

TO: City Council
FROM: Tyle Zuchowski, Water Resources & Sustainability Deputy Director
DATE: June 16, 2026
SUBJECT: Professional Services Agreement with Gray and Osborne for design of the Trospen Road Sewer Extension Project

1) Recommended Action:

Approve and authorize the Mayor to sign the Service Provider Agreement with Gray & Osborne for the Trospen Road Sewer Extension Design Project via City Council consent calendar.

This agreement was recommended for approval by the Public Works Committee at their June 4, 2026 meeting.

2) Background:

Percival Creek was identified as a hot spot for fecal coliform and total nitrogen in the Total Maximum Daily Load (TMDL) assessments for both the Deschutes River, Percival Creek, Black Lake Ditch in 2018, and Budd Inlet 2022. The project extends the sewer collection system to the west along the Trospen corridor, making septic to sewer conversion available for roughly 32 parcels.

3) Policy Support:

- The proposed sewer extension is in alignment with Tumwater General Sewer Plan approved by Ecology in 2015.
 - Develop policies for the Septic to Sewer program to guide the extension of sewer mains and private properties to sewer.
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4) Alternatives:

- The council could reject the service provider agreement and direct staff to consider alternative consultant, which may defer water quality improvements in Percival Creek and Budd Inlet and maintain financial barriers for septic to sewer conversions within the Trospen Road corridor.
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5) Fiscal Notes:

The current estimated total project is \$5,250,000, the amount of the Water Quality Combined Assistance loan allocated through this agreement. The loan has a 30-year term with an effective interest rate of 2.7% and does not impact the city's overall debt capacity. This loan is funded by the Sanitary Sewer Utility Fund.

6) Attachments:

A. Service Provider Agreement with Gray & Osborne for the Trospen Sewer Extension Project