

### Franchise Agreement with Clallam County

SunLand Water District has completed an agreement, required by Clallam County, which will run through 2030. The agreement gives SWD a franchise to place and access pipes, wires and other appurtenances on and under county roads.

These agreements are somewhat controversial among water and sewer agencies but this agreement eliminates the controversy between SWD and the county and establishes a better working relationship.

### SWD agreement with City of Sequim

After months of discussion and negotiation, the SunLand Water District and the City of Sequim have reached agreement on a contract where the City will process SWD bio-solids. This agreement establishes terms and conditions through 2031.

SWD will purchase a specific amount of the City's capacity, expressed in dry tons of treated waste. The City is responsible for disposal of the resulting material. The agreement has the effect of reducing SWD processing costs over much of the contract term. More importantly, SWD is assured of bio-solid processing, at known cost, for the next two decades.