COLLECTION AGREEMENT
For Lake Chelan Fisheries Measures
between
U.S. Department of Agriculture
Forest Service
Okanogan-Wenatchee National Forest
and the
Public Utility District No. 1 of Chelan County
for
Lake Chelan Hydroelectric Project No.637

This COLLECTION AGREEMENT for providing funds for fisheries monitoring and evaluation measures is hereby entered into by and between the U.S. Department of Agriculture, Forest Service, Okanogan-Wenatchee National Forest, hereinafter referred to as the Forest Service, and the Public Utility District No. 1 of Chelan County, hereinafter referred to as the Chelan PUD, and sometimes collectively referred to as the Parties, under the provisions of the Granger-Thye Act of April 24, 1950 for the Forest Service. A Memorandum of Understanding (FS Agreement No. 08-MU-11061700-063) executed between the two parties outlines the coordination framework for “Make Funds Available” activities such as the fisheries measures addressed in this collection agreement.


The Lake Chelan Settlement Agreement dated October 8, 2003 for the Lake Chelan Hydroelectric Project No. 637 (Settlement Agreement) establishes that Chelan PUD is responsible for reimbursement of the work addressed herein. This Collection Agreement has been executed pursuant to the Settlement Agreement. In the event of a conflict between this Collection Agreement and the Settlement Agreement, the provisions of the Settlement Agreement shall control.

A. Recitals

1. Chelan PUD is a municipal corporation under the laws of the State of Washington. The Forest Service is a federal agency within the Department of Agriculture, United States of America.

2. The Federal Energy Regulatory Commission (FERC) issued the Order on Offer of Settlement and Issuing New License (New License) and the Order on Rehearing on November 6, 2006, and April 19, 2007, respectively, for the Lake Chelan Hydroelectric Project No. 637 that require Chelan PUD to provide funds for various protection, enhancement, and mitigation measures on National Forest Service land, as described in the Settlement Agreement, which is incorporated as Appendix A of the New License.
The Parties have determined that it is in their mutual best interests and to their mutual benefit to implement Chapter 6 of the Lake Chelan Comprehensive Plan, Section 2, which addresses comprehensive fishery goals of Lake Chelan required in the Settlement Agreement. Key specific management objectives of the plan of which the Forest Service can assist in accomplishing include:

- Emphasize restoration/enhancement of native species, where feasible
- Support the recreational sport fishery,
- Determine compatibility of management actions with future bull trout reintroduction.
- Develop a monitoring and evaluation program that provides flexibility for future changes.

B. NOW, THEREFORE, in consideration of the premises and promises, terms and conditions set forth below, it is hereby agreed as follows:

1. Purpose/Scope. The purpose of this Collection Agreement is to set forth the terms and conditions under which the Chelan PUD will provide funds to the Forest Service for implementing the fisheries work as required by Section 19.2.1 of the Settlement Agreement and as described in the Lake Chelan Fishery Forum Annual Work Plan (annual plan) for 2009. In accordance with article 404 of the New License and Settlement Agreement Article 6 and Chapter 6 of the Lake Chelan Comprehensive Plan, the annual plan is to be submitted to Chelan PUD annually no later than January 10 and approved by FERC before Chelan PUD will provide reimbursement to USFS for its costs. All of the proposed work performed under this Collection Agreement will be conducted on National Forest System lands.

2. Responsibilities. The specific activities addressed by this Collection Agreement for implementing of the annual plan for 2009 are as follows:

   a. Forest Service shall:

      1) Under Settlement Agreement Article 6b2, perform fishery monitoring services of installing temperature data loggers, and conducting spring spawning surveys in the adfluvial zones of Mitchell, Gold, Grade, and Safety Harbor Creeks. Contribute 50% of the cost of this work for an amount up to $7,393.

      2) Share information, coordinate efforts, and make recommendations as a collaborative member of the Lake Chelan Fishery Forum.

      3) Bill, report, and document project specific activities as outlined in section C-2 of the MOU.

   b. Chelan PUD shall:

      1) Under Settlement Agreement Article 6b2, provide matching funds in the amount of up to $7,393 as referenced in Section 2.a.1) above.

      2) Make various periodic updates and reports as prescribed in Section 19 of the Settlement Agreement.
3. **Duration and Termination of Collection Agreement.** This Collection Agreement is executed as of the date of the last signature and is effective through **12/31/2009**, at which time it will expire unless extended.

Either party, in writing, may unilaterally terminate the Collection Agreement in whole, or in part, without cause by providing 180 days prior written notice of termination to the other Party, at any time before the date of expiration. No party shall incur any new obligations for the terminated portion of the Collection Agreement after the effective date and shall cancel as many obligations as possible. Full credit shall be allowed for each Party's expenses and all non-cancelable obligations properly incurred up to the effective date of termination.

4. **Financial Plan.** The specific financial arrangement agreed-upon to reimburse implementing the fishery work is shown in the attached Financial Plan (Attachment A). The Chelan PUD will make available up to **$7,393** toward the agreed-upon work, as defined in Section 2 (Responsibilities) above.

5. **Documentation and Certification of Work Completed.** Agreed upon documentation that such work was performed in a manner consistent with the Settlement Agreement will also be provided with each billing. The Forest Service must support requested reimbursements with copies of related invoices, contract and payroll charges. Chelan PUD reserves the right to verify the certification by on-site inspection of all work and validation of the charges. The Chelan PUD Project Manager and/or Licensing & Compliance Manager, and/or their representative, shall accomplish this inspection and/or validation. In a given federal fiscal year (October 1st to September 30th), payments for satisfactory performance of work shall not exceed the annual budgeted amount, unless the Parties mutually agree via modification to this Collection Agreement that increases funding from the PUD, executed prior to the commencement of any additional work.

6. **Invoices (Reimbursement).** Payments shall be made in accordance with Section 19 of the Settlement Agreement and made on a reimbursable basis for actual costs incurred by the Forest Service.

The Forest Service will bill Chelan PUD quarterly for funds sufficient to cover the actual costs incurred during the specific payment period. Provided that an invoice is not disputed by Chelan PUD, a collection due date of 30 days after the bill issue date is automatically applied to each Bill for Collection (per Debt Collection Act of 1982, as amended). However, since billings for this Collection Agreement require special supporting documentation, a grace period will be in effect in which the payment will not be considered late, nor applicable late charges applied, until 30 days after the required documentation is submitted to Chelan PUD by the local Forest Service Project Contact.

All reimbursement billings shall be completed within the same fiscal year as Forest Service expenditures. Indirect costs will not be assessed on funding from the Chelan PUD based on the existence of mutual benefit (waiver determination made by the Region 6 Regional Forester).
The Forest Service will establish a unique job code for each activity that requires independent tracking of reimbursable expenses. Each summarized billing submitted to the Chelan PUD will separately identify amounts due for all active reimbursable job codes by an accompanying Transaction Register identifying job code related expenses for the summary billing.

Special supporting documentation must be provided to Chelan PUD by the local Forest Service Project Contact in response to each billing. This documentation must include copies of related invoices, contract and payroll charges organized by activity (by reimbursable job code).

Billings shall be sent to the Chelan PUD Cooperator Administrative Contact identified in Provision 8.

Payments shall be sent to the “remit to” address on the Bills for Collection.

If payment is not received to the satisfaction of the Forest Service by the date specified on the Form FS-6500-89, Bill for Collection, and pursuant to the above provision, the Forest Service shall exercise its rights regarding the collection of debts owed the United States.

7. **Forest Service Liability.** The United States, acting by and through the Forest Service, Okanogan-Wenatchee National Forest, hereby agrees to bear any and all costs and liabilities of any kind related to the exercise of its rights under this Collection Agreement to the extent it may legally do so under the Federal Tort Claims Act, 28 U.S.C. Sect. 2671 et seq., or any other act wherein Congress has specifically waived the sovereign immunity of the United States.

8. **Notices/Principal Contacts.** Any notices shall be effective if personally served upon the other Parties or if mailed by registered or certified mail, return receipt requested, to the following addresses, or such other address as a Party may designate in writing and shall be deemed given five (5) business days after the date of mailing, or on the date of receipt if overnight express or other receipt-notification service is used:

<table>
<thead>
<tr>
<th>Forest Service Project Contact</th>
<th>Cooperator Project Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phil Archibald, Fisheries Biologist</td>
<td>Jeff Osborn</td>
</tr>
<tr>
<td>Entiat RD, Okanogan-Wenatchee NF</td>
<td>Chelan County Public Utility District</td>
</tr>
<tr>
<td>2108 Entiat Way</td>
<td>327 North Wenatchee Avenue</td>
</tr>
<tr>
<td>Entiat, WA 98822</td>
<td>Wenatchee, WA 98801</td>
</tr>
<tr>
<td>Phone: 509-784-1511</td>
<td>Phone: 509-661-4176</td>
</tr>
<tr>
<td>FAX: 509-784-1150</td>
<td>FAX: 509-661-8203</td>
</tr>
<tr>
<td>E-Mail: <a href="mailto:parchibald@fs.fed.us">parchibald@fs.fed.us</a></td>
<td>E-Mail: <a href="mailto:jeff.osborn@chelanpud.org">jeff.osborn@chelanpud.org</a></td>
</tr>
<tr>
<td>Forest Service Admin. Contact</td>
<td>Cooperator Admin. Contact</td>
</tr>
<tr>
<td>------------------------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>Rick Edwards, Grants and Agreements Specialist</td>
<td>Rosana Sokolowski, Licensing and Compliance Coordinator</td>
</tr>
<tr>
<td>215 West Melody Lane</td>
<td>327 North Wenatchee Avenue</td>
</tr>
<tr>
<td>Wenatchee, WA 98801</td>
<td>Wenatchee, WA 98801</td>
</tr>
<tr>
<td>Phone: 509-664-9315</td>
<td>Phone: 509-661-4175</td>
</tr>
<tr>
<td>FAX: 509-664-9281</td>
<td>FAX: 509-661-8203</td>
</tr>
<tr>
<td>E-Mail: <a href="mailto:redwards@fs.fed.us">redwards@fs.fed.us</a></td>
<td>E-Mail: <a href="mailto:rosana.sokolowski@chelanpud.org">rosana.sokolowski@chelanpud.org</a></td>
</tr>
</tbody>
</table>

9. **Freedom of Information Act (FOIA).** Any information furnished to the Forest Service or to Chelan PUD under this Collection Agreement is subject to the Freedom of Information Act (5 U.S.C. 552). Any information furnished to Chelan PUD under this Collection Agreement is subject to the Public Disclosure Act (R.C.W. 42.56).

10. **Modification.** Modifications within the scope of this Collection Agreement may be made by mutual consent of the two parties, by issuance of a written modification executed prior to any changes being performed. No modification or amendment of the provisions of this Collection Agreement shall be effective unless in writing and signed by both Chelan PUD and the Forest Supervisor of the Okanogan-Wenatchee National Forest.

11. **Property Improvements.** Improvements placed on National Forest System land at the direction of either of the parties, shall thereupon become property of the United States, and shall be subject to the same regulations and administration of the Forest Service as other National Forest improvements of a similar nature. No part of this Collection Agreement shall entitle the Chelan PUD to any share or interest in the improvements other than the right to use and enjoy the same under the existing regulations of the Forest Service.

12. **Legal Authority.** Both parties have the legal authority to enter into this Collection Agreement, and the institutional, managerial and financial capability (including funds from the Chelan PUD sufficient to pay the required payments) to ensure proper planning, management, and completion of the project.

13. **Participation in Similar Activities.** This Collection Agreement in no way restricts the Forest Service or the Chelan PUD from participating in similar activities with other public or private agencies, organizations, and individuals.

14. **Endorsement.** Any payments or actions by the Forest Service made under this Collection Agreement do not by direct reference or implication convey the Forest Service’s endorsement of the Chelan PUD’s products or activities, except as expressly agreed in the Settlement Agreement.
15. **Authorized Representatives.** Both parties certify that the individuals listed in this document as their representatives are authorized to act in their respective areas for matters related to this Collection Agreement.

16. **Budget Authorization.** The Forest Service's performance under this Collection Agreement is contingent upon receiving Budget Authority. Once Budget Authority is obtained, Forest Service performance under the terms of this Collection Agreement may commence. Budget Authority is limited to the Fiscal Year (October 1 through September 30). Amounts authorized but not obligated or expended will expire on September 30th of the Fiscal Year in which the Budget Authority was obtained. No further obligations or charges may occur under the Collection Agreement until the Forest Service obtains Budget Authorization for subsequent Fiscal Years.
The two parties have executed this Collection Agreement for fisheries monitoring and evaluation as of the last date written below.

Adopted: 3/4/09
Date

Public Utility District No. 1 of Chelan County

By: Richard Riazzi
General Manager

Adopted: 3/6/09
Date

U.S.D.A. Forest Service
Okanogan-Wenatchee National Forest

By: Rebecca Lockett Heath
Forest Supervisor

Authority and format reviewed and approved.

Rick Edwards
Agreements Specialist

Date

Attachments:

A – Financial Plan FY2009
B – Forest Service Project Work Plan
C – Chelan PUD Detailed Estimation Sheet
D – Quarterly Invoice Form
**Attachment A**

**FY09 Financial Plan**

*for*

Cooperative Fisheries Measures on Lake Chelan

**Agreement No. 09-CO-11061700-043**

Prepared 2/17/09

<table>
<thead>
<tr>
<th>Task/Cost Element</th>
<th>Cost</th>
<th>Cost/day or Volume</th>
<th>Estimated Total Costs</th>
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<td><strong>Fisheries Monitoring Projects:</strong></td>
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<td>Article 6b2</td>
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<td>Install temperature monitors, and perform spring spawning surveys in the adfluvial zones of Mitchell, Gold, Grade, and Safety Harbor Creeks</td>
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<td>Vehicle Transportation (Fleet)</td>
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<tr>
<td>Boat Transportation on Lake Chelan (Fuel)</td>
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<td>Fishery Biologist Phil Archibald</td>
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<td>Equipment and Supplies</td>
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<tr>
<td>Indirect Costs **</td>
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<tr>
<td><strong>Total Project Costs</strong></td>
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<td><strong>Total CPUD contribution 50%</strong></td>
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<td><strong>Total Forest Service contribution 50%</strong></td>
<td>$7,393</td>
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*This table represents the best estimate of project costs as of the date of document preparation.*

**Forest Service will not assess indirect costs due to the existence of mutual benefit.*
Attachment B – Forest Service Project Work Plan

**Project Header**

- **Name:** 5NFWF Chelan Cutthroat Spawning Surveys - ENT
- **Description:** Lake Chelan Tributary Spring Spawning Surveys
- **National Goal:** 1 - Restore, Sustain and Enhance the Nation’s Forests and Grasslands
- **Objective:** 1.5.0 - Restore and maintain healthy watershed and diverse habitats
- **Leader:** Philip Archibald
- **Fiscal Year:** 2009
- **Unit Priority:**
- **Unit:** OKANOGAN-WENATCHEE
- **Approved:** No
- **Stewardship Contract:** No
- **PROJECT COR:**
- **DRM GIS Support**
  - **Project Name:**
  - **Project UDF 3:** weekly surveys during April, May and June
  - **Project UDF 4:** Comments: FS expenditures eligible for 50% cost-share w/Chelan PUD under license agreement. FS Ag # 09-CO-11061700-043

Created by Philip Archibald on 2009-01-12
Last Modified by Joseph Kastenholz on 2009-01-14

**Personnel**

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<th>Personnel</th>
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<th>NFXN</th>
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**Other Resources**

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<td><strong>Total</strong></td>
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**Project Totals**

- **Total Personnel Costs:** $13,592
- **Total Fleet Cost:** $494
- **Total Other Cost:** $700
- **Total Project Cost:** $14,786

**Activities**

- **NFWF**
  - **Job Code:** NFWF17
  - No activities selected for this BLI.
  - **BLI Total:** $7,393
  - **Activity Total:** $0
  - **Balance:** $7,393

- **NFXN**
  - **Job Code:**
  - No activities selected for this BLI.
  - **BLI Total:** $7,393
  - **Activity Total:** $0
  - **Balance:** $7,393

**Accomplishments**

- **NFWF**
  - No activities found.

- **NFXN**
  - No activities found.
### TOTAL ESTIMATION SHEET

**Settlement Agreement License Article Number:** LC062  
**Date:** 2/27/2009  
**Measure Description:** LC062 Fish Match: LCRL-9100-2536-LCRL1006  
**PeopleSoft #**  
**Maximo #**  
**Agency:** USDA-FS  
**Agency Project #**  
**Year:** 2010

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<th>Task</th>
<th>Description of Proposed Task</th>
<th>Accepted?</th>
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<th>Materials &amp; Supplies</th>
<th>Contracts</th>
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| Subtotal Accepted | $7,393 |
| Contingency       | $0     |
| Total Available   | $20,000* |

* Up to this amount all agencies, 50/50 Match
Quarterly Invoice / Variance Form  
Lake Chelan Implementation Projects

Date: ________________________

License Article and Measure Description: -- Select Article --
CCPUD GL #: -- Select GL # --
Agency Name: U.S. Department of Agriculture, Forest Service
Agency Project #: -- Select Project # --
Submitted by: Phone:

Report for: □ 1st □ 2nd □ 3rd □ 4th Quarter of Calendar Year: _________

Description of Project Work/Progress for this Quarter (include Task Number):

Reimbursement Total Requested for the Quarter: __________

□ No expenditures/request for reimbursement this quarter.
□ Administrative charges only.

Project Work Plans and Estimated Expenditures for the next quarter (include Task Number):

Variances from Plan (if any, describe when work will be conducted, by Task Number):

The costs and scope of work described herein are true, accurate, and in compliance with the Lake Chelan Settlement Agreement:

Agency Signatory __________________________

Reviewed and Approved By:

CCPUD Signatory __________________________