

**INTERLOCAL AGREEMENT BETWEEN THE CITY  
OF TUMWATER AND LOTT CLEAN WATER  
ALLIANCE 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 Tumwater, a municipal corporation (hereinafter “City”). LOTT and the City are referred to herein collectively as “the Parties.”

**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; 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 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;

**NOW, THEREFORE**, in consideration of the mutual terms, provisions, and obligations contained herein, it is agreed by and between the City and LOTT as follows:

**1. Purpose/Objective**

- a. The purpose of this Agreement is to plan, develop, and promote a pilot project related to the treatment and use of Class A+ Reclaimed Water.
- b. 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.
- c. 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.

**2. Scope of Agreement/Work**

- a. Responsibilities of the City shall be as follows:
  - i. In coordination with LOTT, the City agrees to provide periodic staff support for the Pilot for operational, outreach, and educational activities.
- b. Responsibilities of LOTT shall be as follows:
  - i. 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
  - ii. 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.
  - iii. Outreach, partnership development, public events, media relations, and announcements will be managed by LOTT in coordination with the City and other interested parties.

- iv. LOTT is responsible for all compliance with applicable laws, regulations, and permitting requirements in connection with its activities under this Agreement.

### **3. Public Records Requests**

- a. If either party to this Agreement receives a request for public disclosure that will require dissemination of material originating with another party, the party receiving the request will make an effort to notify the originating party. This notification is to allow the originating party an opportunity to seek court relief from disclosure. However, each party to this Agreement recognizes that the agency receiving a public records request is responsible for determining the manner in which it deems appropriate to respond to a public records request.
- b. This Agreement provides no assurance that information will be held confidential.

### **4. Funding**

- a. For services provided throughout the Pilot, defined more specifically in Exhibit A, Scope of Work for Class A+ Pilot Project, the City agrees to contribute a total of **\$60,000.00**.
  - i. LOTT will invoice the City within sixty (60) days of executing this Agreement for the initial payment of **\$30,000.00**.
  - ii. LOTT will invoice the City no earlier than January 1, 2026, for the second payment of **\$30,000.00**.
  - iii. The City shall make payments within thirty (30) days of receipt of invoice.
- b. The City will consider possible further contributions to the Pilot during its budget process for the 2027-2028 biennium. Any additional funding contributions will require a written amendment to this Agreement.
- c. Upon completion of the work set forth in Exhibit A, LOTT will provide the City a copy of any final reports, documents, studies, and/or marketing materials developed throughout the Pilot.

### **5. Indemnification & Insurance**

- a. 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.
- b. 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.
- c. The City agrees to defend, indemnify and hold LOTT, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including reasonable attorney fees, arising out of or in connection with the City's performance of this Agreement, to the extent caused by the sole negligence of the City.

## **6. Duration of Agreement**

- a. This Agreement shall be effective until December 31, 2026, unless otherwise terminated or extended in the manner described herein. This Agreement may be extended for additional periods of time upon mutual written agreement of the parties.

## **7. Termination of Agreement**

- a. This Agreement may be terminated upon sixty (60) days' notice to the other party using the method of notice provided for in this Agreement.

## **8. Dispute Resolution**

- a. Any dispute under this Agreement shall first be submitted to mediation or non-binding arbitration prior to bringing an action in a court of law. The City and LOTT shall share equally in the costs of such non-binding dispute resolution with each party bearing its own costs.

## **9. Interpretation and Venue**

- a. 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.
- b. 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.

## **10. Entire Agreement**

- a. This Agreement sets forth all terms and conditions agreed upon by the City and LOTT, and supersedes any and all prior agreements oral or otherwise with respect to the subject matter addressed herein.
- b. 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.
- c. 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.
- d. Either party may request changes to the Agreement, however, no change or addition to this Agreement shall be valid or binding upon either party unless such change or addition be in writing and signed by both parties. Such amendments shall be attached to and made part of this Agreement.

**11. Filing**

- a. Prior to its entry into force, this Agreement shall be filed with the Thurston County Auditor's Office or posted upon the websites or other electronically retrievable public source as required by RCW 39.34.040.

**12. Notice**

- a. Any notice required under this Agreement shall be to the party at the address listed below and shall become effective as of the date of deposit in the United States Postal Service.

**CITY OF TUMWATER**

Attn: City Clerk  
555 Israel Road SW  
Tumwater, WA 98501

**LOTT CLEAN WATER ALLIANCE**

Attn:  
  
Olympia, WA 98506

**13. Effective date**

- a. This Agreement is hereby entered into between the City of Tumwater and LOTT Clean Water Alliance and shall take effect on the date of the last authorizing signature affixed hereto:

**\*\*\* SIGNATURES ON FOLLOWING PAGE \*\*\***

**CITY OF TUMWATER**

**LOTT CLEAN WATER ALLIANCE**

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Debbie Sullivan, Mayor

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Matthew J. Kennelly, P.E.  
Executive Director

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Date

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Date

ATTEST:

ATTEST:

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City Clerk

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Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

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Karen Kirkpatrick, City Attorney

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LOTT Attorney

## **EXHIBIT A: SCOPE OF WORK FOR CLASS A+ PILOT PROJECT**

**Lead Agency: LOTT Clean Water Alliance**

### **Project Purpose**

To demonstrate safe and effective reclaimed water purification methods that can attain the high quality of potable water by using Class A+ reclaimed water standards, the highest level of recycled water quality as defined by Washington State.

### **Objectives**

- Demonstrate advanced purification of reclaimed water to meet drinking water standards.
- Pilot test and compare two multi-step treatment systems using Reverse Osmosis and Carbon Filtration.
- Evaluate effectiveness of both treatment processes in removing chemicals and pathogens.
- Engage the public through education, outreach, and product sampling (e.g., beer, root beer).
- Support the development of regulatory policies and standards for future Class A+ projects.

### **Key Activities**

- Design and install two pilot-scale advanced treatment systems.
- Operate and monitor systems for performance and safety.
- Collaborate with local businesses to produce consumable products using Class A+ water.
- Conduct public outreach and sampling events.
- Provide data and insights to state regulators for permitting pathways.

### **Partners**

- Jurisdictional Partners: Cities of Lacey, Olympia, Tumwater, and Thurston County
- State Agencies: WA Departments of Health and Ecology, State Board of Health
- Community Partner: Squaxin Island Tribe
- Consultant: Hazen and Sawyer
- Community Stakeholders: Local businesses and residents

### **Innovation & Experience**

This is the first Class A+ demonstration in Washington State. It builds on LOTT's 30+ years of leadership in advanced water treatment and offers a model for future potable reuse projects statewide and nationally.

### **Expected Outcomes**

- Production of safe, high-quality Class A+ reclaimed water.
- Increased public awareness and acceptance of water recycling.
- Foundation for future water resource management strategies.

### **Project Estimated Timeline**

- 2024-2025: Planning and design of treatment systems.
- 2025-2026: Installation and testing of systems.
- 2026: Public engagement and product sampling events with purified water available by Summer 2026.

*"All water is recycled. Judge it by its quality, not its history."*

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