

**Interlocal Cooperative Agreement between the Cities of Grand Coulee,
Electric City, Coulee Dam, and the Town of Elmer City, Washington
Updating and Replacing the Original Solid Waste Interlocal Agreement**

This Interlocal Cooperative Agreement, hereinafter "ILA", effective this 1st day of June 2022 by and between the **Cities of Grand Coulee and Electric City, Coulee Dam, and the Town of Elmer City**, all municipal corporations of the State of Washington, hereinafter referred to as "**Municipalities**".

RECITALS:

1. The Cities entered into an Interlocal Cooperative Agreement dated the 13th day of August, 2007, which has been amended several times through five addendums.
2. The Municipalities find that it continues to be to the mutual advantage of the Municipalities to cooperate amongst themselves in matters common to and affecting the Municipalities that are parties hereto, including but not limited to management of solid waste, including collection, transfer, and disposal services, and the development of programs, plans, and policies for growth and development, and for economic and social solutions to problems common to the area.
3. The Municipalities desire to make additional amendments and update the ILA and all subsequent addendums into a new agreement.
4. Interlocal agreements are authorized by the "Interlocal Cooperative Act" (Chapter 39.34 RCW).
5. Presently the Regional Board of Mayors ("RBOM") operates a transfer station located at the Delano landfill site and transports waste from the transfer station to the Ephrata Landfill in Grant County.
6. The Municipalities hereto find that it continues to be to the mutual advantage of all parties hereto to cooperate amongst themselves to operate the transfer station and to continue to operate pursuant to the terms of the 2007 ILA as amended.

Now, therefore, in consideration of the covenants herein contained,

It is hereby agreed by and between the four Municipalities as follows:

1. **Purpose.** The Municipalities shall take all necessary action in cooperation with each other to finance, operate, and to seek all necessary approvals from state, county, and local entities necessary for the operation of a transfer station and for the transfer of waste from said transfer station to the Ephrata Landfill.
2. **Duration.** This ILA shall be in effect for the term of the loans obtained to fund the original construction of the transfer station or for so long as the transfer station is sufficient and adequate to serve the parties hereto and the parties hereto mutually agree to continue its use, whichever period is longer.
3. **Exclusivity.** During the term of this ILA, the parties hereto shall deliver all solid waste generated within each respective Municipality, and the solid waste of their customers, including the National Park Service, and the Bureau of Reclamation, to the subject transfer station operated pursuant to the terms of this ILA. This requirement shall continue for the entire duration of this ILA as set forth herein. Presently, Grant County has a formal policy that does not allow Grant County to import waste from outside the County; however, it is anticipated that Grant County will accept solid waste from the parties hereto and from the National Park Service and the Bureau of Reclamation. Any other solid waste shall not be accepted at the transfer station without the prior written consent of the Grant County Health District, Grant County Public Works, and the Grant County Board of Commissioners. Any and all contracts for collection within the four Municipalities shall include a requirement that all such collected solid waste shall be exclusively delivered to the subject transfer station. Said exclusive utilization is necessary to meet the terms of repayment of the underlying loans for the construction of the transfer station and for the continued operation of the transfer station.
4. **Early Termination.** A party hereto may only terminate prior to the full repayment of the underlying loans from the Public Works Trust Fund of the State of Washington, by paying, in advance, an early termination penalty in the amount of \$10,000.00 and, in addition thereto, paying in advance its equitable share of said underlying loans and other expenses for the transfer station, which amounts shall be determined as follows:

Average number of customers of withdrawing municipality for past 3 years
 Average total customers of all Municipalities for past 3 years

Outstanding loan balances for construction of transfer station and closure and post closure of the Delano Landfill, plus each future year's O&M costs and expenses for the transfer station based on the actual total O&M for the year

preceding early termination adjusted by the change in Consumer Price Index using "West Urban – All Urban Consumers – All Items".

In any event, any Municipality wishing to terminate its membership in this Agreement must give a minimum of twelve (12) month's advance written notice thereof. Upon termination, an accounting shall be made, taking into account existing funds, outstanding accounts receivable, and debts and obligations. The terminating party shall be reimbursed, or shall reimburse the RBOM, depending on the status of the accounting.

5. Administrative Municipality. The RBOM shall, from time to time, designate the administrative Municipality (herein "Administrative Municipality"). The Administrative Municipality shall be responsible for the following:

- a. Establishing a separate bank account separate from all other Municipal funds.
- b. Collecting, receipting, and disbursing all fees and funds into the separate bank account in compliance with RCW 43.09.285, "Joint Operations by Municipal Corporations or Political Subdivisions – Deposit and Control of Funds".
- c. Paying vouchers in a timely manner, and if due at the end of month, pay prior to the audit committee's approval to avoid late fees. The record of these transactions will then be added to the next voucher approval process.
- d. Maintaining all required books, records, accounts, documents, and other evidence and accounting procedures and practices, which sufficiently and properly reflect all revenues and direct and indirect costs. These records shall be subject to inspection, review, or audit by the State Auditor's Office, or by the Mayor or Clerk of any of the other Municipalities. An invoice will be generated monthly and submitted to the RBOM for reimbursement of refuse taxes paid initially by the Administrative Municipality.
- e. Prepare meeting agenda and take minutes for all meetings

The Administrative Municipality shall be entitled to a monthly administrative fee equal to fifteen percent (15%) of the monthly operational expenditures of the activities of the RBOM, excluding capital expenditures. The fifteen percent (15%) administrative fee will be paid directly from the Regional Solid Waste Disposal Fund to the current expense fund of the Administrative Municipality via transfer

once each month. An invoice will be generated monthly by the Administrative Municipality detailing the O & M expenditures and the amount of the administrative fee and will be distributed to the respective Municipalities.

6. Post-Closure Fund. The Delano Landfill has a limited life and the Cities need to plan for its eventual closure. Accordingly, the Closure and Post Closure Account was established into which the Administrative City shall transfer fifteen thousand dollars (\$15,000.00) per year from the operations revenues (or as hereafter amended by the RBOM) in order to establish a post-closure fund for the transfer station. This yearly amount shall be evaluated annually by the RBOM to ensure that it is maintained at an appropriate level, and changes shall be reflected by resolution of each participating City.

7. Operation and Maintenance Funding. Each Municipality shall contribute to the operation and maintenance of the transfer station by depositing twenty percent (20%) of its respective solid waste subcontractor's monthly billing amount into the Operations and Maintenance Fund established by the Administrative Municipality.

8. Audit Committee. The Audit Committee is created which shall be composed of the mayors and clerks of the member Municipalities, excluding the mayor and clerk of the Administrative Municipality. A quorum of the Audit Committee shall be a minimum of two members. The Audit Committee shall be responsible for review and oversight of the books and records maintained by the Administrative Municipality and shall, on a quarterly basis, audit revenues and direct and indirect costs and expenses. The Audit Committee shall be charged with the responsibility to review and approve all expenditures. All checks shall have two signatures, with the signers being the same signers who sign checks on behalf of the Administrative Municipality for its regular business. The clerk of the Administrative Municipality shall be available to attend all Audit Committee meetings to assist the Audit Committee members in carrying out their duties and functions as set forth herein.

9. Governance.

a. Each of the Municipalities hereto agrees to participate in the continued operation of the RBOM with each of the four Municipalities having representation on said Board. It is intended that said Board shall not constitute a separate entity governed by Chapter 24.03 RCW (Corporations) or Chapter 25.04 RCW (partnerships). In that regard, the Board shall be advisory only. All fiscal matters and governance and control shall continue to reside with the legislative bodies of each respective participating Municipality

b. Membership in the RBOM shall be divided into two classifications: "Voting Members" who shall be the Mayors of the four participating municipal governments, or in the absence of the Mayor, the Mayor Pro Tem or designee, and "associate Members" who shall be representatives of interested state, federal, and local governments and private organizations.

c. Voting members shall be entitled to one vote each. Associate members shall be allowed to participate in the Board deliberations but shall have no voting rights.

d. Each of the Municipalities shall have a voting member present on all policy-making decisions. All decisions concerning, but not limited to, applications for funding, contracting, budgeting, revenues, rate setting, and expenditures shall be submitted to the respective Municipal councils of the participating Municipalities for approval.

e. Fiscal matters and governance and control shall continue to reside with the respective legislative bodies of each party hereto. The RBOM shall be advisory only. RBOM shall determine the fees necessary for operation of the transfer station and repayment of underlying obligations and shall adopt an annual budget. The annual budget and the proposed fees shall be proposed to each of the respective city or town councils of the parties hereto for final approval and adoption by resolution. In the event that the parties are unable to unanimously agree on the fees and budget, the matter shall be resolved pursuant to the dispute resolution provisions set forth in Section 10 of this ILA.

f. Regular meetings of the RBOM shall be held monthly, on a consistent day, at the discretion of the current mayors and clerks, and special meetings shall be held upon call of the chairperson, with reasonable notice to be given to all voting members. To the extent required by law, all meetings shall comply with the Open Public Meetings Act. The RBOM voting members shall select a chairperson annually to serve a one year term following the calendar year.

g. Any Municipality may function as the employer for any employee of the RBOM and will provide the same health and retirement benefits and annual leave provisions as provided to other regular employees of said city or town. Said city or town will provide full industrial insurance for said employee and shall submit an invoice for reimbursement to the Administrative Municipality for all wages, costs, and expenses of such employee. Employees will consist of an Operations Director, a Lead Gate attendant, a part-time Gate attendant and 7% of the Administrative Municipality's Deputy Clerk. An invoice will be

generated monthly and submitted to the RBOM for reimbursement of wages and benefits initially paid by the Administrative Municipality.

h. All assets shall be held by the respective parties, individually or jointly, and shall not be held by the RBOM as a separate entity.

i. Upon termination of this ILA, or in the interim when jointly-owned property is declared surplus, the same shall be offered to each city and town and sold to the individual Municipality offering the highest price therefor, and if not purchased by one of the respective members, the same shall be disposed of in a commercially reasonable manner and the proceeds of such disposition shall be paid into the "operating fund".

10. Relationship of the Parties. No agent, official, employee, servant, or representative of the County shall be deemed an officer, employee, agent, servant, or representative of the Board for any purpose as a result of this Interlocal Agreement. No agent, official, employee, servant, or representative of Board shall be deemed an officer, employee, agent, servant, or representative of the County for any purpose as a result of this Interlocal Agreement. In the performance of the work herein, the party performing the work is an independent contractor with the authority to control and direct the performance of the details of the work; however, the work contemplated herein shall be subject to the general rights of inspection and review of the party requesting the work be done, to secure the satisfactory completion thereof.

11. Dispute Resolution. Any dispute that arises out of the interpretation, performance, enforcement, or any other aspect of this ILA shall be resolved in the following manner:

Step 1. Referral of a dispute shall be forwarded to the other party in a written notice sent by certified mail, return receipt requested, setting forth the nature of the dispute. The parties shall have 30 days, or more if mutually agreed upon in writing, to resolve any dispute.

Step 2. If the dispute is not resolved within the specified time, the matter shall be mediated by a third party selected by mutual agreement of the parties. The fees and expenses of the mediator shall be borne equally by the parties.

Step 3. If the dispute is not resolved by mediation, legal action may be commenced by any party.

12. Filing and Recording. Prior to its entry into force, this ILA shall be filed with each Municipality's respective city clerk and, additionally, shall be filed with the County Auditors of Okanogan, Douglas, and Grant Counties.

13. Indemnification and Insurance.

Each party agrees to be responsible and assume liability for its own wrongful and/or negligent acts or omissions, or those of its officers, agents, or employees to the fullest extent provided by law, and further agrees to save, indemnify, defend, and hold harmless the other party from any and all such liability arising out of the performance of this Agreement. In the case of negligence of more than one party, any damages allowed shall be levied in proportion to the percentage of negligence attributable to each party. This indemnification paragraph shall survive the termination of this Agreement.

The Administrative Municipality will provide insurance on the transfer station, landfill, and general liability insurance covering its operation and shall provide coverage on any transfer station vehicles and liability insurance covering their operations. The limits of liability shall be determined by RBOM and the cost of any such insurance shall be included in as costs of operation of the transfer station. The Administrative Municipality's policies shall be endorsed to add the other Municipalities as named additional insureds.

14. **Assignment.** This Agreement cannot be assigned, transferred, or any portion subcontracted by either party hereto without the prior written consent of the other party, which consent shall not be unreasonably withheld.

15. **Applicable Law and Venue.** This ILA shall be governed and construed in accordance with the laws of the State of Washington and venue of any action shall be exclusively in the state courts of Grant County, Washington.

16. **Attorney's fees and costs.** In the event that any lawsuit is instituted by any party to this ILA arising out of or pertaining to this ILA, including any appeals and collateral actions relative to such lawsuit, the substantially prevailing party, as determined by the court, shall be entitled to recover its reasonable attorney's fees, expert witness fees, and all costs and expenses incurred relative to such lawsuit from the substantially non-prevailing party, in addition to such other relief as may be awarded.

17. **Future Conduct.** Each party to this ILA represents to the others that the terms of this ILA do not conflict with any provisions of the Municipalities codes or resolutions and/or ordinances of each party. The parties enter into this ILA as a contract involving both present and future conduct of each of the parties. To that extent, each party agrees with the other that it will not adopt any resolutions, ordinances, or provisions within any participating municipality that conflicts with this ILA.

18. **Notice.** Any notice required to be given to the parties shall be deposited in the United States mail, postage prepaid, and addressed to:

Office the Mayor
City of Electric City
PO Box 130
Electric City, WA 99123

Office of the Mayor
City of Grand Coulee
PO Box 180
Grand Coulee, WA 99133

Office of the Mayor
City of Coulee Dam
300 Lincoln Avenue
Coulee Dam, WA 99116

Office of the Mayor
Town of Elmer City
PO Box 179
Elmer City, WA 99124

or at such other address as any party may designate to the others in writing from time to time. All notices required to be given hereunder shall be in writing.

19. **Compliance with Laws.** Each party hereto, in its performance of this Agreement, agrees to comply with all applicable local, State, and Federal laws and ordinances.

20. **Invalidity.** Any provision of this Interlocal Agreement which shall be determined by a court of competent jurisdiction to be invalid, void or illegal shall in no way affect, impair or invalidate any of the other provisions hereof and such other provisions shall remain full force and effect despite such invalidity of illegality.

21. **Construction of Agreement.** In the event of a dispute between the parties as to the meaning of terms, phrases or specific provisions of the Interlocal Agreement, the authorship of the Interlocal Agreement shall not be cause for the Interlocal Agreement to be construed against any party nor in favor of any party.

22. **Entire Agreement.** This Interlocal Agreement constitutes the entire agreement of the parties and supersedes all prior agreements, contracts, and understanding, written or oral. The parties agree that there are no other

understandings, oral or otherwise, regarding the subject matter of the Interlocal Agreement. Any and all previous agreements, understandings, and the like, oral or otherwise, are hereby revoked.


23. **Modification.** This ILA may only be amended by written agreement of all participating local governments.

24. **Authorization.** Each Municipality's mayor has executed this ILA after having been duly authorized to do so by that mayor's Council acting in open session. This ILA shall be deemed adopted on the date of execution by the last authorized representative required for the commencement of this ILA.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement to be effective on the day and year first above written.

City of Grand Coulee, Washington:

By 
Mayor

Attest: 
Clerk-Treasurer

Date: 9-23-2022

City of Coulee Dam, Washington:

By 
Mayor

Attest: 
Clerk-Treasurer

Date: 9/22/22

City of Electric City, Washington:

By *Diane Kokout*
Mayor

Attest: *Beggy Hersimal*
Clerk-Treasurer

Date: *6/2/2022*

Town of Elmer City, Washington:

By *[Signature]*
Mayor

Attest: _____
Clerk-Treasurer

Date: _____