

**SEPA CO-LEAD AGENCY AGREEMENT  
MEMORANDUM OF UNDERSTANDING  
FOR**

**Cedar Grove, Inc., Everett, Smith Island Facility - SEPA Review**

The City of Everett (hereinafter the "City") and the Puget Sound Clean Air Agency (hereinafter the "Agency") agree to share lead agency responsibilities under the State Environmental Policy Act, chapter 43.21C RCW ("SEPA"), to conduct environmental review for a shoreline proposal (hereinafter "proposal") proposed by Cedar Grove Composting (hereinafter "proponent"). This memorandum of understanding (MOU) delineates the duties of each co-lead agency; how decisions will be made; how conflicts may be resolved; how the MOU may be dissolved, and other terms.

**I. DUTIES**

**A. General**

1. The City shall act as nominal lead. As nominal lead, the adopted SEPA public notice and hearing procedures of the City shall be used for this proposal. Pursuant to RCW 43.21C.075(7), appeals of determinations under SEPA shall be heard by the Shorelines Hearings Board.
2. The City and the Agency, either jointly or independently, may determine that consultant(s) are needed to assist in completing the required SEPA analysis and documentation for this proposal. Consistent with paragraph I(B)(2) below, for air impacts, including odor impacts, consultants shall be hired and paid by the Agency pursuant to the Agency's regulations. For all other impacts, consultants shall be hired and paid by the City pursuant to the City's regulations.
3. Comments on all SEPA document(s) shall be received or recorded by the City, and the City shall forward copies to the Agency of all oral transcripts and written and electronic comments received.
4. In all other respects, the two co-lead agencies shall act as partners in meeting the responsibilities of lead agency under SEPA, with equal standing in all decisions to be made.

**B. Preparing Analyses**

1. It is expected that the proponent will provide the following types of information regarding the proposal, its environmental impacts, and potential mitigation: a completed environmental checklist and exhibits, odor analysis and mitigation report, wetland report and mitigation plan, traffic study, and related materials in support of the proposal request.

2. Information provided by the proponent shall be reviewed and supplemented in the following manner. The Agency shall be responsible for the review and supplementation of the proponent's information, analysis and proposed mitigation and for required SEPA documentation related to all air impacts, including odor impacts, of the proposal. The City shall be responsible for the review and supplementation of the proponent's information, analysis and proposed mitigation and required SEPA documentation related to all other impacts of the proposal. Consistent with Section (A)(2) above, the City and Agency may seek the assistance of outside consultants related to their respective areas of analysis.

C. Scope/Content

1. Mitigation identified and/or assessed in the SEPA document(s), beyond that suggested by the proponent, shall be determined by the co-lead agencies consistent with the division of responsibility stated in paragraph I(B)(2) above. If an environmental impact statement (EIS) is prepared for the proposal, the co-lead agencies shall jointly design the scope of the EIS and the alternatives to be considered in the EIS so that both agencies are satisfied that a range of reasonable alternatives is represented.

2. At a minimum, a representative of each agency shall review the environmental analysis and documentation prior to issuance of all necessary SEPA documents. A responsible official from each agency shall sign the SEPA documents prior to issuance. The signature of the responsible officials shall represent approval of the document, including the adequacy of the environmental analysis it contains.

**II. DECISION MAKING AND DISPUTE RESOLUTION**

A. The City and Agency, as co-lead agencies, agree to try to make decisions by consensus throughout the SEPA process in regards to scope, content and timing of all SEPA documents. The co-lead agencies recognize that the final SEPA document must contain sufficient environmental analysis for decision-making by all agencies with jurisdiction. Therefore, areas of environmental concern, potential mitigation, and reasonable alternatives suggested by either co-lead agency shall be included in the document if agreement cannot be reached between the two agencies that the area, mitigation or alternative need not be assessed.

B. If the co-lead agencies cannot agree on an issue that would prevent their approval of the SEPA document or otherwise prevent them from sharing lead agency duties, either agency may withdraw from this MOU following notification to the other co-lead agency in writing of the issue under dispute, including a suggested resolution. The co-lead agency having receipt of such a letter shall have the option to agree to the suggested resolution, offer an alternate resolution, or agree to dissolve the MOU.

C. If at any time the MOU is dissolved, the City shall acquire full responsibility as lead agency for the proposal and shall continue with completion of the SEPA process.

D. The City and the Agency will each participate in any appeal challenging the environmental review contemplated by this agreement to the extent the appeal challenges the analysis prepared by that agency. In any such appeal, the City and the Agency will cooperate and share responsibilities and decisionmaking authority equally, consistent with the principles outlined above.

### III. OTHER TERMS

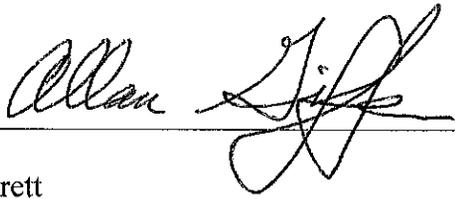
A. Term. The effective date of this Agreement is upon date of the signatures below by either the City or the Agency. This Agreement shall continue until terminated in writing by both or one of the parties.

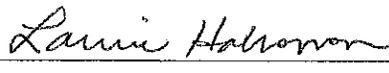
B. Communications. The following persons shall be the contact persons for all communications regarding this Agreement.

City of Everett	Puget Sound Clean Air Agency
Name: Allan Giffen, Planning Director	Name: Jennifer A. Dold
City of Everett	Puget Sound Clean Air Agency
2930 Wetmore Avenue, Suite 8A Everett, WA 98201	1904 Third Avenue, Suite 105 Seattle, WA 98101
Phone: (425) 257-8731	Phone: (206) 689-4015
Fax: (425) 257-8742	Fax: (206) 343-7522
E-mail address: agiffen@ci.everett.wa.us	E-mail address: jenniferd@pscleanair.org

C. Changes. The parties may, from time to time, require changes in the scope of services performed under this Agreement. The parties shall mutually agree to the changes by written amendment to this Agreement.

This Agreement is executed by the persons signing below, who warrant they have the authority to execute this Agreement.

Responsible Official:  Date: 9-28-10  
Agency: The City of Everett

Responsible Official:  Date: 10/1/10  
Agency: The Puget Sound Clean Air Agency