

**AMENDMENT NO. 1 TO WASTEWATER CONVEYANCE AND
TREATMENT SERVICES AGREEMENT**

THIS AMENDMENT No. 1 to the Wastewater Conveyance and Treatment Services Agreement is made and entered into this 24th day of July, 2003, by and between the Lake Stevens Sewer District, a special purpose district of the State of Washington, hereinafter referred to as the "District", and the City of Lake Stevens, a municipal corporation of the State of Washington, hereinafter referred to as the "City".

- A. WHEREAS, the District and City entered into a new agreement for wastewater conveyance and treatment cost sharing on April 14, 2003 (hereinafter the Operations Agreement); and
- B. WHEREAS, said Operations Agreement provides for amendment by mutual agreement, and provides for establishment of special handling for City customers with interruptible service conditions; and
- C. WHEREAS, the City desires to contract with Evergreen Sanitation Inc (hereinafter Evergreen) for conveyance of treated filtrate from Evergreen to the District system as an interruptible licensed service; and
- D. WHEREAS, the wastewater generated by Evergreen, following treatment by Evergreen, is of similar character and/or reduced strength than Domestic Wastewater, and the District has previously received such filtrate in its sewer system for conveyance, treatment and disposal.

NOW, THEREFORE, in consideration of the terms and conditions contained herein, the District and the City agree to amend the Operations Agreement as follows:

- 1. Add the following definitions to Article 2:
 - 2.32 "Evergreen" shall mean Evergreen Sanitation, Inc., a Washington State corporation which operates a Septage dewatering and Pretreatment facility located at 2910 Hartford Dr. in the City.
 - 2.33 "Filtrate" or "Treated Filtrate" shall mean the effluent discharged from the Evergreen Septage dewatering and Pretreatment facility.
- 2. Add the following paragraph to Article 3:
 - 3.8 The Wastewater flow generated by Evergreen and conveyed by the City to the District shall not be considered in the planning, design, construction or maintenance and operations cost sharing process or for determination of

capacity utilization of a particular sewer system facility, as may be referenced in Operations Agreement Articles 5, and/or 7.

3. Add the following paragraph to Article 5:

5.10 The Wastewater flow generated by Evergreen and conveyed by the City to the District shall be reported to the District per paragraph 5.5 for information purposes only but shall not be considered for flow and/or ERU calculations as described in paragraph 5.5.

4. Add the following paragraph to Article 6:

6.4 The City shall make no payment to the District for Wastewater flow generated by Evergreen and conveyed by the City to the District.

5. Add the following paragraph to Article 7:

7.10 A Wastewater sampler shall not be required by the District at the point of discharge from Evergreen to the City System. The City shall require the installation of a magnetic flow meter at the point of discharge from Evergreen to the City System. Such meter shall be owned, operated and maintained by the City, and calibrated as described in the Operations Agreement. The data from such flow meter shall be recorded and summarized by the City, and reported to the District in the manner described in Operations Agreement paragraph 7.9.2, as applicable. The Wastewater flow generated by Evergreen and conveyed by the City to the District shall be reported to the District per paragraph 5.5 and 7.9.2 for information purposes only but shall not be considered for flow and/or ERU calculations as described in paragraph 7.9.3 and thereafter.

6. All other terms of the Operations Agreement shall remain in full force and effect.

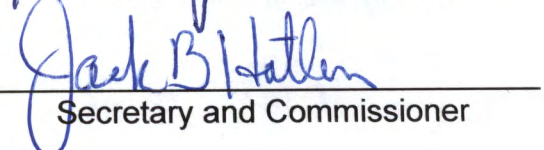
IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day first indicated above.

CITY OF LAKE STEVENS

By: 
Mayor

LAKE STEVENS SEWER DISTRICT:

By: 
President and Commissioner

By: 
Secretary and Commissioner

ATTESTED:

Norma Scott
City Clerk

By: [Signature]
Commissioner

Date approved by City Council June 9, 2003.

APPROVED AS TO FORM

[Signature]
CITY ATTORNEY