

# Utility Update

Port of Olympia  
July 14, 2025

Matt Kennelly, P.E.  
*Executive Director*



1

1. Our role as a regional utility
2. Our performance
3. Community connections
4. Our planning for the future



2

## LOTT Clean Water Alliance

Collaboration of four local governments

- Lacey
- Olympia
- Tumwater
- Thurston County

Board of Directors

- One elected official from each jurisdiction
- Meet monthly to oversee LOTT business

Mission: Protect public health and the environment by cleaning water and restoring resources for our community.



Dani Madrone, Olympia



Tye Menser, Thurston County



Leatta Dahlhoff, Tumwater



Carolyn Cox, Lacey

3

## Evolution of Service

The Daily Olympian, Wednesday, December 15, 1976  
State Gives Blessing To LOTT,

1976

"LOTT" Formed



2000

New Interlocal Agreement

2025

Our Present



2050

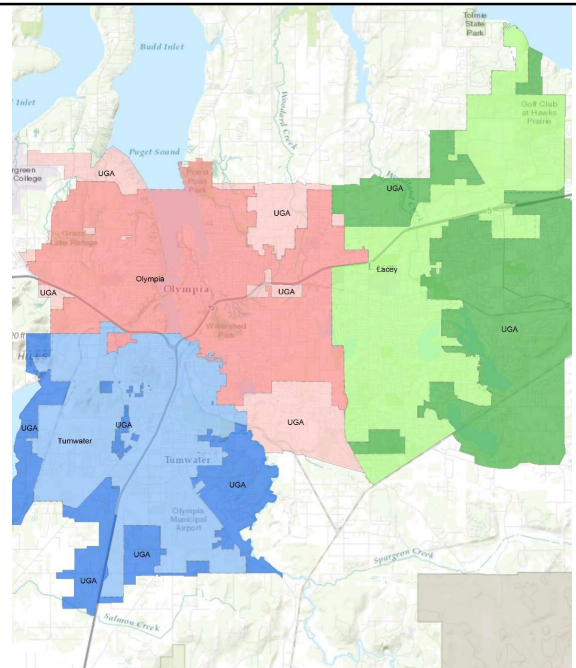
Our Future

4



## Service Area

- Population served ~ 140,000
- Ratepayers served through cities (some in urban growth areas)
- Cities build and maintain own collection piping



5

## Budd Inlet Treatment Plant

- Treats 13 million gallons per day
- Major process upgrade just completed

## Other Infrastructure

- Budd Inlet Reclaimed Water Plant
- Martin Way Reclaimed Water Plant
- Hawks Prairie Recharge Basins
- Three major pump stations
- 22 miles of sewer interceptor lines
- 11 miles of reclaimed water lines
- 1 million gallon storage tank



6







## Annual Report 2024

*Protect public health and the environment by cleaning water and recovering resources for our community.*

**LOTT**  
Clean Water Alliance

### LOTT's Performance in 2024

Each year, LOTT compares our performance with 10 key performance objectives and 20 priority activities identified in the Strategic Plan. The plan spanned the 2019-2024 planning period and can be found in full at [www.lottcleanwater.org](http://www.lottcleanwater.org). For 2024, LOTT met nearly all performance objectives and concluded this planning cycle.

**Objective 1** Achieve permit compliance

LOTT met 100% of all the water quality permit requirements for wastewater treatment at the Budd Inlet Treatment Plant. These requirements include strict discharge limits April through October for nutrients (nitrogen) and biochemical oxygen demand. LOTT is proud to report that there were no violations of these water quality permit requirements, which are measured two ways – average concentrations and total pounds discharged to Budd Inlet. LOTT also met all water quality permit requirements related to Class A reclaimed water production at the Budd Inlet Reclaimed Water Plant and the Martin Way Reclaimed Water Plant.

Most other treatment plants that discharge to Puget Sound do not have strict discharge limits for nutrients. For LOTT, the permit specifies a discharge loading limit of 338,000 pounds of total inorganic nitrogen annually. In 2024, we measured a total of 143,448 pounds – only 43% of the annual load limit.

LOTT was recognized with a Silver Peak Performance award for the Martin Way Reclaimed Water Plant and Gold Peak Performance awards for the Budd Inlet Treatment Plant and Budd Inlet Reclaimed Water Plant from the National Association of Clean Water Agencies.



**Permit compliance**  
**Zero** instances when limits were exceeded for total amount of pollutant discharged to Budd Inlet

#### Permit Compliance

Type	Discharge Limit	Performance
Biological Oxygen Demand (BOD)	7 mg/L	5.9 mg/L
Total Suspended Solids (TSS)	30 mg/L	24.6 mg/L
Total Inorganic Nitrogen (TIN)	3 mg/L	2.1 mg/L
Total Coliform Bacteria	200/100 mL	6.25/100 mL

\* Average monthly discharge limits for summer season June-September

#### Budd Inlet Reclaimed Water Plant

Type	Discharge Limit	Performance
Total Nitrogen	10 mg/L	3.77 mg/L
Turbidity	≤ 0.5 NTU	0.35-0.83 NTU
Total Coliform Bacteria	≤ 25 MPN/100 mL	0 MPN/100 mL

#### Martin Way Reclaimed Water Plant

Type	Discharge Limit	Performance
Biological Oxygen Demand	20 mg/L	1 mg/L
Total Suspended Solids	30 mg/L	0.00 mg/L
Total Nitrogen	10 mg/L	2.01 mg/L
Turbidity	≤ 0.5 NTU	0.00-0.13 NTU
Total Coliform Bacteria	≤ 25 MPN/100 mL	0 MPN/100 mL

#### Abbreviations

Unit	Meaning
mg/L	milligrams per liter
lb/day	pounds per day
mL	milliliter
NTU	nephelometric turbidity unit
MPN	most probable number

9

### Your Wastewater Utility

The LOTT Clean Water Alliance is a non-profit corporation responsible for wastewater treatment in the urban areas of north Thurston County, Washington. LOTT stands for the four government partners – the cities of Lacey, Olympia and Tumwater, and Thurston County – that formed and govern the regional utility.

In 2024, LOTT met nearly all our performance objectives for the year. Our dedicated staff worked hard to treat and clean the water you use every day and to plan for the future, ensuring we continue to protect water quality and public health for years to come.

91 staff members	139,848 people served
3 treatment plants	4.46 billion gallons of wastewater treated
23,275 laboratory tests	157,826 therms recovered (biogas)
113 active contracts	163.25 million gallons of reclaimed water produced
5,593 work orders	12,421 education program participants

**LOTT's Mission**

To protect public health and the environment by cleaning water and recovering resources for our community.

**LOTT**  
Clean Water Alliance

500 Adams Street NE, Olympia, WA 98501 • [www.lottcleanwater.org](http://www.lottcleanwater.org)

10

# Continue to have zero instances where pollution discharge limits were exceeded.



11

# Highest Level of Treatment on Puget Sound



57 Other Treatment Facilities

Wastewater Rate Comparisons				
	2024 Rate	2023 Rate	Percent Change	Flat or Volume
City of Shelton	\$135.89	\$130.02	4.5%	V
City of Seattle	\$128.10	\$123.41	3.8%	V
City of Tenino	\$125.66	\$125.66	0.0%	F
Thurston County*	\$120.31	\$119.71	0.5%	F
City of Bonney Lake	\$113.53	\$129.01	-12.0%	V
City of Bellevue	\$110.90	\$103.70	6.9%	V
City of Chehalis (in city limits)	\$98.50	\$98.50	0.0%	V
City of Centralia (in city limits)	\$91.85	\$89.08	3.1%	V
City of Yelm	\$89.27	\$89.27	0.0%	F
City of Renton	\$88.78	\$84.80	4.7%	F
City of Everett	\$87.53	\$87.53	0.0%	F
Average 2024 Rate: \$87.38				
City of Auburn	\$85.15	\$80.05	6.4%	F
City of Sumner	\$84.46	\$80.83	4.5%	V
City of Snoqualmie	\$83.76	\$82.16	1.9%	F
City of Puyallup	\$77.62	\$73.38	5.8%	V
City of Bremerton (in city limits)	\$77.57	\$74.96	3.5%	V
<b>City of Lacey</b>	<b>\$76.39</b>	<b>\$72.43</b>	<b>5.5%</b>	<b>F</b>
City of Longview (in city limits)	\$75.28	\$75.28	0.0%	V
City of Tacoma	\$74.85	\$69.64	7.5%	V
<b>City of Olympia</b>	<b>\$72.95</b>	<b>\$70.59</b>	<b>3.3%</b>	<b>F</b>
City of Aberdeen	\$72.00	\$66.00	9.1%	F
City of Kelso	\$70.42	\$68.37	3.0%	F
<b>City of Tumwater</b>	<b>\$69.48</b>	<b>\$66.64</b>	<b>4.3%</b>	<b>F</b>
City of Orting	\$69.41	\$64.87	7.0%	F
City of Mount Vernon	\$63.03	\$60.23	4.6%	V
Pierce County Sewer District	\$61.57	\$59.06	4.2%	F
Lakehaven Sewer District	\$60.60	\$52.24	16.0%	V
City of Bellingham (in city limits)	\$56.43	\$53.54	5.4%	F
City of Edmonds	\$53.06	\$53.06	0.0%	F
City of Vancouver	\$48.44	\$45.71	6.0%	V

Below the average

12



## Major Project Awards for our Plant Upgrade



Gold Award



National Environmental  
Achievement Award



WA Project of the Year



National Excellence in  
Engineering Grand Award



13



Reuse of Biogas

14





15



16



### 3. Community connections



17

### Creating Community Connections

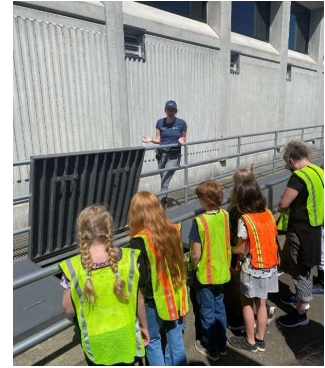


18

## Educating

- WET Science Center
- School field trips w/bus support
- New summer high school course
- Treatment plant tours

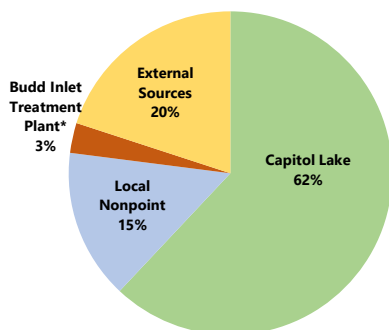
- Reached nearly 12,000 people last year
- ~ 3,000 students served
  - North Thurston School District
  - Olympia School District
  - Tumwater School District



19

## Community Approach to Water Quality Improvements

Sources of Oxygen Depletion  
in Budd Inlet



\*"Local WWTPs" per Ecology

- High level of treatment at Budd Inlet Treatment Plant
- Support for further water quality regulations
- Maintenance of a restored Deschutes Estuary
- Incentivize septic to sewer conversion
- Reduce water quality impacts from unhoused population
  - Affordable housing connection fee rebates
  - Hygiene trailers/portable toilets

20



## Squaxin Island Tribe Partnership



New Accord signed December  
2024

## Recent Award



**LOTT honored for  
'watershed collaboration' in  
receiving national award**

Environmental Achievement Award  
(National Association of Clean Water Agencies)

21



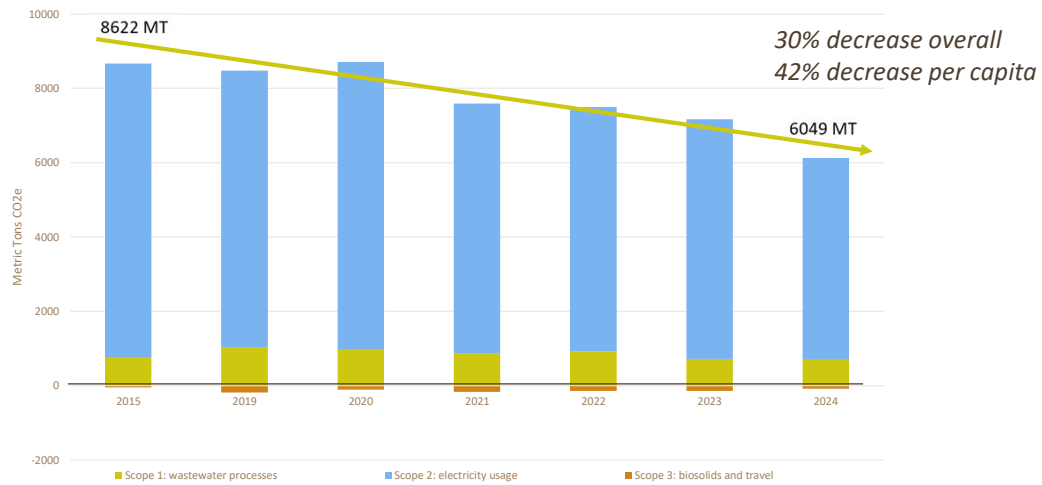
**Septic to Sewer  
Conversion Rebates**



**Affordable Housing  
Connection Fee Rebates**

22

## Aligning with Regional Climate Goals



23

## 4. Our planning for the future

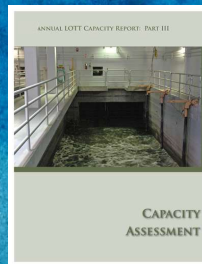
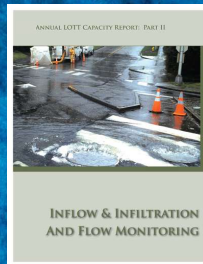
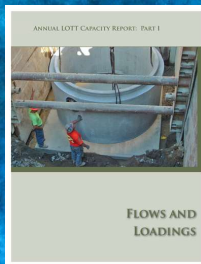


24



## How We Plan for Growth

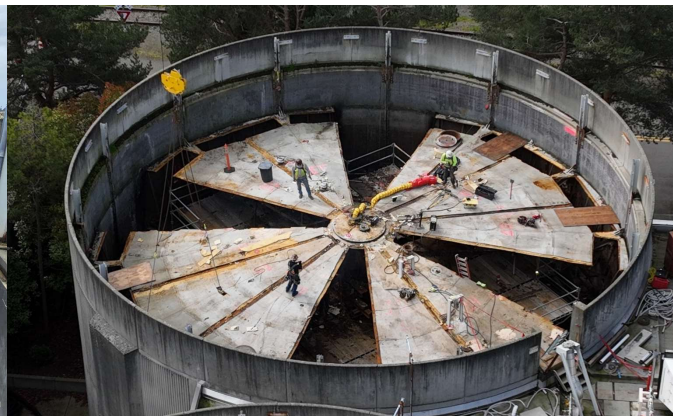
Detailed annual planning in response to growth of partner cities



25

## Consistent Capital Project Efforts

e.g. Digesters Upgrade: \$34 million (2024-2028)



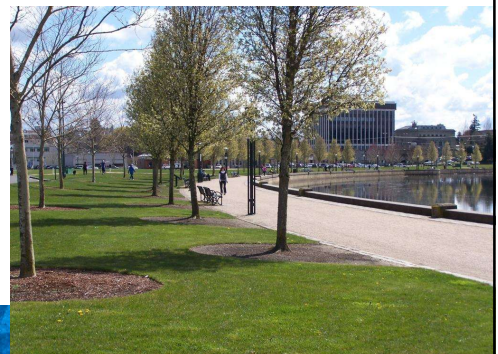
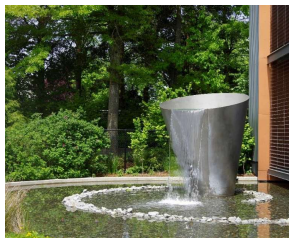
26

## Future Technologies Pilot Team



27

## Water Reuse



28



# Drinkable Water Demonstration Project

- First in Washington State
- Unique coalition
- LOTT's future capacity tied to re-using water



## Class A+ Reclaimed Water Demonstration Project

Unlocking Options for the Future of Water Recycling

**Project Vision**  
First ever Class A+ demonstration project in the state

LOTT Clean Water Alliance is excited to demonstrate how we can safely reuse and recycle used water to drinking water quality. This is referred to as Class A+ reclaimed water - the highest quality of recycled water as designated by the Washington State Departments of Ecology and Health.

This demonstration project will add treatment steps for advanced purification of water treated at the Budd Inlet Treatment Plant. We plan to use and compare two alternative multi-step treatment approaches to maximize learning opportunities for our staff, industry peers, state regulators, and the broader community. The finished water will be drinking water quality. At public outreach events, the community will have the opportunity to learn about Class A+ reclaimed water and to sample it as beer, root beer, or other consumable products.

**Why is this project important now?** LOTT is continuously innovating and exploring new treatment technologies to best meet our community's evolving needs. Demonstrating how to recycle water to drinking water quality is the next step in innovation.

Our partner jurisdictions of Lacey, Olympia, Tumwater, and Thurston County each manage drinking water utilities. While they have adequate water supplies now, they see a point in the future when that will likely change. Exploring the possibilities of Class A+ reclaimed water and fostering the next generation of water management options, well ahead of any future water crisis.

**Project Goals**

1. Demonstrate how to safely reuse used water to drinking water quality
2. Test and compare two different multi-step treatment methods
3. Foster curiosity and excitement about what is possible when it comes to water recycling
4. Encourage community conversations about the future of our precious water resources

**Collaborative Effort**  
Coalition of local, state, tribal, and community partners

LOTT is leading the demonstration project in collaboration with our four jurisdictional partners - the cities of Lacey, Olympia, and Tumwater, and Thurston County. The Washington State Departments of Health and Ecology are actively involved, as well as the State Board of Health.

Other community partners, such as the Squaxin Island Tribe, are participating. Additional partners are anticipated to join the effort as the project progresses.

We are working with the consulting firm Hazen and Sawyer on this project. They have experience supporting similar small-scale demonstration projects and large-scale potable water recycling projects for communities around the country. While this type of project is new to Washington State, we can build on what has been done elsewhere to ensure the safe and reliable production of high quality Class A+ reclaimed water.

**LOTT Clean Water Alliance**

29

## Project Goal

**Demonstrate that water should be judged by its quality and not its history.**



30

**LOTT BUDD Inlet Treatment Plant**

**2050 Site Plan**  
February 28, 2023

**Legend:**

- 1. Existing Building Footprint
- 2. Existing Building Footprint
- 3. Existing Building Footprint
- 4. Existing Building Footprint
- 5. Existing Building Footprint
- 6. Existing Building Footprint
- 7. Existing Building Footprint
- 8. Existing Building Footprint
- 9. Existing Building Footprint
- 10. Existing Building Footprint
- 11. Existing Building Footprint
- 12. Existing Building Footprint
- 13. Existing Building Footprint
- 14. Existing Building Footprint
- 15. Existing Building Footprint
- 16. Existing Building Footprint
- 17. Existing Building Footprint
- 18. Existing Building Footprint
- 19. Existing Building Footprint
- 20. Existing Building Footprint

**Scale:** 0 100 Feet

**North Arrow:** N

**Site Plan Details:**

- 1. Existing Building Footprint
- 2. Existing Building Footprint
- 3. Existing Building Footprint
- 4. Existing Building Footprint
- 5. Existing Building Footprint
- 6. Existing Building Footprint
- 7. Existing Building Footprint
- 8. Existing Building Footprint
- 9. Existing Building Footprint
- 10. Existing Building Footprint
- 11. Existing Building Footprint
- 12. Existing Building Footprint
- 13. Existing Building Footprint
- 14. Existing Building Footprint
- 15. Existing Building Footprint
- 16. Existing Building Footprint
- 17. Existing Building Footprint
- 18. Existing Building Footprint
- 19. Existing Building Footprint
- 20. Existing Building Footprint

- Focus on high level treatment at existing facilities
- Regional collaboration for:
  - Water quantity
  - Water quality
  - Resilience (e.g. Sea Level Rise)
  - Planning

32

# Property Sales

Property Sales

Map showing various locations and infrastructure in the Lacey, WA area, including:

- Washington Street South (P-WASS)
- Capitol Lake Pump Station (P-CLPS)
- Turnwater Diversion Structure (P-TUMD)
- Deschutes Valley Reclaimed Water Tank (P-DRVT)
- Deschutes Valley (P-DVPR)
- Henderson North (P-HNDN)
- Henderson South (P-HNDS)
- Rixie South (P-RXS)
- South Deschutes (P-SDES)
- Mullen Road (P-MULL)
- 58th Ave (P-58TH)
- Martin Way Pump Station (P-MWPS)
- Martin Way Reclaimed Water Plant (P-MWRP)
- Budd Inlet Treatment Plant (P-BITP)
- East Bay Public Plaza (P-EBPP)
- Hawks Prairie Ponds and Recharge Basins (P-HPRB)

LOT Clean Water Alliance

Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, ©

32

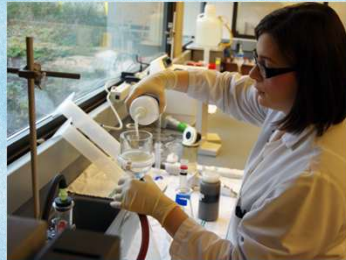


## Staff Make it Happen 24/7



33

## Staff Make it Happen 24/7



34

## The LOTT Way

<b>COLLABORATING</b> We work together and help each other as a team for common goals, beyond individual job duties, to achieve excellence in our work.	<b>TAKING RESPONSIBILITY</b> We are dedicated to, and take pride in, our work and the LOTT mission of cleaning water, and we accept responsibility for our individual role in its success.
<b>FOSTERING BELONGING</b> We are friendly, inclusive, and considerate of others, showing appreciation for each other's work and all of our important roles in this organization.	<b>SOLVING PROBLEMS</b> We are solutions-focused with a growth mindset, seeing challenges as opportunities and always learning for continuous improvement.
<b>BEING INNOVATIVE</b> We leverage our skills to be creative thinkers, developing new ideas and methods, and building on proven concepts to advance the future of LOTT.	<b>ENSURING HIGH STANDARDS</b> We set a high bar for quality work, integrity, and honesty, and commit to doing every part of the job to the best of our collective ability.

**Voluntary personnel turnover rate:**

- 2024: 2%
- Year to date: 0%

35

## How We Meet Future Needs

2025

✓ Dedication to the LOTT mission  
 ✓ Innovation

✓ Adaptability  
 ✓ Community support

2050

36



# Questions?

Matt Kennelly, P.E., Executive Director  
[lottcleanwater.org](http://lottcleanwater.org)

