INTERAGENCY AGREEMENT

BETWEEN

WASHINGTON STATE PARKS AND RECREATION COMMISSION

AND

PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY

(District SA #14-100)

(State Parks #315-127)

This Interagency Agreement (Agreement) is made and entered into this 15th day of May, 2014 (Effective Date) by and between Public Utility District No. 1 of Chelan County (District) and the Washington State Parks and Recreation Commission (State Parks), hereinafter collectively referred to as “Parties.”

RECITALS

1. The drawdown of the District’s Rock Island Dam pool elevation as a result of the Wanapum Dam Response has made District public boat launches potentially unsafe in certain flow conditions;
2. The District has closed all boat launches under its control;
3. The District owns and State Parks operates the Wenatchee Confluence Park (Park) under the Lease-Operating Agreement dated April 26, 1990;
4. Under the Lease-Operating Agreement, State Parks is permitted to charges fees for use of the Park and boat launch;
5. The District desires to provide the general public with access to the Rock Island pool;
6. The single public boat launch currently usable in the Rock Island pool under the low water conditions is located at the Park;
7. State Parks charges daily launch fees to users of the Park;
8. State Parks is willing to provide public access to the boat launch at the Park in exchange for a fee paid by the District instead of charges to users; and
9. The District is willing to pay State Parks to provide general public access to the single public boat launch during times when District launches are inaccessible.

NOW, THEREFORE, IN CONSIDERATION FOR THE MUTUAL BENEFITS AND OBLIGATIONS PROVIDED HEREIN, IT IS MUTUALLY AGREED THAT:

STATEMENT OF SERVICES
State Parks shall provide access to the general public for daily watercraft launch at the Park and State Parks agrees not to charge the general public (the Services). The Parties agree to a monthly fee based on the Service Fees table below. The District's
public boat launches at other places in the Rock Island Dam pool may be accessible periodically. When the District's boat launches are available, the District will provide State Parks with advance notice that the Services are suspended for the following month or beyond. During the period of suspension, no fee shall be owed by the District to State Parks. If the District determines it will not be able to provide access at its other public launches, it will notify State Parks to resume providing Services until further notice.

SERVICE FEES
State Parks may charge the District on a monthly basis the fees set forth below for any month in which State Parks provides the Services. The basis of the Monthly Fee is based upon the 2013 revenues received by State Parks for use of the launch. The District shall owe and pay the entire month's Service fee even if State Parks was not required to provide the Services for the entire month. The District's payment shall be due and owing regardless of the number of launches occurring during the month.

<table>
<thead>
<tr>
<th>Month of Service</th>
<th>Monthly Fee</th>
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<tbody>
<tr>
<td>January</td>
<td>$200</td>
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<tr>
<td>February</td>
<td>$200</td>
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<tr>
<td>March</td>
<td>$200</td>
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<tr>
<td>April</td>
<td>$1,500</td>
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<tr>
<td>May</td>
<td>$1,500</td>
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<tr>
<td>June</td>
<td>$4,000</td>
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<tr>
<td>July</td>
<td>$5,000</td>
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<tr>
<td>August</td>
<td>$3,000</td>
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<tr>
<td>September</td>
<td>$2,000</td>
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<tr>
<td>October</td>
<td>$600</td>
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<tr>
<td>November</td>
<td>$300</td>
</tr>
<tr>
<td>December</td>
<td>$300</td>
</tr>
<tr>
<td>Total Annual Maximum</td>
<td>$18,800</td>
</tr>
</tbody>
</table>

PERIOD OF PERFORMANCE
The period of performance of this Agreement shall be a 3-year period from the time of adoption unless terminated sooner as provided herein. The signature date of the authorized representatives will determine the date of adoption.

PAYMENT
Compensation for Services provided in accordance with this Agreement shall be in accordance with the provisions of RCW 39.34.130, Interlocal Cooperation Act.

BILLING PROCEDURE/PAYMENT
State Parks shall submit invoices for Services to the District as soon as possible after the first of the month in which State Parks is notified to provide the Services. Invoices are to be sent via email to APDept@chelanpud.org, or mailed to P. O. Box 1231, Wenatchee, WA 98807, Attention: Accounts Payable Department. The District shall make payment within 30 days of receipt of a correct invoice. Upon expiration or
termination of the Agreement, any claim for payment not already made shall be submitted within 30 days after the expiration or termination date, or the end of the District’s fiscal year (December 31), whichever is earlier.

RECORDS MAINTENANCE
The parties to this Agreement shall each maintain books, records, documents and other evidence which sufficiently and properly reflect all direct and indirect costs expended by either Party in the performance of the Service(s) described herein. These records shall be subject to inspection, review or audit by personnel of both Parties, other personnel duly authorized by either Party, the Office of the State Auditor, and federal officials so authorized by law. All books, records, documents, and other material relevant to this Agreement will be retained for six (6) years after expiration, and the Office of the State Auditor, federal auditors, and any persons duly authorized by the Parties shall have full access and the right to examine any of these materials during this period.

Records and other documents, in any medium, furnished by one party to this Agreement to other Party, will remain the property of the furnishing Party, unless otherwise agreed. The receiving Party will not disclose or make available this material to any third parties without first giving notice to the furnishing Party and giving it reasonable opportunity to respond. Each Party will utilize reasonable security procedures and protections to assure that records and documents provided by the other Party are not erroneously disclosed to third parties.

INDEPENDENT CAPACITY
The employees or agents of each Party who are engaged in the performance of this Agreement shall continue to be employees or agents of that Party and shall not be considered for any purpose to be employees or agents of the other Party.

AGREEMENT ALTERATIONS AND AMENDMENTS
This Agreement may be amended by mutual agreement of the Parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the Parties. The exception to this requirement is the intermittent notice(s) provided by the District to State Parks to advise when Services will be required.

TERMINATION
Either Party may terminate this Agreement upon 30 days prior written notification to the other Party. If this Agreement is so terminated, the Parties shall be liable only for performance rendered or costs incurred in accordance with the terms of the Agreement prior to the effective date of termination.

TERMINATION FOR CAUSE
If, for any cause, either Party does not fulfill in a timely and proper manner its obligations under this Agreement, or if either Party violates any of these terms and conditions, the aggrieved Party will give the other Party written notice of such failure or violation. The responsible Party will be given the opportunity to correct the violation or
failure within 15 working days. If failure or violation is not corrected, this Agreement may be terminated immediately by written notice of the aggrieved Party to the other.

DISPUTES
In the event that a dispute arises under this Agreement, it shall be determined by a Dispute Board in the following manner: each Party to this Agreement shall appoint one member to the Dispute Board. The members so appointed shall jointly appoint an additional member to the Dispute Board. Each party shall pay the costs of its representative, and share equally the cost of the third member. The Dispute Board shall review the facts, Agreement terms and applicable statutes and rules and make a determination of the dispute. The determination of the Dispute Board shall be final and binding on the Parties hereto.

GOVERNANCE
This Agreement is entered into pursuant to and under the authority granted by the laws of the State of Washington and any applicable federal laws. The provisions of this Agreement shall be construed to conform to those laws.

In the event of an inconsistency in the terms of this Agreement, or between its terms and any applicable statute or rule, the inconsistency shall be resolved by giving precedence in the following order:

   a) Applicable state and federal statutes and rules;
   b) Statement of Services
   c) Any other provisions of the Agreement, including materials incorporated by reference.

ASSIGNMENT
The Services to be provided under this Agreement, and any claim arising thereunder, is not assignable or delegable by either Party in whole or in part, without the express prior written consent of the other Party.

WAIVER
A failure by either Party to exercise its rights under this Agreement shall not preclude that Party for subsequent exercise of such rights and shall not constitute a waiver of any other rights under this Agreement unless stated to be such in a writing signed by an authorized representative of the Party and attached to the original Agreement.

SEVERABILITY
If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, if such remainder conforms to the requirements of applicable law and the fundamental purpose of this Agreement and, to this end, the provisions of this Agreement are declared to be severable.

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INDEMNIFICATION
State Parks and the District each agree to be responsible and assume liability for their own wrongful and/or negligent acts or omissions, or those of their officers, agents or employees to the fullest extent required by law, and further agree to save, indemnify, defend, and hold the other Party harmless from any such liability. In the case of negligence of more than one Party, any damages allowed shall be levied in proportion to the percentage of the negligence attributable to each Party.

ALL WRITINGS CONTAINED HEREIN
This Agreement contains all the terms and conditions agreed upon by the Parties related to the subject matter of this Agreement. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the Parties hereto.

CONTRACT MANAGEMENT
The Program Manager for each of the Parties shall be responsible for and shall be the contact person for all communications and billings regarding the performance of this Agreement.

Program Manager-State Parks
Matt Morrison, Area Manager
Wenatchee Confluence State Park
333 Olds Station Road
Wenatchee, WA 98801-5938
Office: (509) 664-6373
Mobile: (509) 662-9630

Program Manager-District
Ray Heit
327 N. Wenatchee Avenue
P. O. Box 1231 (98807)
Wenatchee, WA 98801
Office: (509) 661-4133
Mobile: (509) 669-2140

State Parks and the District hereby enter into the foregoing Agreement by affixing their respective signatures below.

Washington State Parks and Recreation Commission
Mark Bibeau
Chief Financial Officer

Public Utility District No. 1 of Chelan County
Kirk Hudson, Managing Director
Generation & Transmission

Reviewed By:

Jacquie James
Contracts Specialist 3
05/06/2014

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