

FIRST AMENDED AND RESTATED INTERLOCAL AGREEMENT FOR OPIOID ABATEMENT COUNCIL INDEPENDENT SUBCOMMITTEE

This Interlocal Agreement (the "**Agreement**") is made and entered into pursuant to Chapter 39.34 RCW, the "Interlocal Cooperation Act," by and between Thurston County, Washington, a political subdivision of the State of Washington; the City of Lacey, a municipal corporation organized under the laws of the State of Washington; the City of Olympia, a municipal corporation organized under the laws of the State of Washington; and the City of Tumwater, a municipal corporation organized under the laws of the State of Washington. The above-mentioned local governments will be collectively referred to herein as the "**Parties**."

RECITALS

- A. The Parties are all "**Participating Local Governments**" as defined by the "One Washington Memorandum of Understanding Between Washington Municipalities" ("**One WA MOU**"), attached hereto as **Exhibit A** and incorporated herein by reference.
- B. The One WA MOU is one of the primary governing documents concerning how Participating Local Governments are to receive opioid abatement funding (referred to therein as "**Opioid Funds**") resulting from the settlement of opioid litigation. The One WA MOU provides that Opioid Funds are to be allocated within allocation regions, referred to therein as "**Allocation Regions**"). The Parties are all within the Cascade Pacific Action Alliance Region.
- C. The One WA MOU provides that each Allocation Region must have an Opioid Abatement Council ("**OAC**"), whose composition and responsibilities shall be defined by Regional Agreement or as set forth in Section C.4 of the One WA MOU.
- D. The Participating Local Governments in the Cascade Pacific Action Alliance Region established an OAC by executing the "Regional Agreement of the Cascade Pacific Action Alliance Region Participating Local Governments (the "**Regional Agreement**"), attached herein as **Exhibit B** and incorporated herein by reference.
- E. The Regional Agreement provides that the Cascade Pacific Action Alliance Region's OAC is comprised of independent subcommittees, with the independent subcommittee of the Parties herein being the "**Thurston County and Cities Independent Subcommittee**." Section 8 of the Regional Agreement provides that each independent subcommittee is responsible for the specific functional duties of the OAC.
- F. On July 20, 2023, the Parties entered into an Agreement titled Interlocal Agreement for Opioid Abatement Council Independent Subcommittee, which constituted the agreement between the Parties as to how the OAC duties of the Thurston County and Cities Independent Subcommittee are to be performed, consistent with the One WA MOU and Regional Agreement.
- G. The Parties now wish to amend and restate the Agreement to clarify how some opioid settlement funding would be pooled for the greater benefit of the Parties.

AGREEMENT

- 1. **Incorporation of Recitals.** The foregoing Recitals A through G are incorporated herein by reference as substantive provisions of this Agreement.
- 2. **Thurston County and Cities Council.** The Parties agree that the Regional Agreement sets forth specific OAC administrative tasks for each independent subcommittee. The

Parties also agree that Section C(4)(h) of the One WA MOU provides that the OAC "shall be composed of representation from both Participating Counties and Participating Towns or Cities within the Region," and that the "method of selecting members, and the terms for which they will serve" will be determined by the Participating Local Governments. Accordingly, the Parties agree that each Participating Local Government within the Thurston County and Cities Independent Subcommittee will appoint one representative to serve on the "**Thurston County and Cities Council.**" The term for each member of the Thurston County and Cities Council will be three (3) years, and terms may be successive with no term limits.

3. **Administrative Duties.** The administrative duties of the Thurston County and Cities Independent Subcommittee will be performed as follows:
 - a. At least annually, the Thurston County and Cities Council will convene to review and fulfill oversight obligations regarding the distribution of Opioid Funds from Participating Local Governments to programs and services within the territories of the Parties.
 - b. At least annually, the Thurston County and Cities Council will convene to review the Parties' expenditure reports for compliance with the Approved Purposes listed in the One WA MOU and any opioid settlement.
 - c. The Parties will make all their decisions on Opioid Fund allocation applications, distributions, and expenditures publicly available. Thurston County will compile or link the Parties' information on a single webpage.
 - d. The Parties will all make expenditure data publicly available, at least on an annual basis. Thurston County will develop and maintain a centralized public dashboard or other repository for the publication of the Parties' expenditure data on the Thurston County website and update it at least annually.
 - e. Hearing complaints by the Parties regarding alleged failure to (1) use Opioid Funds for Approved Purposes, or (2) comply with reporting requirements will be handled as follows:
 - I. Each Party will maintain its own internal complaint process and hear complaints internally, with an opportunity to correct any complaint.
 - II. If the Party is unable to resolve the complaint through its own internal complaint process, the Thurston County and Cities Council will convene to hear the complaint, and the Party will have an opportunity to present its position on the complaint through written and oral argument. If the Thurston County and Cities Council concludes that the Party did not comply with the Approved Purposes from the One WA MOU or that the Party otherwise misused its allocation of Opioid Funds, the Thurston County and Cities Council may take any remedial action consistent with the terms of the One WA MOU.

4. **Public Records; Records Maintenance and Audits.** Each Party is responsible for its own compliance with the Public Records Act, Chapter 42.56 RCW, in connection with this Agreement. The Parties agree to cooperate with each other to the extent necessary for any Party to comply with the Public Records Act. That said, no Party is required to coordinate its response to a public records request with another Party or forward a public records request to another Party to the extent the Party believes a public records request was misdirected to it.

Opioid Funds will be subject to mechanisms for auditing and reporting to provide public accountability and transparency. All records related to the receipt and expenditure of Opioid Funds shall be maintained for no less than five (5) years and such records shall be available for review by the Parties to this Agreement, government oversight authorities, and the public.

5. **Funding.** The Parties agree to pool some or all opioid settlement funding received after January 1, 2018, as directed by each jurisdiction's legislative body on an annual basis.
- a. Each jurisdiction must convey to the Thurston County and Cities Independent Subcommittee the percentage of its funding or specific dollar amount to be pooled for the following calendar year by June 30th each year.
 - I. If no decision is conveyed by June 30th, then the amount to be pooled shall remain the same as the prior year.
 - II. For calendar years 2026 and 2027, Thurston County agrees to pool \$500,000 per year.
 - b. The Lead Agency may utilize up to 10% of the pooled funding for administrative costs related to the shared budget, such as contract and fiscal management.
 - I. This 10% is independent from the 10% outlined in Section 7 for the administration of the Opioid Abatement Council and is to be tracked separately to be reported on an annual basis.
 - c. All funds contributed by the Parties for the purposes set forth in this Agreement, shall be deposited in the treasury of the Lead Agency, as described in Section 6.
 - I. Unspent pooled funds may be carried over and used in subsequent years to the extent which is allowed by federal and state law for projects, programs, and activities consistent with this Agreement.
 - II. Unallocated opioid settlement funds will be returned to the Parties for their own use, with all funds to be used in accordance with the One Washington MOU – including allowable uses, reporting, and all other sections.
 - d. The Thurston County and Cities Independent Subcommittee will make funding recommendations and serve in an advisory capacity to the Thurston County Board of County Commissioners. The BoCC will authorize funding for these grants but will not deviate from the funding

recommendations provided by the Subcommittee.

- I. Pooled funding recommendations will be presented to the BoCC as one recommendation. The BoCC must approve the entire recommendation for the approval to move forward and the funding to be authorized. No changes may be made to the recommendation by the BoCC.
 - II. In the event the BoCC does not approve the funding recommendation, the Subcommittee will review the recommendations and consider revisions. The Subcommittee will submit a final recommendation to the BoCC, who will assess the recommendations and make a final decision to either approve or reject the entire recommendation.
 - III. In the event the BoCC does not approve the funding recommendation for the second time, the pooled funds will be returned to the Parties for their own use.
6. **Lead Agency.** Thurston County will act as the Fiscal Agent and Lead Agency on behalf of the Parties in administering all contracts and processing all invoices and receipts for any pooled funds. Thurston County shall name a program manager who shall be responsible for the operations of the Thurston County and Cities Independent Subcommittee. The program manager will be responsible for the following: meeting coordination and agenda preparation, support related to opioid settlement funding, and coordination of the request for proposal and award process. Lead Agency will document all costs related to Section 5.a and report such costs to the Parties on an annual basis. The Lead Agency will coordinate with the Parties in preparing required local and state reporting materials.
7. **Administrative Costs.** Pursuant to Section C(4)(b) of the One WA MOU, ten percent (10%) of Opioid Funds received by all of the Participating Local Governments will be reserved, on an annual basis, for administrative costs related to the OAC. Under the Regional Agreement, the independent subcommittees of the Cascade Pacific Action Alliance Region OAC are required to provide an annual budget and accounting for actual costs and will be reimbursed for those costs from the independent subcommittee's proportionate share of Opioid Funds, provided the reasonable administrative costs shall not exceed actual costs or 10%, whichever is less.

The Parties agree to separately and individually create an annual budget and document their administrative costs related to performing their obligations related to the OAC and this Agreement, and to provide the budget and administrative cost documentation to the Thurston County and Cities Council at least annually. The Parties understand and agree they will be reimbursed for those costs from their proportionate share of Opioid Funds.

8. **Mutual Indemnity.** To the extent of its comparative liability, each Party agrees to indemnify, defend and hold the other Party, its elected and appointed officials, employees, agents and volunteers, harmless from and against any and all claims, damages, losses and expenses, including but not limited to court costs, attorney's fees and alternative dispute resolution costs, for any personal injury, for any bodily injury, sickness, disease or death and for any damage to or destruction of any property (including the loss of use resulting therefrom) which are alleged or proven to be caused by an act or omission, negligent or otherwise, of its elected and appointed officials, employees, agents or volunteers.

In the event of any concurrent act or omission of the Parties, each Party shall pay its proportionate share of any damages awarded. The Parties agree to maintain a consolidated defense to claims made against them and to reserve all indemnity claims against each other until after liability to the claimant and damages, if any, are adjudicated. If any claim is resolved by voluntary settlement and the Parties cannot agree upon apportionment of damages and defense costs, they shall submit apportionment to binding arbitration.

9. **Survival of Indemnity Obligations.** The Parties agree all indemnity obligations shall survive the completion or expiration of this Agreement.
10. **Compliance with Laws.** The Parties and their officials, officers, employees, agents, and subcontractors shall comply with all applicable federal, state, and local laws, regulations, rules, and policies.
11. **Relationship of the Parties.** The Parties' relationship exists solely for the limited purposes outlined in the Regional Agreement and the One WA MOU for receiving Opioid Funds. This Agreement, and the Parties' activities under it, shall not be construed as creating any kind of partnership or joint venture, nor shall it be construed as creating any kind of independent contractor, agency, or employment relationship between the Parties.
12. **No Third-Party Rights.** This Agreement is entered into by the Parties solely for their own benefit and it creates or grants no rights of any kind to any other party.
13. **Waiver.** No term or condition of this Agreement shall be deemed waived unless such waiver is expressly agreed to in writing by all Parties. In addition, waiver of any breach of this Agreement shall not be deemed a waiver of any prior or subsequent breach.
14. **Amendment.** This Agreement can only be amended in writing, and only upon execution by all Parties.
15. **Entire Agreement.** The Parties acknowledge that this Agreement is the complete expression of their agreement regarding the subject matter of this Agreement. Any oral or written representations or understandings not incorporated into this Agreement are specifically excluded.
16. **Headings.** The headings in this Agreement are for convenience only and shall not be deemed to affect the meaning of its provisions.
17. **Severability.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, such invalidity shall not affect the validity of the remaining provisions that can be given effect without the invalid provision, provided that the underlying intent of the Parties can still be given effect.
18. **Signature Authority.** Each person signing this Agreement on behalf of a Party warrants that he or she has full authority to sign this Agreement on that Party's behalf.
19. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall be deemed one agreement. Each counterpart may be executed and delivered by facsimile to the other party.

20. **Exhibits.** The following exhibits are incorporated into this Agreement by reference.

I. Exhibit A- One Washington Memorandum of Understanding Between Washington Municipalities" ("**One WA MOU**")

II. Exhibit B - Regional Agreement of the Cascade Pacific Action Alliance Region Participating Local Governments (the "**Regional Agreement**")

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed this __ day of _____, 2026.

CITY OF LACEY

DATED: _____

Attest: _____
Clerk

City Manager

Approved as to form:

City Attorney

CITY OF OLYMPIA

DATED: _____

Attest: _____
Clerk

City Manager

Approved as to form:

City Attorney
CITY OF TUMWATER

DATED: _____

Mayor

Attest: _____
Clerk

Approved as to form:

City Attorney

THURSTON COUNTY

DATED: _____

County Manager

Attest: _____
Clerk

Approved as to form:
Jon Tunhiem, Prosecuting Attorney

Deputy Prosecuting Attorney