

**WATER SUPPLY FORUM
INTERLOCAL AGREEMENT**

2026-2035

This INTERLOCAL AGREEMENT (“ILA”) is made and entered into by and among the City of Seattle, the City of Everett, the City of Tacoma, and Cascade Water Alliance each individually referred to as a “Regional Member” and collectively referred to in this ILA as the “Regional Members”.

RECITALS

WHEREAS, regional drinking water suppliers, purveyors, and association leaders in the Puget Sound region have been meeting as the Water Supply Forum (“Forum”) since 1999, as an informal association, to coordinate and collaborate on current and future water supply and water resource items and projects of mutual interest and benefit, and this collaboration benefits residents of King, Snohomish, and Pierce counties; and

WHEREAS, since 1999, the Forum has engaged in projects and actions to collectively further the members’ mutual interests on present and future drinking water issues such as, but not limited to, water supply planning, resiliency including seismic, water quality, water conservation, education and outreach; and

WHEREAS, the Forum members previously entered Funding Agreements to cooperatively fund activities, including consultant assistance, consistent with their mutual interests in accordance with identified budgets, and these Funding Agreements had exhibits with Rules of Conduct for Business, Action Items, and Budget Plans and Schedules of Funding Shares (Dues); and

WHEREAS, the Forum members entered into a Memorandum of Agreement covering the period 2021 through 2025, and expiring December 31, 2025; and

WHEREAS, the Forum members desire to be able to continue to engage in projects and actions to collectively further their mutual interests and to fund work plan activities consistent with their mutual interests and update the operating procedures; and

WHEREAS, the Forum members have determined that the Interlocal Agreement process established under RCW 39.34 Interlocal Cooperation Act is the most appropriate vehicle for its funding agreements; and

WHEREAS, the Forum wants to be an effective size while being inclusive of representatives from utilities and organizations;

NOW, THEREFORE, the Parties agree as follows:

I. **Membership and Responsibilities.** The Forum will have the following membership categories with related responsibilities. All Forum members may appoint their own representatives and one alternate.

A. Large regional water suppliers, purveyors, or associations (“Regional Members”). There will be four Regional Members: City of Seattle (“Seattle”), City of Everett (“Everett”), City of Tacoma (“Tacoma”), and Cascade Water Alliance (“Cascade”). Dues for these members are allocated as described in Section II.B.(iv). One representative of each of these members votes, can serve as Forum Chair and Vice-Chair, sits on the Steering Committee, and can serve on or chair topic-focused committees. An alternate, if selected, may vote in the absence of the representative.

B. Individual water utilities, other associations, and counties (“Fee Members”). Individual utilities or associations with 10,000 or more connections or counties may become a Fee Member with a \$1,000 annual fee. The representatives of this group of members may vote and may participate on or chair topic-focused committees. An alternate, if selected, may vote in the absence of the representative.

C. Meeting Guests (“Guests”). Other organizations, agencies and individuals that are not within member categories in Section I.A and I.B may attend Forum meetings. Guests do not pay dues or vote. Forum member staff may also attend the meetings as guests. If specifically invited to do so and are customers, members, or other groups/associations affiliated with the Regional Members, such Guests may also participate on or chair topic-focused committees.

II. Funding and Administration

A. Funding Administration. One of the Regional Members shall serve as the Forum’s Administrator, including invoicing and collecting dues, administering Forum funds and initiating and managing any consultant or vendor contracts in accordance with its usual procedures, paying vendor invoices, paying taxes, tracking expenses and related fiscal management, as well as providing an Annual Report documenting the same, all at the direction of the Steering Committee.

B. Budget.

i. The Forum funds may only be used for items approved in the annual work plan and budget, or any subsequent modifications or amendments approved by the Forum.

ii. The Forum shall compensate the Forum Administrator as determined by the Steering Committee.

iii. The Forum will maintain a minimum balance as determined by the Steering Committee on an annual basis.

iv. The Forum will collect dues if necessary and as determined by the Steering Committee in its annual work plan and budget. After collecting the dues from the Fee Members, the remaining balance will be allocated to Regional Members as follows: 25% to Everett, 25% to Tacoma, 35% to Seattle, and 15% to Cascade. This percentage is roughly based on service area and number of service connections.

v. The Forum may refund to the Regional Members any unspent funds not anticipated to be allocated to budget items in the foreseeable future, or, if this ILA is terminated in accordance with Section IV.D. Refunds must be approved by the Forum and will be distributed to the Regional Members in proportion to the dues allocation described in Section II.B.iv. Fee Members are not entitled to any such refund. Any Regional Member that leaves or exits this ILA before any Forum decision to approve a refund, irrevocably waives its right to any refund regardless of its prior contribution.

C. Contracting Process. If the Forum wishes to contract for services, the Forum Administrator shall be the contracting agent and shall follow all its applicable contracting and procurement laws and rules and serve as the contract signatory.

III. Operations

A. Forum. The governing structure shall be a Forum and Steering Committee. The Forum shall consist of a Representative from each of the Members, each of whom shall have one vote and will operate according to its Water Supply Forum Bylaws, which shall be agreed upon and amended as needed by the Forum.

B. Committees.

i. *Steering Committee*. The Steering Committee develops the annual work plan and budget to be approved by the Forum, determines the annual dues, and responds to other requests identified by the Chair. The Steering Committee is comprised of the representatives of the Regional Members.

ii. *Topic-focused committees*. The Forum may form topic-focused committees as needed to implement the annual work plan and budget. Any Forum Member may serve on or chair a topic-focused committee. Chairs will be appointed by the Forum Chair. Staff of Forum members may also serve on committees as needed.

IV. Other provisions

A. Ownership of work product(s). All work products generated through the authorization of the annual work plan and budget, including consultant contracts, are intended to be property shared by and between the Forum Members. Based on this intent, the Forum, and Forum Member, hereby irrevocably grants to each of the other Forum Members a non-exclusive, royalty free, unlimited license to use any work product generated by or for the benefit of the Forum.

B. Obligations Not Joint and Several. Each Regional Member's liability for any obligation incurred pursuant to this ILA shall be limited to the proportional funding share identified in the adopted annual work plan and budget. The Regional Members shall not be

jointly or severally liable for any such liabilities or obligations. Any contract funded by the Forum shall contain a provision to this effect.

C. Counterparts. This ILA may be executed in counterparts.

D. Term. The term of this ILA shall be through December 31, 2035, unless terminated sooner by mutual agreement of the Regional Members. Any Forum Member may unilaterally terminate its participation in this ILA upon thirty (30) days written notice. Any Forum Member exercising its unilateral termination rights shall forfeit and waive its right to any monies paid to the Forum under this ILA. However, in the event of mutual termination of the entire ILA, any unexpended funds will be returned to the contributing Regional Members in proportion to their contributions.

E. Amendments. The ILA can be periodically amended as needed for the Forum to operate efficiently and effectively. Amendments that focus on the operational portions and involve no additional cost burden on its members do not need legislative approval by the ILA's signatories. Any such amendments can be in the form of a signed letter agreement. A formal amendment of this ILA, executed by the Regional Members, is required for revisions or additions that increase the cost burden on Forum Members and must be approved by the Regional Member's respective legislative bodies.

F. Dispute Resolution. The Regional Members agree that in the unlikely event of a dispute arising out of or pertaining to this ILA, the Regional Members shall meet and discuss in good faith in an effort to resolve the dispute. In the event that good faith discussions do not produce an agreed resolution to the dispute, any Regional Member wishing to pursue the dispute further may request non-binding mediation, which shall be attended by all Regional Members. The Regional Members shall mutually select an independent mediator. The costs of mediation shall be shared equally by each party to the mediation, or as determined by the mediator. Each Regional Member shall bear its own costs for participating in the mediation proceeding. If, as a result of the mediation, a voluntary settlement is reached, the Regional Members agree that such settlement shall be reduced to writing. In the event no settlement is reached, the Regional Members may pursue available remedies under applicable law. In the event of litigation or other action brought to enforce the terms of this ILA, each party agrees to bear its own attorney's fees and costs.

G. Entire agreement/Severability. The ILA contains the entire agreement between the Regional Members. All previous and contemporaneous agreements, representations, or promises and conditions related to the subject matter of this ILA are hereby superseded. If any term, condition, or provision of this ILA is declared void or unenforceable or limited in its application or effect, such event shall not affect any other provisions hereof and all other provisions shall remain fully enforceable.

H. Sole venue. The Regional Members agree and stipulate that in the event any litigation should occur concerning or arising out of this ILA, the sole venue of any legal

action shall be the Superior Court of the State of Washington in which the Administrator is located.

I. Conflict of interest. No officer, employee or agent of any Regional Member who exercises any function or responsibilities in connection with the planning and carrying out of the program to which this ILA pertains, nor any member of the immediate family of any such officer, employee or agent as defined by Tacoma ordinance, shall have any personal financial interest, direct or indirect, in this ILA, either in fact or in appearance.

J. Acceptance and Effective Date. This ILA is effective upon the latest date of execution by the City of Tacoma, the City of Seattle, the City of Everett, and Cascade Water Alliance. Forum Members may accept this ILA and become bound by its terms under Section I.C by signing a Forum Member Signature Page after the effective date of this ILA.

THE CITY OF SEATTLE
SEATTLE PUBLIC UTILITIES

Andrew Lee, GM/CEO

Date

CASCADE WATER ALLIANCE

Melina Thung, Interim CEO

Date

CITY OF TACOMA
TACOMA PUBLIC UTILITIES

Jackie Flowers, Director

Date

Approved as to Form:

Deputy City Attorney

Finance Director

CITY OF EVERETT

Cassie Franklin, Mayor

Date

Approved as to Form:

Tim Benedict, Deputy City Attorney

Attest:

City Clerk