

**INTERAGENCY AGREEMENT
BETWEEN
STATE OF WASHINGTON
DEPARTMENT OF ENTERPRISE SERVICES
AND
CITY OF OLYMPIA**

THIS AGREEMENT is made and entered into by and between the Department of Enterprise Services, hereinafter referred to as "Enterprise Services" and the City of Olympia, hereinafter referred to as "PARTICIPATING AGENCY" pursuant to the authority granted by Chapter 39.34 RCW.

IT IS THE PURPOSE OF THIS AGREEMENT to provide funding necessary to support the work of the Funding and Governance Work Group (FGWG) of the Capitol Lake/Deschutes Estuary Long Term Management Project, by reimbursing Enterprise Services for a share of the costs incurred for consultant, legal, and related support of the FGWG.

BACKGROUND

In 2018, the Washington State Legislature directed the Department of Enterprise Services to develop an Environmental Impact Statement (EIS) for long-term management of Capitol Lake. Enterprise Services established the Capitol Lake/Deschutes Estuary Long Term Management Project to meet this mandate. The EIS will evaluate and identify a preferred environmentally and economically sustainable long-term management alternative for the Capitol Lake – Deschutes Estuary. The Executive Workgroup provides overall guidance to the project and includes representatives from the City of Olympia, City of Tumwater, LOTT Clean Water Alliance, Port of Olympia, Thurston County, Squaxin Island Tribe, and Enterprise Services. More information about the project can be found at the project website: <https://capitollakedeschutesestuaryeis.org/project>

The project has established several workgroups to provide expertise and advice on various aspects of the project. One of these is the Funding and Governance Workgroup (FGWG). The cost of this work is budgeted at approximately \$284,000. The actual costs are to be divided equally among the Cities of Tumwater and Olympia, Thurston County, the Port of Olympia, and LOTT Clean Water Alliance, each paying an amount not to exceed \$60,000.

NOW, THEREFORE, in consideration of the terms and conditions contained herein, or attached and incorporated by reference and made a part hereof, the above named parties mutually agree as follows:

1. STATEMENT OF WORK

Enterprise Services shall furnish the necessary personnel and services and otherwise do all things necessary for, or incidental to, the performance of the work set forth below and incorporated herein.

The FGWG is tasked with developing a final framework for shared funding and governance of the preferred alternative identified in the Capitol Lake Long Term Management Project. Enterprise Services has hired a consultant to support the work of the FGWG and will also incur legal and other costs related to this work. The products of the FGWG include:

- The development of alternatives and recommendations for a funding model to finance and support the EIS preferred alternative in a manner that is efficient, equitable and sustainable.
- Proposed models for the governance of the long-term management of the EIS preferred alternative.

PARTICIPATING AGENCY shall pay Enterprise Services for its allocated share (one-fifth) of the cost to support the FGWG, but PARTICIPATING AGENCY's share will not exceed \$60,000.

Enterprise Services is responsible for maintaining the budget related to the activities under this Agreement.

2. TERMS AND CONDITIONS

All rights and obligations of the parties to this Agreement are subject to and governed by the terms and conditions contained in the text of this Agreement.

3. PERIOD OF PERFORMANCE

Subject to its other provisions, the period of performance of this Agreement is from July 2019 through December 2022 unless terminated sooner or extended, as provided herein.

4. CONSIDERATION

PARTICIPATING AGENCY shall pay Enterprise Services one-fifth of the actual costs of the work set forth in the Statement of Work of this Agreement not to exceed sixty thousand and no/100 dollars (\$60,000.00) for the performance. Total costs may not be increased except by an Amendment to this Agreement.

5. BILLING PROCEDURE

Enterprise Services shall submit an invoice to PARTICIPATING AGENCY at least quarterly for any costs incurred during the prior period, and no later than 30 days after the end of the calendar year for any unbilled work by Enterprise Services, or the end of the contract, whichever comes first.

Invoices will include an itemization of work performed within the scope of the statement of work.

6. PAYMENT PROCEDURE

PARTICIPATING AGENCY shall remit payment to Enterprise Services within thirty (30) calendar days of receipt of a properly executed invoice.

7. CONTRACT MANAGEMENT

The representative for each of the parties is responsible for and is the contact person for all communications and billings regarding the performance of this Agreement.

The Enterprise Services Representative is:	The PARTICIPATING AGENCY Representative is:
Name: Ann Larson, Director of Government Relations Address: PO Box 41411 Olympia, WA 98504-1411 Phone Number: 360-407-8275 E-mail Address: Ann.Larson@des.wa.gov	Name: Rich Hoey, Public Works Director Address: PO Box 1967 Olympia WA, 98507 Phone Number: 360-753-8495 E-mail Address: rhoey@ci.olympia.wa.us

8. DISPUTES

In the event that a dispute arises under this Agreement, it will be determined by a Dispute Board in the following manner: Each party to this Agreement shall appoint one member to the Dispute Board. The members so appointed will jointly appoint an additional member to the Dispute Board. The Dispute Board shall review the facts, agreement terms, and applicable statutes and rules and make a determination of the dispute. The Dispute Board shall thereafter decide the dispute with the majority prevailing. The determination of the Dispute Board is final and binding on the parties hereto.

TERMINATION

Any party may terminate this Agreement upon thirty (30) days prior written notification to the other parties. If this Agreement is so terminated, the parties shall be liable only for performance rendered or costs incurred, in accordance with the terms of this Agreement prior to the effective date of termination.

9. AGREEMENT CHANGES, MODIFICATIONS AND AMENDMENTS

This Agreement may be changed, modified, or amended only by written agreement executed by both parties.

10. ATTACHMENTS

Attachments to this Agreement are:

- A. Capitol Lake Deschutes Estuary Final Cost Estimate
- B. Capitol Lake Deschutes Estuary Funding and Governance Work Group Meeting Process Map
- C. Capitol Lake Deschutes Estuary Funding and Governance Work Plan

11. ALL WRITINGS CONTAINED

This Agreement contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement may be deemed to exist or to bind any of the parties hereto.

12. OTHER MATTERS

No separate legal entity created: no separate legal entity is created by this Agreement

No real or personal property jointly held: In carrying out this Agreement, the parties will not jointly acquire, hold, or dispose of real or personal property. Any real or personal property used by a party in carrying out this Agreement remains the property of that party.

Execution

We, the undersigned, agree to the terms of the foregoing Agreement.

Department of Enterprise Services

Chris Liu

Chris Liu
Director

10/30/2020

Date

**Participating Agency
City of Olympia**

Steven J. Burney
City Manager

Date

Approved as to Form

Michael M. Young

Deputy City Attorney



CAPITOL LAKE — DESCHUTES ESTUARY

Long-Term Management Project Environmental Impact Statement

Phase 2 Total Cost August 2019

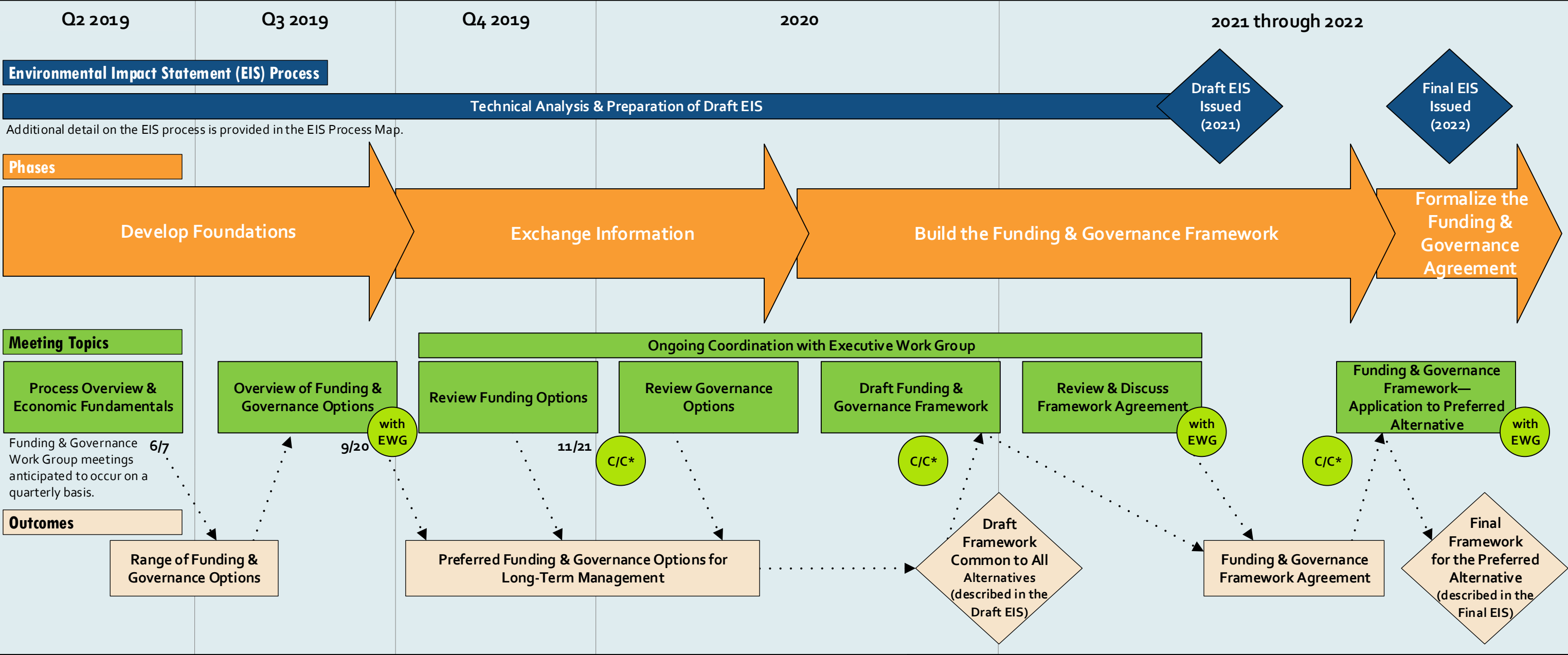
- Option 1:** Stop Project. Project will continue as planned unless a decision is made to change course.
- Option 2:** Complete technical analyses and reports
- Option 3:** Complete Draft EIS
- Option 4:** Fully fund Phase 2; complete Final EIS with required scope, and identify Preferred Alternative with funding and governance framework

Description	Total Cost of Option 4
Project Start-up and Scoping	\$742,746
Project Management, Strategy Development, Schedule	\$469,000
Team Meetings, Technical Coordination, Workshops	\$547,000
Technical Editing, Administrative Record, Document Management, Website	\$223,000
Technical Analyses, Design, Planning-Level Costs, Draft EIS	\$3,472,104
Draft EIS	\$398,247
Sediment Transport and Geomorphology	\$675,276
Water Resources	\$366,762
Wetlands and Vegetation	\$119,768
Fish and Wildlife	\$128,991
Invasive Species	\$67,464
Sea Level Rise and Climate Change	\$81,455
Air Quality / Odor	\$30,520
Earth Resources	\$10,442
Land use, Shorelines and Recreation	\$123,351
Historic and Cultural	\$103,790
Visual Quality	\$143,902
Environmental Health	\$144,238
Transportation	\$74,807
Public Services and Utilities	\$27,839
Economics	\$243,621
Design	\$372,095
Survey	\$39,349
Final EIS	\$320,187
Stakeholder Outreach, Legislative Outreach, Public Engagement and Community Sounding Board	\$353,000
Support of Funding and Governance Work Group*	\$159,000
Direct Expenses (mileage, parking fees, postage and delivery, equipment rental, meeting room fees, platform for mailing list, domain rights for website name, accessibility subtitles for EWG video, etc.)	\$33,000
Project Closeout	\$9,000
Contingency	\$122,000
Enterprise Services Expenses	
Attorney General - EIS	\$75,000
Attorney General - Funding and Governance Work Group*	\$125,000
Finance Fee	\$56,487
B&G Support	\$15,000
Printing, Advertising, Public Meeting Costs	\$12,500
Third Party Review of Draft Discipline Reports	\$32,500
Total Cost of Phase 2	\$6,446,337
Current Appropriation (2017-2019)	\$4,000,000
TOTAL Request from 2020 Supplemental Budget	\$2,446,337

*Shared funding could be leveraged for these costs, related to consultant and legal support of the Funding and Governance Work Group.

The distribution of costs across the technical analyses for the Final EIS is informed by the experience and expertise of the EIS Project Team, and known areas of public scrutiny.

Of the \$4,000,000 that was appropriated in the 2017-19 capital budget for this project, \$1,430,115 has been spent through June 30, 2019.





Roles and Responsibilities of the Funding and Governance Work Group:

Enterprise Services convened the Funding and Governance Work Group (FGWG) in 2016 in response to a legislative proviso that included a directive to identify options for shared funding and governance for long-term management of Capitol Lake – Deschutes Estuary. At the conclusion of the 2016 planning work ("Phase 1"), the FGWG made a commitment to continue the collaboration around a shared funding and governance approach as part of the EIS ("Phase 2"). The role of this group remains advisory to members of the Executive Work Group (EWG) and signatories to an eventual funding and governance agreement. Each FGWG member has an active and ongoing responsibility to represent their organization through the process depicted herein, supporting the flow of information and development of potential solutions that may lead to productive funding and governance outcomes, and development of a final framework for the Preferred Alternative expected in 2022.

* C/C refers to Council/Commission process briefings conducted by Work Group members with support from the EIS consultant team.

Legend

 Meeting
  Milestone

Notes:
 For more information please visit:
capitollakedeschutesestuaryeis.org
 or email:
info@capitollakedeschutesestuaryeis.org
 Meeting materials, including videos of the EWG meetings, are available on the project website.
 The Washington State Department of Enterprise Services ensures full compliance with Title VI of the Civil Rights Act of 1964 by prohibiting discrimination against any person based on race, color, national origin, or sex in the provision of benefits and services resulting from its federally assisted programs and activities. For questions or to requests special accommodations, please call us at (360) 407-7965 by 10 a.m. three days prior to meetings. For TDD users, please use the state's toll-free relay service, 711 and ask the operator to dial (360) 407-7965.



SHARED FUNDING TO SUPPORT THE FUNDING AND GOVERNANCE WORK GROUP

Enterprise Services seeks to obtain shared funding to support the work of the Funding and Governance Work Group (FGWG), which is a separate but parallel process to the Capitol Lake – Deschutes Estuary Long-Term Management Project Environmental Impact Statement (EIS). This shared funding approach is consistent with the legislative proviso for the Project, which states that “the environmental impact statement must consider the use of equal funding from nonstate entities including, but not limited to, local governments, special purpose districts, tribes, and not-for-profit organizations.”

Estimated Contributions

Consultant and legal support of the FGWG has a total estimated cost of around \$300,000. In compliance with the legislative proviso, Enterprise Services requests contributions from each governmental partner on the Executive Work Group (EWG), roughly \$50,000 each if equally distributed. Payment in full to Enterprise Services is expected to be received in Quarter 2 of 2020, no later than one month following receipt of full project funding, requested by Enterprise Services in the 2020 Supplemental Budget.

Summary of Work to be Accomplished

The FGWG is tasked with working collaboratively throughout the Phase 2 process to develop a final framework for shared funding and governance of the Preferred Alternative. This work will be supported by a consultant and legal team, whose costs would be covered by shared contributions from the EWG.

Consultant Support

The Consultant Team has prepared a Work Plan specific to the FGWG. This Work Plan is depicted in the attached Process Map. The Consultant Team is responsible for preparing materials for each of the FGWG meetings, including research as needed to support the various phases of work, and for processing input from the FGWG to advance toward the common goal of developing a final framework for shared funding and governance of the Preferred Alternative. The Consultant Team is led by Floyd Snider, with primary support by ECONorthwest, the subject matter expert, and EnviroIssues, who manages project outreach.

Legal Support

Enterprise Services would retain neutral legal counsel to aid in drafting of the final framework for shared funding and governance, including review and contribution to draft documents. If changes in legislation are required, Enterprise Services would be supported by legal counsel. Legal counsel will provide ongoing coordination with Enterprise Services and the Consultant Team; and occasional participation in FGWG and EWG meetings is also anticipated.

Performance Measurement

Performance of the consultant and legal support of the FGWG can be measured by fulfilling the Work Plan depicted in the attached Process Map. Enterprise Services would continue to serve as the neutral lead agency of this work, directing the Consultant Team and legal counsel, and providing payment for the FGWG support that has been contracted, is currently under contract, and is expected in future contracts through the remainder of Phase 2. Updates on the work performed per the Process Map will be provided to the FGWG and EWG at the scheduled project meetings.