

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Authorizing the City Manager to Enter Into the Second Wastewater Utility Operating Services Agreement Between the City of Shoreline and the Ronald Wastewater District
<b>DEPARTMENT:</b>	City Manager's Office
<b>PRESENTED BY:</b>	John Norris, Assistant City Manager
<b>ACTION:</b>	<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

**PROBLEM/ISSUE STATEMENT:**

On October 22, 2002 the City and Ronald Wastewater District entered into a 15-year Interlocal Agreement regarding the provision of sanitary sewer services. At the end of this 15-year term, the mutual goal was for the City to fully assume the entirety of the Ronald Wastewater District. However, continued litigation impacted the timing of the assumption as contemplated by the 2002 Interlocal Agreement, requiring an extension of the final assumption date so as to assure that the transition of the District to the City occurs in an orderly fashion.

On June 12, 2017, the City Council adopted a First Amendment to the 2002 Interlocal Agreement which allowed for a two (2) year extension of the agreement, with an option for the City to extend for an additional two (2) years. The First Amendment also provided for a Wastewater Utility Operating Services Agreement between the City and District, where the City would operate the utility on behalf of the District during the term of the First Amendment. The Wastewater Utility Operating Services Agreement was approved by the City Council on October 2, 2017. More recently, on March 4, 2019, the City extended the First Amendment to the 2002 Interlocal Operating Agreement through the two-year extension period until June 22, 2021.

Over the course of 2018 and 2019, the District and City identified several operational improvements to the Wastewater Utility Operating Services Agreement that would benefit both parties. Staff from the District and the City subsequently negotiated this Second Wastewater Utility Operating Services Agreement, which repeals the first Operating Services Agreement and replaces it. Staff is now seeking Council authorization for the City Manager to enter into this Second Operating Services Agreement. The term of this Second Agreement repeals the First Amendment to the 2002 Interlocal Operating Agreement and would expire on June 22, 2021.

**RESOURCE/FINANCIAL IMPACT:**

The City is currently operating the wastewater utility on behalf of the Ronald Wastewater District under the current Wastewater Utility Operating Services Agreement. Adoption of the Second Wastewater Utility Operating Services Agreement does not present a financial impact for the City.

**RECOMMENDATION**

Staff recommends that the City Council move to authorize the City Manager to enter into the Second Wastewater Utility Operating Services Agreement between the City of Shoreline and the Ronald Wastewater District.

Approved By:           City Manager **DT**   City Attorney **MK**

## **BACKGROUND**

On October 22, 2002, the City and the Ronald Wastewater District (District) entered into a 15-year Interlocal Operating Agreement regarding sanitary sewer services. At the end of this 15-year term on October 23, 2017, the mutual goal was for the City to fully assume the District as specifically authorized by Washington State Law. However, continued litigation impacted the timing of the assumption as contemplated by the 2002 Interlocal Agreement, requiring an extension of the final assumption date so as to assure that the transition of the District to the City occurs in an orderly fashion.

On June 12, 2017, the City Council adopted a First Amendment to the 2002 Interlocal Agreement which allows for a two (2) year extension of the agreement, with an option for the City to extend for an additional two (2) years. The staff report for this Council action can be found at the following link:

<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2017/staffreport061217-7e.pdf>.

The First Amendment also provided for some additional key items, including:

1. District employees becoming City employees on October 23, 2017 under the same terms and conditions as set forth in the original 2002 Interlocal Agreement;
2. Certain District contracts transferring and being assigned to the City;
3. A Wastewater Utility Operating Services Agreement being developed;
4. The District Board of Commissioners continuing to exist and exercise their duties; and
5. Interlocal Operating Agreement Fees being extended until 2019.

With regard the Wastewater Utility Operating Services Agreement, the First Amendment specifically states that the Agreement will provide for the following items:

- The District will contract with the City for all services and functions in operating, maintaining, and improving the sanitary sewer system.
- The District will contract with the City for all administrative services and functions, including utility billing, customer service, and account management; provided, however, that the District may retain an independent contractor(s) to support the Board.
- The City will be able to use District facilities and real estate.
- The City and District will coordinate and pursue capital projects or public works projects that are identified in the District's Capital Improvement Plan.
- The City and District will coordinate on the District's utility relocation agreement with Sound Transit.
- The Agreement will provide for notice and communication regarding any "Major Actions", as defined in the First Amendment.
- The Agreement will address other matters necessary and appropriate to include in a utility operating service agreement under the circumstances.

On October 2, 2017, the City Council approved the initial Wastewater Utility Operating Services Agreement. The staff report, along with the current Wastewater Utility Operating Services Agreement, can be found at the following link:

<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2017/staffreport100217-7b.pdf>.

More recently, on March 4, 2019, the City extended the First Amendment to the 2002 Interlocal Operating Agreement through the two-year extension period until June 22, 2021. The staff report for this Council action can be found at the following link: <http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2019/staffreport030419-7b.pdf>.

This Council action also provided authorization to the City Manager to extend the District's Franchise Agreement, the current Operating Services Agreement and enter into a Second Amendment to the 2002 Interlocal Operating Agreement related to identifying two additional years (2020 and 2021) of Interlocal Operating Fees.

Over the course of 2018 and 2019, the District and City identified several operational improvements to the Wastewater Utility Operating Services Agreement that would benefit both parties. Staff from the District and the City subsequently negotiated this Second Wastewater Utility Operating Services Agreement, which repeals the first Operating Services Agreement and replaces it. Staff is now seeking Council authorization for the City Manager to enter into this Second Operating Services Agreement. The Ronald Wastewater District Board of Commissioner unanimously approved the Second Operating Services Agreement at their Board meeting on February 18, 2020.

### **DISCUSSION**

The proposed Second Wastewater Utility Operating Services Agreement (Attachment A) updates and further clarifies the current Operating Services Agreement. The following section of this staff report provides information on the key sections of the Second Wastewater Utility Operating Services Agreement and how it differs from the current Agreement between the City and the District:

- **Section 1, Repeal of First Services Agreement:** This section makes clear that the first Services Agreement is repealed and that the Second Services Agreement shall replace it, and it sets forth the roles and responsibilities for operating the wastewater system.
- **Section 4, Term and Termination:** This section clarifies that the term of the Second Services Agreement will commence upon execution of the Agreement and continue through June 22, 2021, which is the expiration date of the extension of the First Amendment of the 2002 Interlocal Operating Agreement. This section also clarifies that if the City moves forward with the assumption process and dissolution of the District, then this Second Services Agreement will terminate on the dissolution date. If there is a desire to have the City continue to operate the wastewater utility beyond June of 2021, then the Interlocal Operating Agreement, Franchise Agreement and Second Wastewater Utility Operating Services Agreement will all need to be further amended to accommodate a longer term.

- **Section 5, Agreement Management and Communications:** This section clarifies that while the “Designated Representative” for each Party should be the primary point of contact, if other elected officials or staff communicate with each other, the Designated Representative must be copied on such communication.
- **Section 6, Notices:** This section has been updated to include that the District’s Board President will be copied on written hard copy or electronic correspondence from the City.
- **Section 7, City and District Engagement:** This section outlines the level and format of engagement the City will provide the District Board of Commissioners, clarifying that the City will provide regular updates to the Commissioners during the District’s quarterly meetings.
- **Section 8, Services Provided:** This section has been updated to state that the City or the District may request a change in the scope of services provided within the Second Agreement and outlines the process to do so.
- **Section 10, Real Estate:** This section clarifies that the District is responsible for approving any changes to the sewer easement form the City uses with developers or property owners. It also states that the City will notify the District if it becomes aware of an encroachment or unauthorized use of a District easement.
- **Section 11, Wastewater System:** An addition to this section clarifies how emergency maintenance or repairs to the wastewater system will occur and how the City will notify the District regarding non-routine repairs, emergency maintenance, or potential liability claim.
- **Section 12, Vehicles and Equipment:** This section clarifies that new District vehicles and equipment will be transferred to the City at a mutually agreed to time. It also clarifies the District funding an appropriate equipment inventory and at what thresholds the City will be responsible for making routine and non-routine vehicle and equipment maintenance or repairs.
- **Section 18, Records Management and Information Technology:** This section clarifies that the District will maintain certain records and will provide for its own IT and website needs.
- **Section 20, Budget and Reimbursement Payment:** This section was updated to remove information specific to 2017 and 2018.

### **RESOURCE/FINANCIAL IMPACT**

The City is currently operating the wastewater utility on behalf of the Ronald Wastewater District under the current Wastewater Utility Operating Services Agreement. Adoption of the Second Wastewater Utility Operating Services Agreement does not present a financial impact for the City.

### **RECOMMENDATION**

Staff recommends that the City Council move to authorize the City Manager to enter into the Second Wastewater Utility Operating Services Agreement between the City of Shoreline and the Ronald Wastewater District.

**ATTACHMENTS**

Attachment A – Second Wastewater Utility Operating Services Agreement

**SECOND WASTEWATER UTILITY OPERATING SERVICES AGREEMENT  
BETWEEN THE CITY OF SHORELINE AND RONALD WASTEWATER DISTRICT**

THIS WASTEWATER UTILITY OPERATING SERVICES AGREEMENT (“Services Agreement” or the “Agreement”) is made and entered into this \_\_\_ day of \_\_\_\_\_ 2020 by and between the City of Shoreline, a Washington Non-Charter Optional Municipal Code City (the “City” or “Shoreline”) and Ronald Wastewater District, a special purpose municipal corporation (the “District” or “Ronald”). The City and the District are each a “Party” and are collectively the “Parties” to this Agreement.

**WHEREAS**, on October 22, 2002, the City and the District entered into an agreement entitled *Interlocal Operating Agreement Between the City of Shoreline and Ronald Wastewater District Relating to Sanitary Sewer Services Within Shoreline’s City Limits* (the “2002 Interlocal Operating Agreement”); and

**WHEREAS**, the 2002 Interlocal Operating Agreement provided for 1) grant of franchise to Ronald for operation of a sewer system within the City’s corporate limits, which franchise rights apply solely within Shoreline’s city limits, 2) an orderly transition of the Wastewater Utility and City assumption of all District assets, liabilities and contractual obligations, and employees, including those within Snohomish County; and

**WHEREAS**, while the title and Section 3.2 of the 2002 Interlocal Operating Agreement refer to the City’s assumption of Ronald within the City’s corporate limits, other provisions of the 2002 Interlocal Operating Agreement refer to “properties not located in the District or the City,” and the City and the District have always interpreted the 2002 Interlocal Operating Agreement as providing for the City’s full assumption of all of Ronald’s assets, liabilities and contractual obligations, and employees not only within the City’s corporate limits but also within Snohomish County; and

**WHEREAS**, on June 22, 2017, the City and the District entered into an amended document entitled *First Amendment of Interlocal Operating Agreement Between the City of Shoreline and Ronald Wastewater District Relating to Sanitary Sewer Services Within Shoreline’s City Limits* (the “First Amendment”) which are incorporated herein; and

**WHEREAS**, the First Amendment was conditional on the City and the District negotiating and entering into a Wastewater Utility Operating Services Agreement that provides, among other things, for City operation and maintenance of the sanitary sewer system, use of District property, for City performance of certain administrative and financial functions, coordination of planning and projects, and for the District, by and through its Board of Commissioners, to continue to own and govern the Wastewater System and District assets; and

**WHEREAS**, on October 23, 2017, the City and the District entered into an agreement entitled *Wastewater Utility Operating Services Agreement Between the City of Shoreline and Ronald Wastewater District* (“First Services Agreement”): and

**WHEREAS**, on May 15, 2018, the City and the District entered into an amended document entitled *Amendment No. 1 to Wastewater Utility Operating Services Agreement Between the City of Shoreline and Ronald Wastewater District* (“First Services Agreement Amendment”) to include Information Technology and Records Management provisions; and

**WHEREAS**, on March 8, 2019, the City extended the First Services Agreement by written notice to the District pursuant to Section 2.2 of the First Services Agreement, setting expiration of the First Services Agreement on October 23, 2021; and

**WHEREAS**, the City and the District both desire to amend and add to the provisions of the First Services Agreement, and therefore agree to replace the First Services Agreement, as amended, with this *Second Wastewater Utility Operating Services Agreement Between the City of Shoreline and Ronald Wastewater District* (“Second Services Agreement”): and

**WHEREAS**, the City and District are authorized under chapter 39.34 RCW, the Interlocal Cooperation Act, and RCW 35.13A.070 to contract for the coordinated exercise of powers and sharing of resources for the efficient delivery of services to their residents, and the governing bodies of both parties have approved the execution of this Agreement;

**NOW THEREFORE**, in consideration of the foregoing recitals, which are incorporated herein as is if fully set forth below, and the terms and provisions contained herein, the City and the District agree as follows:

**Section 1. Repeal of First Services Agreement.**

The Parties hereby mutually agree that the First Services Agreement, as amended and extended, is repealed in its entirety and that this Second Services Agreement shall set forth the roles and responsibilities of the Parties regarding Shoreline’s performance of services and functions in operating and maintaining the Wastewater System and Wastewater Utility as of the Effective Date.

**Section 2. Purpose of Agreement and Definitions.**

The purposes of this Second Services Agreement are (a) to set forth the roles and responsibilities of the Parties regarding Shoreline’s performance of services and functions in operating and maintaining the Wastewater System and the Wastewater Utility and provision of administrative and financial services and functions and Ronald’s budgeting, reimbursement, and payment for the same, (b) to maintain and enhance the Parties’ cooperative working relationship, and (c) to coordinate future planning. The context of this Agreement is that the District exercises legislative duties as the Parties work toward final assumption.

In this Agreement, the following terms have the following meanings, whether singular or plural:

- 2.1 “2002 Interlocal Operating Agreement” means the *Interlocal Operating Agreement Between the City of Shoreline and Ronald Wastewater District Relating to Sanitary Sewer Services Within Shoreline’s City Limits*, effective October 22, 2002.
- 2.2 “City” or “Shoreline” means the City of Shoreline, a non-charter optional municipal code city incorporated under the laws of the State of Washington.
- 2.3 “Designated Representative” means the person named by each Party’s Service Agreement Manager to serve as the point of contact and to facilitate and coordinate communications, meetings, schedules, the exchange of information, and related tasks.
- 2.4 “District” or “Ronald” means the Ronald Wastewater District, a municipal corporation organized under Title 57 RCW and governed by its Board of Commissioners.
- 2.5 “District Engineer” means the licensed professional engineer and/or engineering firm then under contract with the District to perform engineering services.
- 2.6 “Effective Date” means \_\_\_\_\_, 2020, which is the date this Second Services Agreement enters into force and effect.
- 2.7 “Financial Administration” means the process of performing daily, weekly, and monthly reconciliations as appropriate to ensure proper booking of District revenues, making disbursements on behalf of District and transmitting disbursement requests to King County, and providing disbursement reports to the District for formal approval of the Board of Commissioners in a timely fashion.
- 2.8 “First Amendment” means a document entitled *First Amendment of Interlocal Operating Agreement Between the City of Shoreline and Ronald Wastewater District Relating to Sanitary Sewer Services Within Shoreline’s City Limits*, dated June 22, 2017.
- 2.9 “First Services Agreement” means the October 23, 2017 *Wastewater Utility Operating Services Agreement Between the City of Shoreline and Ronald Wastewater District*, as amended and extended, which is superseded and replaced by this Second Services Agreement.
- 2.10 “GFC” means the District’s General Facilities Charge, which is a capital charge for connecting to the Wastewater System.
- 2.11 “Major Action” means an action or approval by the Ronald Board of Commissioners as set forth in Section 4.2 of the First Amendment.
- 2.12 “Routine Maintenance or Repairs” means maintenance or repairs of Wastewater Real Estate, Wastewater System or Wastewater Utility Vehicles and Equipment that are scheduled to occur on a regular basis for the on-going care and upkeep of the asset.

- 2.13 “Non-Routine Maintenance or Repairs” means maintenance or repairs of Wastewater Real Estate, Wastewater System, or Wastewater Utility Vehicles and Equipment not scheduled on a regular basis that may be identified in conjunction with or independent of Routine Maintenance or Repair activities.
- 2.14 “Emergency Maintenance or Repairs” means maintenance or repairs actions taken when Wastewater Real Estate, Wastewater System, or Wastewater Utility Vehicles and Equipment assets have stopped working properly or all together and may negatively impact the public, property and/or the environment if not maintained, repaired or replaced.
- 2.15 “O&M” means operations and maintenance.
- 2.16 “Real Estate” means all real property owned in fee by Ronald and held as an asset of the Wastewater Utility.
- 2.17 “Ronald Service Area” means all the territory located within the corporate boundaries of Ronald Wastewater District, plus those areas lying outside of the corporate boundaries of the District where the District’s sanitary sewer system and appurtenances are now or may in the future be located or where the District is providing wastewater utility service to customers.
- 2.18 “Service Agreement Manager” means each Party’s identified lead with responsibility for administering and overseeing this Agreement.
- 2.19 “Specialized Vehicles and Equipment” means the closed-circuit television camera (CCTV), and CCTV van, eductor (vactor) truck, flow monitors, hydraulic and mechanical line rodding and jetting equipment, stationary and mobile emergency power generators; vehicles and equipment not listed here are considered Non-Specialized.
- 2.20 “WCIA” means the Washington City Insurance Association, which currently provides insurance coverage, services, and products to the City.
- 2.21 “WSRMP” means the Water and Sewer Risk Management Pool, which currently provides insurance coverage, services, and products to the District.
- 2.22 “Wastewater System” means the District’s sanitary sewer collection and conveyance system, which is generally comprised of wastewater pipes, mains, pump stations, grinder pumps, storage facilities, manholes, and appurtenances thereto, not including any wastewater treatment facilities, together with all i) contractual and other rights for wastewater treatment and disposal, and ii) easements, access rights, and other real property interests (not including fee simple).
- 2.23 “Wastewater Utility” means the District enterprise that owns the Wastewater System and related assets; provides sanitary sewerage services in the Ronald Service Area, including maintenance and operation of the Wastewater System, customer billing,

customer service, vendor contracting, and other functions; and levies and collects rates and charges.

**Section 3. Exhibits to Agreement and Referenced Documents.**

3.1 The following exhibits are attached to and incorporated into this Agreement.

Exhibit A: Ronald Contracts.

3.2 List of Referenced Documents in this Services Agreement:

District Comprehensive Code of Rules and Regulations Governing the Operation, Control and usage of the District's Sewage Collection Facilities

District Financial and Customer Service Policies

District Developer Extension Manual

District then current Operations and Maintenance Manual

District Service Area Map

District then current Comprehensive Sewer Plan

District Adopted Rate Resolution and Schedule of Rates

**Section 4. Term and Termination.**

4.1 This Second Services Agreement will take effect on the Effective Date, and it will continue in full force and effect until June 22, 2021, unless terminated sooner pursuant to its terms or written agreement of the Parties.

4.2 In the event that the City files a petition for dissolution pursuant to Section 4.8 of the 2002 Interlocal Operating Agreement or Section 6 of the First Amendment, then this Second Services Agreement will terminate on the date set by the superior court in its order on dissolution.

**Section 5. Agreement Management and Communications.**

5.1 This Agreement will be jointly managed and administered by the Parties' Services Agreement Managers:

City: the City Manager

District: the President of the Board of Commissioners.

The District may change its Service Agreement Manager by action of the Board of Commissioners. The City and District agree to work cooperatively with each other to achieve the mutually agreeable goals as set forth in this Agreement.

5.2 Within 30 days of this Agreement taking effect, each Services Agreement Manager will designate a Designated Representative and will provide notice to the other Party. Absent any such designation, the Designated Representative of each Party will be the most recent designee under the First Services Agreement. The Parties intend for their Designated Representatives to serve as the initial point of contact, to handle communications, and to carry out a Party's business under this Agreement on a day-to-day basis and in the ordinary course, with elevation to the Services Agreement Manager as necessary and appropriate. An employee, independent contractor, or official may serve as a Designated Representative. At any time, a Party may change its Designated Representatives by providing notice to the other Party.

5.3 The Parties intend that their respective Designated Representatives will be the primary and presumptive person for the other Party to contact for all questions, requests, information transmission, and other communications. Within reason, a Party's elected officials staff, or agents may communicate with the appropriate official, staff, or agent of the other Party regarding operation of the Wastewater Utility or the Wastewater System, provided that the other Party's Designated Representative or Services Agreement Manager is copied on any such communication.

## **Section 6. Notices.**

Unless otherwise provided herein, all notices and communications concerning this Agreement shall be in writing and addressed to the Designated Representative. Unless otherwise provided herein, all notices shall be either: (i) delivered in person, (ii) deposited postage prepaid in the certified mails of the United States, return receipt requested, (iii) delivered by a nationally recognized overnight or same-day courier service that obtains receipts, or (iv) delivered electronically to the other party's Designated Representative as listed herein. The City will copy the District's Board President on written hard copy or electronic (e-mail) correspondence from the City's Designated Representative to the District's Designated Representative.

## **Section 7. City and District Services Agreement Reporting and Engagement.**

7.1 Each month, the City will provide the District Board of Commissioners two written reports with oral presentations by person(s) knowledgeable about the reports, as follows.

7.1.1 Wastewater Utility Financial Report. The Financial Report shall include an Assets, Liabilities, Revenues and Expenses Statement, a Cash Reconciliation Statement, a General Facilities Charge Recap, a Billing Adjustment Report, and a Voucher Report.

7.1.2 Wastewater Utility Operations and Maintenance (O&M) Report. The O&M Report will outline levels of service provided and identify other

maintenance and operational activities performed by the City. The O&M Report shall also include, as necessary and appropriate, information about budget, cost, repair, capital or other issues, including potential Major Actions.

7.1.3 The City will make best efforts to provide the Financial Report and the O&M Report to the District five (5) days before a District Board of Commissioners meeting at which the relevant subject is on the agenda. The Designated Representatives will coordinate meeting schedules and agendas and the respective reports.

7.2 On a quarterly basis at a regular District Board of Commissioners meeting, the City will provide an oral presentation with written update or summary materials regarding any relevant topics as requested by the Board. Such topics may include but are not limited to short-term and long-term maintenance or financial planning, customer service data and reports, asset management, and the District's fats oil and grease (FOG) prevention program. The District will provide the City with at least thirty (30) days advance notice of each meeting that will include a quarterly report, and the notice will include the requested topic(s).

## **Section 8. Wastewater Utility Services Provided by the City.**

8.1 During the term of this Service Agreement, the District Board of Commissioners retains legislative authority over District assets and policy matters, including without limitation setting and collecting rates and charges, holding and managing District property and assets, adopting and carrying out the District's comprehensive plan, changes to the District's Code of Rules and Regulations, and decisions on Major Actions.

8.2 During the term of this Service Agreement, the City will provide Wastewater Utility services on behalf of the District, including the following matters.

8.2.1 Operation and Maintenance of the Wastewater System. The City will operate, maintain, and repair the Wastewater System on behalf of the District in general conformance with Section 1 of the District's – then current O&M Manual, including without limitation the following functions and tasks:

- a) Collection System
  - i. Manhole
  - ii. Grinder Pumps
  - iii. Lift Stations/Pump Stations
  - iv. Pipeline Cleaning and CCTV Inspection
  - v. Fats, Oils and Grease (FOG) Program
  - vi. After hours and emergency response services
  - vii. Utility locates.
- b) Planning and Development
  - i. Permit issuance

- ii. Inspection of permitted work
- iii. Mapping services (GIS)
- iv. Asset management
- v. Recordable document creation
- vi. Certificate of Sewer Availability issuance
- vii. Developer Extension Agreements. Utilizing the District's Developer Extension Manual, the following process will occur:

A. The City will draft a proposed extension agreement with the relevant developer(s) for District Board of Commissioners review; and

B. The District Board of Commissioners will take action to approve, deny, or otherwise dispose of any proposed extension agreement.

C. The City and District will collaborate and jointly follow up with developers to ensure compliance with the developer extension projects through closeout.

8.2.2 Wastewater Utility Billing and Customer Service. The City will perform the function of Wastewater Utility billing and customer service on behalf of the District. Specific functions include but are not limited to the following:

- a) The City will provide billing and customer support services for the Wastewater Utility on behalf of the District.
  - i. All billing will be based on the District's adopted schedule of rates and charges.
  - ii. The City will respond to all customer inquiries regarding rates and billing.
  - iii. The City will coordinate the delinquent collection process with the District's attorney.
- b) The City will maintain customer account information following District practices in place prior to this Agreement.

8.2.3 Financial Administration. The City will provide financial administration on behalf of the District. Specific functions include but are not limited to the following:

- a) The City will process payroll for the District Board of Commissioners and supporting staff, if any.
- b) The City will provide accounting support for the District Board of Commissioners and coordinate with the District's consulting

accountant in the preparation and audit of the District Annual Financial Statement to ensure timely filing of financial statements.

- c) The City will coordinate with the State Auditor for the District's annual audit.

8.2.4 District Responsibilities in Financial Administration. During the term of this Services Agreement, the District retains control and responsibility of certain financial functions, including but not limited to the following:

- a) Continues as the fiduciary responsible for Wastewater Utility funds and the District's US Bank Account.
- b) Adopting an annual operating budget, in coordination with the City.
- c) Formal approval of the District's monthly voucher report monthly.
- d) The District maintains the direct relationship with King County, which will continue to serve as the Treasurer for the District.

### 8.3 Change in Scope of Services

8.3.1 Either the City or the District may request a change in scope of services provided under the Service Agreement. Changes may be additive or deductive.

8.3.2 The requesting party shall submit a written cost proposal to each parties Service Agreement Manager. The change proposal shall provide enough detail for the respective party to evaluate the merits of the proposal and come to a decision through each parties' decision-making process.

8.3.3 Decisions on a proposed change to the Service Agreement shall be in writing and communicated to the requesting parties Service Agreement Manager.

8.3.4 Changes that require an adjustment of the Wastewater budget will follow Section 20.3.2. and 20.3.3.

8.3.5 Agreed to changes will be implemented in accordance with all governing regulations impacting the change in service and as soon as possible thereafter.

8.3.6 The Parties may, by mutual agreement, have a third-party contractor perform wastewater utility services that are the City's responsibility under Section 8 of this Agreement. Non-exclusive examples of wastewater utility services include performing utility locates or CCTV inspections. No work will be performed by a third-party contractor without the agreement of the City's Service Agreement Manager and the District's Board of Commissioners. Any third-party contract will be between the City and the third-party contractor. The City will

provide the District a reasonable opportunity to provide input on the desired qualifications of third-party contractors during the procurement process for a contractor. The third-party contract price will result in an adjustment of the Wastewater budget pursuant to Sections 20.3.2 and 20.3.3.

8.3.7 Changes not agreed to will follow the dispute resolution procedures described in Section 22.

## **Section 9. Wastewater Utility and Permit Payments.**

9.1 In providing Wastewater Utility services, the City will accept, receive, and account for payments for sewer or wastewater rates, charges, or fees and other District revenues or incoming funds. The City will track and account separately for all Wastewater Utility payments and monies.

9.2 Specific streams of customer payments of Ronald rates and charges will be handled as follows:

9.2.1 Payments made online, through the Automated Clearing House (“ACH”), or by mail to Retail Lockbox will follow the current process and will be deposited directly in the District’s US Bank Account or at King County Treasury.

9.2.2 Payments made for GFCs will be held by the City as a liability. The amounts will be separately accounted for and will be reconciled and credited against the District’s quarterly payment, except for an individual GFC payment exceeding more than \$10,000 that is related to a Developer Extension agreement. When a single GFC payment from a Developer Extension agreement exceeds \$10,000, the payment amount (including any Advance or Guarantee Deposit funds included with the GFC payment) will be forwarded to the District within 14 days of receipt.

9.2.3 Cash or check payments and wastewater permit payments made at City Hall will be held by the City as a liability. The amounts will be separately accounted for and will be reconciled and credited against the District’s quarterly payment.

## **Section 10. Wastewater Real Estate.**

10.1 The District will continue to own all of its real property and improvements, including the District office and maintenance buildings, which are assets of the Wastewater Utility.

10.2 The City will use all District buildings for Wastewater Utility purposes. If the City uses some or all of a District property or building for other purposes, then the City will track, record, and account for such usage so as to keep the Wastewater Utility whole.

10.2.1 If the City notices any hazards, defects or disrepair within the District's real property or improvements, the City shall notify the District at or before the next regular Board meeting so that the District Board may address the situation.

10.3 Routine Maintenance or Repairs Wastewater Real Estate

10.3.1 Routine maintenance or repairs of real property costing \$5,000 or less per incident will be a maintenance expense that the City will pay for and recover as a reimbursable service.

10.3.2 Routine maintenance or repairs of real property that are conducted will be communicated to the District as part of the Monthly Maintenance Report.

10.3.3 If the annual routine maintenance or repair budget is exceeded during the course of the year, the City will communicate with the District and follow the procedures herein for budget revision.

10.4 Non-Routine Maintenance or Repairs Wastewater Real Estate

10.4.1 Non-routine maintenance or repairs of real property costing \$5,000 or less will be performed by the City as a reimbursable service.

10.4.2 Maintenance or repairs of real property exceeding \$5,000 will be entirely the responsibility of the District and would be paid for as a capital expenditure of the District. The City will coordinate with the District as needed to hire a contractor to complete the repair.

10.5 Emergency Maintenance or Repairs Wastewater Real Estate. If the City determines that emergency maintenance or repairs are needed that exceed the \$5,000 threshold, the City will commence repairs immediately and inform the District as soon as possible after the incident occurs. The City will notify the District per the requirements of Section 11.2.4.

10.6 Easements. The District Board of Commissioners shall be responsible for approving any changes to the District's sewer easement form. The City will use the District's current form of easement in dealings with developers or property owners. The City will maintain an index of District easements.

10.7 Encroachment on District Easement. If the City becomes aware of an encroachment or unauthorized use of a District easement by a third party, the City will notify the District at or before the next regular Board meeting so that the District Board may address the situation.

## **Section 11. Wastewater System.**

11.1 During the term of this Agreement, the District will continue to own the Wastewater System, which is an asset of the Wastewater Utility.

11.2 The City will undertake and perform all maintenance and repairs on the Wastewater System, except as expressly provided below.

### 11.2.1 Routine Maintenance or Repairs Wastewater System

- a) Routine maintenance or repairs of the Wastewater System costing \$10,000 or less per incident are a maintenance expense that the City would incur as a reimbursable service.
- b) Any routine maintenance or repairs of the Wastewater System that are undertaken will be communicated to the District as part of the Monthly Maintenance Report.
- c) If the annual routine maintenance or repair budget is exceeded during the course of the year, the City will communicate with the District and follow the procedures herein for budget amendments.

### 11.2.2 Non-routine Maintenance or Repairs Wastewater System

- a) Maintenance or repairs of the Wastewater System exceeding \$10,000 per incident will be identified by the City and communicated by the Designated Representative to the District as they occur. The City's communication with the District will adhere to the notification protocol in Section 11.2.4.
- b) The District will be entirely responsible for any non-routine maintenance or repairs of the Wastewater System exceeding \$10,000, which will be paid for as a capital expenditure of the District. The District Engineer and/or District Board will hire a contractor to complete the repair and coordinate such repairs with the City.

### 11.2.3 Emergency Maintenance or Repairs Wastewater System

- a) If the City determines that emergency repairs are needed that exceed the \$10,000 threshold, the City will immediately (a) commence repairs and (b) notify the District as set forth in Section 11.2.4.
- b) The District will pay the entire cost of any emergency maintenance or repairs of the Wastewater System exceeding \$10,000.

#### 11.2.4 Notification of District

- a) In the event it is necessary to undertake non-routine maintenance or repairs per Section 11.2.2, the City will as soon as possible notify the District via electronic mail to the District Engineer, the District Administrator and the District Board President/Services Agreement Manager.
- b) In the event it is necessary to undertake emergency maintenance or repairs per Section 11.2.3, the City will notify the District within 24 hours via electronic mail to the District Engineer, the District Administrator and the District Board President/Services Agreement Manager. The City will also contact the District Engineer by telephone or in person as soon as possible.
- c) In the event the City becomes aware of an incident that the City reasonably believes may give rise to a liability claim against the District by a third party, the City will notify the District within 24 hours via electronic mail to the District Engineer, the District Administrator and the District Board President/Services Agreement Manager.

### **Section 12. Vehicles and Equipment.**

#### 12.1 Ownership

12.1.1 All District vehicles, equipment, and personal property useful or necessary in operation of the Wastewater System have been transferred to the City from the District for Wastewater Utility use.

12.1.2 The City owns, uses and maintains the vehicles and equipment as an asset of the Wastewater Utility. During the term of this Agreement, the vehicles will display the District logo.

12.1.3 All new vehicles, equipment and personal property acquired by the District during the term of the Services Agreement that benefit the operation of the Wastewater System shall have ownership of the acquired asset transferred to the City at a mutually agreed to time.

#### 12.2 Replacement

12.2.1 The District will fund the vehicle replacement costs of vehicles and equipment as they reach the end of their useful life.

12.2.2 The District will fund an appropriate equipment inventory, anticipating the annual needs and taking advantage of the cost savings of bulk purchasing when possible.

### 12.3 Routine Vehicle and Equipment Maintenance or Repairs

12.3.1 Routine maintenance or repairs of Non-Specialized Vehicles and Equipment that are within the approved vehicle and equipment maintenance and repair budget and costing \$2,000 or less per incident, will be the responsibility of the City.

12.3.2 Routine maintenance or repairs of Specialized Vehicles and Equipment that are within the approved vehicle and equipment maintenance and repair budget and costing \$5,000 or less per incident, will be the responsibility of the City.

12.3.3 If the annual Routine Vehicle and Equipment Maintenance or Repair budget is exceeded during the course of the year, the City will communicate with the District and follow the procedures herein for a budget amendment.

### 12.4 Non-Routine Vehicle and Equipment Maintenance or Repairs (Non-Specialized)

12.4.1 Non-Routine Maintenance or Repairs of Non-Specialized vehicles and equipment costing less than \$10,000 will be the responsibility of the City if the repair does not exceed the City's approved vehicle and equipment repair budget for the year and is below the threshold for vehicle or equipment replacement. The City will report these types of repairs to the District in its Monthly Wastewater Operations and Maintenance Report.

12.4.2 Non-Routine Maintenance or Repairs of any of the Non-Specialized vehicles and equipment used for Wastewater Utility purposes costing more than \$10,000 and below the threshold for vehicle or equipment replacement will be the responsibility of the District and will be paid to the City as a capital expenditure of the District. Should repairs meeting this criterion be required, the City may commence repairs and notify the District as soon as possible via electronic mail to District Administrator and the District Board President/Services Agreement Manager.

12.4.3 If Non-Routine Vehicle and Equipment Maintenance or Repair (Non-Specialized) exceed the annual Routine Vehicle and Equipment Maintenance or Repair budget during the course of the year, the City will communicate as soon as possible with the District and follow the procedures herein for a budget amendment.

### 12.5 Non-Routine Vehicle and Equipment Maintenance or Repairs (Specialized)

12.5.1 Non-Routine Maintenance or Repairs of any of the Specialized vehicles and equipment used for Wastewater Utility purposes costing less than \$20,000 will be the responsibility of the City if the repair does not exceed the City's

approved vehicle and equipment repair budget for the year and is below the threshold for vehicle or equipment replacement.

12.5.2 Non-Routine Maintenance or Repairs of any of the Specialized vehicles and equipment used for Wastewater Utility purposes costing more than \$20,000 and below the threshold for vehicle or equipment replacement will be the responsibility of the District and will be paid to the City as a capital expenditure of the District. The City will commence repairs and communicate with the District in accordance with Section 11.2.4.

12.5.3 If Non-Routine Vehicle and Equipment Maintenance or Repair (Specialized) exceed the annual Routine Vehicle and Equipment Maintenance or Repair budget during the course of the year, the City will communicate with the District and follow the procedures herein for a budget amendment.

#### 12.6 Emergency Vehicle and Equipment Maintenance or Repairs

12.6.1 If the City determines that Emergency Vehicle and Equipment Maintenance or Repairs are needed that exceed the City's responsibility under Sections 12.3.2, 12.4.2 and 12.5.2, the City will commence repairs if the repair does not exceed the City's approved vehicle and equipment repair budget for the year and is below the threshold for vehicle or equipment replacement. The City communication with the District will adhere to the notification protocol in Section 11.2.4.

12.6.2 If Emergency Vehicle and Equipment Maintenance or Repairs are needed that exceed the threshold for vehicle or equipment replacement, the City will arrange for a rental and seek District approval for the replacement of the vehicle or equipment which will be funded by the District. The City communication with the District will adhere to the notification protocol in Section 11.2.4.

### **Section 13. Policies and Code Provisions.**

13.1 The City will operate consistent with the then current version of the District's Comprehensive Code of Rules and Regulations Governing the Operation, Control and usage of the District's Sewage Collection Facilities, the District's Developer Extension Manual, and the District's Customer Service Policies during the term of this Services Agreement.

13.2 The City will operate in general conformance with the District's then current Operations and Maintenance Manual during the term of this Services Agreement.

13.3 The City will operate the Wastewater Utility using the City's purchasing and procurement code and guidelines, unless Title 57 RCW requires otherwise.

13.4 The District will continue to follow District practices for procurement related to activities not covered under this Agreement (such as District professional service agreements, CIP, etc.).

#### **Section 14. Regional Coordination and Mutual Aid.**

The District is a signatory to or participant in mutual aid networks including the *Regional Coordination Framework for Disasters and Planned Events* (King County 2015), the *Regional Hazard Mitigation Plan* (King County 2014), and with regional wastewater utilities, and the District Wastewater Utility will continue to do so in coordination with the City under this Agreement. The City will make use of the District's mutual aid networks when cost-effective or in the best interests of the District Wastewater Utility.

#### **Section 15. Existing Contracts.**

The contracts listed in Exhibit A are retained by Ronald and managed by the District Board of Commissioners.

#### **Section 16. Capital Improvement Plan and Engineering.**

16.1 The District will continue to manage the Wastewater Utility's capital improvement plan ("CIP"). The District will manage capital projects, and the District intends to staff project management through the District Engineer. The District will be responsible for developing and adopting any amendments and updates to the CIP. The District will direct the District Engineer to keep City engineering staff informed about District CIP projects, which the Designated Representatives will coordinate.

16.2 The District will have lead responsibility for funding all projects in the CIP. In the event bond financing is necessary and appropriate for improvements in the approved District CIP, the City will authorize, issue, and sell revenue bonds (the "City Bonds") and make a loan to the District to fund all or a portion of the CIP projects. The City Bonds will be payable from revenues of the District.

16.3 Prior to the date the City Bonds are issued, the City and the District will enter into an agreement regarding the loan and use of bond proceeds, the obligation of the District to pay debt service on the City Bonds during their term or until assumption occurs, and the tax requirements applicable to any tax-exempt City Bonds.

#### **Section 17. Wastewater Comprehensive Plan.**

The City will use the District's then current Comprehensive Sewer Plan.

#### **Section 18. Records Management and Information Technology.**

18.1 The City will serve as custodian of all District and Wastewater Utility records and files and will maintain the same on behalf of the District. Notwithstanding the foregoing,

the District Administrator will be custodian of the Board's own email, website content, telephone records, and records stored on its computer network.

18.2 The District will be responsible for its own information technology needs including email, website, telephone, and computer networks support.

18.3 The District will maintain its own website. The District website will provide a link to the City's website or software for billing and payment. In addition, the District website will include a link to the following agreements with the City: the Services Agreement and any related amendments, the 2002 Interlocal Operating Agreement ("IOA"), the First Amendment to the IOA, and the Franchise Agreement.

## **Section 19. Public Disclosure Act and Records Requests.**

In the event that either Party receives a request for public records relating to the Wastewater System, the Wastewater Utility, or the Ronald Wastewater District, the Parties agree that the City will take the lead role in responding to the request as a service task and responsibility. Notwithstanding the foregoing, the District Administrator will take the lead role in responding to requests for the Board's own mail, email, website content, telephone records, and records stored on its computer network.

When either Party receives a public records request for records they are not the custodian of, the Party will promptly and without delay transmit the request to the Other Party's Designated Representative, and the Parties will coordinate and communicate in a timely manner to respond to the request. The City will be responsible for compliance with the Public Disclosure Act and liable for any non-compliance for the records it is a custodian of, except in the event that the District fails to timely transmit a request for public records or is otherwise at fault for non-compliance with the Public Disclosure Act; and the District will be responsible for the compliance with the Public Disclosure Act and liable for any non-compliance for the records it is a custodian of.

## **Section 20. Services Agreement Budget and Reimbursement Payment.**

20.1 The District will reimburse the City for services based on the budgeted cost of operations. The District will pay the City 25% of the budgeted annual costs each quarter in advance.

### **20.2 City Budget Adoption Process**

20.2.1 The City will strive to maintain growth in maintenance and operations costs to less than the June-to-June percentage change of the consumer price index for the Seattle/Tacoma/Bremerton area ("CPI-U"). Personnel costs will grow consistent with City policy regarding cost of living adjustments ("COLA") and benefit increases.

20.2.2 The City will present a budget summary to the District Board of Commissioners prior to budget adoption in November. The summary will compare City proposed budgeted costs alone and including the projected District costs for the budgeted years being discussed so that the District can evaluate the total budget. An explanation will be provided if the maintenance and operation cost increases exceed the June-to-June percentage change of the CPI-U. A summary of salary and benefit changes will be provided (*i.e.* percentage increase for COLA and benefits or other changes that drove an overall increase).

### 20.3 City Budget Amendment Process

20.3.1 Budget amendments are not anticipated but may be necessary in the event that unanticipated costs are incurred in the operation of the Wastewater Utility.

20.3.2 The City will review any proposed amendments to the Wastewater Utility budget with the District Board of Commissioners prior to discussion and adoption.

20.3.3 In all proposed budget amendments, the City will provide adequate documentation to support the necessity of the amendment. In reviewing or acting on any proposed budget amendment, the District will take into consideration the explanation and reason(s) provided by the City to support the need for additional budget authority.

20.3.4 An individual budget amendment request exceeding \$5,000 requires approval by the District Board of Commissioners. An individual budget amendment request less than or equal to \$5,000 will be approved administratively by the City; provided, however, that approval by the District Board of Commissioners is required in the event such individual requests, in the aggregate, exceed \$50,000 in a calendar year.

20.3.5 All approved budget amendments will be tracked and reported to the District. Remaining quarterly payments will be recalculated to address the impacts of approved amendments.

### 20.4 Annual Reconciliation

The City will perform an annual reconciliation of direct operational costs comparing actual to budget following year end close. If the City has experienced any budget savings in direct operational costs the reconciliation will result in a credit adjustment (to the amount due to the city for the current year). This credit can be applied to a single quarter or spread over remaining quarters in the year at the discretion of the District Board of commissioners.

**Section 21. Insurance.**

21.1 The City will carry liability coverage related to the operation of the Wastewater Utility and for use of property, and Equipment Damage.

21.2 District will maintain property coverage for District Property and liability relating to the actions of the District Board of Commissioners.

21.3 District will waive subrogation against the City only for damage covered by the District's property insurance.

21.4 For the purpose of avoiding any uninsured exposure for the District, the City expressly waives all immunity and limitation of liability under the Industrial Insurance Act, Title 51 RCW, for any claims for personal or bodily injury brought by a City employee against the District. This waiver was the result of mutual negotiations of the City and the District.

21.5 The City and District will coordinate insurance coverage to make sure that no gaps in coverage exist. Specifically, the City and the District will meet and confer in a timely fashion with the WSRMP and the WCIA to plan and obtain adequate insurance coverage for all necessary and appropriate Wastewater Utility and Wastewater System property, activities, events, and contingencies.

**Section 22. Dispute Resolution.**

22.1 The Parties agree to use their best efforts to resolve disputes arising out of or related to this Agreement using good faith negotiations by engaging in the following dispute resolution process should any such disputes arise. The Parties agree that cooperation and communication are essential to resolving issues efficiently.

22.2 Any disputes or questions of interpretation of this Agreement or the performance of either Party under this Agreement that may arise between Ronald and Shoreline will be governed under the dispute resolution provision in Section 11 of the 2002 Interlocal Operating Agreement. Either Party may refer a dispute to the dispute resolution process by providing written notice of such referral to the other Party's Designated Representative.

22.3 Before either Party may refer a dispute to arbitration under Section 11 of the 2002 Interlocal Operating Agreement or provide a notice of the same to the other Party, the Parties will seek to resolve the dispute at the lowest possible level by completing the following steps.

22.3.1 The District's Designated Representative and the City's Designated Representative shall meet to discuss and attempt to resolve the dispute in a timely manner. If they cannot resolve the dispute within ten (10) days, then the Parties' Designated Representatives will refer the dispute to the Parties' Services Agreement Managers.

22.3.2 The Services Agreement Managers will meet and confer and attempt to resolve the dispute. If the Services Agreement Managers cannot resolve the dispute within fourteen (14) days, then either Party may initiate arbitration.

**Section 23. Hold Harmless and Indemnity.**

Each Party agrees to hold harmless, indemnify, and defend the other Party, its officers, agents, and employees, from and against any and all claims, damages, losses or liability, injuries, or suits (“Claims”) arising out of any willful misconduct or negligent act, error, or omission of the indemnifying Party, its officers, agents, or employees, in connection with the services required by this Agreement, *provided*, however, that the indemnifying Party’s obligations to indemnify, defend and hold harmless i) shall not apply to Claims caused by or resulting from the sole willful misconduct or sole negligence of the other Party, its officers, agents or employees and ii) shall apply only to the extent of the negligence or willful misconduct of the indemnifying Party, its officers, agents, or employees.

**Section 24. Miscellaneous.**

24.1 This Agreement constitutes the entire agreement of the Parties with respect to the subject matter of this Agreement, and supersedes any and all prior negotiations (oral and written), understandings, and agreements with respect hereto; *provided*, however, that this Agreement is entered pursuant to, and is intended to be construed and interpreted in harmony with, the 2002 Interlocal Operating Agreement and the First Amendment.

24.2 This Services Agreement is specific to the Parties and may not be assigned in whole or in part. This Agreement is made and entered into for the sole protection and benefit of the Parties. The Parties do not intend to create any third-party beneficiaries to this Agreement, and no other person will have any right of action based upon any provision of this Agreement.

24.3 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 will continue to be valid and binding upon the Parties, who agree that the Agreement will 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.

24.4 This Agreement will 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 must be King County Superior Court.

**IN WITNESS WHEREOF**, the authorized representatives of the Parties have duly executed this Agreement as of the date stated below.

**CITY OF SHORELINE**

\_\_\_\_\_  
Debbie Tarry, City Manager

Date: \_\_\_\_\_, 2020

Approved as to form:

\_\_\_\_\_  
Margaret King, City Attorney

**RONALD WASTEWATER DISTRICT**

\_\_\_\_\_  
Wesley Brandon, President, Board of Commissioners

Date: \_\_\_\_\_, 2020

Attest:

\_\_\_\_\_  
Laura Mork, Secretary, Board of Commissioners

**Exhibit A**

**Contracts Retained by Ronald Wastewater District**

UTILITY RELOCATION AGREEMENT, between Ronald Wastewater District and Sound Transit, January 10, 2017.

REGIONAL COORDINATION FRAMEWORK FOR DISASTERS AND PLANNED EVENTS (King County), 2015.

REGIONAL HAZARD MITIGATION PLAN (King County), 2014.

AGREEMENT BETWEEN RONALD WASTEWATER DISTRICT AND OLYMPIC VIEW WATER AND SEWER DISTRICT RELATING TO USE OF SEWER SYSTEM, December 14, 2005.

OPERATIONS AND MAINTENANCE AGREEMENT, between Ronald Wastewater District and the City of Lake Forest Park, March 13, 2003.

AGREEMENT TO TRANSFER WASTEWATER ASSETS AND SERVICE, between Ronald Wastewater District and the City of Lake Forest Park, December 30, 2002.

WASTEWATER FACILITIES USE AGREEMENT, between the City of Seattle acting by and through its Seattle Public Utilities and Ronald Wastewater District, October 1, 2001.

AGREEMENT BETWEEN THE TOWN OF WOODWAY AND SHORELINE WASTEWATER MANAGEMENT DISTRICT, a/k/a RONALD SEWER DISTRICT RELATING TO THE USE OF THE DISTRICT'S SEWERS, November 25, 1991.

AMENDMENT TO AGREEMENT FOR SEWAGE DISPOSAL, between Ronald Sewer District and King County METRO, October 2, 1992.

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 16, 1988.

AGREEMENT FOR THE JOINT USE OF SEWAGE DISPOSAL FACILITIES, between City of Mountlake Terrace and Ronald Sewer District, October 4, 1971.

PUMPING STATION JOINT USE AGREEMENT RONALD SEWER DISTRICT, HIGHLANDS SEWER DISTRICT, between Ronald Sewer District and the Highlands Sewer District, June 21, 1971.

CONTRACT FOR CONNECTION AND USE OF SEWER; between Olympic View Water District and Ronald Sewer District, September 21, 1970.

**Exhibit A (continued)**

**Contracts Retained by Ronald Wastewater District**

CONTRACT FOR CONNECTION AND USE OF SEWER, between Olympic View Water District and Ronald Sewer District, September 9, 1968.

CHS ENGINEERS, LLC, Engineering services (Annual Contract).

CLIFTON LARSON ALLEN, LLP, Certified Public Accounting services (Annual Contract).

HENDRICKS-BENNETT, legal services (Annual Contract).

VAN NESS FELDMAN, legal services (Periodic Contract).

INTERLOCAL AGREEMENT WITH WATER AND SEWER RISK MANAGEMENT POOL, risk management and insurance (Annual Contract).

INDEPENDENT CONSULTANT CONTRACT with Utility Management and Consulting, Inc. 11/03/2017 (District Administrator contract).