MASTER AGREEMENT FOR COOPERATIVE ACTION

THIS AGREEMENT made this 16th day of August, 1999, 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 “Chelan”, and BENTON RURAL ELECTRIC ASSOCIATION, a cooperative incorporated under the laws of the State of Washington and having its principal place of business in Prosser, Washington, herein referred to as “Benton REA.”

RECITALS:

(1) Chelan supplies electricity to its customers in Chelan County, Washington through its distribution system.

(2) Benton REA supplies electricity to its customers in Benton County, Washington through its distribution system.

(3) Cooperative action between Chelan and Benton REA has been proposed whereby various services would be exchanged or shared as needed. Services would include, but not be limited to, sharing of inventory, procurement services, testing services, crew assistance, inspection services, safety & training development programs, engineering services, surplus equipment disposal opportunities, and other services as agreed upon.

(4) Joint utilization of agreements and the exchange of services as described herein, will work to the mutual benefit of Chelan and Benton REA. Such cooperative action will enable standardization of materials, emergency sourcing and sharing of processes which will result in savings to the public and will better serve the needs of Chelan and Benton REA service areas.

(5) Chelan and Benton REA wish to take advantage of the benefits afforded to cooperatively operate their public agencies and utilities more efficiently as described herein and otherwise agreed.

A. TERM.

The Agreement shall be effective upon execution of both Chelan and Benton REA and upon filing in the manner specified in Paragraph G 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 Director of Materials Management shall be the sole Administrator of this Agreement for Chelan insofar as it relates to the sharing of inventory and procurement services. Upon request for services outside the Materials Management Department, 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 Benton REA 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 those sections of RCW 54.16 that are applicable.

C. PURPOSE.

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

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.

E. OWNERSHIP OF FACILITIES.

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

F. COORDINATION OF ACTIVITIES.

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

(i) During the term of this Agreement, Chelan shall have exclusive responsibility for inspection and oversight of all work performed by a contractor on the facilities of Chelan. During the term of this Agreement, Benton REA shall have exclusive responsibility for inspection and oversight of all work performed by a contractor on the facilities of Benton REA.

(ii) Prior to commencement of work hereunder, the Administrators shall confer to schedule and coordinate the work to be performed by a contractor.

(iii) No modification of this Agreement, a bid document or a contract document shall be made without the prior written approval of Chelan and Benton REA.

H. RESPONSIBILITY AND LIABILITY.

Nothing in this Agreement or the provision of services or materials pursuant thereto shall create or impose liability on Chelan or Benton REA for the acts of the other for facilities or damage to facilities of the other. Chelan agrees to indemnify and hold harmless Benton REA for any loss, claim or damage arising out of any acts or negligence by Chelan. Benton REA agrees to indemnify and hold harmless Chelan for any loss, claim or damage arising out of any acts or negligence of Benton REA.

I. LETTER AGREEMENTS/MASTER AGREEMENT

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

J. 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.

K. 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 THIS 16th day of August, 1999.

PUBLIC UTILITY DISTRICT NO. 1
OF CHELAN COUNTY

By
Roger A. Braden, General Manager

BENTON RURAL ELECTRIC ASSOCIATION

By
Charles Dawsey, Manager