**DOCUMENT TITLE**

Interlocal Agreement

**Grantor**
City of Tacoma

**Grantees**
City of Fircrest

**Description**
Authorizing the execution of an amendment to the Tacoma-Fircrest Sewer Agreement with the City of Fircrest to create a new method for calculating the residential rate to be paid by Fircrest for use of the City's sewage system.

**Reference Number**

**Assessor's Parcel Number**
AMENDMENT TO TACOMA-FIRCREST SEWER SERVICE
INTERLOCAL AGREEMENT

This Amendment to the 1979 Tacoma-Fircrest Sewer Service Interlocal Agreement ("Interlocal Agreement" or "Agreement") is entered into pursuant to Chapter 39.34 RCW (Interlocal Cooperation Act) on this **_** day of **_**, 2011, by and between the CITY OF TACOMA, WASHINGTON (herein referred to as “Tacoma”) and the CITY OF FIRCREST, WASHINGTON (herein referred to as “Fircrest”), collectively “the Parties.”

WHEREAS, Tacoma and Fircrest executed an Interlocal Agreement on March 29, 1979, for Tacoma to provide sewerage treatment services for Fircrest sewer utility customers; and

WHEREAS, since the commencement of this Agreement, Fircrest did not meter individual residential water service and Tacoma has charged Fircrest for sewerage treatment services based on metered consumption from its domestic wells; and

WHEREAS, Fircrest completed a program several years ago to install water meters for all its residential water/sewer utility customer base; and

WHEREAS, Tacoma can now meter Fircrest’s total actual residential sewerage flows, including any inflow and infiltration, into Tacoma’s sanitary system; and

WHEREAS, it is mutually agreed that both Parties will benefit by establishing an “actual total flow-based” approach to measure Fircrest’s total residential sewerage flows into Tacoma’s sanitary system; and

WHEREAS, the Parties intend to gather the necessary information and data during the next twelve (12) months to evaluate and agree on a revised method for calculating Fircrest’s total residential sewerage flows into Tacoma’s sanitary system based on an actual total flow-based approach, according to the Statement of Work set forth in Exhibit A; and

WHEREAS, over the past few years Fircrest has taken steps to eliminate, reduce and minimize inflow and infiltration to Tacoma’s sanitary system, and the Parties wish to evaluate the effectiveness of such efforts as part of the process to arrive at an actual total flow-based approach to calculate Fircrest’s total residential sewerage flows into Tacoma’s sanitary system; and
WHEREAS, the Parties intend that any agreement that provides a revised way to measure Fircrest’s total and actual residential sewerage flows into Tacoma’s sanitary system may be memorialized in a further amendment to this Agreement or new agreement; and

WHEREAS, until such time as this Agreement is further modified or replaced by a new agreement to apply an actual total flow-based approach to measure and charge Fircrest for its total residential sewerage flows into Tacoma’s sanitary system, the Parties wish to establish a Temporary Residential Rate as set forth below; and

NOW THEREFORE, in consideration of mutual promises and covenants herein contained and for other good and valuable consideration, it is hereby agreed that the Tacoma-Fircrest Sewer Service Interlocal Agreement is amended as follows:

1. Section 14.A.I “RESIDENTIAL RATE” is amended and replaced to read as follows:

   I. RESIDENTIAL RATE

   1. TEMPORARY RESIDENTIAL RATE

   Until revised by the mutual agreement of Parties, and solely for the purpose of this Amendment, Fircrest’s Temporary Residential Rate shall be based on the quantity of sewerage flows as estimated from the winter quarterly average (i.e., December, January, February, and March) of water consumption measured by individual residential water meters, Fircrest’s sewerage service expense, the Tacoma residential rate in effect at the time of service, and the total sewerage expense, as expressed in the following calculation: "Fircrest winter quarterly average sewerage flows X (Fircrest Expense/Total Expense) X Tacoma residential rate = Fircrest Temporary Residential Rate.”

   2. FIRCREST SEWERAGE FLOW EVALUATION.

   In accordance with the attached Exhibit A, which is incorporated by reference into this Amendment, the Parties agree to gather, share and evaluate certain information and data regarding Fircrest’s residential sewage flows during the next twelve (12) months for the purpose of developing and agreeing upon a revised method for calculating Fircrest’s residential sewerage flows, including associated inflow and infiltration, for Fircrest’s use of Tacoma’s sanitary system. At completion of the Sewerage Flow Evaluation, and based on the information and data gathered and conclusions drawn from such evaluation, the Parties shall meet to amend this Agreement (or prepare a new agreement) to, among other things, establish a revised method for calculating Fircrest’s residential sewage flows to Tacoma’s sanitary system.
Provided, however, if at the end of the next twelve (12) months the information and data gathered for the Sewerage Flow Evaluation demonstrates that inflow and infiltration from Fircrest to Tacoma's sanitary system exceeds fourteen percent (14%) of Fircrest's total sanitary sewer flows measured by individual water meters for the twelve (12) month period, Tacoma may charge Fircrest for the quantity of such inflow and infiltration for that twelve (12) month period.

The calculation shall be done each year at the end of March. The volume shall be used to determine the sewer service charges for that particular year.

2. A new section 20 to the Agreement is added as follows:

20. **EFFECTIVE DATE FOR SERVICE RATES AND CHARGES.** The effective date for implementation of this Amendment to the Interlocal Agreement shall be July 1, 2011. This Amendment shall remain in effect until the Parties negotiate a further amendment or new agreement that provides a revised way to measure Fircrest's total residential sewerage flows. The Parties intend for such negotiations to commence at completion of the Sewerage Flow Evaluation; however, if both parties agree negotiations may be commenced prior to such completion.

2. A new section 21 to the Agreement is to be added as follows:

21. **AMENDMENT.** Provisions within this Interlocal Agreement maybe amended with the mutual consent of the parties hereto. No additions to, or alteration of, the terms of this Interlocal Agreement shall be valid unless made in writing, formally approved, and executed by duly authorized agents of both parties.

3. A new section 22 to the Agreement is added as follows:

22. **SEVERABILITY.** If any of the provisions contained in this Interlocal Agreement are illegal, invalid, or unenforceable, the remaining provisions shall remain in full force and effect.

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4. All other terms and conditions in the 1979 Tacoma-Fircrest Sewer Service Interlocal Agreement are hereby ratified and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their proper officers on this day of 2011.

CITY OF TACOMA
By: [Signature]
City Manager
Attest:
By: [Signature] 12-1-2011
City Clerk
Approved as to form:
By: [Signature]
City Attorney

CITY OF FIRCREST
By: [Signature]
City Manager
Attest:
By: [Signature]
City Clerk
Approved as to form:
By: [Signature]
City Attorney
Exhibit “A”

Statement of Work

The purpose of this Statement of Work is to gather and evaluate data and information to develop the best and most accurate methodology to calculate the City of Fircrest's sanitary sewer charges using an actual total flow-based approach. City of Tacoma and City of Fircrest agree to a scope of work shall include the following tasks and objectives to be accomplished on or before July 1, 2012:

1) Gather sewerage monthly flow data based on residential meter readings and power consumption to evaluate monthly sewerage flows discharged to the City of Tacoma sanitary sewer system.

2) Gather sewerage monthly data from flow meters installed by Tacoma at the China Lake and Contra Costa discharge points to evaluate monthly sewerage flows discharged to the City of Tacoma sanitary sewer system.

3) Continue to document any inspections of the City of Fircrest sewer system infrastructure, and have all information available for review by the City of Tacoma upon request.

4) Record flows of the City of Fircrest's discharge of water into the sanitary sewer system during those occasions where necessary for routine maintenance or construction of applicable utilities.

5) Evaluate with City of Tacoma staff to determine what level of inflow and infiltration (I&I), if any, would be credited to the City of Fircrest's future flow-based charges.

6) Review and provide feedback on any I&I Policies developed by the City of Tacoma as they apply to the City of Fircrest Sanitary Sewer System.

7) The City of Fircrest shall take on the initiative to correct any significant I&I problems with the City's sewer system over the next 12 month period by completing the critical portions of the "Backyard Sewer Improvements Project" and miscellaneous I&I maintenance tasks, including smoke testing.