously reached agreement to allow the City of Tumwater to construct a stormwater facility on one of the jointly owned parcels (Thurston County Parcel No. 09470003001) and decommission Well Nos. 16 and 17 as well as a valve vault. The Cities agreed that the City of Tumwater would decommission those wells at its own expense in exchange for the easement from the other Cities to construct the stormwater facility on the property; and

**WHEREAS**, it is the intention of the Cities that the Olympia Brewery water rights be used for municipal water supply to meet the needs of one or more of the Cities, within the Cities' water service areas, to the full extent of the water rights; and

**WHEREAS**, some Cities have identified future development scenarios through joint and independent planning efforts that outline more efficient and cost-effective water production alternatives than the use of the Olympia Brewery water rights; and

**WHEREAS**, the Cities intend to define and implement a process that allows for one partner to permanently transfer its Brewery Wellfield water rights and other related assets and liabilities to one or more of the Cities; and

**WHEREAS**, the Cities need to move forward and show due diligence on re-perfecting the water rights, consistent with the extended water right change authorization development schedule, which requires completion of construction by April 1, 2041, and full beneficial use for municipal supply of both the water rights' instantaneous rate and annual volume by April 1, 2046;


**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL DOES HEREBY RESOLVE** as follows:

1. The Olympia City Council hereby approves the form of Memorandum of Agreement between the Cities of Olympia, Lacey, and Tumwater, and the terms and conditions contained therein.
2. The City Manager is authorized and directed to execute on behalf of the City of Olympia the Memorandum of Agreement, and any other documents necessary to execute said Agreement, and to make any amendments or minor modifications as may be required and are consistent with the intent of the Agreement, or to correct any scrivener's errors.


**PASSED BY THE OLYMPIA CITY COUNCIL** this 31st day of January 2023.

  
MAYOR

ATTEST:

  
CITY CLERK

APPROVED AS TO FORM:

  
CITY ATTORNEY