



AGENDA

1. Call to Order – Flag Salute – Roll Call
2. Late Changes to Agenda
3. General Public Comment
4. Consent Agenda
 - a. Payment of Claims
 - b. Meeting Minutes
 - c. Interlocal Agreement with Town of Woodway for Street Sweeping Services
 - d. Addendum 6 to Interlocal Agreement with Edmonds Wastewater
5. Proclamation for Nowruz
6. Proclamation for Holy Week
7. Presentation by Waste Management
8. City Manager’s Report
9. Council Liaison Reports
10. New Business
11. Adjournment

To listen to the meeting via telephone, call 1-253-215-8782. To watch the meeting online: 1) Go to <https://zoom.us/join>; 2) Enter meeting ID 810 1113 9518 and click “join.” No passcode needed.

To provide public comment or testimony remotely (via Zoom or telephone), please refer to the Public Comment and Public Hearing Testimony Protocol on the city website <https://www.cityofmlt.com/129/Agendas-and-Minutes>.

To submit written public comment or hearing testimony, mail to/drop off at City Hall (23204 58th Avenue W., Mountlake Terrace, WA 98043) or email remarks to Jennifer Joki, jjoki@mltwa.gov, no later than 4 p.m. on the public hearing date.

No person shall make personal attacks or threatening remarks while addressing the Council which disrupts, disturbs, or otherwise impedes the orderly conduct of the meeting. All hate speech will be construed as threatening remarks.



STAFF REPORT

To: Mountlake Terrace City Council

From:

Meeting Date: March 19, 2026

Subject: Meeting Minutes

Required Reviews:

Jennifer Joki

Jeff Niten

Sirke Salminen

Hillary Evans

Created -

-

-

-

Council Goal(s):

Legislative History:

Subject Summary:

Financial/Budget Impacts:

Budget Amendment Required? _____

Budget and Sources:	
Expenditure:	
New Appropriation Required + Sources:	

Additional Financial Information:

Community Notifications:

If "Other," please specify:

Board/Commission Recommendation:

Staff Recommendation:

Council Motion:

Attachments:

None



STAFF REPORT

To: Mountlake Terrace City Council

From: Gary Schimek, Public Works Director

Meeting Date: March 19, 2026

Subject: Interlocal Agreement with Town of Woodway for Street Sweeping Services

Required Reviews:

Jennifer Joki	Created/Initiated - 03/12/2026
Gary Schimek	Approved - 03/12/2026
Sirke Salminen	Approved - 03/12/2026
Hillary Evans	Approved - 03/12/2026
Carolyn Hope	Final Approval - 03/12/2026

Council Goal(s):

Responsible Governance to Ensure Desired Level of Service

Legislative History:

This item was presented to council at their March 5, 2026 meeting.

Subject Summary:

Background

In 2025, the Town of Woodway asked Mountlake Terrace Public Works to provide street sweeping services for the Town. Like other local cities, the Town of Woodway is required to sweep their streets per their Stormwater Comprehensive Plan. The Town of Woodway is requesting street sweeping services from the City starting on April 1, 2026, through December 31, 2026. Services from the City would be cost-competitive in relation to private vendors and most likely more reliable.

The City would sweep the Town of Woodway circuit a maximum of 20 days (160 hours) per year (in 2026) at the cost of \$130.05 per hour, which represents \$83.75 per hour for labor and \$46.30 for the equipment fee. The 2026 annual revenue would be \$20,808 and be directed to the Stormwater Fund. The agreement is included as an attachment. The impact of this partnership is that it would reduce the current level of service for the City's street sweeping program from about six completed circuits per year to 5.4 completed circuits per year (~10%).

Pending the success of this partnership, the wear and tear on the street sweeper, and the viability of other potential partnerships for street sweeping, the city may consider a budget proposal for

the purchase of a second street sweeper and new FTE as part of the 2027/28 budget process. In addition, the street sweeper is scheduled for replacement in 2028 and adding another sweeper, and rotating it during daily routines, may add to the lifespan of the original sweeper.

Options for City Council consideration include:

Option 1 (Status Quo):

- The City would not enter into an agreement with the Town of Woodway.

Option 2 (Enter Agreement):

- The City would provide street sweeping services to the Town of Woodway with existing staffing and equipment.

Financial/Budget Impacts:

Budget Amendment No
Required? _____

Budget and Sources:	Stormwater Fund (412)
New Revenues and Expenditures:	New Revenues: \$20,808 from the Town of Woodway
New Appropriation Required + Sources:	

Additional Financial Information:

N/A

Community Notifications:

City Council Agenda

If "Other," please specify:

Board/Commission Recommendation:

N/A

Staff Recommendation:

Staff recommends the City Council vote to adopt the Interlocal Agreement (ILA) with the Town of Woodway to provide street sweeping services. This can be accomplished by adding it to the Consent Agenda on March 12, 2026.

Council Motion:

N/A

Attachments:

1. Street Sweeping Agreement Presentation
2. Street Sweeping Map - Woodway
3. Street Sweeping Interlocal Agreement (Draft)



CITY OF
**MOUNTLAKE
TERRACE**



STREET SWEEPING AGREEMENT WITH THE TOWN OF WOODWAY

City Council Regular Meeting: March 5, 2026

Gary Schimek, Public Works Director

AGENDA

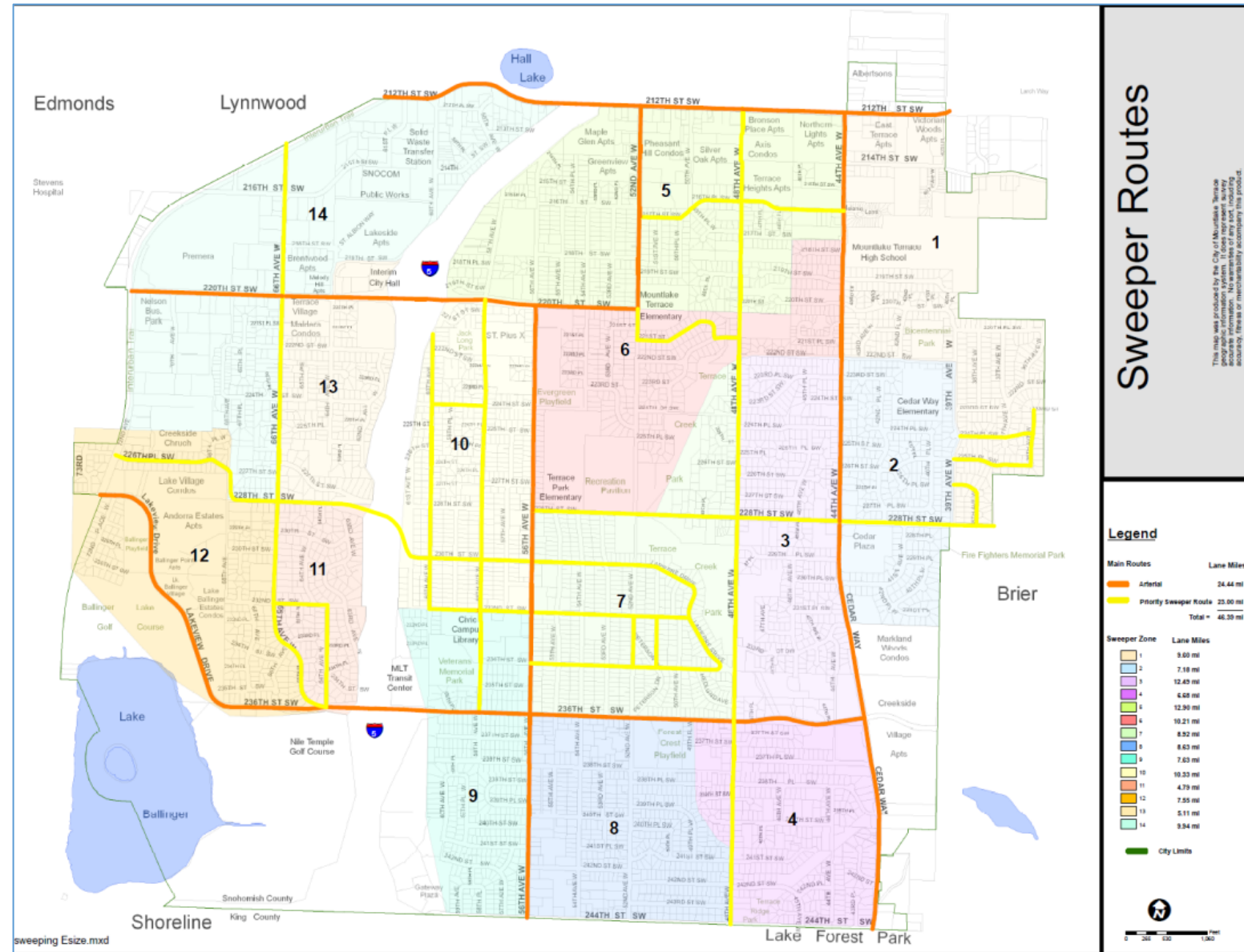
- Existing Street Sweeping Program
- Town of Woodway Proposal



"Street sweeping is a simple, effective, and affordable way to remove trash, leaf litter, and toxic pollutants... before they even enter the storm drain system," effectively acting as an "unsung hero" in urban stormwater management.

EXISTING STREET SWEEPING PROGRAM

- One Sweeper w/ primary driver
- 6 circuits completed/ yr
- 120 tons of debris removed / yr

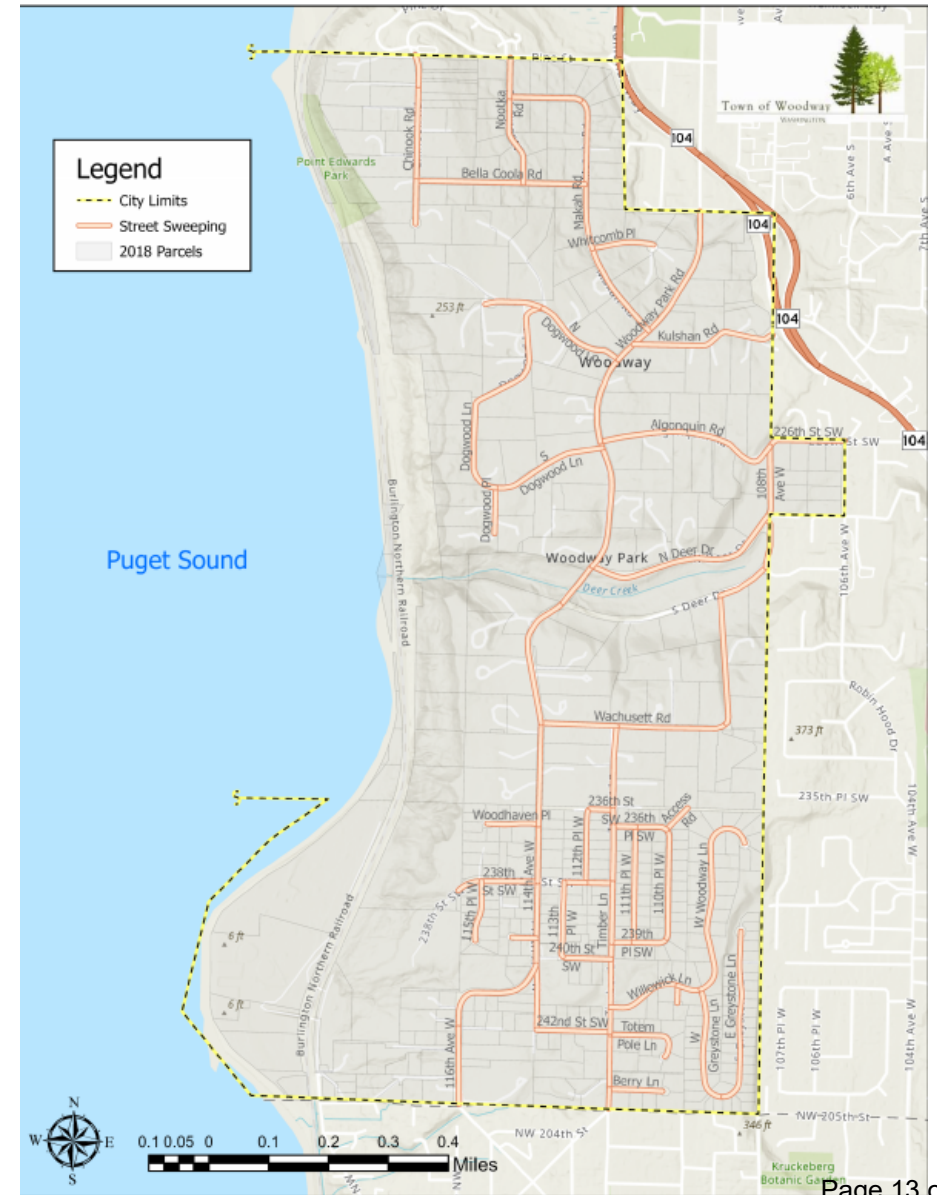


TOWN OF WOODWAY REQUEST

Requires sweeping services:

- 240 hours (30 days) of service/year
- \$130 per hour for all costs (\$31,000/year), including admin costs to run program

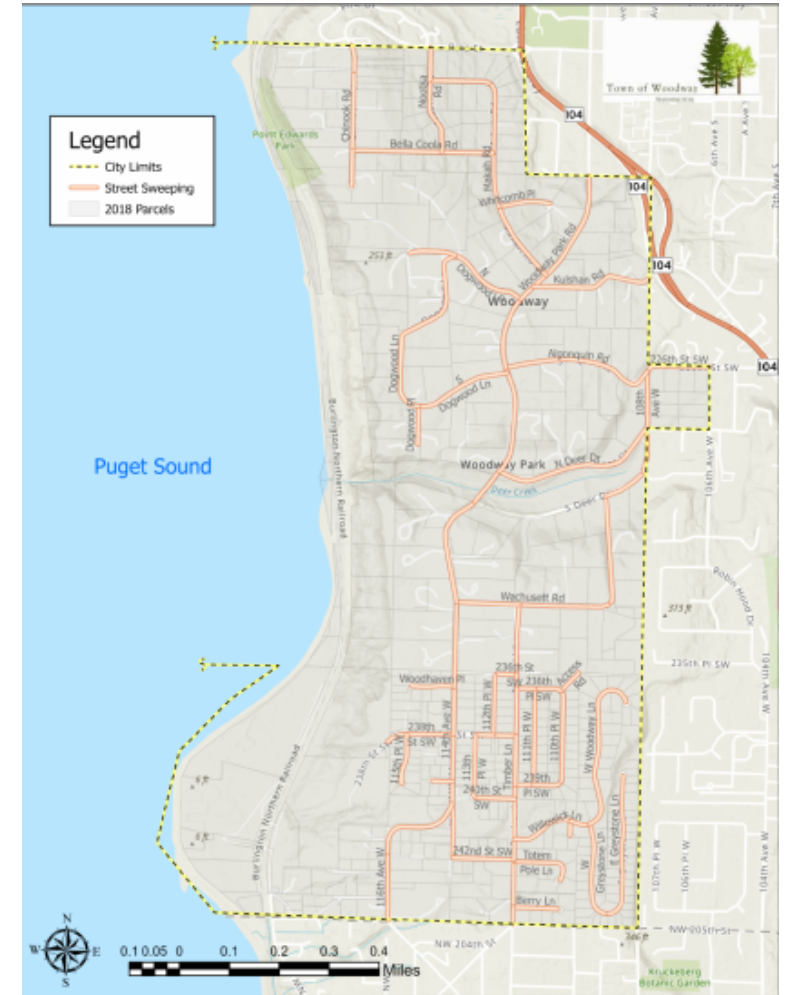
Proposal is for the remainder of 2026 with an evaluation of the program at the end of the year.



TOWN OF WOODWAY REQUEST

- Benefits
 - Regional Partnership
- Potential Impacts
 - Reduced MLT Level of Service
 - Additional “wear and tear” on street sweeper

According to the [Environmental Protection Agency \(EPA\)](#), street sweeping can "minimize some of these pollutants, including sediment, debris, yard waste, trash, deicing materials and trace metals"



STAFF RECOMMENDATION

- Enter into agreement with Town of Woodway

Council Option: Do not enter into the agreement.

DISCUSSION & QUESTIONS

Thank you



**INTERLOCAL AGREEMENT BETWEEN
THE CITY OF MOUNTLAKE TERRACE AND THE TOWN OF WOODWAY**

This Interlocal Agreement is entered into by and between the Town of Woodway, Washington, a municipal corporation ("Woodway"), and the City of Mountlake Terrace, Washington, a municipal corporation ("Mountlake Terrace"), collectively referred to as the "Parties" and individually as "Party."

WHEREAS, Town of Woodway desires to retain the services of Mountlake Terrace for street sweeping maintenance services; and

WHEREAS, Mountlake Terrace has the necessary personnel and equipment and is willing to provide said service maintenance work as described in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, it is mutually agreed as follows:

1. Scope of Services to be Performed by Mountlake Terrace.

Mountlake Terrace shall perform the services outlined in Exhibit A, which is attached hereto and incorporate by reference. In performing these services, Mountlake Terrace shall always comply with all federal, state and local statutes, rules and ordinances applicable to the performance of such services. In addition, these services and all duties incidentally or necessary therefore shall be performed diligently and completely and in accordance with professional standards of conduct and performance.

2. Compensation.

a. Services will be paid at the rate set forth in Exhibit A. Rates set forth in Exhibit A may be increased by providing Woodway with thirty (30) calendar days advance written notice of the actual increase in labor costs for Mountlake Terrace personnel providing the services.

b. Woodway shall pay Mountlake Terrace for services rendered after receipt of an invoice or billing voucher, which is attached hereto and incorporated by reference. Payments will be processed within thirty (30) calendar days from receipt of an invoice or billing voucher. Mountlake Terrace shall mail all invoices or billing vouchers to: Town of Woodway 23920 113th Pl W. Woodway, WA 98020.

3. Term.

The term of this Agreement shall commence on April 1, 2026, and end at midnight on the 31st day of December 2026. Woodway may, at its sole option, extend this Agreement for two (2) additional one-year terms upon thirty (30) calendar days advance written notice to Mountlake Terrace prior to the end of the term.

4. Termination.

Either Party may terminate this Agreement at any time, with or without cause by giving thirty (30) calendar days advance notice to the other Party in writing. In the event this Agreement is terminated by either Party, Mountlake Terrace shall be entitled to payment for all hours worked and reimbursable expenses incurred to the effective date of termination, less all payments previously made. This provision shall not prevent Woodway from seeking any legal remedies it may have for the violation or nonperformance of any of the provisions of this Agreement and any such charges due Woodway shall be deducted from the final payment due Mountlake Terrace. No payment shall be made by Woodway for any expenses incurred or work done following the effective date of termination unless authorized in advance in writing by Woodway. If Mountlake Terrace is unavailable to perform the scope of services, Woodway may, at its option, cancel this Agreement immediately.

5. Independent Contractor Relationship.

Mountlake Terrace will perform all work under this Agreement as an independent contractor and not as an agent, employee, or servant of Woodway. Mountlake Terrace shall be solely responsible for control, supervision, direction and discipline of its personnel, who shall be employees and agents of Mountlake

Terrace and not Woodway.

6. Hold Harmless.

Each Party agrees to be responsible and assume liability for its own wrongful and negligent acts, or omissions, and/or those of its officers, agents, or an employee to the fullest extent allowed by law and thus agrees to save, indemnify, defend and hold harmless the other Party from any such liability. In the case of negligence of more than one Party, any damage allowed shall be levied in proportion to the percentage of negligence attributable to each Party, and each Party shall have the right to seek contribution from the other Party in proportion to the percentage of negligence attributable to that Party.

7. Insurance.

Mountlake Terrace shall procure and maintain for the duration of this Agreement, insurance against claims for injuries to persons or damages to property which may arise from, or in connection with, exercise of the rights and privileges granted by this Agreement, by Mountlake Terrace, its agents, representatives, and employees/subcontractors. The cost of such insurance shall be paid by Mountlake Terrace.

8. Delays.

a. Mountlake Terrace shall perform services to the extent of its available excess capacity and subject to Mountlake Terrace priorities as required to maintain Mountlake Terrace's own facilities and subject to the priority for service outlined in Exhibit A. In the event Mountlake Terrace determines it cannot timely complete the requested work, due to workload, capacity and/or complexity of the anticipated work, Mountlake Terrace will promptly notify Woodway accordingly.

b. Neither Party shall be liable to the other or deemed in breach or default for any failure or delay in performance under this Agreement during the time and to the extent its performance is prevented by reasons of Force Majeure. For the purposes of this Agreement, Force Majeure means an occurrence that is beyond the reasonable control of and without fault or negligence of the party claiming force majeure and which, by exercise of due diligence of such party, could not have been prevented or overcome. Force Majeure shall include natural disasters, including fire, flood, earthquake, windstorm, avalanche, mudslide, and other similar events; acts of war or civil unrest when an emergency has been declared by appropriate governmental officials; acts of civil or military authority; freight embargoes; epidemics; quarantine restrictions; labor strikes; boycotts; terrorist acts; riots; insurrections; explosions; and nuclear accidents. A Party claiming suspension or termination of its obligations due to force majeure shall give the other Party prompt written notice, but no more than ten (10) working days after the event, of the impediment and its effect on the ability to perform; failure to provide such notice shall preclude recovery under this provision.

9. Nondiscrimination.

In hiring or employment made possible or resulting from this Agreement, there shall be no unlawful discrimination against any employee or applicant for employment because of sex, age (except minimum age and retirement provisions), race, color, creed, national origin, marital status, sexual orientation, honorably discharged veteran or military status, or the presence of any sensory, mental, or physical handicap or the use of a trained dog guide or service animal by a person with a disability, unless based upon a bona fide occupational qualification. This requirement shall apply to but not be limited to the following: employment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. No person shall be denied or subjected to discrimination in receipt or the benefit of any services or activities made possible by or resulting from this Agreement on the grounds of sex, race, color, creed, national origin, age (except minimum age and retirement provisions), marital status, sexual orientation, honorably discharged veteran or military status, or in the presence of any sensory, mental or physical handicap, or the use of a trained dog guide or service animal by a person with a disability.

10. General Provisions:

a. Ownership of Property. Except as expressly provided to the contrary in this Agreement, any real or personal property used or acquired by either Party in connection with its performance under this Agreement will remain the sole property of such Party, and the other Party shall have no interest therein.

b. Entire Agreement; Amendment. This Agreement constitutes the entire agreement between the Parties regarding the subject matter hereof and supersedes all prior oral or written agreements between the Parties regarding the subject matter contained herein. This Agreement may not be modified or amended in any manner except by a written document executed with the same formalities as required for this Agreement and signed by the party against whom such modification is sought to be enforced.

c. Successors and Assigns. Neither Town of Woodway nor Mountlake Terrace shall assign, transfer or encumber any rights, duties or interests accruing from this Agreement without the written consent of the other; provided, however, nothing in this Agreement shall restrict or limit Mountlake Terrace, in its sole discretion, from having diagnostic, repair, maintenance and/or upfitting work performed by subcontractors. Mountlake Terrace may also perform diagnostic, repair, maintenance and upfitting work in accordance with services outlined in Exhibit A at any location determine by Mountlake Terrace, in its sole discretion, to be most efficient and practical.

d. Ownership of Documents. The Parties acknowledge that each Party is a public agency subject to Washington's Public Records Act, Chapter 42.56 RCW, and that all documents produced by a Party in connection with the services rendered under this Agreement may be deemed a public record as defined in the Public Records Act and that if a Party receives a public records request, unless a statute exempts disclosure, that Party must disclose the record to the requestor.

e. Notices and Administration. Any notice required under this Agreement will be in writing, addressed to the appropriate party at the address which appears below (as modified in writing from time to time by such party), and given personally, by registered or certified mail, return receipt requested, by facsimile or by a nationally recognized overnight courier service. All notices shall be effective upon the date of receipt.

Town of Woodway
Collin Harlow
23920 113th Pl W
Woodway, WA 98020

City of Mountlake Terrace Public Works Director
PO Box 72
Mountlake Terrace, WA 98043 (425) 744-6293

Woodway's contract manager will be Collin Harlow.

f. Filing with Auditor and Interlocal Cooperation Act Compliance. This Agreement shall be filed by each Party with their respective County Auditor, or, alternatively, listed by subject on the Party's website or other electronically retrievable public source, pursuant to RCW 39.34.040.

g. Governing Law and Venue. This Agreement shall be construed and enforced in accordance with the laws of the State of Washington. Venue of any suit between the parties arising out of this Agreement shall be Snohomish County Superior Court. In the event either Party brings a lawsuit to enforce the terms of this Agreement, or arising from a breach of this Agreement, the prevailing Party shall be entitled to its costs and attorneys' fees for bringing or defending against the action.

h. No Third-Party Beneficiary. It is the intent of the Parties, and all Parties agree, that this Agreement shall not confer third party beneficiary status on any non-party.

i. No Waiver. A Party's forbearance or delay in exercising any right or remedy with respect to a Default by the other party under this Agreement shall not constitute a waiver of the Default at issue. Nor shall a waiver by either Party of any Default constitute a waiver of any other Default or any similar future Default.

j. No Joint Venture.

This Agreement does not create a partnership or joint venture, and in carrying out this Agreement, the Parties

City of Mountlake Terrace - Page 7 of 8

shall act in their individual capacities and not as agents, employees, or partner of one another.

k. Severability. Any provision or part of the Agreement held to be void or unenforceable under any law or regulation shall be deemed stricken and all remaining provisions shall continue to be valid and binding upon Town of Woodway and Mountlake Terrace, who agree that the Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

l. Entire Agreement. This Agreement contains the entire agreement between the Parties hereto and no other agreements, oral or otherwise, regarding the subject matter of this Agreement, shall be deemed to exist or bind any of the Parties hereto. Either Party may request changes in the agreement. Proposed changes which are mutually agreed upon shall be incorporated by written amendment to this Agreement.

This Agreement is executed by:

TOWN OF WOODWAY

CITY OF MOUNTLAKE TERRACE

By: _____
Town of Woodway

By: _____
City of Mountlake Terrace City Manager

Approved as to form:

Approved as to form:

By: _____
Town of Woodway Attorney

By: _____
City of Mountlake Terrace Attorney

Exhibit A Scope of Services

The scope of services includes street sweeping services for the Town of Woodway by the City of Mountlake Terrace.

Sweeping Service will be conducted as follows. Not to exceed 30 times per calendar year unless agreed upon by both parties.

Schedule:

January through April = 2 sweep per month.

May through Aug = 1 sweeps per month.

September through November = 4 sweeps per month.

December = 2 sweeps per month

4 Additional sweeps per year available when needed upon approval.

Adjustments to schedule may be made if agreed upon by both parties.

Additional sweeps shall be coordinated through the City of Mountlake Terrace Public Works Supervisor. Additional sweeps will be allowed based on time and availability.

Rates, Charges, and Payment. Mountlake Terrace shall charge and Woodway shall pay Mountlake Terrace for the services rendered pursuant to this Agreement as follows:

1. Labor will be charged at the hourly overtime rate as follows: \$83.75
2. Vehicle Charge - \$46.30/hour
3. Subject to Dumping Fees
4. Sales/Use Tax: Washington State Sale or Use Tax shall be applied as applicable.

TOTAL Labor/Vehicle Charge: \$130.05/hour



STAFF REPORT

To: Mountlake Terrace City Council

From: Gary Schimek, Public Works Director

Meeting Date: March 19, 2026

Subject: Addendum 6 to Interlocal Agreement with Edmonds Wastewater

Required Reviews:

Jennifer Joki	Created/Initiated - 03/12/2026
Gary Schimek	Approved - 03/12/2026
Sirke Salminen	Approved - 03/12/2026
Hillary Evans	Approved - 03/12/2026
Carolyn Hope	Final Approval - 03/12/2026

Council Goal(s):

Responsible Governance to Ensure Desired Level of Service

Legislative History:

May 1988: Council approved original agreement between the City of Edmonds, Ronald Sewer District, and Olympic View Water District.

May 2017: Council approved Addendum No. 1.

May 2020: Council approved Addendum No. 2.

August 2020: Council approved Addendum No. 3.

April 2021: Council approved Addendum No. 4.

February 2024: Council approved Addendum No. 5

March 5, 2026 Addendum No. 6 presented to council at their meeting.

Subject Summary:

In May 1988, an agreement was signed by the City of Mountlake Terrace, City of Edmonds, Ronald Sewer District, and Olympic View Water District for the shared ownership of the Edmonds Wastewater Treatment Plant. The City of Mountlake Terrace was allocated 23.174% of the plant capacity. The allocated plant capacity for the other partners were 50.787% (Edmonds), 16.551% (Olympic View Water District), and 9.488% (Ronald Water District, now City of Shoreline). These original capacity allocations are still in place through all the addendums that have been approved. Addendums have been approved in May 2017, May 2020, August 2020, April 2021, and February 2024. The current addendum (No. 5) terminates in February 2026. The original agreement and Addendum No. 6 are included as attachments to this staff report. The partners are planning a revision to the agreement, but need more time to work on the details.

The options for City Council consideration are below:

Option 1: Approve Addendum No. 6

City Council would approve Addendum No. 6 which would extend the agreement with all partner agencies until February 2028.

This would be the final addendum and all the partner agencies would negotiate a revised contract by the termination date of Addendum No. 6.

Option 2: Do not approve Addendum No. 6

City Council would not approve Addendum No. 6.

The City of Mountlake Terrace would inform partner agencies that a revised agreement needs to be developed immediately rather than moving forward with another addendum.

Financial/Budget Impacts:

Budget Amendment Required? No

Budget and Sources:	Wastewater Fund (410)
Expenditure:	
New Appropriation Required + Sources:	

Additional Financial Information:

N/A

Community Notifications:

City Council Agenda

If "Other," please specify:

Board/Commission Recommendation:

N/A

Staff Recommendation:

Staff recommends the City Council vote to adopt Addendum No. 6 to the Edmonds Wastewater Agreement. This can be accomplished by adding it to the Consent Agenda on March 12, 2026.

Council Motion:

N/A

Attachments:

1. Addendum 6 to Agreement with Edmonds Wastewater (Draft)
2. Addendum 5 to Agreement with Edmonds Wastewater 2024
3. Addendum 4 to Agreement with Edmonds Wastewater 2022
4. Addendum 3 to Agreement with Edmonds Wastewater 2020

5. Addendum 2 to Agreement with Edmonds Wastewater 2020
6. Addendum 1 to Agreement with Edmonds Wastewater 2017
7. Agreement with Edmonds Wastewater 1988

ADDENDUM NO. 6 TO AGREEMENT

Wastewater Treatment, Disposal and Transport

WHEREAS, the City of Mountlake Terrace, Olympic View Water and Sewer District, and the Ronald Sewer District (the “Participants”) and the City of Edmonds (the “City”), (collectively the “Parties”), all municipal corporations of the State of Washington, entered into a Professional Services Agreement for Wastewater Treatment, Disposal, and Transport (“Agreement”), for a term of thirty (30) years, from May 17, 1988 to May 17, 2018; and

WHEREAS, in May 2017, the Parties entered into an Addendum to the Agreement to extend the term of the Agreement for two (2) years, through May 17, 2020, to allow time for issues between the Parties to be resolved; and

WHEREAS, in April 2020, the Parties entered into Addendum No. 2 to the Agreement to extend the term of the Agreement for an additional three (3) months, through August 17, 2020, to allow additional time for issues between the Parties to be resolved; and

WHEREAS, in August 2020, the Parties entered into Addendum No. 3 to the Agreement to extend the term of the Agreement for an additional eighteen (18) months, through February 17, 2022, to allow additional time for issues between the Parties to be resolved; and

WHEREAS, on April 30, 2021, pursuant to chapter 35.13A RCW, the City of Shoreline assumed full and complete management and control of the Ronald Wastewater District (formerly Ronald Sewer District); and

WHEREAS, the City of Mountlake Terrace, Olympic View Sewer and Water District, and the City of Edmonds recognized the City of Shoreline’s assumption and its acceptance of the contractual obligations previously agreed to by the Ronald Wastewater District and desired to amend the Agreement to reflect this assumption; and

WHEREAS, in March 2022, the Parties entered into Addendum No. 4 to the Agreement to document the City of Shoreline’s assumptions of all rights, responsibilities, and obligations of the Ronald Wastewater District under the Agreement and to extend the term of the Agreement for an additional twenty-four (24) months, through February 17, 2024, to allow additional time for issues between the Parties to be resolved; and

WHEREAS, in March 2024, the Parties entered into Addendum No. 5 to the Agreement to further extend the term of the Agreement for an additional twenty-four (24) months, through February 17, 2026 to allow additional time for issues between the Parties to be resolved;

WHEREAS, in Addendum No. 5, the parties noted as follows: The Clean Water Act and federal rules require wastewater treatment plants that contribute to water quality impairments by discharging excess nutrients to take action to prevent this pollution. The Washington State Department of Ecology Puget Sound Nutrient General Permit, effective January 1, 2022, applies to the Edmonds WWTP since it discharges to marine and estuarine waters of Washington. Monitoring of the operations of the Edmonds WWTP is necessary to determine what capital or operational changes may be required to ensure compliance with the Puget Sound Nutrient General Permit.

ADDENDUM NO. 6 TO AGREEMENT
Wastewater Treatment, Disposal and Transport

NOW, THEREFORE, in consideration of the mutual benefits accruing, it is agreed by and among the Parties hereto as follows:

1. The Agreement of May 17, 1988, among the Parties, the terms of which have been amended on five (5) previous occasions, is further amended in, but only in, the following respect:

1.1 Term of Agreement: To extend this Agreement to February 17, 2028.

2. In all other respects, the underlying Agreement among the Parties and all addenda thereto, shall remain in full force and effect and unchanged.

DATED this _____ day of _____, 2026.

CITY OF EDMONDS

Mike Rosen, Mayor

ATTEST/AUTHENTICATED:

Emily Villata, Deputy City Clerk

APPROVED AS TO FORM:

Office of the City Attorney

CITY OF MOUNTLAKE TERRACE

By: _____
Title: _____

ATTEST/AUTHENTICATED:

By: _____
Title: _____

APPROVED AS TO FORM:

By: _____
Title: _____

**OLYMPIC VIEW WATER AND
SEWER DISTRICT**

By: _____
Title: _____

ATTEST/AUTHENTICATED:

By: _____
Title: _____

CITY OF SHORELINE

By: _____
Title: _____

ATTEST/AUTHENTICATED:

By: _____
Title: _____

ADDENDUM NO. 6 TO AGREEMENT
Wastewater Treatment, Disposal and Transport

APPROVED AS TO FORM:

By: _____

Title: _____

APPROVED AS TO FORM:

By: _____

Title: _____

ADDENDUM NO. 5 TO AGREEMENT

Wastewater Treatment, Disposal and Transport

WHEREAS, the City of Mountlake Terrace, Olympic View Water and Sewer District, and the Ronald Sewer District (the “Participants”) and the City of Edmonds (the “City”), (collectively the “Parties”), all municipal corporations of the State of Washington, entered into a Professional Services Agreement for Wastewater Treatment, Disposal, and Transport (“Agreement”), for a term of thirty (30) years, from May 17, 1988 to May 17, 2018; and

WHEREAS, in May 2017, the Parties entered into an Addendum to the Agreement to extend the term of the Agreement for two (2) years, through May 17, 2020, to allow time for issues between the Parties to be resolved; and

WHEREAS, in April 2020, the Parties entered into Addendum No. 2 to the Agreement to extend the term of the Agreement for an additional three (3) months, through August 17, 2020, to allow additional time for issues between the Parties to be resolved; and

WHEREAS, in August 2020, the Parties entered into Addendum No. 3 to the Agreement to extend the term of the Agreement for an additional eighteen (18) months, through February 17, 2022, to allow additional time for issues between the Parties to be resolved; and

WHEREAS, on April 30, 2021, pursuant to chapter 35.13A RCW, the City of Shoreline assumed full and complete management and control of the Ronald Wastewater District (formerly Ronald Sewer District); and

WHEREAS, the City of Mountlake Terrace, Olympic View Sewer and Water District, and the City of Edmonds recognized the City of Shoreline’s assumption and its acceptance of the contractual obligations previously agreed to by the Ronald Wastewater District and desired to amend the Agreement to reflect this assumption; and

WHEREAS, in March 2022, the Parties entered into Addendum No. 4 to the Agreement to document the City of Shoreline’s assumptions of all rights, responsibilities, and obligations of the Ronald Wastewater District under the Agreement and to extend the term of the Agreement for an additional twenty-four (24) months, through February 17, 2024, to allow additional time for issues between the Parties to be resolved; and

WHEREAS, the Parties have agreed to further extend the term of the Agreement for an additional twenty-four (24) months, through February 17, 2026 allow additional time for issues between the Parties to be resolved;

WHEREAS, the Clean Water Act and federal rules require wastewater treatment plants that contribute to water quality impairments by discharging excess nutrients to take action to prevent this pollution. The Washington State Department of Ecology Puget Sound Nutrient General Permit, effective January 1, 2022, applies to the Edmonds WWTP since it discharges to marine and estuarine waters of Washington. Monitoring of the operations of the Edmonds WWTP is necessary to determine what capital or operational changes may be required to ensure compliance with the Puget Sound Nutrient General Permit.

ADDENDUM NO. 5 TO AGREEMENT
Wastewater Treatment, Disposal and Transport

NOW, THEREFORE, in consideration of the mutual benefits accruing, it is agreed by and among the Parties hereto as follows:

1. The Agreement of May 17, 1988, among the Parties, the terms of which have been amended on four (4) previous occasions, is further amended in, but only in, the following respect:

1.1 Term of Agreement: To extend this Agreement to February 17, 2026.

2. In all other respects, the underlying Agreement among the Parties and all addenda thereto, shall remain in full force and effect and unchanged.

DATED this _____ day of _____, 20__.

CITY OF EDMONDS

Michael Nelson, Mayor

CITY OF MOUNTLAKE TERRACE

By: Jeff Nien
Title: City Manager

ATTEST/AUTHENTICATED:

Scott Passey, City Clerk

ATTEST/AUTHENTICATED:

By: Joey C. Pi
Title: City Clerk

APPROVED AS TO FORM:

Office of the City Attorney

APPROVED AS TO FORM:

By: Hogan
Title: City Attorney

**OLYMPIC VIEW WATER AND
SEWER DISTRICT**

By: _____
Title: _____

CITY OF SHORELINE

By: _____
Title: _____

ATTEST/AUTHENTICATED:

By: _____
Title: _____

ATTEST/AUTHENTICATED:

By: _____
Title: _____

APPROVED AS TO FORM:

By: _____
Title: _____

APPROVED AS TO FORM:

By: _____
Title: _____

ADDENDUM NO. 4 TO AGREEMENT
Wastewater Treatment, Disposal and Transport

WHEREAS, the City of Mountlake Terrace, Olympic View Water and Sewer District, and the Ronald Sewer District (the “Participants”) and the City of Edmonds (the “City”), (collectively the “Parties”), all municipal corporations of the State of Washington, entered into a Professional Services Agreement for Wastewater Treatment, Disposal, and Transport (“Agreement”), for a term of thirty (30) years, from May 17, 1988 to May 17, 2018; and

WHEREAS, in May 2017, the Parties entered into an Addendum to the Agreement to extend the term of the Agreement for two (2) years, through May 17, 2020, to allow time for issues between the Parties to be resolved; and

WHEREAS, in April 2020, the Parties entered into Addendum No. 2 to the Agreement to extend the term of the Agreement for an additional three (3) months, through August 17, 2020, to allow additional time for issues between the Parties to be resolved; and

WHEREAS, in August 2020, the Parties entered into Addendum No. 3 to the Agreement to extend the term of the Agreement for an additional eighteen (18) months, through February 17, 2022, to allow additional time for issues between the Parties to be resolved; and

WHEREAS, on April 30, 2021, pursuant to chapter 35.13A RCW, the City of Shoreline assumed full and complete management and control of the Ronald Wastewater District (formerly Ronald Sewer District); and

WHEREAS, the City of Mountlake Terrace, Olympic View Sewer and Water District, and the City of Edmonds recognize the City of Shoreline’s assumption and its acceptance of the contractual obligations previously agreed to by the Ronald Wastewater District and desire to amend the Agreement to reflect this assumption; and

WHEREAS, the Parties have agreed to further extend the term of the Agreement for an additional twenty-four (24) months, through February 17, 2024 allow additional time for issues between the Parties to be resolved;

WHEREAS, the Clean Water Act and federal rules require wastewater treatment plants that contribute to water quality impairments by discharging excess nutrients to take action to prevent this pollution. The Washington State Department of Ecology Puget Sound Nutrient General Permit, effective January 1, 2022, applies to the Edmonds WWTP since it discharges to marine and estuarine waters of Washington. Monitoring of the operations of the Edmonds WWTP is necessary to determine what capital or operational changes may be required to ensure compliance with the Puget Sound Nutrient General Permit.

NOW, THEREFORE, in consideration of the mutual benefits accruing, it is agreed by and among the Parties hereto as follows:

ADDENDUM NO. 4 TO AGREEMENT

Wastewater Treatment, Disposal and Transport

1. The Agreement of May 17, 1988, among the Parties, the term of which has been extended on three (3) previous occasions, is further amended in, but only in, the following respects:
 - A. By executing this Agreement, the City of Mountlake Terrace, Olympic View Water and Sewer District, and the City of Edmonds accept the City of Shoreline as a Participant and as a Party to the Agreement. All rights, responsibilities, and obligations of the Ronald Wastewater District, formerly the Ronald Sewer District, shall be the rights, responsibilities, and obligations of the City of Shoreline.
 - B. Term of Agreement: To extend this Agreement to February 17, 2024.
2. In all other respects, the underlying Agreement among the Parties and all extensions thereto, shall remain in full force and effect and unchanged.

DATED this _____ day of _____, 2022.

CITY OF EDMONDS

Michael Nelson, Mayor

ATTEST/AUTHENTICATED:

Scott Passey, City Clerk

APPROVED AS TO FORM:

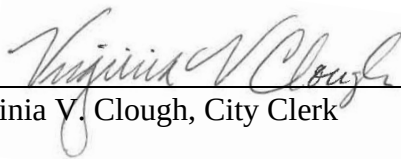
Office of the City Attorney

CITY OF MOUNTLAKE TERRACE

By: 

Scott Hugill, City Manager

ATTEST/AUTHENTICATED:

By: 

Virginia V. Clough, City Clerk

APPROVED AS TO FORM:

By: 

Hillary J. Evans, City Attorney

ADDENDUM NO. 4 TO AGREEMENT
Wastewater Treatment, Disposal and Transport

**OLYMPIC VIEW WATER AND
SEWER DISTRICT**

CITY OF SHORELINE

By: _____
Title: _____

By: _____
Title: _____

ATTEST/AUTHENTICATED:

ATTEST/AUTHENTICATED:

By: _____
Title: _____

By: _____
Title: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____
Title: _____

By: _____
Title: _____

ADDENDUM NO. 3 TO PROFESSIONAL SERVICES AGREEMENT

Wastewater Treatment, Disposal and Transport

WHEREAS, the City of Mountlake Terrace, Olympic View Water and Sewer District, and Ronald Wastewater District (the "Participants") and the City of Edmonds (the "City"), (collectively the "Parties"), all municipal corporations of the State of Washington, entered into an underlying Agreement for wastewater treatment, disposal and transport, for a term of thirty (30) years, from May 17, 1988 to May 17, 2018; and

WHEREAS, in May 2017, the Parties entered into an Addendum to the underlying Agreement to extend the term of the Agreement for two (2) years, through May 17, 2020, to allow time for issues between the Parties to be resolved; and

WHEREAS, in April 2020, the Parties entered into Addendum No. 2 to the underlying Agreement to extend the term of the Agreement for an additional three (3) months, through August 17, 2020 to allow additional time for issues between the Parties to be resolved; and

WHEREAS, the Parties have agreed to further extend the term of the underlying Agreement for an additional eighteen (18) months, through February 17, 2022, to allow additional time for issues between the Parties to be resolved;

NOW, THEREFORE, in consideration of the mutual benefits accruing, it is agreed by and among the Parties hereto as follows:

1. The underlying Agreement of May 17, 1988 among the Parties, the term of which was extended to May 17, 2020 through the first Addendum to the Agreement, and further extended to August 17, 2020 by Addendum No. 2, all of which are incorporated by this reference as fully as if herein set forth, is further amended in, but only in, the following respect:

1.1 Term of Agreement: To extend this Agreement to February 17, 2022.

2. In all other respects, the underlying Agreement among the Parties shall remain in full force and effect, amended as set forth herein, but only as set forth herein.

DATED this 17 day of August, 2020.

CITY OF EDMONDS

Michael Nelson, Mayor

ATTEST/AUTHENTICATED:

Scott Passey, City Clerk

CITY OF MOUNTLAKE TERRACE

By: _____
Title: CITY MANAGER

ATTEST/AUTHENTICATED:

By: Virginia Volp
Title: CITY CLERK

ADDENDUM NO. 3 TO PROFESSIONAL SERVICES AGREEMENT

Wastewater Treatment, Disposal and Transport

APPROVED AS TO FORM:

Office of the City Attorney

APPROVED AS TO FORM:

By: Gary G. S.
Title: City Attorney

**OLYMPIC VIEW WATER AND
SEWER DISTRICT**

By: _____

Title: _____

RONALD WASTEWATER DISTRICT

By: _____

Title: _____

ATTEST/AUTHENTICATED:

By: _____

Title: _____

ATTEST/AUTHENTICATED:

By: _____

Title: _____

APPROVED AS TO FORM:

By: _____

Title: _____

APPROVED AS TO FORM:

By: _____

Title: _____

ADDENDUM NO. 3 TO PROFESSIONAL SERVICES AGREEMENT

Wastewater Treatment, Disposal and Transport

WHEREAS, the City of Mountlake Terrace, Olympic View Water and Sewer District, and Ronald Wastewater District (the "Participants") and the City of Edmonds (the "City"), (collectively the "Parties"), all municipal corporations of the State of Washington, entered into an underlying Agreement for wastewater treatment, disposal and transport, for a term of thirty (30) years, from May 17, 1988 to May 17, 2018; and

WHEREAS, in May 2017, the Parties entered into an Addendum to the underlying Agreement to extend the term of the Agreement for two (2) years, through May 17, 2020, to allow time for issues between the Parties to be resolved; and

WHEREAS, in April 2020, the Parties entered into Addendum No. 2 to the underlying Agreement to extend the term of the Agreement for an additional three (3) months, through August 17, 2020 to allow additional time for issues between the Parties to be resolved; and

WHEREAS, the Parties have agreed to further extend the term of the underlying Agreement for an additional eighteen (18) months, through February 17, 2022, to allow additional time for issues between the Parties to be resolved;

NOW, THEREFORE, in consideration of the mutual benefits accruing, it is agreed by and among the Parties hereto as follows:

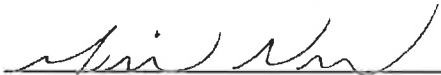
1. The underlying Agreement of May 17, 1988 among the Parties, the term of which was extended to May 17, 2020 through the first Addendum to the Agreement, and further extended to August 17, 2020 by Addendum No. 2, all of which are incorporated by this reference as fully as if herein set forth, is further amended in, but only in, the following respect:

1.1 Term of Agreement: To extend this Agreement to February 17, 2022.

2. In all other respects, the underlying Agreement among the Parties shall remain in full force and effect, amended as set forth herein, but only as set forth herein.

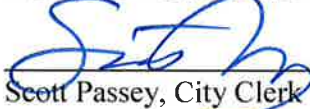
DATED this 14TH day of AUGUST, 2020.

CITY OF EDMONDS



Michael Nelson, Mayor

ATTEST/AUTHENTICATED:



Scott Passey, City Clerk

CITY OF MOUNTLAKE TERRACE

By: _____
Title: _____

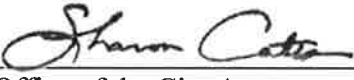
ATTEST/AUTHENTICATED:

By: _____
Title: _____

ADDENDUM NO. 3 TO PROFESSIONAL SERVICES AGREEMENT

Wastewater Treatment, Disposal and Transport

APPROVED AS TO FORM:


Office of the City Attorney

APPROVED AS TO FORM:

By: _____
Title: _____

**OLYMPIC VIEW WATER AND
SEWER DISTRICT**

RONALD WASTEWATER DISTRICT

By: _____
Title: _____

By: _____
Title: _____

ATTEST/AUTHENTICATED:

ATTEST/AUTHENTICATED:

By: _____
Title: _____

By: _____
Title: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____
Title: _____

By: _____
Title: _____

ADDENDUM NO. 3 TO PROFESSIONAL SERVICES AGREEMENT

Wastewater Treatment, Disposal and Transport

WHEREAS, the City of Mountlake Terrace, Olympic View Water and Sewer District, and Ronald Wastewater District (the “Participants”) and the City of Edmonds (the “City”), (collectively the “Parties”), all municipal corporations of the State of Washington, entered into an underlying Agreement for wastewater treatment, disposal and transport, for a term of thirty (30) years, from May 17, 1988 to May 17, 2018; and

WHEREAS, in May 2017, the Parties entered into an Addendum to the underlying Agreement to extend the term of the Agreement for two (2) years, through May 17, 2020, to allow time for issues between the Parties to be resolved; and

WHEREAS, in April 2020, the Parties entered into Addendum No. 2 to the underlying Agreement to extend the term of the Agreement for an additional three (3) months, through August 17, 2020 to allow additional time for issues between the Parties to be resolved; and

WHEREAS, the Parties have agreed to further extend the term of the underlying Agreement for an additional eighteen (18) months, through February 17, 2022, to allow additional time for issues between the Parties to be resolved;

NOW, THEREFORE, in consideration of the mutual benefits accruing, it is agreed by and among the Parties hereto as follows:

1. The underlying Agreement of May 17, 1988 among the Parties, the term of which was extended to May 17, 2020 through the first Addendum to the Agreement, and further extended to August 17, 2020 by Addendum No. 2, all of which are incorporated by this reference as fully as if herein set forth, is further amended in, but only in, the following respect:

1.1 Term of Agreement: To extend this Agreement to February 17, 2022.

2. In all other respects, the underlying Agreement among the Parties shall remain in full force and effect, amended as set forth herein, but only as set forth herein.

DATED this 3rd day of August, 2020.

CITY OF EDMONDS

CITY OF MOUNTLAKE TERRACE

Michael Nelson, Mayor

By: _____
Title: _____

ATTEST/AUTHENTICATED:

ATTEST/AUTHENTICATED:

Scott Passey, City Clerk

By: _____
Title: _____

ADDENDUM NO. 3 TO PROFESSIONAL SERVICES AGREEMENT

Wastewater Treatment, Disposal and Transport

APPROVED AS TO FORM:

Office of the City Attorney

APPROVED AS TO FORM:

By: _____
Title: _____

OLYMPIC VIEW WATER AND
SEWER DISTRICT

By: Lora Petso
Title: President of the Board

RONALD WASTEWATER DISTRICT

By: _____
Title: _____

ATTEST/AUTHENTICATED:

By: Lyne Anderson
Title: General Manager

ATTEST/AUTHENTICATED:

By: _____
Title: _____

APPROVED AS TO FORM:

By: Bruce
Title: ATTORNEY

APPROVED AS TO FORM:

By: _____
Title: _____

ADDENDUM NO. 3 TO PROFESSIONAL SERVICES AGREEMENT

Wastewater Treatment, Disposal and Transport

WHEREAS, the City of Mountlake Terrace, Olympic View Water and Sewer District, and Ronald Wastewater District (the "Participants") and the City of Edmonds (the "City"), (collectively the "Parties"), all municipal corporations of the State of Washington, entered into an underlying Agreement for wastewater treatment, disposal and transport, for a term of thirty (30) years, from May 17, 1988 to May 17, 2018; and

WHEREAS, in May 2017, the Parties entered into an Addendum to the underlying Agreement to extend the term of the Agreement for two (2) years, through May 17, 2020, to allow time for issues between the Parties to be resolved; and

WHEREAS, in April 2020, the Parties entered into Addendum No. 2 to the underlying Agreement to extend the term of the Agreement for an additional three (3) months, through August 17, 2020 to allow additional time for issues between the Parties to be resolved; and

WHEREAS, the Parties have agreed to further extend the term of the underlying Agreement for an additional eighteen (18) months, through February 17, 2022, to allow additional time for issues between the Parties to be resolved;

NOW, THEREFORE, in consideration of the mutual benefits accruing, it is agreed by and among the Parties hereto as follows:

1. The underlying Agreement of May 17, 1988 among the Parties, the term of which was extended to May 17, 2020 through the first Addendum to the Agreement, and further extended to August 17, 2020 by Addendum No. 2, all of which are incorporated by this reference as fully as if herein set forth, is further amended in, but only in, the following respect:

1.1 Term of Agreement: To extend this Agreement to February 17, 2022.

2. In all other respects, the underlying Agreement among the Parties shall remain in full force and effect, amended as set forth herein, but only as set forth herein.

DATED this 28 day of JULY, 2020.

CITY OF EDMONDS

CITY OF MOUNTLAKE TERRACE

Michael Nelson, Mayor

By: _____
Title: _____

ATTEST/AUTHENTICATED:

ATTEST/AUTHENTICATED:

Scott Passey, City Clerk

By: _____
Title: _____

ADDENDUM NO. 3 TO PROFESSIONAL SERVICES AGREEMENT

Wastewater Treatment, Disposal and Transport

APPROVED AS TO FORM:

Office of the City Attorney

APPROVED AS TO FORM:

By: _____
Title: _____

**OLYMPIC VIEW WATER AND
SEWER DISTRICT**

By: _____
Title: _____

RONALD WASTEWATER DISTRICT

By:  _____
Title: PRESIDENT

ATTEST/AUTHENTICATED:

By: _____
Title: _____

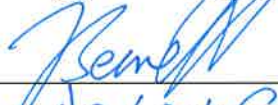
ATTEST/AUTHENTICATED:

By:  _____
Title: District Counsel

APPROVED AS TO FORM:

By: _____
Title: _____

APPROVED AS TO FORM:

By:  _____
Title: District Counsel

ADDENDUM NO. 2 TO PROFESSIONAL SERVICES AGREEMENT
Wastewater Treatment, Disposal and Transport

WHEREAS, the City of Mountlake Terrace, Olympic View Water and Sewer District, and Ronald Wastewater District (the "Participants") and the City of Edmonds (the "City"), (collectively the "Parties"), all municipal corporations of the State of Washington, entered into an underlying Agreement for wastewater treatment, disposal and transport, for a term of thirty (30) years, from May 17, 1988 to May 17, 2018; and

WHEREAS, in May 2017, the Parties entered into an Addendum to the underlying Agreement to extend the term of the Agreement for two (2) years, through May 17, 2020, to allow time for issues between the Parties to be resolved; and

WHEREAS, the City has requested that the term set forth in the underlying Agreement, which was extended by the initial Addendum, be extended for an additional three (3) months to allow additional time for issues between the Parties to be resolved;

NOW, THEREFORE, in consideration of the mutual benefits accruing, it is agreed by and among the Parties hereto as follows:

1. The underlying Agreement of May 17, 1988 among the Parties, the term of which was extended to May 17, 2020 through the first Addendum to the Agreement, both of which are incorporated by this reference as fully as if herein set forth, is amended in, but only in, the following respect:

1.1 Term of Agreement: To extend this Agreement to August 17, 2020.

2. In all other respects, the underlying Agreement among the Parties shall remain in full force and effect, amended as set forth herein, but only as set forth herein.

DATED this 15TH day of May, 2020.

CITY OF EDMONDS

Michael Nelson, Mayor

ATTEST/AUTHENTICATED:

Scott Passey, City Clerk

APPROVED AS TO FORM:

Office of the City Attorney

CITY OF MOUNTLAKE TERRACE

By: _____
Title: Scott Hugill, City Manager

ATTEST/AUTHENTICATED:

By: _____
Title: Virginia Olson, City Clerk

APPROVED AS TO FORM:

By: Greg G Schrag BY: Eric Lepe
Title: Gregory G Schrag, City Attorney

WITH TELEPHONIC APPROVAL
ON 5/15/2020

ADDENDUM NO. 2 TO PROFESSIONAL SERVICES AGREEMENT
Wastewater Treatment, Disposal and Transport

**OLYMPIC VIEW WATER AND
SEWER DISTRICT**

RONALD WASTEWATER DISTRICT

By: _____

By: _____

Title: _____

Title: _____

ATTEST/AUTHENTICATED:

ATTEST/AUTHENTICATED:

By: _____

By: _____

Title: _____

Title: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____

By: _____

Title: _____

Title: _____

ADDENDUM NO. 2 TO PROFESSIONAL SERVICES AGREEMENT

Wastewater Treatment, Disposal and Transport

WHEREAS, the City of Mountlake Terrace, Olympic View Water and Sewer District, and Ronald Sewer District (the "Participants") and the City of Edmonds (the "City"), (collectively the "Parties"), all municipal corporations of the State of Washington, entered into an underlying Agreement for wastewater treatment, disposal and transport, for a term of thirty (30) years, from May 17, 1988 to May 17, 2018; and

WHEREAS, in May 2017, the Parties entered into an Addendum to the underlying Agreement to extend the term of the Agreement for two (2) years, through May 17, 2020, to allow time for issues between the Parties to be resolved; and

WHEREAS, the City has requested that the term set forth in the underlying Agreement, which was extended by the initial Addendum, be extended for an additional three (3) months to allow additional time for issues between the Parties to be resolved;

NOW, THEREFORE, in consideration of the mutual benefits accruing, it is agreed by and among the Parties hereto as follows:

1. The underlying Agreement of May 17, 1988 among the Parties, the term of which was extended to May 17, 2020 through the first Addendum to the Agreement, both of which are incorporated by this reference as fully as if herein set forth, is amended in, but only in, the following respect:

1.1 Term of Agreement: To extend this Agreement to August 17, 2020.

2. In all other respects, the underlying Agreement among the Parties shall remain in full force and effect, amended as set forth herein, but only as set forth herein.

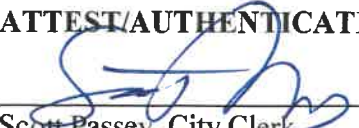
DATED this 15th day of May, 2020.

CITY OF EDMONDS



Michael Nelson, Mayor

ATTEST/AUTHENTICATED:



Scott Passey, City Clerk

APPROVED AS TO FORM:



Office of the City Attorney

CITY OF MOUNTLAKE TERRACE

By: _____
Title: _____

ATTEST/AUTHENTICATED:

By: _____
Title: _____

APPROVED AS TO FORM:

By: _____
Title: _____

ADDENDUM NO. 2 TO PROFESSIONAL SERVICES AGREEMENT
Wastewater Treatment, Disposal and Transport

**OLYMPIC VIEW WATER AND
SEWER DISTRICT**

RONALD WASTEWATER DISTRICT

By: _____

By: _____

Title: _____

Title: _____

ATTEST/AUTHENTICATED:

ATTEST/AUTHENTICATED:

By: _____

By: _____

Title: _____

Title: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____

By: _____

Title: _____

Title: _____

ADDENDUM NO. 2 TO PROFESSIONAL SERVICES AGREEMENT

Wastewater Treatment, Disposal and Transport

WHEREAS, the City of Mountlake Terrace, Olympic View Water and Sewer District, and Ronald Wastewater District (the "Participants") and the City of Edmonds (the "City"), (collectively the "Parties"), all municipal corporations of the State of Washington, entered into an underlying Agreement for wastewater treatment, disposal and transport, for a term of thirty (30) years, from May 17, 1988 to May 17, 2018; and

WHEREAS, in May 2017, the Parties entered into an Addendum to the underlying Agreement to extend the term of the Agreement for two (2) years, through May 17, 2020, to allow time for issues between the Parties to be resolved; and

WHEREAS, the City has requested that the term set forth in the underlying Agreement, which was extended by the initial Addendum, be extended for an additional three (3) months to allow additional time for issues between the Parties to be resolved;

NOW, THEREFORE, in consideration of the mutual benefits accruing, it is agreed by and among the Parties hereto as follows:

1. The underlying Agreement of May 17, 1988 among the Parties, the term of which was extended to May 17, 2020 through the first Addendum to the Agreement, both of which are incorporated by this reference as fully as if herein set forth, is amended in, but only in, the following respect:

1.1 Term of Agreement: To extend this Agreement to August 17, 2020.

2. In all other respects, the underlying Agreement among the Parties shall remain in full force and effect, amended as set forth herein, but only as set forth herein.

DATED this 20th day of April, 2020.

CITY OF EDMONDS

CITY OF MOUNTLAKE TERRACE

Michael Nelson, Mayor

By: _____
Title: _____

ATTEST/AUTHENTICATED:

ATTEST/AUTHENTICATED:

Scott Passey, City Clerk

By: _____
Title: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Office of the City Attorney

By: _____
Title: _____

ADDENDUM NO. 2 TO PROFESSIONAL SERVICES AGREEMENT
Wastewater Treatment, Disposal and Transport

**OLYMPIC VIEW WATER AND
SEWER DISTRICT**

By: Lara Petso
Title: President

ATTEST/AUTHENTICATED:

By: Lynne Calambokidis
Title: General Manager

APPROVED AS TO FORM:

By: Grant K. Allen
Title: General Counsel

RONALD WASTEWATER DISTRICT

By: _____
Title: _____

ATTEST/AUTHENTICATED:

By: _____
Title: _____

APPROVED AS TO FORM:

By: _____
Title: _____

ADDENDUM NO. 2 TO PROFESSIONAL SERVICES AGREEMENT

Wastewater Treatment, Disposal and Transport

WHEREAS, the City of Mountlake Terrace, Olympic View Water and Sewer District, and Ronald Wastewater District (the "Participants") and the City of Edmonds (the "City"), (collectively the "Parties"), all municipal corporations of the State of Washington, entered into an underlying Agreement for wastewater treatment, disposal and transport, for a term of thirty (30) years, from May 17, 1988 to May 17, 2018; and

WHEREAS, in May 2017, the Parties entered into an Addendum to the underlying Agreement to extend the term of the Agreement for two (2) years, through May 17, 2020, to allow time for issues between the Parties to be resolved; and

WHEREAS, the City has requested that the term set forth in the underlying Agreement be extended for an additional two (2) years to allow additional time for issues between the Parties to be resolved;

NOW, THEREFORE, in consideration of the mutual benefits accruing, it is agreed by and among the Parties hereto as follows:

1. The underlying Agreement of May 17, 1988 among the Parties, the term of which was extended to May 17, 2020 through the first Addendum to the Agreement, both of which are incorporated by this reference as fully as if herein set forth, is amended in, but only in, the following respects:

1.1 Term of Agreement: To extend this Agreement to May 17, 2022.

2. In all other respects, the underlying Agreement among the Parties shall remain in full force and effect, amended as set forth herein, but only as set forth herein.

DATED this _____ day of _____, 2020.

CITY OF EDMONDS

Michael Nelson, Mayor

ATTEST/AUTHENTICATED:

Scott Passey, City Clerk

APPROVED AS TO FORM:

Office of the City Attorney

CITY OF MOUNTLAKE TERRACE

By: _____
Title: _____

ATTEST/AUTHENTICATED:

By: _____
Title: _____

APPROVED AS TO FORM:

By: _____
Title: _____

ADDENDUM NO. 2 TO PROFESSIONAL SERVICES AGREEMENT

Wastewater Treatment, Disposal and Transport

**OLYMPIC VIEW WATER AND
SEWER DISTRICT**

By: _____

Title: _____

ATTEST/AUTHENTICATED:

By: _____

Title: _____

APPROVED AS TO FORM:

By: _____

Title: _____

RONALD WASTEWATER DISTRICT

By: Ullrich

Title: President

ATTEST/AUTHENTICATED:

By: Beard

Title: General Counsel

APPROVED AS TO FORM:

By: Beard

Title: General Counsel

ADDENDUM FOR PROFESSIONAL SERVICES AGREEMENT

Wastewater Treatment, Disposal and Transport

WHEREAS, the City of Mountlake Terrace, Olympic View Water and Sewer District, and Ronald Sewer District (the "Participants") and the City of Edmonds (the "City"), (collectively the "Parties"), all municipal corporations of the State of Washington, entered into an underlying Agreement for wastewater treatment, disposal and transport, for a term of thirty (30) years, from May 17, 1988 to May 17, 2018; and

WHEREAS, the City has requested that the term set forth in the underlying Agreement be extended two (2) years to allow time for issues between the Parties to be resolved.

NOW, THEREFORE, in consideration of the mutual benefits accruing, it is agreed by and among the Parties hereto as follows:

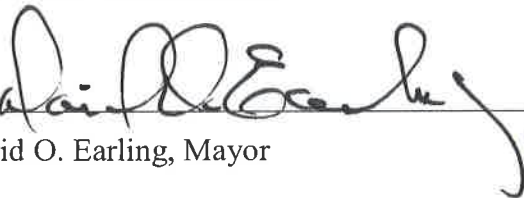
1. The underlying Agreement of May 17, 1988 among the Parties, incorporated by this reference as fully as if herein set forth, is amended in, but only in, the following respects:

1.1 Term of Agreement: To extend this Agreement to May 17, 2020.

2. In all other respects, the underlying Agreement among the Parties shall remain in full force and effect, amended as set forth herein, but only as set forth herein.

DATED this 15th ^{23rd} day of May, 2017.

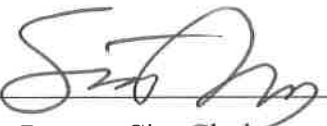
CITY OF EDMONDS

By: 
David O. Earling, Mayor

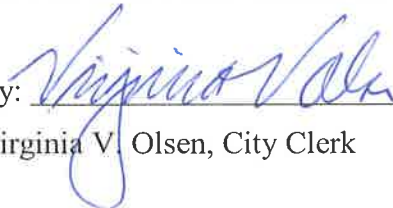
CITY OF MOUNTLAKE TERRACE

By: 
Scott Hugill, City Manager

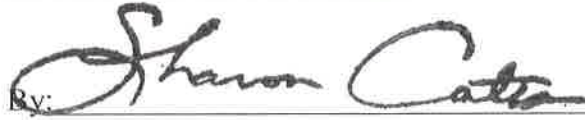
ATTEST/AUTHENTICATED:

By: 
Scott Passey, City Clerk

ATTEST/AUTHENTICATED:

By: 
Virginia V. Olsen, City Clerk

APPROVED AS TO FORM:

By: 
Office of the City Attorney

APPROVED AS TO FORM:

By: 
Gregory G. Schrag, City Attorney

ADDENDUM FOR PROFESSIONAL SERVICES AGREEMENT

Wastewater Treatment, Disposal and Transport

**OLYMPIC VIEW WATER AND
SEWER DISTRICT**

By: 
Title: General Manager

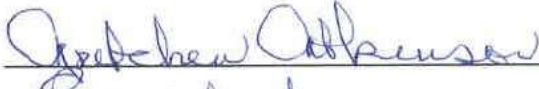
ATTEST/AUTHENTICATED:

By: 
Title: Human Services Manager

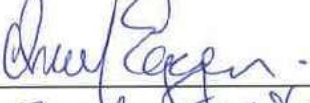
APPROVED AS TO FORM:

By: 
Title: District General Counsel

RONALD SEWER DISTRICT

By: 
Title: President

ATTEST/AUTHENTICATED:

By: 
Title: Board Secretary

APPROVED AS TO FORM:

By: 
Title: General Counsel

MEMORANDUM

May 18, 1988

TO: City of Mountlake Terrace
Carl Rautenberg

Ronald Sewer District
Sydell Polin

Olympic View Water District
Larry Bradbury

FROM: Peter Hahn

SUBJECT: WASTEWATER AGREEMENT

Enclosed you will find a copy of the signature pages with all participant's signatures; also, the signed copies for your respective agencies.

Thank you.

PH/sfn

WWMEMO/TXTSFN61

AGREEMENT FOR WASTEWATER TREATMENT, DISPOSAL AND TRANSPORT SERVICES

By and Among

THE CITY OF EDMONDS

THE CITY OF MOUNTLAKE TERRACE

OLYMPIC VIEW WATER AND SEWER DISTRICT

AND

RONALD SEWER DISTRICT

May 17, 1988

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AGREEMENT FOR WASTEWATER TREATMENT, DISPOSAL, AND TRANSPORT SERVICES

THIS AGREEMENT is effective as of the 17th day of May, 1988, by and among the City of Mountlake Terrace, Olympic View Water and Sewer District, and Ronald Sewer District (the "Participants"), and the CITY OF EDMONDS (the "City") (collectively, the "Parties"), all municipal corporations of the State of Washington.

WHEREAS, the City's wastewater treatment and disposal facilities (the "Facilities") are being upgraded to meet the discharge limitations of the City's current National Pollutant Discharge Elimination System waste discharge permit; and

WHEREAS, the City must improve the Facilities so that they will be in compliance with applicable federal, state, and local laws and regulations; and

WHEREAS, the State of Washington has enforced both Federal and State statutes and in 1985 issued a Compliance Order and a Compliance Schedule to the City for the construction of secondary treatment facilities; and

WHEREAS, the City desires to expand the capacity of the Facilities at the 2nd Avenue and Dayton Street site in order to meet current domestic wastewater treatment needs of various public entities located

in or near the City (collectively, the "Participants") and to provide projected ultimate treatment capacity for the City and the Participants as defined under "Allocated Capacity;" and

WHEREAS, the Participants wish the City to assume the ownership and operation of certain transmission, metering, and pumping facilities, which are used jointly by some or all of the Participants and the City; and

WHEREAS, the Participant is one of several Participants served by the Facilities, and the Participant is to equitably share in the financing of the necessary improvements to the Facilities provided that the City reserves a portion of the capacity of the improved Facilities for the treatment of domestic wastewater from the Participant's service area; and

WHEREAS, The City desires to plan and provide for the long-term capital and operational needs of the Facilities, which may include mandated technological and regulatory changes and increased capacity and space demands; and

WHEREAS the Participants desire to be kept informed prior to and during the construction of improvements; to provide for a method of overseeing construction, operation, maintenance, and expansion of the facilities; and to provide a procedure for reviewing and commenting upon the Treatment Plant annual budgets; and

WHEREAS, the City and the Participants desire to provide for an integrated Industrial Pretreatment program within their respective service areas as required by DOE and/or EPA; and

WHEREAS, The City and the Participants executed a Memorandum of Understanding in 1987 setting forth a number of principles and expressing their intent to enter into this Agreement;

NOW, THEREFORE, in consideration of the foregoing and the mutual promises provided for herein, the Parties hereto for themselves, their assigns and successors in interest, agree as follows:

Section 1. Definitions. For the purpose of this Agreement, the following words shall have the following meanings unless another meaning is clearly intended:

1.1. "AADF" means annual average daily flow, and shall mean the total flow of domestic sewage in millions of gallons during a full calendar year divided by the number of days in such year, expressed in MGD.

1.2. "Allocated Capacity of Domestic Sewage" means the maximum annual average daily flow (AADF) of Domestic Sewage that the Participant is authorized by this Agreement to transmit to the Facilities, measured in volume. Volume shall be measured by metered Domestic Sewage flow expressed in MGDs of AADF. A substitute for direct metering is to be used where co-mingled flows for small

numbers of users (under approximately 100 ECU's) described in Section 6.5 make direct measurement impractical.

1.3. "Capacity Limit" means the preceding 12 month AADF of any Party when it equals the Party's Allocated Capacity of Domestic Sewage.

1.4. "City" means the City of Edmonds or its successor.

1.5. "Customer" means a "single family residence" and/or an "equivalent customer unit" (ECU), as defined below.

1.6. "DOE" means the Washington State Department of Ecology, or its successor.

1.7. "Domestic Sewage" means sanitary wastes normally collected from residential establishments, and shall include commercial and industrial wastes of similar strength or quality, and other commercial and/or industrial wastes that are pre-treated in accordance with City and/or Participant requirements meeting DOE and EPA guidelines. Domestic Sewage shall exclude ground water, storm water, drain water and industrial wastes not pre-treated in accordance with City and/Participant requirements meeting DOE and EPA guidelines.

1.8. "EPA" means the United States Environmental Protection Agency, or its successor.

1.9. "Equivalent Customer" Unit or "ECU" is a measure applied to a user of the sewerage system other than "single family residence." The number of Equivalent Customer Units assigned to any such user (for example, an apartment house, motel, school, hospital, nursing home, and any other public or commercial establishment) shall be the numerical ratio of the monthly volume of wastewater contributed by such user to the monthly volume of wastewater contributed by a typical single family residence. To serve as a practicable basis for computing the number of ECU's contributing into the joint sewerage system -- when and if such a computation is necessary or desirable to either augment or replace a direct flow measurement -- a list of users and the corresponding "equivalent customer" ratings is attached in Exhibit D, and incorporated herein by reference.

1.10. "Facilities" means the City's wastewater treatment facilities as described in the City of Edmonds Engineering Report, dated September, 1986, as amended, and includes the effluent transmission pipe used by all Participants (Edmonds Way Trunk), the outfall, the diffuser, and, upon the completion of the Project, the Improvements.

1.11. "Flow" means the volume of sewage per unit of time.

1.12. "Improvements" means those improvements to the Facilities described in the City of Edmonds Facilities Plan, dated January, 1988, as amended, or engineering plans and specifications approved by DOE, EPA, and the City, all of which are incorporated herein by this reference, and approved change orders carried out in

accordance with the construction of the facilities required under this Agreement.

1.13. "Influent Point" means the point at which each Participant's Internal System connects to the Facilities.

1.14. "Internal System" means all sewer lines, pump stations and other sewer facilities upstream from the Influent Point owned and operated by each Participant, respectively.

1.15. "MGD" means million gallons per day, referring to a rate of sewage flow.

1.16. "Maintenance and Operation Costs" means all direct costs and expenses incurred by the City in transporting and treating Domestic Sewage through the Facilities, maintaining those Facilities, and administering a joint Industrial Pre-Treatment program. Maintenance and Operation costs are described in Exhibit B, attached hereto and incorporated herein by this reference .

1.17. "Memorandum of Understanding" means the agreement of that name between the City and the Participants executed in September, October and November, 1987, attached as Exhibit C and incorporated herein by reference.

1.18. "Monthly Maximum Flow" means the total flow of sewage in millions of gallons divided by the total number of days in that

month during which the greatest volume of flow occurs, in any given calendar year, and is expressed in MGD.

1.19. "NPDES Permit" means a National Pollutant Discharge Elimination Permit" granted to the City or to the Participant, as applicable, pursuant to chapter 90.48 RCW and the Federal Water Pollution Control Act, as amended.

1.20. "Other Facilities" means facilities other than the Treatment Plant, the outfall and diffuser, and the Edmonds Way Trunk, which are used by the City and one or more Participants to transmit, measure, and pump sewage.

1.21. "Overhead Costs" means the City's general administrative, supervisory, and other indirect costs related to the operation and maintenance of the Facilities and Other Facilities. Overhead Costs shall be computed by the "step down" method. Overhead costs are described in Exhibit B, attached hereto and by reference incorporated herein.

1.22. "Oversight Committee" means the committee of that name established in Section 8 of this Agreement.

1.23. "Parties" means the City and the Participants.

1.24. "Participant's Jurisdiction" means the service area within which the Participant is responsible for providing wastewater

collection services, depicted on Exhibit F, attached hereto and by this reference incorporated herein.

1.25. "Project" means the Improvements and activities needed to implement it.

1.26. "Project Cost" means (1) the cost of preparing the planning studies and engineering plans and specifications for the Improvements; (2) the amounts paid to contractors for work performed under contracts for construction, installation and inspection of the Improvements; (3) the recorded pay and expenses of employees of the City directly related to the design, construction, installation and inspection of the Improvements, but not including any general City overhead; (4) the cost of materials, equipment and supplies directly related to the Improvements; (5) the cost of acquiring and condemning land, easements and rights-of-way for or related to the Improvements; (6) the cost of legal, engineering and other professional services related to the financing, planning, acquisition, construction, installation and inspection of the Improvements and to the resolving of any disputes or lawsuits related thereto, provided, however, that these costs are attributed to the project as a whole and not to the City's separate share; (7) the cost of obtaining necessary permits and franchises' (8) the cost of any reasonable expenses incurred by the City to mitigate the impact of the Facilities at the Dayton Street site upon the immediately surrounding neighborhood, including but not limited to expenses for landscaping, buffering, limited concealment of secondary clarifiers and street interfaces; (9) the cost of vacant land

purchased by the City in 1984 for expansion of the secondary treatment plant -- a sum of \$137,462.06; and (10) other costs reasonably related to the planning, design, project administration, construction management, and general project management for the Improvements.

1.27. "Single Family Residence" means one structure, all connected and under the same roof, located on a lot or tract of real property having a separate and individual property description, with no other structure used for human occupancy located on that tract or lot, and which structure is used as a single family dwelling.

Section 2. Management of the Project. The City shall, to the best of its ability, administer the planning, design, acquisition, construction and construction management of the Improvements and pay for the Project Cost thereof in accordance with the terms of this Agreement. The City shall use its best efforts to obtain permits and approvals necessary for construction, installation and inspection of the Improvements, and to secure grants from available sources.

Section 3. Financing of the Project.

3. 1. Cost of the Project. The approximate Project Cost is estimated to be \$39,500,000. The exact cost of the Project will be determined by the City, acting reasonably, after construction, installation and acceptance of the Improvements. Should all bids or the contract price plus the total amount of all change orders exceed the estimated Project Cost, a bid award or any change order causing the

estimated Project Cost to be exceeded shall be voted on by the Council of the City only after meaningful consultation with the legislative authority of each Participant, at a joint meeting to be called by the City.

The City has entered into a Design Grant Agreement with the State for a maximum of \$1.5 million. The City also expects to receive a grant and/or loan from either the State or the Federal Government in an amount equal to approximately 50% of eligible costs as defined by the respective programs. The City shall use its best efforts to obtain these grants. Interest earnings the City is permitted to retain on grant and loan proceeds shall be applied to the Project Cost and shall be treated as grant proceeds for the purpose of this Agreement.

3. 2. Allocation of Project Cost and Plant Capacity.

Part of the Project Cost may be financed from grants and/or loans. The remaining Project Cost shall be paid for by the City and the Participants in the proportionate shares of their respective Allocated Capacities of Domestic Sewage as follows:

<u>Party</u>	<u>Allocated Capacity Of Domestic Project Cost Sewage (AADF) Contribution %</u>	
Edmonds*	4.609 MGD	50.787%
Mountlake Terrace	2.103 MGD	23.174%
Olympic View Water District	1.502 MGD	16.551%
Ronald Sewer District	0.861 MGD	9.488%

TOTAL: 9.075 100.000%

* Edmonds share includes separately contracted capacity for approximately 70 connections in the Town of Woodway, and separately contracted capacity for approximately 200 connections for Lynnwood.

3. 3. Grant Funding. The total amount of grant and/or loan proceeds, including any earned interest, available for the Project, whether received in a lump sum or in installments over a period of time, or through a reduced interest rate loan program, shall be applied toward the reduction of the total Project Cost to be allocated among the Participants as described above.

3. 4. Payment of the Participant's Share of Project Costs. Commencing November 2, 1987, each Participant shall pay to the City its proportionate share of previous eligible Project Costs paid by the City. Subsequently, the City shall submit to each Participant monthly invoices for eligible Project Cost and each Participant shall make every effort to make expeditious payment on the next available disbursement cycle. Documentation provided by the City in support of the preliminary Project Cost amounts shall be similar to documentation required for grant reimbursement. In the event that a Participant's payment is received more than 45 days after receipt of City's bill, the City shall be entitled to a late payment surcharge equal to the interest which the payment would have earned for the period in excess

of 45 days, based on an interest rate typically used for municipal investing purposes.

The Participant shall have the option to pay the balance of its share of the Project Costs in one lump sum on or before the date of the City's issuance of revenue bonds or notes (whichever occurs first), or in monthly payments during the design, construction and installation of the Improvements pursuant to monthly invoices of the City. The Participant's lump sum payment shall be by check, draft or wire transfer in immediately available funds and shall be placed in an escrow account and withdrawn at such times and in such amounts as are determined by the City to be necessary to meet the obligations of the contract for construction and installation of the Improvements. All interest accumulated in an escrow account established in the City Treasury for each Participant shall be returned to the Participant or at the Participant's direction shall be applied to Participant's share of the Project Cost. If the Project Cost exceeds or is less than the estimate set forth in Section 3.1, the City shall at reasonable times and upon reasonable notice in writing assess or refund to the Participant for its share of that difference, and the Participant shall pay those assessments, if any, subject to the provisions of Section 3.1.

3. 5. Bond Issuance. The City and each Participant each retain its rights to issue bonds and other obligations in accordance with applicable law, but shall not act in such a manner as to impair the rights of the holders or owners of bonds issued by any other Party.

Section 4. Upgrading or Expanding the Facilities. If the City is further required by applicable laws or regulations to upgrade or expand the Facilities to provide a higher level of wastewater treatment or to modify the methods and/or locations of wastewater discharge, each Participant shall, if it desires to continue discharging Domestic Sewage into the Facilities, pay the Participant's proportionate share as set forth above of the cost of constructing such additional improvements and/or adding needed equipment, and acquiring land, whether by purchase or lease. The City may require the Participant to make payments on the same basis as the Project Costs. The City and each Participant shall seek opportunities to minimize or avoid the cost of additional improvements through mutually agreeable modifications in the quantity and quality of Domestic Sewage discharge by the Participant. In lieu of paying for its share of the cost of constructing such additional improvements, any Participant may at its discretion discontinue discharge of Domestic Sewage into the Facilities, and then pay only those charges described in 7.3 of this Agreement.

Section 5. Sewage Treatment.

5. 1. Availability of Capacity. Until approximately April, 1991, when the City is scheduled to complete the Improvements, the City shall receive, transport and treat by means of the existing Facilities the domestic sewage discharged by each Participant up to the limits permitted by EPA and DOE. Upon completion of the Improvements, the City shall receive, transport and treat by means of the Facilities the

Domestic Sewage discharged by the Participant up to the Participant's Allocated Capacity of Domestic Sewage. Unless otherwise provided in this Agreement (and/or in other agreements between Participants), a Participant shall not serve customers in another Participant's service area, subject to applicable laws and regulations. The City will provide this quantity of Allocated Capacity of Domestic Sewage as long as the Participant shall require it, barring events and circumstances which are beyond the City's control. However, this Agreement creates no obligation by the City beyond the term of this Agreement.

5. 2. Capacity Limit. After construction of the Improvements, no Party may discharge into the Facilities any Domestic Sewage in amounts greater than its Allocated Capacity of Domestic Sewage, and the City may refuse to accept and treat any amounts in excess of any Party's Allocated Capacity of Domestic Sewage. If the City determines that the amount of the Party's Domestic Sewage is in excess of the Party's Allocated Capacity of Domestic Sewage, the Party shall pay, in addition to its ordinary charges described in Section 7.1, any extraordinary costs incurred by the City to treat the excess Domestic Sewage, as well as costs related to capital costs to treat and transport the excess capacity. Capital costs for treating sewage flows beyond the Capacity Limit or the Allocated Capacity of Domestic Sewage without prior arrangements such as described below, shall be charged according to the methodologies described in Section 5.4 on Transfers of Capacity, and shall be credited to each Party based on its Allocated Capacity of Domestic Sewage. The City shall account to any Party for its extraordinary costs. Any extraordinary costs collected by the City

from the Party shall be credited to the total Operation and Maintenance cost prior to apportionment of M & O costs to the other Parties that are within their respective Allocated Capacities of Domestic Sewage. The City's acceptance of excess amounts on any occasion or occasions shall not bind the City to accept excess Domestic Sewage amounts on any other occasion. When the AADF of the Party reaches 85 percent of the Party's Allocated Capacity of Domestic Sewage, the Party shall commence planning for treatment of its domestic sewage beyond its Allocated Capacity of Domestic Sewage.

5. 3. Notification of Nearing Capacity Limit When any Participant's flow reaches 85 percent of its Capacity Limit, the City shall notify it in writing. The Participant shall commence the preparation of plans to use its remaining Allocated Capacity and to provide for additional capacity beyond the Capacity Limit. The Participant shall be responsible for providing the City with information on proposed development which would increase its flows.

5. 4. Transfer of Capacity. If a Party desires to discharge greater amounts of Domestic Sewage into the Facilities than are allocated as set forth herein, it may request to purchase that additional capacity from any other Party with purchased capacity in the Facilities. If a Party determines that its Allocated Capacity of Domestic Sewage is excessive it may offer to sell such excess capacity to any other Participant. For the purposes of this Section 5 only, the Town of Woodway shall be considered a Party and shall be given the

opportunity to purchase capacity in the future. It is fully recognized by the City and the Participants that no Party is obligated in any way to transfer capacity -- temporary or permanent -- to any other Party. The willingness of any Party to enter into a transfer arrangement and the terms of such arrangement shall not be subject to review by the Oversight Committee or to arbitration.

The City shall be notified of all pending and final transfers of capacity and of all terms of such transfers in writing, and shall make this information available to all Participants.

5.4.1. Cost of Capacity Transfer. The cost of transferring such capacity shall be determined by the Future Value method which is based on the principle that the capacity purchaser should reimburse the capacity seller for all previous payments which the seller has made for the transferred capacity, and for the compounded costs of such payments as defined by an interest rate which the City or the Participant could have expected to receive by investing these payments. The interest rate shall be set by the capacity seller and shall be consistent with generally accepted public accounting principles. Exhibit E, attached and incorporated herein by reference, describes the methodology that would be used to derive the capacity transfer price at any future year.

5.4.2. Alternative Costs of Capacity Transfer. Any two Participants, or any Participant and the City, may agree to different terms than those described above and in the methodology in Exhibit E.

5.4.3. Sharing in Capacity Transfers. In the event that any two participants have agreed to a transfer of capacity on either cost basis above, the other Participants shall be given the opportunity to participate in the transfer if they agree to the transfer costs, and if sufficient capacity is available.

5.4.4. Temporary Capacity Transfers. Temporary capacity transfers will be permitted, for a period not exceeding five years, from any Party having excess capacity to any Party needing capacity on the basis of any terms negotiated between those Parties. The Participants agreeing to a temporary capacity transfer shall notify the City of the terms of their arrangement, which shall include a plan for ending the temporary transfer by demonstrating how permanent provisions are to be made. In no event may the the total Allocated Capacity of Domestic Sewage of the Parties after the transfer exceed the Allocated Capacity of Domestic Sewage of the Parties before the transfer.

5. 5. Treatment of Domestic Sewage Only. No Party shall discharge into the Facilities any wastewater other than Domestic Sewage. The City is obligated to treat only Domestic Sewage and may reject all other forms of wastewater. The City may refuse to transport and treat Domestic Sewage from those portions of any Participant's sewage collection system which do not conform to DOE and/or EPA standards for Domestic Sewage.

5. 6. Sewage Quality. While there has historically been, and continues to be, a presumption that each Participant's and the City's sewage flows are predominantly domestic residential flows with reasonable, and approximately equivalent, levels of Biological Oxygen Demand (BOD) and Suspended Solids (SS) levels, the Participants and the City shall be willing to address any changes in such presumptions. The Participants and the City shall cooperate to develop, as needed, ordinances and programs to mitigate BOD and SS levels which are higher than acceptable norms, as determined by either regulatory requirements or by generally accepted environmental practices. The costs of such programs, if and when undertaken, shall be directly applied to Parties responsible for the discharge of nonconforming wastewater and, unlike general Maintenance and Operation costs, shall not be based on overall sewage flow levels of the City and the Participant.

5. 7. Pre-Treatment Ordinances. If and when required to do so by EPA or DOE, or other applicable regulations and agreements, all the Parties shall adopt a Pre-Treatment Ordinance (or Resolution as may be appropriate) meeting all Federal and/or State requirements. The City shall be responsible for the administration and operation of a pre-treatment program, if and when mandated. Administration and operation shall include, but not be limited to, developing procedures, forms, and instructions; categorizing dischargers; records keeping; compliance tracking; establishment of annual limits; sampling, testing, and monitoring; preparation of control documents; and preparation of permits. Each Participant shall be responsible within its jurisdiction

for identification of dischargers, issuance of control documents, issuance of permits, and enforcement of compliance, and collection of any special fees, penalties, or other associated extraordinary charges. All City costs shall be included in the direct costs of Operation and Maintenance of the treatment plant. All the costs relating to the responsibilities of each Participant shall be absorbed by the Participant.

Section 6. Operation, Treatment and Quality of the Facilities and the Participant's Internal System.

6. 1. Operation and Maintenance of the Facilities. The City shall own and shall be responsible for the operation and maintenance of the Facilities, both before and after construction of the Improvements, subject to the terms of this Agreement. The Facilities shall be operated and maintained in accordance with high engineering standards, and the standards established by the EPA, the DOE, the Washington State Department of Social and Health Services and other federal, state and local agencies. The quantity of Domestic Sewage discharged by a Participant into the Facilities shall be metered at the Influent Point, with the exception of co-mingled flows which will be accounted for by other generally accepted methods using either Equivalent Customer Units, directly measured water flows for winter months, or other methods approved by the Oversight Committee. The meter that measures the Participant's discharge of Domestic Sewage into the Facilities shall be calibrated by the City at least once each

calendar year with the presence of any Participant that so desires, and may be inspected by either Party at the expense of such party at any time upon reasonable notice to the other. The City will continue to monitor other relevant variables such as water consumption by each Participant, rainfall, and other suitable variables, which will be used to provide redundancy for failed meters and an alternative method to check the validity and accuracy of the meter readings. The City and the Participants shall commission a separate engineering study to evaluate metering devices and practices so as to be able to install and properly operate the most suitable measurement and recording devices for the City's and the Participants' needs.

6. 2. Reporting Requirements. Each Participant shall provide the City with monthly reports of the number of sewer connections. The City shall monthly read, record and report the amount of measured Domestic Sewage, measured in MGD, discharged into the Facilities, accounted for by Participant. If a Participant is notified that it has reached 85 percent of its Capacity Limit, the Participant shall at least once every calendar quarter thereafter advise the City in writing of any governmental or private actions that will affect the volume and quality of the Participant's Domestic Sewage flow, including but not limited to the issuance of building permits, sewer permits, water permits and plat approvals, the adoption of land use and zoning ordinances or amendments thereto, and the execution of developer extension contracts.

The City shall periodically inspect its Facilities and the Participant shall periodically inspect its Internal System to ensure adherence to applicable standards and to minimize infiltration, exfiltration and deposits of rock or other debris. During construction of the Improvements and thereafter, the City and any Participant at any reasonable time may inspect the Internal System and the Facilities.

6. 3. The Participants' Internal System. Each Participant shall operate and maintain its Internal System at its sole expense, including all of its facilities as required to maintain the volume and quality of Domestic Sewage within the limits set forth in this Agreement. Each Participant shall observe the highest practicable standards and practices in the construction, operation, and maintenance of its Internal System with particular attention to the following: (a) minimizing entry into the sewerage system of groundwater and/or surface water (I/I - infiltration and inflow); maintaining a favorable character and quality of Domestic Sewage in accordance with the standards set forth in Section 5.6, (b) eliminating septicity and objectionable odors, entry of petroleum wastes or other chemicals and/or wastes detrimental to sewer lines, pumping stations, the Facilities, and the waters of Puget Sound; and (c) maintaining an efficient and economical utility operation, while achieving optimum pollution and environmental control. Each Participant shall prevent, except for unusual circumstances to be reviewed and recommended by the Oversight Committee, the connection of any storm or drainage facilities to its Internal System.

The City shall give written notice to the Participant of any condition within the Participant's Internal System that violates this Agreement or applicable laws, regulations or permits. If the Participant does not correct such condition within a reasonable time after the City gives written notice thereof, the Participant shall pay to the City any reasonable and necessary costs and expenses incurred by the City in connection with such condition. If the Participant discharges into the Facilities any solids, liquids, gases, toxic substances or other substances which the City reasonably believes is causing or will cause damage to the Facilities, or is creating a public nuisance or a hazard to life or property, the Participant shall either discontinue the discharge of such substances or pay for the costs of modifying the Facilities so that they are capable of satisfactorily handling such substances. Because substandard conditions of Domestic Sewage may cause serious damage to the Facilities, the Participant shall comply with any City order regarding the composition of Domestic Sewage, and after compliance may thereafter cause to be arbitrated the reasonableness of that order in accordance with Section 10.

The Parties shall cooperate with each other to determine the source of possible violations of applicable law, regulations and permits (including applicable NPDES Permits). In the event the City is fined or otherwise penalized by local, State, or Federal agencies for failure to operate or maintain the Facilities in accordance with the requirements of the agencies, and it is demonstrated to the satisfaction of the City that such failure is due in whole or in part to the Participant's discharge of Domestic Sewage in violation of this Agreement, then the Participant shall pay its allocable share (as

determined by the parties or by an arbitrator in accordance with Section 10) of the costs of such fines or penalties, including its share of the associated administrative, legal and engineering costs incurred by the City in connection with the fines or penalties.

6. 4. Ballinger Lift Station and Related Facilities. The City, at its convenience, but no later than one year after completion of the Treatment Plant Project, shall assume ownership and operational responsibility for the Ballinger Lift Station and related meters and sewer mains from the City of Mountlake Terrace. If found necessary on the basis of the City's evaluation and at the City's discretion, these facilities shall then be upgraded to conform with City standards and needs, with capital cost participation by Mountlake Terrace and Ronald Sewer District based on capacity and with each of those Participants paying its share of the capital costs at the time of construction. Operation and Maintenance costs will be allocated to each Participant annually on the basis of AADF.

The City shall have the option of transferring the responsibility for the flows currently transported through the Ballinger Lift Station to the Municipality of Metropolitan Seattle ("Metro") in the event that a sewage exchange for Metro Richmond Beach flows is implemented. In the event of such a flow transfer, and the construction of various facilities needed to implement the Metro transfer, the City, Mountlake Terrace, and Ronald Sewer District would retain the responsibility of all capital and Maintenance and Operation Costs, including possible demolition of the existing lift station, on

the basis of proportionate share of annual flow through the Metro transfer facilities. Under the Metro option the City would still retain the responsibilities related to the transport and treatment of the domestic sewage that currently flows through the Ballinger Lift Station, including, but not limited to, planning, preliminary and final engineering, metering, recording, accounting and reporting. The assumption by the City of the Ballinger Lift Station -- either through the City's ownership and operation, or through transfer to Metro -- shall include a provision for honoring the existing agreement between Mountlake Terrace and Lynnwood for emergency overflow to the west trunk sewer with payment to the City via Mountlake Terrace by method that will protect the parties' purchased capacity at the Facilities. Also as part of this section, Mountlake Terrace shall have the right to close out its existing remaining debt service obligation to the City for existing facilities, because this remaining obligation is relatively small and has a very brief remaining period.

The Parties to this Section 6.4 shall cooperate to the extent necessary to facilitate the sewage transfer between the City and Metro, recognizing that the construction of these facilities may include some temporary flow diversions, construction impacts, and other impacts which may not totally be anticipated at this time. It is recognized that the costs of the Ballinger Lift Station and the related facilities for implementing a Metro transfer are only participated in by the City, Mountlake Terrace, and Ronald Sewer District.

6. 5. Joint Use of Collection Systems Owned by One Party.

It is recognized by the Parties that at present certain Parties discharge sewage into a collection and transmission system which is part of the Internal System of another Party. Furthermore, in the future one Party may wish to use parts of the Internal System of another Party as a practical means of transporting sewage. The joint use areas are shown on the Service Area maps in Exhibit F.

The joint usage of such facilities shall be agreed to by both the discharging Party and the Party that owns these facilities. The discharging Party's volume of flow shall not be counted in the calculation of the facility owner's volume of Allocated Capacity of Domestic Sewage.

6. 6. Charges and Procedures Related to Joint Sewerage Areas of Olympic View Water and Sewer District and the City of Edmonds. The joint areas of these two Participants are shown in Exhibit F. The discharging Participant shall be responsible for all charges collected by the City for the transmission and treatment of the Domestic Sewage discharged into the joint facility, including all the costs contained in this Agreement , if applicable. The Participant owning the facility shall be reimbursed by the discharging Participant at the owning Participant's current rates for all costs related to the jointly used collection facility including Maintenance and Operation costs and General Facility Fees (also known as connection charges) related to this facility only. The discharging Participant shall be responsible for the billing of the discharging customer and for reimbursing the facility owner for its costs relating to the shared

facility. Sewer permits and inspections shall be provided by the discharger's Participant and such Participant shall provide the facility owner with a copy of the side sewer card and inspection report within 30 days after the final inspection. Should a jointly used Internal System require either capacity expansion or other capital improvements, the terms of funding such improvements shall be negotiated between the facility owner and the discharger's Participant.

Section 7. Payment for Maintenance, Operation, and Overhead Costs for the Treatment of Domestic Sewage.

7. 1. Monthly Payments. Commencing as soon as practicably possible after the execution of this Agreement, the Participant shall make monthly payments to the City for the transportation and treatment of each Participant's Domestic Sewage. The monthly payments shall consist of one twelfth of the Participant's proportionate share of the Maintenance and Operation Costs and Overhead Costs adopted in the annual budget of the City for the Facilities. Each Participant's percentage share of the total annual Maintenance and Operation Costs and Overhead Costs shall be determined by dividing the AADF of the Participant for the calendar year preceding the budget year by the sum of the AADF of the Participants and the City for the calendar year preceding the budget year. If the total amount paid by the Participant during any calendar year is different from the amount due and owing for the calendar year based on actual AADF and Maintenance and Operation Costs and Overhead Costs, a final adjusting bill or payment shall be made by the City by April 1 of the subsequent year with the adjustment

being paid or credited in 6 equal monthly installments. The estimated current monthly payments shall be computed on the basis of the following formula:

Allocation = (Most recent July-July flow %) X (Adopted O&M Budget)/12

Note: for the purposes of this Agreement the O & M Budget shall include the Overhead costs as well as direct costs.

The City shall provide the Participants with a full accounting of all flows for each calendar year as well as a separate summary of the actual Maintenance and Operation Costs incurred during the previous calendar year. The flows and costs will include both the Facilities and the Other Facilities, and shall be provided at the earliest time possible during the calendar year, and no later than March 1, barring unforeseen circumstances.

Each Participant's monthly payments shall be due at the earliest date depending on the Participant's accounts payable cycle. In the event that the Participant's payment is received more than 45 days after receipt of City's bill, the City shall be entitled to a late payment surcharge equal to the interest which the payment would have earned for the period in excess of 45 days, based on an interest rate typically used for municipal investing purposes.

7. 2. Overhead Costs. In addition to the direct Maintenance and Operation costs described in Appendix B, each Participant will pay an Overhead Cost equal to 10 percent of the direct Maintenance and Operation Costs allocable to that Participant. The

percentage was computed by the "step-down" allocation method as applied to the City's general administrative, supervisory, and other indirect costs related to the operation and maintenance of the Facilities. The Overhead Cost percentage may be reviewed by the Oversight Committee at the request of any of the Participants within 3 years of the new plant start-up, estimated to be April of 1991. Any future review and change in the percentage shall utilize the "step down" method.

7. 3. Standby Maintenance Charge. Whenever a Participant discontinues the discharge of Domestic Sewage into the Facilities, or discharges less than 0.3 MGD of Domestic Sewage into the Facilities for a period of 30 days or more, the Participant shall pay to the City in lieu of the monthly charge described above (Section 7.1) until it regularly discharges more than 0.4 MGD, a standby maintenance charge, which shall be a monthly fee calculated by the City to provide for the Participant's proportionate share (as defined in Section 3.2) of the City's fixed (not related to amount of sewage) costs of operating and maintaining the Facilities in a condition of readiness to accept and treat Domestic Sewage at the full capacity of the Facilities. The Participant shall give the City written notice of its intention to discontinue the discharge of Domestic Sewage (or to reduce its regular discharge to less than 0.3 MGD) at least 2 months prior to such discontinuance, and shall give the City 2 months notice of its intention to commence discharging Domestic Sewage over 0.4 MGD into the Facilities. Overhead Costs shall be added to this charge.

7. 4. Facilities Capital Improvements Fund. The City shall establish a capital improvements fund to handle future capital improvements, major replacements, or major repairs not included within the regular Maintenance and Operation Costs. The amount of the capital improvements fund shall be initially set at \$100,000. Each Participant shall contribute to the fund in the same ratio as its original allocated capacity percentage as shown in Exhibit A. Disbursements from the fund shall be treated as having been made on a pro rata basis according to the same allocation as contributions to the fund. Initial assessments to the fund shall be made in equal annual installments over a period of five years. Subsequent assessments shall be structured so as to maintain as nearly as possible a \$100,000 balance, and shall be phased on the same basis as the original assessments to the fund. Every five years the nominal amount of the fund (originally \$100,000) shall be increased to reflect inflationary cost increases, using such commonly accepted indices as the Engineering News Record (ENR) Construction Index.

The City shall maintain a separate accounting of the fund with any interest earning accruing and remaining in the fund.

Disbursements from the fund in excess of \$30,000 (as adjustable for inflationary cost increases as described above) shall be approved by the City Council, only after review and comment by the Oversight Committee.

The existence of the Capital Improvements Fund and the fact that expenditures are made therefrom shall not be construed as limiting the ability of the City to make and allocate to the Participants needed expenditures on an emergency basis and under the terms of this

Agreement when the public safety, health and general welfare, legal and regulatory requirements or unforeseen circumstances require expeditious action.

Money in the Capital Improvements Fund shall be used only for future capital improvements, major repairs and major replacements to the Facilities, and shall not be pledged to or used for payment of any bonds, notes or obligations of the City or any of the other Participants. Expenditures from the Fund shall be considered a Maintenance and Operation Cost as defined in this Agreement and those expenditures shall be made as directed by the City. For purposes of cost allocation to Participants, however, these expenditures in the Maintenance and Operation Costs category will be allocated on the basis of Allocated Capacity of Domestic Sewage and not on the basis of annual flow.

7. 5. Participant's Rates and Sources of Payment. The Participant shall pay the charges described in Sections 7.1 through 7.3 out of the revenues of the Participant's Internal System. The Participant's payments to the City shall be part of the expenses of maintenance and operation of the Participant's Internal System, prior and superior to any charge or lien of any revenue bonds issued by the Participant that are payable from the revenues of its Internal System. The Participant shall establish rates and collect fees and charges for sewer service in amounts at least sufficient to pay for (a) the maintenance and operation of the Participant's Internal System, including the Participant's payments to the City, and (b) the principal

of and interest on any and all Participant revenue obligations that constitute a charge on the revenue of the Participant's Internal System.

7. 6. City Rates. The City shall establish rates and collect fees for sewer service in amounts at least sufficient to pay for (a) the maintenance and operation of the City's sewer system, including its share of the Facilities, and (b) the principal of and interest on any and all City revenue obligations that constitute a charge upon the revenues of the City's sewer system.

7. 7. Books and Accounts. The City shall keep full and complete books of accounts showing the Maintenance and Operation Costs incurred in connection with the Facilities and the Other Facilities, and the portion thereof applicable to each of the Participants. The costs of keeping those books shall be considered to be a Maintenance and Operation Cost to the City. Audits of the books shall be performed every three years unless waived by the Oversight Committee, and the cost shall be considered a direct cost of the Treatment Plant. More frequent audits, if requested by any Participant, shall be charged to the Participant(s) making the request.

Section 8. Oversight Committee.

8.1. Establishment of Oversight Committee. There is hereby established an Oversight Committee for the purpose of (a) advising the City concerning construction, operation, maintenance and expansion of the Facilities, (b) giving the Participants the opportunity to resolve any disagreements that may arise between or

among them with respect to the construction, operation, maintenance and expansion of the Facilities, (c) providing a mechanism for reviewing construction cost which raise the total Project Cost above \$39.5 million, and (d) for the additional purposes described in this Agreement. The Oversight Committee shall consist of a designated representative (or designated alternate representative) of each Participant. Each Participant shall have one vote.

8.2. Oversight of Construction. Prior to and during construction of the Improvements, the City shall report to the Oversight Committee at least once each month concerning progress of the Project. Any increase in the Construction Cost above \$39.5 million at the time of the awarding of the contract for construction of the Improvements, or at the time construction contract amendments are requested, shall be reviewed by the Participants in accordance with Section 3.

8.3. Oversight of Operations and Maintenance. After acceptance of the Improvements, the Oversight Committee shall meet at least quarterly, unless, by a vote of at least a majority of the votes held by the Participants, the Oversight Committee decides to meet less frequently. At each quarterly meeting of the Oversight Committee, the City shall report to the other Participants concerning the operation and maintenance of the Facilities as more particularly described in Exhibit B.

On or before July 1 of each year, the City shall provide to the other participants a preliminary proposed budget for operation and

maintenance of the Facilities during the following year. The City shall review and consider any reports and recommendations made by the Oversight Committee on subjects and matters described in Exhibit B.

Section 9. Replacement Standards; Insurance.

9. 1. Replacement and Rehabilitation Standards.

Replacement, reconstruction, rehabilitation, expansion or upgrading of the Facilities shall be in accordance with applicable federal, state and local laws and regulations. Additions, betterments and improvements to the Facilities of the City shall be installed and constructed in accordance with generally recognized engineering standards at least equal to the standards of the City and in accordance with all applicable federal, state and local laws and regulations.

9. 2. Insurance. The City shall purchase on behalf of all the Participants and maintain, through either companies or insurance pools, insurance sufficient to pay for all loss or damage to the Facilities resulting from their operation in a normal and prudent manner, including loss or damage caused by the operation of joint sewerage facilities which are not a direct part of the Treatment Plant. The Participant shall purchase and maintain, through either companies or insurance pools, insurance sufficient to pay for all loss or damage to the Facilities caused by the operation of its Internal System. In the alternative, the City or a Participant may set aside cash in a reserve fund in an amount sufficient to pay for such loss or damage, subject to review and recommendation by the Oversight Committee.

Section 10. Arbitration. In the event of a dispute between the City and a Participant concerning any matters arising under the terms and conditions of this Agreement, unless specifically excluded from arbitration, the dispute shall first be considered by the Oversight Committee in a non-binding manner. If the dispute is not settled in the Oversight Committee, it shall be placed before an arbitrator approved by the disputing parties, and the decision of that arbitrator shall be final and binding on both parties. However, the parties by agreement may waive arbitration. The venue of the arbitration shall be the Seattle vicinity, unless the disputing parties agree otherwise. The arbitrator's fees and costs shall be shared equally by the Parties.

Section 11. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon successors in interest and assigns of the Parties, and is not intended to confer rights or benefits upon any third party except as expressly stated herein. Performance of the obligations undertaken by either party may not be assigned without the prior written consent of the other, which consent shall not be unreasonably withheld.

Section 12. Amendment or Modification. No amendment or modification of this Agreement, including any addition or deletion thereto, shall be effective unless approved and executed by the Parties in the same form and manner as, and subject to the remaining provisions of, this Agreement. In the event the City contracts with any Participant in a manner that modifies the term of this Agreement, the

City and that Participant shall offer the other Participants the opportunity to incorporate the same terms in this Agreement or in additional contracts, assuming the modifications are applicable to the Participants.

Section 13. Governing Laws. This Agreement shall be governed and construed in accordance with the laws of the State of Washington. Venue in connection with any legal proceeding affecting this Agreement shall be in the Superior Court of the State of Washington for Snohomish County.

Section 14. Number and gender. Whenever applicable the use of the singular number shall include the plural, the use of the plural number shall include the singular and the use of any gender shall be applicable to all genders.

Section 15. Notice. All notices and payments relating to this Agreement shall be made at the following addresses, unless the other party is otherwise previously notified in writing:

To the City:

City of Edmonds
505 Bell Street
Edmonds, Washington 98020

To the Participant:

City of Mountlake Terrace
23200 58th Ave. West
Mountlake Terrace, WA 98043-4697

Olympic View Water and Sewer
District
23725 Edmonds Way
Edmonds, WA 98020-6097

Ronald Sewer District
17505 Linden Ave. N.
P.O. Box 33490
Seattle, WA 98133

Section 16. Term. The term of this agreement shall be for 30 years from its effective date. At the end of this period the parties will negotiate in good faith towards the continuance of this Agreement with the understanding that the economic terms of continued participation will reflect the investment of the Participants in the Facilities and the remaining useful life and remaining capacity of the Facilities at that time.

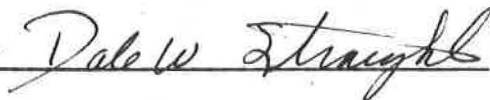
Section 17. Memorandum of Understanding. This Agreement shall be construed and applied consistent with the Memorandum of Understanding, attached as Exhibit C, but in the event of conflict, this Agreement shall govern. This Agreement supersedes and replaces sewage service agreements between the City and Olympic View Water and Sewer District (dated October 9, 1967), and between the City and the City of Mountlake Terrace (dated October 5, 1971), and those agreements shall be of no further force and effect.

EXECUTED IN DUPLICATE to be effective as of the date set forth above, or such later effective date as may be required under Chapter 39.34 RCW, if applicable.

CITY OF MOUNTLAKE TERRACE

CITY OF EDMONDS

By



Mayor

By

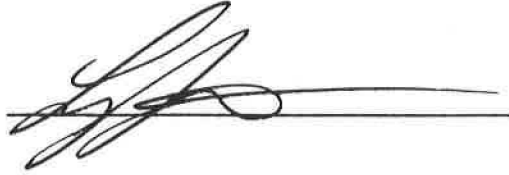


Mayor

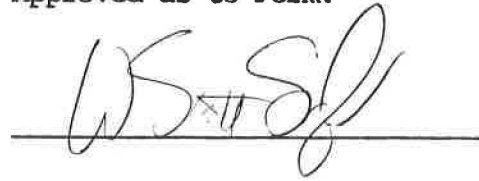
Attest: 

Attest: 

Approved as to Form:



Approved as to Form:



OLYMPIC VIEW WATER AND SEWER DISTRICT

RONALD SEWER DISTRICT

By 
President, Board of Commissioners

By 
President, Board of
Commissioners

Attest: _____

Attest: _____

Approved as to Form:

Approved as to Form:



Exhibit A

Allocated Capacity and Proportionate Share

	<u>Allocated Capacity of Domestic Sewage*</u>	<u>Proportionate Percentage</u>
Edmonds**	4.609 MGD	50.787%
Mountlake Terrace	2.103 MGD	23.174%
Olympic View Water District	1.502 MGD	16.551%
Ronald Sewer District	0.861 MGD	9.488%
TOTAL:	9.075	100.000%

** Edmonds share includes separately contracted capacity for approximately 70 connections in the Town of Woodway, and separately contracted capacity for approximately 200 connections for Lynnwood.

* Expressed in MGD's of AADF

Exhibit B

MAINTENANCE AND OPERATION COSTS -DIRECT

Direct costs include, but are not limited to: Labor, power, light, water, heat, phones, chemicals, equipment, tools, materials, supplies, insurance premiums, engineering services, attorney services, other contract services, rent, inspection, and taxes;

The cost of rehabilitating, reconstructing or replacing equipment and portions of the Facilities as needed to continue substantially the same capacity and quality of service (Facilities Reserve and Replacement Fund., Section 7.4) or the debt service costs for obligations incurred for such replacement, rehabilitation or reconstruction (provided, that where the Participant provides a cash contribution for such replacement, rehabilitation or reconstruction, the City's debt service costs relating to the same replacement, rehabilitation or reconstruction shall not be included in Maintenance and Operation Costs for purposes of this Agreement); and

Such financing and debt service costs for which the Parties may become jointly liable.

MAINTENANCE AND OPERATION COSTS -- OVERHEAD

These are the costs which are initially set at 10% of the Direct O & M costs. They were computed by the Step Down method, and are intended to recover general governmental costs related to the operation of the wastewater treatment plant and related facilities. These costs include but are not limited to: financial costs including budgeting, accounting, accounts payable; data processing; risk management; personnel administration including hiring, personnel management; buildings and grounds maintenance performed by the City; custodial work if needed; general legal costs; security; equipment rental (unless directly charged).

Exhibit C

Memorandum of Understanding

June 30, 1987
Rev. 7/15/87
Rev. 9/9/87
Rev. 9/22/87 flows only

MEMORANDUM OF UNDERSTANDING

Background

The representatives of the jurisdictions named below and referred to as the Participants, have been meeting regularly since March, 1987, to draft the elements of an Agreement for the provision of Secondary Sewerage Treatment Facilities (the Project) by the City of Edmonds for the Participants. This Memorandum incorporates most of the principles and concepts which the Legislative bodies have set in position papers exchanged earlier this year.

Immediate execution of this Memorandum will enable all the Participants to commence financial participation in the project, and will be followed by the expedient preparation of a full legal Agreement.

Principles

1. Each Participant is to fund its own share of plant design capacity, which for the purposes of cost allocation is defined as Annual Average Daily Flow (AADF), expressed in units of million gallons per day (MGD).
2. The following ultimate design capacities, expressed in Annual Average Daily Flows, will be made available to each participant:

	<u>Capacity</u>	<u>Percentage</u>
Edmonds	4.498	49.564%
Mountlake Terrace	2.082	22.938%
Olympic View Water District	1.487	16.389%
Ronald Sewer District	0.852	9.383%
Woodway (464 ECU's)	0.107	1.183%
Lynnwood	0.049	0.543%
TOTAL:	9.076	100.000%

Note: It is recognized that these percentages are subject to minor fluctuations for a brief interim period while some Participants are finalizing their precise flow figures.

3. The total project costs shall be allocated among the Participants according to the percentages of capacity as committed under item

#2. Total project cost shall not exceed \$45 million without Participant approval.

4. Annual Operations and Maintenance costs, formalized in an annual budget, shall be allocated to the participants on the basis of yearly Annual Average Daily Flow percentages. Payments will be made on a monthly basis

$$\text{Allocation} = (\text{Last Year Flow } \%) \times (\text{Adopted Budget}) / 12$$

Note: An adjustment will be made at year's end to correct for actual expenditures and for actual flows.

5. All participants concur as to the formation of a formal Oversight Committee, advisory to the Edmonds City Council. The role of the Committee, to be provided for in detail in the final Agreement, shall include review and submittal of recommendations on various operational and budgetary matters of a certain level of significance. Examples would include the establishment of a preliminary proposed annual budget by approximately the middle of the year; overhead costs levels; Reserve and Replacement Fund expenditures over \$30,000; establishment and review of annual cost audits; long term capital plans; and influent quality standards"
6. An overhead cost equal to 10% of direct costs of O and M shall be charged to all participants. The costs included in the direct and the overhead categories shall be detailed to the greatest extent possible in a technical appendix to the Agreement. The overhead factor can be reviewed by the Oversight Committee at the request of any of the Participants within 3 years of new plant start up. The Step-Down method shall be utilized for the purpose of computing and reviewing the overhead cost allocation.
7. Eligible costs shall include the costs of reasonable mitigation measures at the present Dayton Street site, designed with intent of minimizing and mitigating the impact of the plant on the immediate residential and commercial neighborhood. Costs shall include such elements as landscaping, buffering, limited structural concealment of the secondary clarifiers, a pleasant appearing street interface, and other necessary elements to achieve the objectives of reasonable mitigation. Also included will be the cost of the vacant parcel which was purchased by Edmonds in 1984 for the purposes of expansion to secondary treatment.
8. The final agreement shall contain provisions for the establishment of a reserve and replacement fund, to be shared in the same proportions as the capacity (item #2 above). The amount shall be established by the Oversight Committee, and all expenditures from the fund in excess of \$30,000 shall be subject to its review. This will not be construed as limiting the ability of Edmonds to make and allocate to the Participants needed expenditures on an emergency basis when the public safety, health, and general

welfare, regulatory mandates, or other unforeseen circumstances require expeditious action.

9. Any governmental grants to the project, whether made in a lump sum or through extended payments, shall be applied proportionately to the capacity shares paid by the Participants.
10. Upon execution of this Memorandum with the City of Edmonds, each signatory shall commence payment of outstanding and future invoices related to the planning, design, and construction of the project, at the percentage specified under item #2. Remittances are to be made to the City of Edmonds on a monthly basis. Documentation for billing shall be in the same manner as for grant reimbursements.
11. The final agreement shall include a provision for the transfer of capacity among willing Participants in this Memorandum and the subsequent Agreement, and shall include a method of determining appropriate cost of such transferred capacity.
12. Provisions shall be included for monitoring flows and land use permits, and for ensuring that allocated capacities are not exceeded by any participant.
13. The City of Edmonds, no later than January 1, 1992, shall assume ownership and operational responsibilities for the Ballinger Lift Station and related meters and sewer mains from the City of Mountlake Terrace. The facility shall be upgraded to conform with City of Edmonds standards and needs, with cost participation by Mountlake Terrace and Ronald Sewer District based on flows. Operations and Maintenance costs shall also be allocated on the basis on annual average daily flows. The City of Edmonds shall have the option of transferring operation of this lift station to Seattle Metro in the event that a sewage exchange for Richmond Beach flows is successfully implemented, and that such transfer of responsibilities is advantageous, to the same degree as without a flow exchange to Metro, to all parties.
14. Existing debt service obligations for the present system (an outstanding amount of approximately \$25,000) shall be prepaid by the City of Mountlake Terrace at the time when the City of Edmonds assumes ownership and operational responsibility of the Ballinger Pump Station and related facilities. This would void existing capital obligations on the present treatment plant.
15. The City of Edmonds shall have a separate agreement with Ronald Sewer District for both sewage treatment and for the Ballinger lift station operation. The former agreement shall commence with the execution of this Memorandum, and the latter shall be implemented according to #13.
16. Ownership, operation, and maintenance of the treatment plant, and all attendant responsibilities, rest with Edmonds.

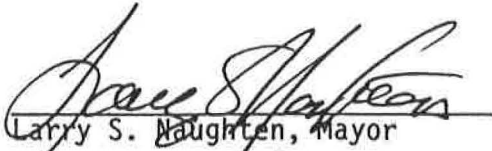
17. The term of the agreement shall be for 30 years, with the Participants having a lifetime of plant interest by paying their share.
18. Capacity will be based on flow quantities only and not on sewage quality characteristics such as BOD and/or SS. Provisions will be made for the City of Edmonds to determine the acceptability, terms, and conditions for service to any customer within the service area who is found to have excessive BOD, excessive SS, or any other influent characteristics which may impact plant operations and costs.
19. Provision shall be made for honoring existing agreement between Lynnwood and Mountlake Terrace for emergency overflow to west trunk sewer with payment to Edmonds via Mountlake Terrace by method that will protect the parties' purchased capacity.
20. Special provisions need to be made for cost allocation where the Participants serve customers in other Participant's jurisdictions, and where direct sewage metering is impractical.
21. Edmonds shall be responsible for the maintenance of accounting systems as required by accepted standards.
22. Provision shall be made for arbitration of disputes.
23. The concepts contained in this Memorandum, and in the subsequent full agreement, shall apply in predominantly the same manner to all parties sharing in the capacity of the plant. Some provisions may be necessary to address matters outside the Project of the Plant Operations, and which are of interest to some of the Participants only. Should the Participants not sign this memorandum simultaneously, any "latecomers" shall make payments to the other Participants (either directly or through Edmonds) for expenses already incurred. It is anticipated that Participants will be excluded from capacity participation in the treatment plant, other than as provided in existing contracts, unless the Memorandum is executed by September 20, 1987.
24. Edmonds and Olympic View Water and Sewer District agree to negotiate in good faith any and all operational service and administrative issues which are contained in existing agreements, or issues not contained in any agreements, and fall outside the funding of the Secondary Treatment Project and the operation of the Plant.
25. Section 23 notwithstanding, the City of Edmonds, at its own discretion, may assist the Town of Woodway in financing its share of the Project, on terms which are acceptable to both parties. This is in recognition of the unique obstacles which Woodway faces in financing its share of the project costs. Other Participant may offer the same kind of assistance to Woodway, subject to a review by the City of Edmonds.

26. The execution of the Memorandum does not limit the right of all parties to negotiate the details of incorporating the principles of the Memorandum into the final Agreement.

MEMORANDUM OF UNDERSTANDING

SIGNATURE PAGE

City of Edmonds:


Larry S. Naughten, Mayor

Date: 9-24-87

Attest:


Signature, Title

City of Mountlake Terrace:

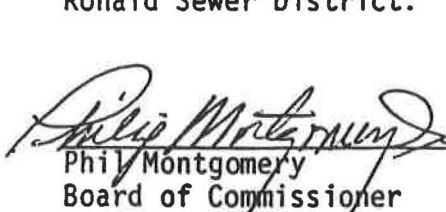

Lois Anderson, Mayor City Manager (As approved by City Council)

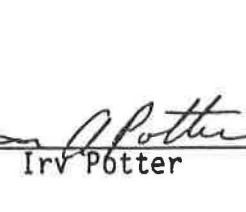
Date: 9/29/87

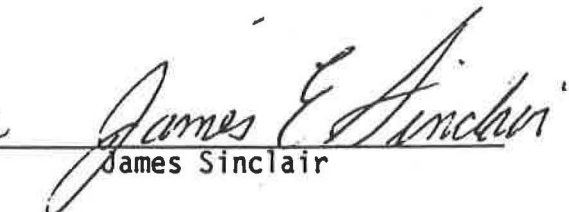
Attest:


Signature, Title

Ronald Sewer District:


Phil Montgomery
Board of Commissioner


Irv Potter


James Sinclair

Date: 10-5-87

Attest:


Signature, Title

MEMOUND3/TXTSECON

Page 2

MEMORANDUM OF UNDERSTANDING

SIGNATURE PAGE

Olympic View Water District:


John M. Fischer Patricia L. Meeker Carolyn E. Nache
Board of Commissioners

Date: 11-2-87

Attest:  Office Manager
Signature, Title

MEMOUND3/TXTSECON

Exhibit D

Equivalent Customer Calculation Parameters

In areas of co-mingled and/or unmetered flows, direct measurement of one Participant's flows through the Internal System of another Participant may not be practical. In such a case the Parties would reach an agreement to determine alternative measures of sewage flows. The following uses shall be considered as having the listed Equivalent Customer Units:

Single Family House -- 1 ECU.

Non-Residential Dischargers (including all residential other than single family houses) -- 1 ECU per 750 cu. ft. per month of water usage.

The 750 cu. ft. per month per ECU equivalence shall be subject to review by the Oversight Committee when requested by any Participant.

It is expected that Parties who use this Exhibit for computation of sewage flows will take into account factors which may cause the literal application of ECU methodology to either overestimate or underestimate the sewage flows. As an example, a school with extensive grounds would have very large seasonal fluctuations as to the actual sewage being discharged into an Internal System of a Participant, as well as in the consumption of water. The typical use of winter water consumption, which excludes lawn watering, would not be an accurate substitute because in the summer the school is vacant. Summer water consumption, however, is an inaccurate substitute as well because it includes irrigation water which is not discharged into sewerage systems. This example illustrates the problem, but in reality no school is in an area of co-mingled flows. In fact, almost all the uses in co-mingled flow areas are residential.

Exhibit E

Methodology for Cost Computation Related to Capacity Transfer

EXHIBIT E

TRANSFER OF CAPACITY COST CALCULATIONS METHODOLOGY

PROJECT COSTS AND FINANCING PARAMETERS

TOTAL COST:	\$39,500,000	BOND INTEREST:	8.00%	FUTURE VALUE	8.00%
GRANT:	50.00%	TERM:	20	INTEREST RATE:	
CAPACITY (MGD'S)	9.075	YEARLY PAYM'T:	\$22,166	(defined by capacity seller on the basis of a commonly used public finance index for municipal investments. It can be equal to the bonding interest rate.)	
1988 NET COST OF 0.1 MGD (Approx. 430 homes):	\$217,631				
FUTURE VALUE OF 0.1 MGD IN YR. 20:	\$1,014,368				
Average daily flow from typical home, gal.:	230				

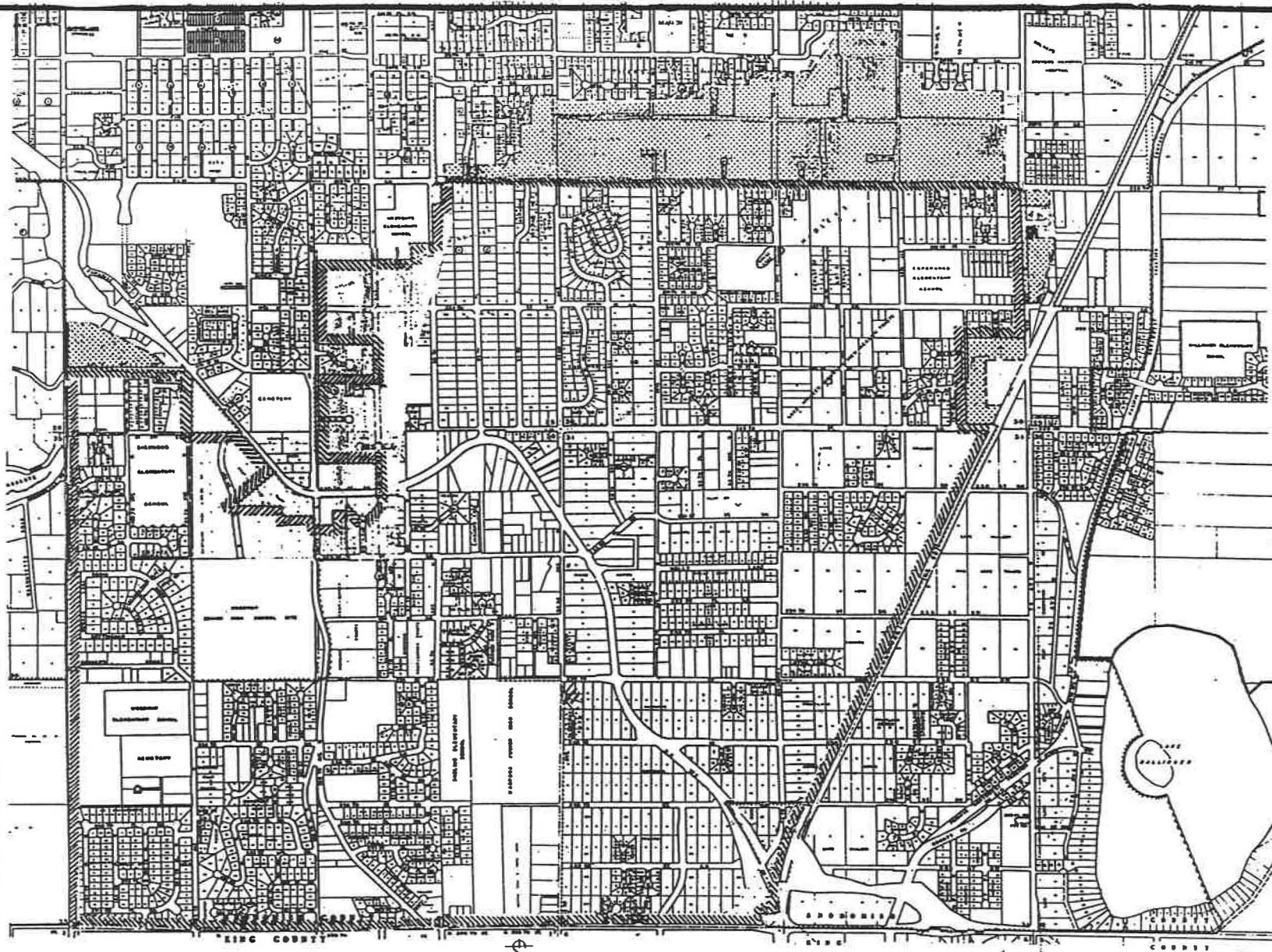
YEAR	ACTUAL DEBT SERVICE	CUMULATIVE VALUE	FUTURE VALUE	YEAR	FUTURE VALUE
1	\$22,166	\$22,166	\$22,166	31	\$2,365,140
2	\$22,166	\$44,332	\$46,106	32	\$2,554,351
3	\$22,166	\$66,499	\$71,960	33	\$2,758,700
4	\$22,166	\$88,665	\$99,883	34	\$2,979,395
5	\$22,166	\$110,831	\$130,040	35	\$3,217,747
6	\$22,166	\$132,997	\$162,610	36	\$3,475,167
7	\$22,166	\$155,163	\$197,784	37	\$3,753,180
8	\$22,166	\$177,329	\$235,773	38	\$4,053,435
9	\$22,166	\$199,496	\$276,801	39	\$4,377,709
10	\$22,166	\$221,662	\$321,112	40	\$4,727,926
11	\$22,166	\$243,828	\$368,967	41	\$5,106,160
12	\$22,166	\$265,994	\$420,650	42	\$5,514,653
13	\$22,166	\$288,160	\$476,469	43	\$5,955,825
14	\$22,166	\$310,327	\$536,752	44	\$6,432,291
15	\$22,166	\$332,493	\$601,859	45	\$6,946,875
16	\$22,166	\$354,659	\$672,174	46	\$7,502,625
17	\$22,166	\$376,825	\$748,114	47	\$8,102,835
18	\$22,166	\$398,991	\$830,129	48	\$8,751,061
19	\$22,166	\$421,157	\$918,705	49	\$9,451,146
20	\$22,166	\$443,324	\$1,014,368	50	\$10,207,238
21			\$1,095,518	51	\$11,023,817
22			\$1,183,159	52	\$11,905,722
23			\$1,277,812	53	\$12,858,180
24			\$1,380,037	54	\$13,886,835
25			\$1,490,440	55	\$14,997,781
26			\$1,609,675	56	\$16,197,604
27			\$1,738,449	57	\$17,493,412
28			\$1,877,525	58	\$18,892,885
29			\$2,027,726	59	\$20,404,316
30			\$2,189,945	60	\$22,036,661

NOTE: FUTURE VALUE COLUMN IS THE AMOUNT WHICH A PARTICIPANT WOULD HAVE HAD IF INSTEAD OF BUYING 0.1 MGD, ITS FUNDS HAD BEEN INVESTED AT THE FUTURE VALUE INTEREST RATE. TYPICAL HOME FLOWS ARE FOR EXAMPLE ONLY.

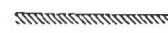
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Exhibit F

Description of Service Areas - 1988



LEGEND

-  JOINT USE SERVICE AREAS
(PER SECT.6.5 OF AGREEMENT)
-  BOUNDARY OF OLYMPIC VIEW
SEWERAGE SERVICE AREA
-  EDMONDS CITY LIMITS
APRIL 26 1988

BOUNDARIES OF OLYMPIC VIEW SEWERAGE SERVICE AREA
PER AGREEMENT FOR SANITARY SEWERAGE SERVICE
TO BE PROVIDED TO OLYMPIC VIEW BY EDMONDS

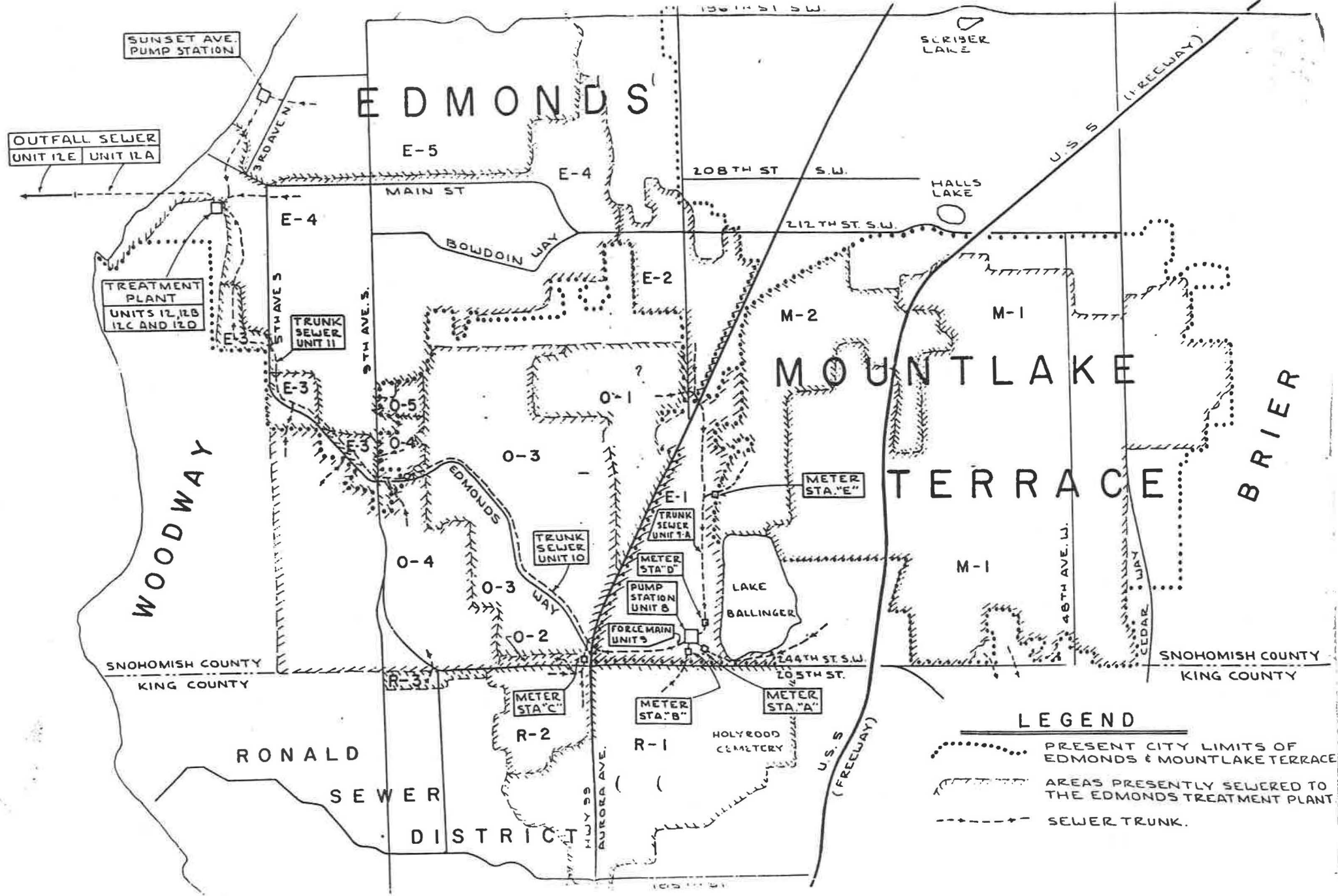


Exhibit G

Preliminary Project Cost Estimates

CURRENT PROJECT COST ESTIMATE

CONSTRUCTION COSTS

1990 Construction Costs	\$27,850,000
Sales Tax	2,520,000
Contingency	<u>3,650,000</u>
	\$34,020,000
- Est. VE Savings	<u>- 79,000</u>
Subtotal	\$33,941,000

ALLIED COSTS

Engineering	
Predesign	320,674
Design	1,969,384
Construction	1,867,412
Legal	75,000
City Administration	200,000
Misc. and Contingency	
Value Engineering	85,000
Contingency	<u>482,530</u>
Subtotal	\$5,000,000
TOTAL	\$38,941,000

Potential Added Cost to Cover N. Clarifier

CONSTRUCTION	400,000
ENGINEERING	<u>29,300</u>
TOTAL, INCL. OPTION	\$39,370,300

2025
ANNUAL REPORT
**City of Mountlake
Terrace**



WM Contract Overview

- WM and Mountlake Terrace signed a 10-year contract in 2022 with two 2-year extension options.
- Mountlake Terrace residents receive embedded EOW recycling and organics service with weekly garbage service.
- New compressed natural gas (CNG) trucks, fueled with renewable natural gas (RNG), recovered from WM landfills.
- Annual \$20,000 monetary donation.
- 5 free extra units of trash (4 previously)
- Expanded customer service options.

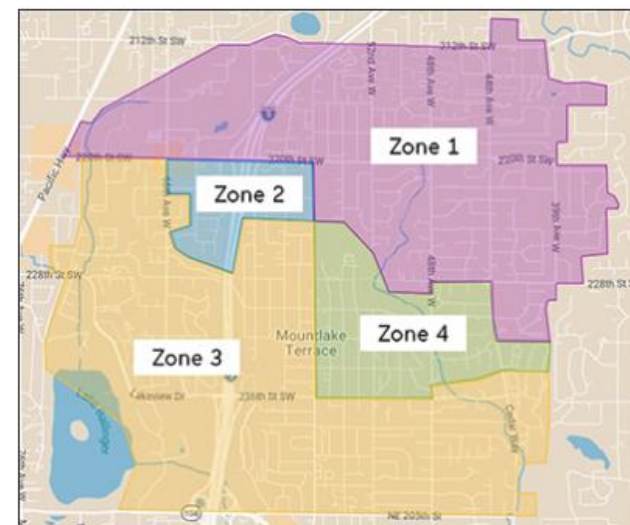


WM Operations

- Operations Update
- Re-Route / Service Changes
- Smart Truck Technology



Click the map below for a more detailed view of Mountlake Terrace neighborhoods



As indicated on the map above, click below for:

[Zone 1 Service Calendar](#)

[Zone 2 Service Calendar](#)

[Zone 3 Service Calendar](#)

[Zone 4 Service Calendar](#)

Your service day is Wednesday.



Modernizing WM Support for Today's Customers

Try the Most Popular Features



Facial Recognition & Fingerprint Login

Enjoy simple, secure facial or fingerprint login thanks to the latest technology.



Pay How You Want

Manage and use different payment methods with ease, including Apple Pay.



AutoPay & Paperless Billing

Don't worry about missing bills or payments. With AutoPay & Paperless, you can set it once and let us do the rest.



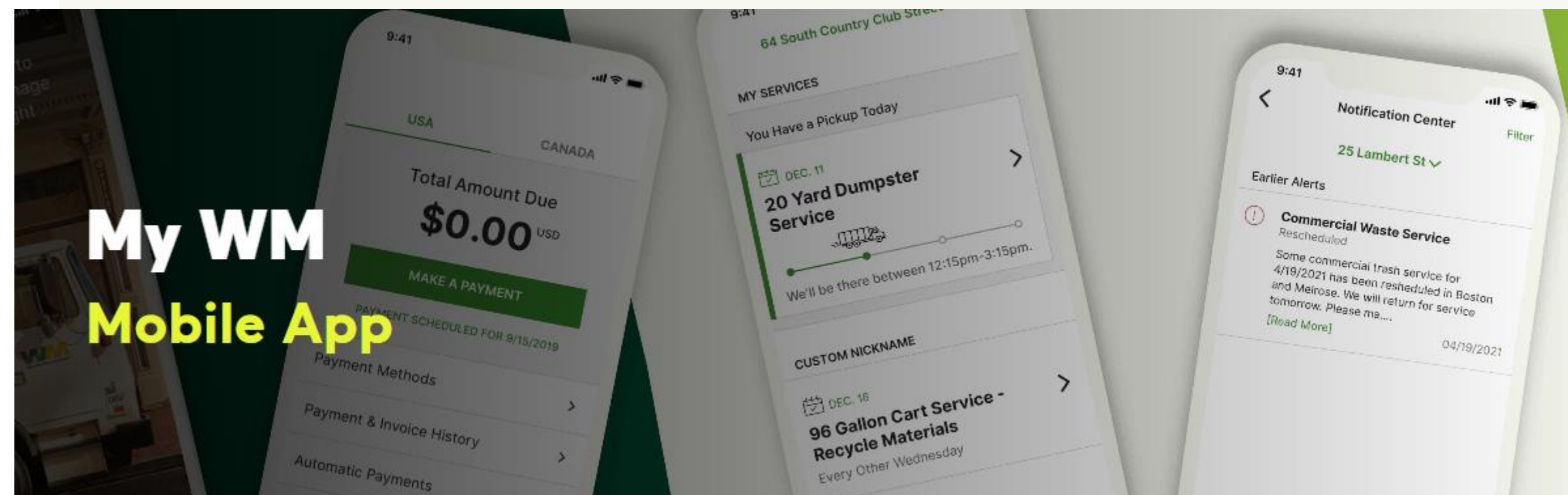
Keep Tabs on Your Truck

Follow your truck in real time so you know when to expect pickup.



Schedule & Track Extra Services

Request bulky item disposal, extra pickups, roll-off dumpsters and more, right from the app.



WMnorthwest.com Local Service Information

Mountlake Terrace SERVICEALERTS

This page is your
#1 Resource
for real-time updates!

Putting safety first, minimizing disruption for customers and making sure you have the best information available. That's our commitment to you when conditions prevent us from collecting as usual. We are monitoring conditions closely and updating this page as new information becomes available. If your community is not listed, there are no Service Alerts for your area at this time.

There are no Service Alerts active for your area at this time.

Frequently Asked Questions

FAQ Do you have questions about service interruptions? Here are the answers

Instructions for setting out extras

Tips Do you have questions about setting out extras? View our tips here

WM Commitments and Values to the Mountlake Terrace Community

Commitments

- People First
- Success With Integrity

Core Values

- Safety
- Customers
- Environment

In 2025, WM supported community events like:

- Independence Day Celebration
- National Night Out

Our \$20,000 annual donation helps support other community events in Mountlake Terrace.





Community Engagement and Education

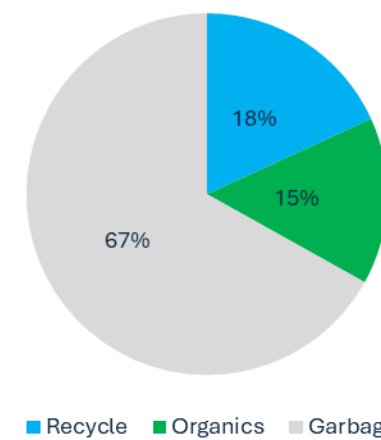
- **Convenience:** Co-locating containers to make sorting easy
- **Clarity:** Ensuring correct container colors and applying instructional decals
- **Capacity:** Right-sizing containers to meet property needs
- Outreach to Multifamily and Commercial properties, providing recycling and composting guides, posting recommendations, general recycling reminders, a Recycling 101 video, and WM contact information.
 - As a result of this targeted outreach, **73% of contacted properties had zero contamination incidents** in the month following their interaction—demonstrating a positive shift in local recycling practices.

Cascade Recycling Center (CRC)

WM State-of-the-Art Recycling



Percentage of Total Material Collected by Type



- **Increase** capacity/throughput
- **Improve** commodity recovery and m
- **Maximize** material values

- Rebuilt in 2023, the CRC received a complete rebuild with next generation design and the most advanced technologies in the industry.
- Intelligent sorting enables communication throughout the facility, allowing systems to work together to rapidly identify and remove contaminants.
- Optical sorters (like human eyeballs!) analyze materials along conveyor belts and use air jets to sort items, 600 pieces per minute, (just imagine 600 Coke or Pepsi cans being sorted in one minute!)
- Processes recyclables collected from curbside carts (250,000 households) and businesses across Western Washington.
- Capacity to process 650 tons of recyclable material per day (that is about 4 times heavier than the Statute of Liberty!)



Looking Ahead

Significant Industry Changes Ahead:

- Organics Management Law
- Extended Producer Responsibility





2025 ANNUAL REPORT **City of Mountlake Terrace**

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