

AGREEMENT FOR JOINT OPERATION AND UTILIZATION OF SEWAGE DISPOSAL FACILITIES

1 AGREEMENT, dated as of January 1 \_\_\_\_\_, 1975, by and between  
2 THE TOWN OF COULEE DAM, WASHINGTON, a municipal corporation, herein  
3 referred to as "Coulee Dam", and THE TOWN OF ELMER CITY, WASHINGTON,  
4 a municipal corporation, herein referred to as "Elmer City".

5 By authority granted under RCW 39.34.080 and by authority  
6 granted to Towns under the Statutes and Constitution of the State  
7 of Washington, the parties agree as follows:

8 ARTICLE I.

9 Duration of Agreement

10 The duration of this agreement shall be fifty (50)  
11 years, commencing January 1, 1975, and such additional time  
12 as the parties may jointly agree.

13 ARTICLE II.

14 The Organization for Carrying out Joint Construction  
15 and Operation of Sewage Disposal Facilities

16 A. During the phase of design and construction of improvements  
17 to the Coulee Dam Sewage Disposal Plant, the following organizational  
18 plan shall be in effect:

19 (1) Elmer City has prepared a Sewerage Facilities Plan  
20 (September, 1974, by Stevens, Thompson & Runyan, Inc., Engineers and  
21 Planners) which proposes a plan for modification of said sewage disposal  
22 facilities for the joint use by the two towns. The Plan proposes that  
23 said facilities shall be enlarged to accomodate the additional load  
24 resulting from disposing of the sewage from Elmer City and the intervening  
25 area, and for the modification of said facilities to better meet  
26 environmental and water quality standards. It is proposed that the cost  
27 of construction shall be financed by grant funds equal to approximately  
28 ninety per cent (90%) of the cost, and the balance by funds to be  
29 obtained by the respective towns as hereinafter provided.

30 (2) Elmer City shall be the grant recipient of all funds  
31 to be acquired from the United States and State of Washington to implement

1 said plan and will arrange for interim financing.

2 (3) Elmer City shall enter into and be the contracting  
3 party for the engineering and design work for said project; provided,  
4 however, the design of the sewage disposal facilities shall be subject  
5 to approval by Coulee Dam prior to bid call and construction, and the  
6 planners and engineers shall have equal responsibility to Coulee Dam for  
7 design and engineering applicable to said facilities.

8 (4) Upon approval of plans and specifications by both  
9 towns, Elmer City shall call for bids for construction of the project.  
10 The parties agree that said call for bids and contract may include  
11 calling for bids for the entire plan, which includes construction of  
12 sewerage gathering system for Elmer City and the area between the two  
13 towns, as well as modification of the sewage disposal facilities.

14 (5) Award of Contract shall be subject to approval of Coulee  
15 Dam. Supervision and inspection during construction to the disposal  
16 facilities shall be by mutual approval of the parties.

17 (6) There shall be no separate entity formed to implement  
18 this agreement but each town shall be represented by its mayor where  
19 joint action is required.

20 B. Upon completion of construction the following organizational  
21 plan shall be in effect:

22 (1) Each town shall be solely responsible for operation  
23 and maintenance of its sewage gathering facilities and the delivery  
24 of sewage in a closed pipe system to the sewage disposal plant.

25 (2) Coulee Dam shall operate and maintain the sewage  
26 disposal facilities as herein provided.

27 (3) Ownership of all sewage disposal facilities shall remain  
28 in Coulee Dam.

29 C. Additional area participation: The plan calls for  
30 participation in sewage facilities by the intervening unincorporated area  
31 of Okanogan County which may form a Local Improvement District or some

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POST OFFICE BOX 0  
OMMA, WASHINGTON 99130  
PHONE 509-825-1330

1 other legal entity. Such entity would be formed for the purpose  
 2 of gathering sewage and contracting for disposal. The responsibility  
 3 for contracting such service shall remain solely with Elmer City  
 4 and for the purpose of this agreement, any sewage delivered by Elmer  
 5 City through its system to the Coulee Dam Sewage Disposal Facilities  
 6 shall be and will remain the obligation of Elmer City and all  
 7 obligations relating to volume of sewage, charges to be assessed,  
 8 and any related matters with respect to sewage disposal of the  
 9 quantities delivered to the Coulee Dam Sewage Disposal Plant by  
 10 the Elmer City force main shall be and shall remain the responsibility  
 11 of Elmer City, and Coulee Dam shall need to deal only with Elmer  
 12 City for such disposal and the cost thereof.

13 ARTICLE III.

14 Purpose of Joint Agreement

15 The purpose of this agreement is to provide for the improvement  
 16 and modification of Coulee Dam sewage disposal plant to accomplish  
 17 the following:

- 18 A. To provide sewage disposal facilities for both  
 19 towns as well as the intervening area, by increasing the  
 20 capacity of such facilities;
- 21 B. To update and improve the sewage disposal facilities  
 22 to meet Federal and State environmental and water quality  
 23 standards;
- 24 C. To provide for the financing of such improvements  
 25 and modifications and for the joint use, operation, and  
 26 maintenance thereof.

27 ARTICLE IV.

28 The Manner of Financing the Cooperative Undertaking and  
 29 of Establishing and Maintaining a Budget Therefor

30 A. Elmer City has made application for grant funds to  
 31 provide ninety per cent (90%) of the cost of the enlargement,

1 modification and improvement of Coulee Dam's sewage disposal  
 2 facilities. The Cooperative project provided for by this  
 3 agreement is contingent upon approval of such grant funds. In event  
 4 grant approval is not obtained, then Coulee Dam shall have no  
 5 liability or obligation hereunder, including any expense incurred  
 6 for planning, design, engineering or work performed.

7 B. Upon approval of plan and grant by Federal and State  
 8 Agencies, Elmer City shall pay:

9 (1) The balance of the costs of engineering and  
 10 construction of its sewage gathering facilities,  
 11 including the intervening area, and transmission  
 12 facilities to the Coulee Dam sewage disposal plant;

13 (2) All costs attributable to the enlargement of  
 14 the Coulee Dam sewage disposal plant. The engineering  
 15 firm retained by Elmer City shall keep completely  
 16 separate accounting of the costs of enlargement  
 17 and modification of the sewage disposal facilities to  
 18 accomodate the additional load created by Elmer City  
 19 and the intervening area as distinguished from those  
 20 costs incidental to the updating and modifications of  
 21 the sewage disposal facilities to meet environmental  
 22 and water quality standards;

23 (3) The proportion of engineering and construction  
 24 costs for the updating and modification of Coulee Dam  
 25 sewage disposal plant to meet new environmental and water  
 26 standards equal to the ratio of the population served by  
 27 Elmer City and the intervening area sewage gathering  
 28 facilities as compared to the total population served  
 29 by the sewage disposal facilities;

30 (4) All costs of interim financing caused by any  
 31 delay in receipt of grant funds, except that Coulee Dam

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 ATTORNEYS AT LAW  
 POST OFFICE BOX 0  
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 TELEPHONE 800-444-0420

1 shall participate in the proportion of interim financing  
 2 costs attributable to its share of costs of updating its  
 3 disposal facilities.

4 B. Coulee Dam shall pay the proportion of engineering  
 5 and construction costs for the updating and modification of Coulee  
 6 Dam sewage disposal plant to meet new environmental and water  
 7 standards equal to the ratio of the population served by Coulee Dam  
 8 sewage gathering facilities as compared to the total population  
 9 served by the sewage disposal facilities.

10 C. Operation and Maintenance:

11 1. The following shall be considered operation  
 12 and maintenance costs for the sewage disposal facilities:

13 (a) All labor incidental to operating the  
 14 sewage disposal facilities, including, but not limited  
 15 to, supervision, laboratory testing, sludge removal,  
 16 maintenance, and fringe benefits.

17 (b) Repair and replacement parts, machinery,  
 18 and equipment for such facilities.

19 (c) Chlorine and all other chemicals and  
 20 products needed for operation and testing.

21 (d) Utilities, including heat, electricity, water,  
 22 and communications.

23 (e) Operator and Supervisor Training and  
 24 manuals.

25 (f) Depreciation and replacement according to  
 26 approved municipal accounting standards.

27 (g) Amortization of debts, including interest.

28 (h) Overhead, including, but not limited to,  
 29 transportation, insurance, office expense, and  
 30 taxes,  
 31

1           2. Flow measuring devices shall be maintained to record  
 2 the flows generated by each town. All of the costs of operation and  
 3 maintenance shall be paid by each town in proportion to the flows  
 4 generated by each town. Coulee Dam shall administer the facilities  
 5 and shall keep all records pertaining thereto and shall bill Elmer  
 6 City its share thereof at intervals of once each three (3) months.  
 7 Each town, respectively, shall establish rates for the gathering  
 8 and disposal of sewage which shall be adequate to pay its share of  
 9 costs provided for herein and to amortize any debt incurred for the  
 10 construction of the planned facilities.

11           D. Subsequent Improvements and Modifications:

12           In event it becomes necessary to make subsequent  
 13 enlargements, improvements, replacements and modifications to  
 14 Coulee Dam sewage disposal facilities during the period of this  
 15 agreement, the respective towns shall pay the costs thereof in  
 16 proportion to the flow generated by each town for the year prior to  
 17 the determination to incur such costs; provided, however, if  
 18 such construction is required by anticipated changed requirements  
 19 by either or both of the towns, then consideration shall be  
 20 given to the proportion of use anticipated by such new requirements.

21           E. Budget and Funds for Operation and Maintenance of  
 22 Facilities:

23           Coulee Dam shall establish and maintain a separate  
 24 accounting for the cost of operation and maintenance of the sewage  
 25 disposal facilities. Coulee Dam shall make a budget each year  
 26 covering the anticipated receipts and expenditures related thereto  
 27 and shall furnish Elmer City a copy thereof as well as an annual  
 28 statement of actual receipts and expenditures incidental thereto.

29           ARTICLE V.

30           Methods of Termination of Agreement

31           This agreement may only be terminated by the mutual

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 TELEPHONE 843-1234

1 consent of both parties.

2 ARTICLE VI.

3 Provision for Administration

4 A. Each town will administer and operate its own sewer  
 5 gathering facilities and be responsible for transmitting its  
 6 sewage to the disposal facilities where the same shall be metered. Each  
 7 town shall use its best efforts to restrict and prevent inflows  
 8 into the system other than sanitary sewage flows. In event industrial  
 9 use other than now existing is contemplated in such plant, then the  
 10 parties shall negotiate to the end that equitable adjustment shall be  
 11 made to reflect a proper allocation of the cost for such use, both as  
 12 to operation and maintenance and cost of plant modifications.  
 13 Coulee Dam shall operate and maintain the sewage disposal plant  
 14 and shall administer the funds necessary therefor. Elmer City shall be  
 15 the grant recipient and administrator of grant funds during the  
 16 construction phase. It is intended that the same engineering firm  
 17 will do the engineering for the entire project but shall be responsible  
 18 to Elmer City for its sewage gathering facilities and shall be  
 19 responsible to both parties for the sewage disposal plant. The towns  
 20 may establish a joint committee to oversee administrative details.

21 B. During the construction phase Elmer City shall make  
 22 payment for all of the costs incurred and shall render a detailed  
 23 breakdown thereof to Coulee Dam. The proportion of costs to be  
 24 made by Coulee Dam in excess of the ninety per cent (90%) grant funds  
 25 as above provided shall be paid by Coulee Dam to Elmer City monthly  
 26 as incurred.

27 ARTICLE VII.

28 Manner of Acquiring, Holding, and Disposing of Property

29 Title to the jointly used sewage disposal facilities shall  
 30 be and remain in Coulee Dam. All real and personal property and  
 31 easements incidental thereto shall be in the name of Coulee Dam.

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 ATTORNEYS AT LAW  
 POST OFFICE BOX 0  
 OMAHA, WASHINGTON 98841  
 TELEPHONE 509/928-0420

1 Any reserves or excess funds generated as a result of the  
 2 operation and maintenance of said facilities shall be applied  
 3 to future replacements and improvements; provided that in event of  
 4 termination of this agreement by mutual agreement, consideration  
 5 shall be given to division thereof in proportion to the amounts  
 6 contributed by each town.

7 DATED, the 8th day of January, 197 5.

8  
 9 TOWN OF COULEE DAM, WASHINGTON, a  
 10 municipal corporation

11 By W. P. Dickerson  
 12 Mayor

13 Attest: Allen E. Lee  
 14 Town Clerk

15 TOWN OF ELMER CITY, WASHINGTON, a  
 16 municipal corporation

17 By James L. Perkins  
 18 Mayor

19 Attest: Doris A. Finck  
 20 Town Clerk

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SUPPLEMENTAL AGREEMENT

THIS AGREEMENT Made and entered into this 10th day of March, 1976, by and between THE TOWN OF COULEE DAM, WASHINGTON, a municipal corporation, hereinafter called Coulee Dam and THE TOWN OF ELMER CITY, WASHINGTON, a municipal corporation, hereinafter called Elmer City, WITNESSETH:

WHEREAS, an Agreement was entered into on the first day of January, 1975 by the Town of Coulee Dam, Washington hereinafter called Coulee Dam and the Town of Elmer City, Washington hereinafter called Elmer City relative to the construction of sewage facilities. A copy of this Agreement is attached hereto marked Exhibit "A" and made a part hereto as though set out in full herein.

The parties desire to add to said agreement and Amendment as hereinafter provided. For the consideration of the original Agreement of the first of January, 1975 and the covenants and conditions therein contained and for the consideration and covenants contained in this Supplemental Agreement, IT IS AGREED AS FOLLOWS:

1. There is hereby added to the Agreement of January 1, 1975, being marked Exhibit "A" and made a part hereto as though set out in full herein, the following clause:

(a) The parties agree that for the construction of the facilities and all costs relative thereto that Elmer City is obtaining a loan from the U.S. Department of Agriculture, Farmers Home Administration for ten (10%) percent thereof. The parties further agree that this ten (10%) percent of monies obtained by Elmer City from the Farmers Home Administration shall be designated as a connection charge but it is understood that such monies shall be used to assist in the updating of the Coulee Dam Sewer Plant as per attached Agreement Exhibit "A".

IN WITNESS WHEREOF, we have hereunto set our hands and seals the day and year first above written.

TOWN OF COULEE DAM, WASHINGTON, a municipal corporation

TOWN OF ELMER CITY, a municipal corporation

By [Signature]  
Mayor

[Signature]  
Mayor

Attest: [Signature]  
Town Clerk

Attest: [Signature]  
Town Clerk

KELLY HANCOCK, P.S.  
ATTORNEY AT LAW  
P. O. BOX 4  
HANCOCK BUILDING  
OMAK, WASHINGTON 98841  
PHONE: 826-0800