INTERLOCAL AGREEMENT FOR TEMPORARY USE
OF DISTRICT-OWNED VEHICLES, TRAILERS AND
EQUIPMENT

This agreement between the PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN
COUNTY, WASHINGTON ("District") and the CITY OF WENATCHEE ("City"),
sometimes collectively referred to as the Parties.

RECATALS

A. The District owns vehicles, trailers and equipment that the City has used
in the past and has a need to use in the future on a temporary basis when available. This
cooperative arrangement has proven to be an effective use of public property for the
benefit of the District’s customer/owners and the City’s residents.

B. The Parties recognize that the District, pursuant to RCW 43.09.210, must
receive “full and fair value” for providing the equipment/vehicles to the City and the
Parties have negotiated that full and fair value.

C. The District and the City wish to continue and update this cooperative
arrangement.

D. The Parties desire to enter into this Agreement pursuant to RCW 39.34,
the Interlocal Cooperation Act.

Now, therefore, the Parties agree as follows:

1. Duration of this Agreement. This Agreement shall be effective upon the
date that this Agreement has been signed by both Parties and will remain effective until
one party provides the other party with a thirty (30) day written notice of termination.

2. Administration. This Agreement will be administered by the appropriate
representative of the District and the City as follows:

For the District: Fleet Services Manager
For the City: Public Works Maintenance Manager

These representatives may add to the list of equipment and agree upon appropriate
charges/rates by letter or other written document signed by both representatives. Such
letters or other documents shall include all provisions of this Agreement by reference.

3. Vehicles/Equipment Subject to this Agreement. The purpose of this
Agreement is to provide the City with temporary use of certain vehicles/equipment
owned by the District. The District will be compensated for such use as set forth herein.
The Parties specifically recognize and agree that the daily charges for the
vehicles/equipment have been negotiated and are fair to both Parties.
The Parties agree that the City may use the following vehicles/equipment subject to the provisions of this Agreement.

- **Bucket Trucks:** $63.50 per day. The City agrees to pay for a full day even if the vehicle is used only for a partial day. The City shall also be responsible for returning the vehicle at the same fuel level as when removed from the District’s facility.

- **Flatbed, Dump Trucks:** $37.50 per day. The City agrees to pay for the full day charge even if the vehicle is used only for a partial day. The City shall also be responsible for returning the vehicle at the same fuel level as when removed from the District’s facility.

- **Trailers:** $8.50 per day.

The above-named representatives have the authority to agree to changes in the daily charges for the vehicles/equipment listed above. Any such agreement must be in writing and may be a temporary change in the rate or a permanent change. The nature of the change must also be noted in writing.

The above-named representatives also have the authority to add to this list by letter or other written document signed both representatives. The document will name the type of vehicle/equipment and the daily charge to be paid.

Any such changes or additions made by the named representatives shall be binding upon the City and the District.

4. **Billing and Payment.** The District will bill the City for the appropriate charges and rates. The City will pay the District’s invoices within thirty (30) days of receipt.

5. **No Warranties and No Guarantees of Availability by the District.** The District makes no warranties or guarantees as to fitness for a particular purpose or other warranties with regard to any of the vehicles or equipment to be used by the City.

Further the District makes no warranties or guarantees that the vehicles/equipment will be available to the City as requested by the City. The operational needs of the District will take precedence over any request for use by the City.

6. **Indemnification, Insurance and Costs of Repair/Replacement.** The City will indemnify and hold harmless the District and its commissioners officers, agents and employees from any liability, claims, loss, damage, cost, charge or expense whether direct or indirect, and whether occasioned by injury to or loss to persons or property arising out of the City’s use of the vehicles/equipment owned by the District.
The City will be financially responsible for liability insurance (or self insurance) for the vehicles/equipment and all uses of the vehicles/equipment while in the City’s care, custody and control. The City’s insurance will be primary.

The City agrees that the vehicles/equipment will be insured at their actual cash value while in the City’s care, custody and control. The City will reimburse the District for any repairs necessary to the vehicles as a result of the City’s use of the vehicles. If the City’s use results in the destruction or damages that cannot be reasonably repaired, then the City shall reimburse the District for the actual cash value of the vehicle/equipment as determined by the District in accordance with Exhibit A, attached hereto and incorporated herein.

7. **Inspection of the Vehicles/Equipment.** The City’s representative shall be responsible to inspect the vehicle/equipment prior to use for any damage or abnormal conditions and will note those conditions in writing. Any damage to the vehicle not so noted will be the responsibility of the City upon return of the vehicle/equipment.

8. **Ownership of Vehicles/Equipment.** Nothing in this Agreement shall in any way affect the District’s ownership of the vehicles/equipment.

PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY

By:

Richard Riazzi, General Manager
Date: 1-19-07

CITY OF WENATCHEE

By:

Dennis Johnson, Mayor
Date: 12-27-06
### Exhibit A

**COMPUTATION FACTORS FOR USE IN REPLACEMENT VALUE DETERMINATIONS**

| PERCENTAGE FACTOR | 1   | 2   | 3   | 4   | 5   | 6   | 7   | 8   | 9   | 10  | 11  | 12  | 13  | 14  | 15  | 16  | 17  | 18  | 19  | 20  | 21  | 22  | 23  | 24  | 25  |
|-------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 3 years           | 75  | 48  | 20  |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 4 years           | 76  | 57  | 36  | 20  |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 5 years           | 76  | 61  | 47  | 33  | 20  |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 6 years           | 77  | 64  | 53  | 42  | 31  | 20  |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 7 years           | 77  | 65  | 56  | 47  | 38  | 29  | 20  |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 8 years           | 78  | 67  | 59  | 51  | 43  | 36  | 27  | 20  |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 9 years           | 79  | 68  | 61  | 54  | 47  | 40  | 33  | 26  | 20  |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 10 years          | 80  | 69  | 63  | 57  | 51  | 45  | 39  | 33  | 24  | 20  |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 11 years          | 80  | 70  | 65  | 60  | 55  | 50  | 44  | 36  | 32  | 26  | 20  |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 12 years          | 81  | 70  | 65  | 60  | 55  | 50  | 45  | 40  | 35  | 30  | 25  | 20  |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 13 years          | 81  | 70  | 65  | 60  | 55  | 50  | 45  | 40  | 36  | 32  | 28  | 24  | 20  |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 14 years          | 82  | 71  | 67  | 63  | 59  | 55  | 51  | 47  | 43  | 38  | 32  | 28  | 24  | 20  |     |     |     |     |     |     |     |     |     |     |     |     |
| 15 years          | 82  | 71  | 67  | 63  | 59  | 55  | 51  | 47  | 43  | 39  | 35  | 31  | 26  | 23  | 20  |     |     |     |     |     |     |     |     |     |     |     |
| 16 years          | 83  | 71  | 67  | 63  | 59  | 55  | 51  | 47  | 43  | 39  | 36  | 32  | 29  | 26  | 23  | 20  |     |     |     |     |     |     |     |     |     |
| 17 years          | 83  | 71  | 67  | 63  | 59  | 55  | 51  | 47  | 44  | 41  | 38  | 35  | 32  | 29  | 26  | 23  | 20  |     |     |     |     |     |     |     |     |
| 18 years          | 83  | 71  | 67  | 63  | 59  | 55  | 51  | 47  | 44  | 41  | 38  | 35  | 32  | 29  | 26  | 23  | 20  | 20  |     |     |     |     |     |     |     |
| 19 years          | 84  | 72  | 69  | 66  | 60  | 57  | 54  | 51  | 48  | 45  | 42  | 39  | 36  | 33  | 30  | 27  | 24  | 20  | 20  |     |     |     |     |     |
| 20 years          | 84  | 72  | 69  | 66  | 60  | 57  | 54  | 51  | 48  | 45  | 42  | 39  | 36  | 33  | 30  | 27  | 24  | 22  | 20  | 20  |     |     |     |     |
| 21 years          | 84  | 72  | 69  | 66  | 60  | 57  | 54  | 51  | 48  | 45  | 42  | 39  | 36  | 33  | 30  | 27  | 24  | 22  | 20  | 20  | 20  |     |     |     |
| 22 years          | 85  | 72  | 69  | 66  | 60  | 57  | 54  | 51  | 48  | 45  | 42  | 39  | 36  | 34  | 32  | 30  | 28  | 26  | 24  | 22  | 20  |     |     |
| 23 years          | 85  | 72  | 69  | 66  | 60  | 57  | 54  | 51  | 48  | 45  | 42  | 40  | 38  | 36  | 34  | 32  | 30  | 28  | 26  | 24  | 22  | 20  |     |
| 24 years          | 85  | 72  | 69  | 66  | 60  | 57  | 54  | 51  | 48  | 46  | 44  | 42  | 40  | 38  | 36  | 34  | 32  | 30  | 28  | 26  | 24  | 22  | 20  |
| 25 years          | 85  | 72  | 69  | 66  | 60  | 57  | 54  | 52  | 50  | 48  | 46  | 44  | 42  | 40  | 38  | 36  | 34  | 32  | 30  | 28  | 26  | 24  | 22  | 20  |

**LOADED PURCHASED COST X PERCENTAGE FACTOR = EQUIPMENT VALUE**

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**Example:**  
- Unit Number 704 (1989 Kenworth Transport Tractor)  
- Original Procurement Cost: $41,169  
- Present Age: 17 years  
- Life Expectancy: 20 years  
- Percent Factor: 27  
- Replacement Value: $11,115

Original Procurement Cost - $41,169  
$x .27$  
Replacement Value - $11,115