

**AMENDMENT #2  
to the INTERLOCAL AGREEMENT  
by and between**

**CITY OF OLYMPIA, LOTT ALLIANCE, PORT OF OLYMPIA,  
THURSTON COUNTY, CITY OF TUMWATER and WASHINGTON STATE UNIVERSITY**

WHEREAS, an Interlocal Agreement was entered into on the 6th day of May, 2008, concerning "The Development of an Action Plan for Budd Inlet Restoration Activities."

NOW, THEREFORE: The Parties desire to continue the collaboration and amend the Agreement as follows:

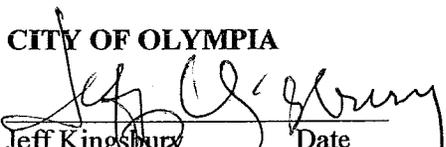
The Interlocal Agreement is amended to include Phase II of the Budd Inlet Bay Project.

Article 10 is hereby amended by adding the following underlined language:

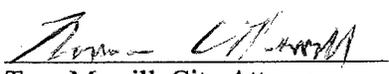
The budget for implementing Phase I of the Scope of Work which is attached to this Agreement shall not exceed the \$56,541.00 grant from the Department of Ecology. Phase II budget shall not exceed the anticipated \$90,000 grant from the Department of Ecology. The scope of work for Phase II is included as Attachment 2. The total cost for the Scope of Work, including Phase I and Phase II, shall not exceed \$146,541. The project shall not proceed if the Department of Ecology grant is not received, and no expenses shall be reimbursed.

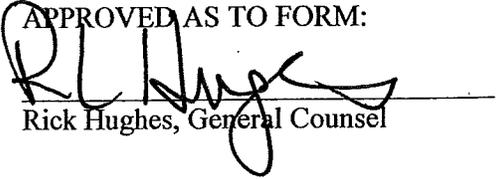
Article 12 is hereby amended by adding the following sentence at the end of that Article: The contract administrator shall not expend more than \$90,000 for Phase II without first obtaining the written approval of the Parties hereto.

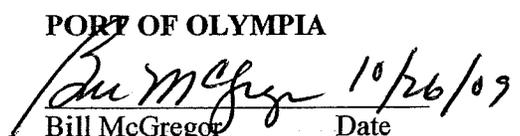
IN WITNESS WHEREOF: All other terms and conditions of the original agreement remain in full force and effect. This amendment shall be effective on the last date signed below and shall be attached to the Agreement.

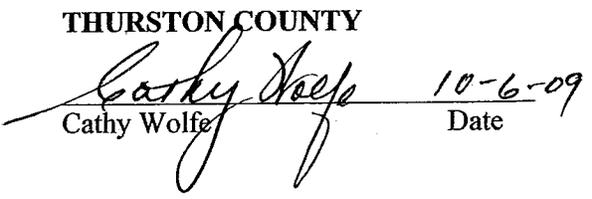
**CITY OF OLYMPIA**  
  
\_\_\_\_\_  
Jeff Kingsbury Date 10-27-09  
Mayor Pro Tem Board President

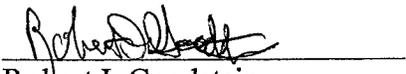
**LOTT ALLIANCE**  
  
\_\_\_\_\_  
Doug Mah Date 10-28-09

APPROVED AS TO FORM:  
  
\_\_\_\_\_  
Tom Morrill, City Attorney

APPROVED AS TO FORM:  
  
\_\_\_\_\_  
Rick Hughes, General Counsel

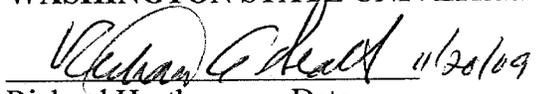
**PORT OF OLYMPIA**  
  
\_\_\_\_\_  
Bill McGregor Date 10/26/09  
Chair of the Board Chairman

**THURSTON COUNTY**  
  
\_\_\_\_\_  
Cathy Wolfe Date 10-6-09

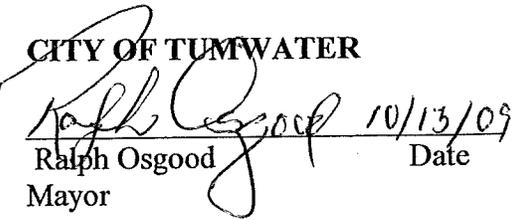
APPROVED AS TO FORM:  
  
\_\_\_\_\_  
Robert I. Goodstein  
Attorney for Port of Olympia

APPROVED AS TO FORM:  
  
\_\_\_\_\_  
Edward G. Holm  
Thurston County Prosecuting Attorney

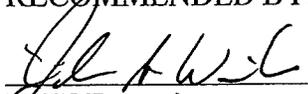
**WASHINGTON STATE UNIVERSITY**

  
Richard Heath                      Date  
Sr. Assoc. Vice President of Business & Finance

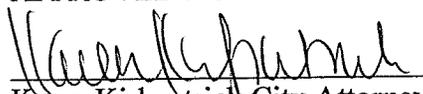
**CITY OF TUMWATER**

  
Ralph Osgood                      Date  
Mayor

**RECOMMENDED BY:**

  
WSU Extension

**APPROVED AS TO FORM:**

  
Karen Kirkpatrick City Attorney

## Attachment 2

### Budd Inlet Inter-jurisdictional Restoration Project – Phase II Scope of Work

#### Task

1. The Squaxin Island Tribe (SIT) will identify, prioritize and display in a database habitat restoration projects located within Budd Inlet. Project identification will be accomplished in two phases: 1. a literature search of known plans and assessments; 2. convene an advisory panel made up of local scientists with an intimate knowledge of the Inlet. The information resulting from this work will be displayed in a searchable GIS based platform that prioritizes recommended management actions and shared region wide.

- a. **Assemble Existing Reports** - The SIT will conduct a literature and data review of the numerous reports, assessments and studies concerning Budd Inlet. Discrete projects that have previously been recommended will be identified, evaluated for consistency and placed in a geospatial context.

**Deliverables:**

1. *Compiled bibliography*
2. *List of recommended projects*

- b. **Create GIS Database** - The SIT will create a GIS database to host identified projects. Thurston County, the City of Olympia and other entities as appropriate will be consulted to ensure database compatibility with existing GIS databases. Discrete restoration projects will be nested within the Salmon and Steelhead Habitat Inventory and Assessment Program (SSHIAIP) framework. Initial reach breaks will be assigned using the SSHIAIP Nearshore geomorphology. Generated breaks can be combined or split as necessary. Habitat types will be assigned to reach breaks using the Puget Sound Action Teams A *Geomorphic Classification of Puget Sound Nearshore Landforms*. The database will be available in ESRI ARC 9.3 and in ARC Reader.

**Deliverables:**

1. *Create GIS database*
2. *Populate database with projects*

- c. **Prioritize Projects** - The SIT will develop a preliminary project screening methodology to aid in prioritizing potential projects. The tool will be designed to work with the GIS database using available quantitative assessment information where practical. Prioritization techniques employing criteria such as: habitat connectivity, function loss, project size, habitat complexity, species benefited and likelihood of self maintenance will be proposed. The generated scheme and the resulting project priorities will be presented to an advisory group for review and refinement. Proposed benefits for each of the identified projects will be described based on best professional judgment.

*[The SIT will identify and organize a scientific advisory panel. This aspect of the project will be undertaken by the SIT independent of the grant contract. Members will consist of multi-disciplinary scientists with a working knowledge of Budd Inlet natural processes. The Tribe will host a one day summit where panel members can interact to identify and prioritize restoration projects based upon best professional judgment. It is intended that this information will serve as a basis for conducting the project prioritization activities under this grant. At a later date panel members will also be tasked with reviewing draft products from the remaining tasks.]*

**Deliverables:**

1. *Preliminary project prioritization scheme and results*

## Attachment 2

### Budd Inlet Inter-jurisdictional Restoration Project – Phase II Scope of Work

#### d. Present Results

The SIT will host one general informational meeting to outline the methodology, present results and make the product available in disk form. This is envisioned to be a non-technical presentation that will outline product use in identifying and prioritize potential projects that are of high benefit and have a high likelihood of success. The SIT will host one technical meeting designed for GIS users and database managers to address practical issues on data input and maintenance. GIS personnel from the Tribe will also be available to assist organizations interested in using and adopting the product.

- Deliverables:**
1. Host non-technical meeting
  2. Host technical meeting
  3. Provide GIS expertise

#### Task

2. Develop an integrated map showing habitat types, public access and recreation points, toxic cleanup sites, land use plan and zoning designations and ongoing development and redevelopment efforts. (The map will be developed by Thurston County utilizing another funding source, with limited support from Ross and Associates funded through this agreement).
  - a. Support development of an integrated map showing habitat types, public access and recreation points, cleanup sites, zoning designations and ongoing development and redevelopment efforts.
    - i. Ross and Associates support will ensure the Parties carrying out the mapping effort have the information on specific projects gathered during Phase I and would gather any additional, readily available, GIS data on the projects to assist with the Parties mapping effort.

- Deliverable:**
1. Integrated map of Budd Inlet

#### Task

3. Identify approaches to off-site, out-of-kind or in-kind aquatic permit mitigation efforts to high-priority conservation and restoration sites.
  - a. Work with the Parties to identify their likely aquatic mitigation needs.
  - b. Evaluate other local governments' efforts to focus and direct aquatic mitigation projects (including sending and receiving areas, fee programs, mitigation banks and other relevant techniques) to accomplish high-priority conservation and restoration projects and the applicability of these efforts to Budd Inlet.
  - c. Through convening and facilitating meetings, assist the Parties in reviewing the projects identified by the Squaxin Island Tribe and evaluating other factors that will influence implementation of habitat conservation and restoration projects including public access and recreation points, toxic cleanup sites, zoning designations, ongoing development and redevelopment efforts, feasibility, and cost.

## Attachment 2

### Budd Inlet Inter-jurisdictional Restoration Project – Phase II Scope of Work

- d. Based on the evaluation of other local governments' efforts, the Parties mitigation needs, and the evaluation of priority conservation and restoration projects, identify potential approaches that could be used to focus the Parties mitigation efforts on high-priority conservation and restoration projects.

**Deliverable** 1. *A memorandum describing jurisdictional aquatic mitigation needs, the evaluation of conservation and restoration projects, options for directing mitigation investments towards conservation and restoration projects, and recommendations.*

#### Task

4. Evaluate potential structural models for the Parties and assist in development of a structure for the Parties if needed to implement any future projects the jurisdictions might wish to collaborate on.
  - a. Research and evaluate other locally-driven Puget Sound restoration efforts and their strengths, weaknesses and accomplishments.
  - b. Evaluate the need for future partnership organization and governance structure that may be necessary to implement any agreed upon mitigation program or other ongoing or future collaborations identified during Phase II and make recommendations. This will include facilitation of two or more meetings of the Parties to discuss their overlapping interests, ongoing needs for collaboration (if any), and development of shared goals for Budd Inlet and possibly whole watershed restoration (if appropriate).

**Deliverable** 1. *A memorandum describing other local government restoration partnership approaches and recommendations for future organization and governance structure(s) for the parties as necessary to implement mitigation and restoration efforts.*

#### Task

5. Facilitate regular communication amongst the Parties, subcontractors, and Ecology. Convene meetings as appropriate to accomplish project goals.

#### Task

6. Provide regular billing, reporting, and accounting to Department of Ecology.

#### Task

7. Final report
  - a. Create a summary of Phase II activities, results and next steps by compiling the project deliverables and status reports, including a list of prioritized restoration projects developed by the Parties.

**Deliverable** 1. *Draft and final reports.*

AMENDMENT #1  
to the INTERLOCAL AGREEMENT  
by and between  
CITY OF OLYMPIA, LOTT ALLIANCE, PORT OF OLYMPIA,  
THURSTON COUNTY and WASHINGTON STATE UNIVERSITY  
(hereinafter, "Parties")

WHEREAS, an interlocal agreement was entered into on the 6<sup>th</sup> day of May 2008 concerning "The Development of an Action Plan for Budd Inlet Restoration Activities".

NOW, THEREFORE: The Parties desire to continue the collaboration and amend the agreement as follows:

The interlocal agreement is amended to include a new partner, CITY OF TUMWATER.

IN WITNESS WHEREOF: All other terms and conditions of the original agreement remain in full force and effect. This amendment shall be effective on the last date signed below and shall be attached to the Agreement.

CITY OF OLYMPIA

  
Jeff Kingsbury Date 7/17/08  
Mayor Pro Tem

LOTT ALLIANCE

  
Doug Mah Date 6/11/08  
Board President

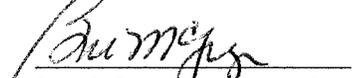
APPROVED AS TO FORM:

  
Tom Morrill, City Attorney

APPROVED AS TO FORM:

  
Rick Hughes, General Counsel

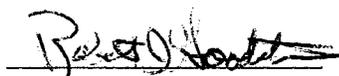
PORT OF OLYMPIA

  
Bill McGregor Date  
Chair of the Board

THURSTON COUNTY

  
Diane Oberquell Date  
Chairman

APPROVED AS TO FORM:

  
Robert I. Goodstein  
Attorney for Port of Olympia

APPROVED AS TO FORM:

  
Edward G. Holm  
Thurston County Prosecuting Attorney

WASHINGTON STATE UNIVERSITY

  
Richard Heath Date 7/25/08  
Sr. Assoc. Vice President of Business & Finance

CITY OF TUMWATER

  
Ralph Osgood Date 6/10/08  
Mayor

RECOMMENDED BY:

\_\_\_\_\_  
WSU Extension

APPROVED AS TO FORM:

  
Karen Kirkpatrick  
City Attorney

**INTERLOCAL AGREEMENT CONCERNING  
THE DEVELOPMENT OF AN ACTION PLAN FOR BUDD INLET  
RESTORATION ACTIVITIES**

This Interlocal Agreement (Agreement) is made and entered into this 6<sup>th</sup> day of May, 2008 between and among the City of Olympia, LOTT Alliance (LOTT), Port of Olympia (Port), the Washington State University Extension, and Thurston County, collectively "Parties" or "the Parties."

WHEREAS, the health of the Puget Sound is a crucial factor in the quality of life for Washington residents; and

WHEREAS, Thurston County residents and those along Budd Inlet are directly impacted by the health of Puget Sound; and

WHEREAS, the health of Puget Sound is failing and will continue to get worse if action is not taken; and

WHEREAS, Governor Gregoire has created the Puget Sound Partnership to establish a framework for unified action to save Puget Sound water quality; and

WHEREAS, the State Department of Ecology has offered assistance to this partnership to develop a strategy and plan for addressing future Budd Inlet cleanup and restoration activities; and

WHEREAS, each of the Parties currently has ongoing activities targeted at clean-up and restoration efforts; and

WHEREAS, each is willing to commit organizational time and effort to addressing the potential for collaborative work in the area of Budd Inlet clean-up and restoration; and

WHEREAS, the Washington State University Extension (WSUE) has sufficient resources to act as the administrator for this Agreement; and

WHEREAS, the Parties agree that WSUE may need to retain additional assistance through an outside consultant; and

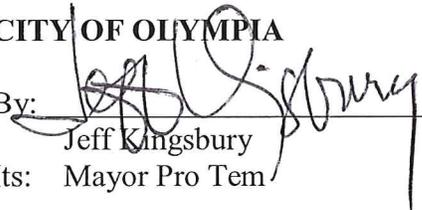
WHEREAS, the Parties have identified Linda Hoffman and Ross & Associates as the consultant who will be retained by WSUE;

THEREFORE, BE IT RESOLVED THAT:

1. WSUE, on behalf of the Parties will apply to the State Department of Ecology for a planning grant to gather information about ongoing activities and develop best ideas about how to approach Budd Inlet cleanup and restoration.
2. The Parties will develop an outreach plan to community groups with special interest in Budd Inlet.
3. The Parties will develop a unified action plan for the next steps to be taken among the Parties in this cleanup and restoration effort.
4. The Parties will support the scope of work attached to this Agreement by providing timely feedback and analysis of the effort as proposed
5. Subject to its other provisions, this Agreement shall be effective when the last signatory approves or ratifies and executes this Agreement, and shall be completed three years from its effective date, unless terminated sooner as provided in this Agreement.
6. The purpose of this Agreement is to define the responsibilities of the Parties with respect to the items described herein.
7. No separate legal entity is created by this Agreement.
8. No joint organization is created.
9. This Agreement will be administered by WSUE.
10. The budget for implementing the Scope of Work which is attached to this Agreement shall not exceed the \$56,541.00 grant from the Department of Ecology. The project shall not proceed if the Department of Ecology grant is not received, and no expenses shall be reimbursed.
11. As contract administrator, WSUE has authority to disburse funds from the Ecology grant funds to pay for services or goods related to the implementation of this Agreement.
12. As contract administrator, WSUE may retain the services of an outside contractor to assist in the implementation of the Agreement, may pay for those services out of Ecology grant funds, and will otherwise administer the terms of the contract with the outside contractor. The contract administrator shall not expend more than the sum of \$56,541.00 without first obtaining the written approval of the Parties hereto.

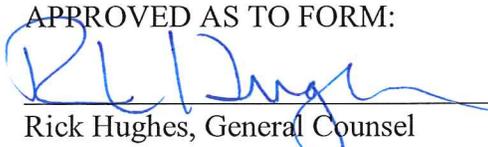
13. The Parties shall not jointly acquire property and therefore there is no need to set forth a means of disposition of such property.
14. This Agreement may only be modified by mutual agreement of all parties hereto, executed in writing, in the same manner as this Agreement.
15. If, for any reason, any part, term or provision of this Agreement is held by a court of competent jurisdiction to be illegal, void or unenforceable, the validity of the remaining provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.
16. The parties agree that this Agreement is the complete expression of the terms hereto and any oral representations or understandings not incorporated herein are excluded. It is also agreed by the parties that the forgiveness of the nonperformance of any provision of this Agreement does not constitute a waiver of the provisions of this Agreement.
17. This Agreement shall be recorded with the Thurston County Auditor's Office prior to being effective.
18. By signing this Agreement, each signatory is certifying that he or she has authority to sign and that the necessary approval has been obtain from the entity represented by that signatory.
19. Any of the parties may terminate this Agreement upon thirty (30) days prior written notification to the other parties. Any compensation due the parties as provided in this Agreement shall be prorated to reflect the termination of the Agreement.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed according to the terms written above.

**CITY OF OLYMPIA**  
 By:   
 Jeff Kingsbury  
 Its: Mayor Pro Tem

**LOTT ALLIANCE**  
 By:   
 Doug Mah  
 Its: Board President

APPROVED AS TO FORM:  
  
 Tom Morrill, City Attorney

APPROVED AS TO FORM:  
  
 Rick Hughes, General Counsel

**PORT OF OLYMPIA**

By: 

Its: Chair of the Board

APPROVED AS TO FORM:

  
Attorney for Port of Olympia

**THURSTON COUNTY**

By:   
Diane Oberquell  
Its: Chairman

APPROVED AS TO FORM:

  
Edward G. Holm  
Thurston County Prosecuting Attorney

**WASHINGTON STATE UNIVERSITY EXTENSION**

By:   
Richard Heath

Its: Sr. Associate Vice President of Business & Finance

RECOMMENDED BY:



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## **Attachment 1 – Budd Inlet Restoration Phase I**

### **LH Consulting Ross & Associates Environmental Consulting, Ltd. Scope of Work**

1. Kickoff Meeting. Phase 1 work will begin with a meeting of key managers and staff from the initial sponsoring jurisdictions to clarify expectations, review and refine the work flow and work products, and establish procedures for coordination and project reporting. The kick-off meeting also will be used to create an initial list of major ongoing efforts to review (as described in paragraph 2, below) and finalize the list of interviewees and interview questions (as described in paragraph 3, below).
2. Review of major ongoing studies and assessments, cleanup projects, development/redevelopment activities and other special efforts related to Budd Inlet restoration. The result of this review will be a high-level, integrated timeline showing products and key milestones for efforts related to Budd Inlet restoration highlighting potential opportunities for synergy and partnership. An additional benefit of this review may be the identification of other jurisdictions or stakeholder groups that might contribute to the partnership directly or by offering information or other support.

Proposed deliverables: inventory and integrated high-level timeline, suggestions for key opportunities for partnership.

3. Interviews with key staff and leadership in the initial sponsoring jurisdictions and with potential partners. At a minimum, this will involve 20 interviews spaced among staff and leadership for the City of Olympia, the Port of Olympia, LOTT, the City of Tumwater, Thurston County, and the Squaxin Island Tribe. Interviews will be designed to elicit information on jurisdictions' needs, interests, priorities, and goals for Budd Inlet restoration. The results of interviews will be compiled and analyzed to identify near-term opportunities for jurisdictions to work together on shared priorities and goals. As appropriate, interviews also will round out the list of major efforts to review for the integrated timeline.

In addition to interviews with jurisdictions and potential partners involved with work on Budd Inlet, we will interview state agencies that might participate in Budd Inlet restoration with funding or other support. These will include, at least, the Departments of Ecology and Fish and Wildlife, General Administration, and the Puget Sound Partnership.

Proposed deliverables: interview questions, compilation of interview findings and themes, identification of near-term opportunities, understanding of funding interests and opportunities. To encourage candor, we will not attribute individual interview responses; however, it will be clear which needs and interests relate to which jurisdictions.

4. Design, facilitation and documentation of one or two scoping meetings. The main purpose of these meetings will be to together review the results of the inventory/timeline work and the

interviews to (A) establish the initial framework for a partnership, (B) identify near-term opportunities to work together, and, as appropriate, immediate partnership efforts, and (C) reach understanding of current perspectives on a longer-term vision for partnership and restoration. This will include working with the sponsoring jurisdictions to create clear meeting objectives and agenda, preparation of other meeting materials as needed, and facilitation and documentation of discussions.

Proposed deliverables: meeting agendas and summaries of meeting outcomes; other meeting materials as needed.

5. Meeting follow-up and support for negotiations. After the scoping meetings we will work with partners to develop agreements around next steps and to document agreements. This may involve discussions with small groups, and one-on-one conversations to help clarify needs and interests and build consensus. Agreements will be reduced to writing in whatever form emerges as most appropriate during the scoping meetings to describe the project and establish an organizational framework for moving forward. For example, you might decide to enter into an MOA between the initial partners / sponsoring jurisdictions to describe your shared interests and goals, the nature of the partnership, and future efforts. Or, we might develop an agreed-to project description that partners could together use to seek funding for Budd Inlet restoration.

Proposed deliverables: draft and final documents/agreements, as identified during the scoping meetings.

6. Community Involvement. We will design, facilitate and document a public community forum with targeted outreach to specific groups with interests in Budd Inlet restoration to ensure participation. The community forum might be structured around 3 key questions:
  - What do you see as the main problems facing Budd Inlet now and in the future?
  - How do you use Budd Inlet now, and what activities/uses would you like it to support in the future?
  - What are the most important things for the jurisdictions to work together on to successfully restore Budd Inlet?

Outreach to community groups in advance of the Forum would be to at least 10 groups, including the formal and informal neighborhood groups that border the shoreline (e.g., Eastbay, Westside, Downtown, Boston Harbor), the South Puget Sound Salmon Enhancement Group, boaters, shellfish harvesters, and others. In addition to the targeted outreach to specific groups, we will assist with widely publicizing the forum and will facilitate and document the event. We have budget to produce (i.e., copy) and distribute (i.e., mail) forum materials for up to 250 individuals.

Proposed Deliverables: contacts with interest groups, forum invitation, forum press release or releases, forum agenda, forum facilitation, and forum documentation.