MASTER AGREEMENT FOR COOPERATIVE ACTION

THIS AGREEMENT made this ___ day of ___ , 2000, between PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, a public utility incorporated under the laws of the State of Washington and having its principal place of business in Wenatchee, Washington, herein referred to as the “District”, and PUBLIC UTILITY DISTRICT OF OKANOGAN COUNTY, having its principal place of business in Okanogan, Washington, herein referred to as “Okanogan.”

RECITALS:

(1) Cooperative action between the District and Okanogan has been proposed whereby various services would be exchanged or shared as needed. Services would include, but not be limited to, development and use of fiber optic cable, utilization of equipment, sharing of inventory, procurement services, testing services, crew assistance, inspection services, safety and training development programs, engineering services, surplus equipment disposal opportunities, and other services as agreed upon.

(2) Joint utilization of agreements and the exchange of services as described herein in accordance with the terms of the Interlocal Cooperative Act, RCW 39.34, will work to the mutual benefit of the District and Okanogan. Such cooperative action will result in savings to the public and will better serve the needs of the District and Okanogan service areas.

(3) The District and Okanogan wish to take advantage of the benefits afforded to cooperatively operate their public agencies more efficiently as described herein and otherwise agreed.

A. TERM

The Agreement shall be effective upon execution of both the District and Okanogan and upon filing in the manner specified in Paragraph F below. It shall remain in effect until such time as it is terminated by either party giving the other not less than thirty (30) days written notice of termination.

B. ADMINISTRATOR

(i) The Manager of Business Development shall be the sole Administrator of this Agreement for the District insofar as it relates to the coordination and implementation of shared services. Upon request for services outside of business relationship development, that department director will be named as the administrator for those specific services.

(ii) The department director of the responsible department shall be the Administrator of this Agreement for Okanogan insofar as it relates to agreed upon services.
Each Administrator shall assure that for his department all utility training and work is performed in accordance with good practice and in compliance with all applicable codes, standards and regulations of any public authority having jurisdiction.

Each Administrator shall see to it that all activity shall be performed in full compliance with all obligations and responsibilities imposed by any applicable laws or regulations, including but not limited to RCW 39.12.

C. PURPOSE

The purpose of this Agreement is to provide, on a basis of mutual benefit to the District and Okanogan, services at a savings to the public which will best serve the needs of the District and Okanogan.

D. FINANCES

The party providing service or material will invoice the other party for the cost of the material or services plus a negotiated percentage markup to cover their costs. If a contractor provides labor or materials, each party shall be responsible to pay the share of any contractor billing for work attributable to that party.

E. OWNERSHIP OF FACILITIES

Nothing in this Agreement shall in any way affect either party’s ownership of its facilities.

F. FILING

The Administrators shall, in compliance with RCW 39.34, upon execution of this Agreement, have it filed with the Auditor of Chelan County.

G. COORDINATION OF ACTIVITIES

The Administrators shall keep themselves and each other apprised of and shall coordinate all activities of a contractor, which affect each party during the term of this Agreement.

H. INSPECTION

(i) During the term of this Agreement, the District shall have exclusive responsibility for inspection and oversight of all work performed by a contractor on the facilities of the District. During the term of this Agreement, Okanogan shall have exclusive responsibility for inspection and oversight of all work performed by a contractor on the facilities of Okanogan.
(ii) Prior to commencement of work hereunder, the Administrators shall confer to schedule and coordinate the work to be performed by a contractor.

I. RESPONSIBILITY OF LIABILITY

Nothing in this Agreement or the provision of services or materials pursuant thereto shall create or impose liability on the District or Okanogan for the acts of the other, for facilities or damage to facilities of the other.

J. INDEMNIFICATION

The District and Okanogan 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 negligence attributable to each party.

K. LETTER AGREEMENTS/MASTER AGREEMENT

The parties may agree to other specific arrangement by letter agreements. Any such agreements shall be subject to the terms of this Master Agreement for Cooperative Action.

L. ATTORNEY’S FEE

If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney’s fees, costs, and necessary disbursements, in addition to any other relief granted.

M. ENTIRE AGREEMENT

This instrument embodies the entire Agreement of the parties. There are no promises, terms, conditions or obligations other than those contained herein. This Agreement shall supersede all previous communications, representations or agreements, either verbal or written, between the parties hereto.

Executed by the parties:

PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY

PUBLIC UTILITY DISTRICT NO. 1 OF OKANOGAN COUNTY

[Signatures]
RESOLUTION NO. 00-11456

A RESOLUTION AUTHORIZING PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY TO ENTER INTO A MASTER INTERLOCAL AGREEMENT FOR COOPERATIVE ACTION WITH PUBLIC UTILITY DISTRICT OF OKANOGAN COUNTY

FACTUAL BACKGROUND AND REASONS FOR ACTION

Public Utility District No. 1 of Chelan County ("District") and Public Utility District of Okanogan County ("Okanogan") are municipal corporations located in and serving the citizens of Chelan and Okanogan Counties, respectively, in the State of Washington.

Joint utilization of agreements and the exchange of services as described herein in accordance with the terms of the Interlocal Cooperative Act, RCW 39.34, will work to the mutual benefit of the District and Okanogan. Such cooperative action will result in savings to the public and will better serve the needs of the customers of both the District and Okanogan.

The staffs of the District and Okanogan have prepared a proposed Master Agreement for Cooperative Action, a copy of which is on file in the offices of the District, for purposes of establishing the general terms and conditions for cooperative action. Specific projects will be outlined and agreed upon by letter agreements, which will refer to the Master Agreement for Cooperative Action. The use of a Master Agreement should simplify future cooperative projects.

The District’s staff recommends that the Master Agreement be approved and executed by the District’s General Manager.

The District’s General Manager has reviewed the recommendation of the District’s staff and concurs in the same.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. Cooperative action between the District and Okanogan regarding the development and use of fiber optic cable is in the best interests of the
respective entities and specific cooperative projects should be coordinated through the use of a Master Interlocal Agreement for Cooperative Action, a copy of which is on file in the office of the District. The Master Interlocal Agreement is hereby approved.

Section 2. The General Manager of the District is hereby authorized and directed to execute the Master Interlocal Agreement on behalf of the District.

DATED this 8th day of May 2000.

President

ATTEST:

Vice President

Secretary

Assistant Secretary

Past President

CAW