

# INTERLOCAL AGREEMENT

*between*

the Port of Pasco, City of Pasco and  
the Public Utility District No. 1 of Franklin County

*for*

the Study of the Impacts to Power Rates and Property Tax  
from an Economic Development Recruitment

This **INTERLOCAL COOPERATIVE AGREEMENT** (“Agreement”) is entered as of the date it is executed by the Parties, which consist of the Port of Pasco, a public body corporate of the State of Washington, hereinafter “Port”, the City of Pasco, a municipal corporation of the State of Washington, hereinafter the “City”, and the Public Utility District No. 1 of Franklin County, a public body corporate of the State of Washington hereinafter “PUD”, collectively referred to in this Agreement hereafter as the “Parties”.

**Whereas**, the Port and City are engaged in economic development activities which have the potential for recruiting a private entity that could represent a large property tax payer as well as a large consumer of power; and

**Whereas**, such an entity would have impacts to tax and rate payers within the jurisdictions of the parties; and

**Whereas**, the parties seek to understand the implications of said potential recruitment; and

**Whereas**, the PUD is contracted with a consultant developing a rate case and the parties agree that efficiencies can be gained if this consultant is retained for this study; and

**Whereas**, the Parties desire to enter into this agreement to define the responsibilities of the Parties during this study;

**Now therefore**, in consideration of the mutual covenants contained herein, the Parties agree as follows:

**Section 1 – Purpose.** The purpose of this Agreement is to formalize the responsibilities of the Port, City and PUD during the study.

**Section 2 – Administration.** This Agreement will be administered by the Port. The Port will enter into a separate contract with the PUD’s consultant to perform this work. The Port will provide copies of the report to the City and the PUD.

**Section 3 – Funding.** The Parties agree to equally share the costs associated with the study provided the aggregate expense shall not exceed ten thousand dollars.

**Section 4 – Modification.** Except as set forth above, this Agreement may be terminated or modified only by written consent of each Party signed hereto.

**Section 5 – Term of Agreement and Termination.** This Agreement is effective upon the signature of all Parties and terminates on June 30, 2014.

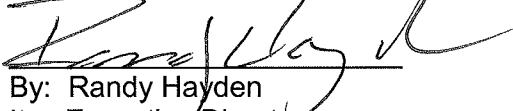
**Section 6 – Records.** The records and documents associated with all matters covered by this Agreement shall be owned by the Port and all non-privileged records and documents shall be subject to inspection by any Party during the term of this Agreement.

**Section 7 – No Separate Legal Entity.** No new, separate administrative or legal entity is to be established in association with this Agreement nor to conduct the cooperative undertaking described herein.

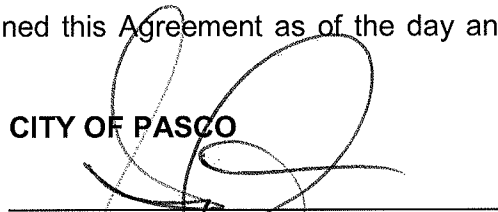
**Section 8 – Severability.** In the event that any term or condition of this Agreement or application thereof to any person, entity, or circumstance is held invalid; such invalidity shall not effect any other terms, conditions, or applications of this Agreement which can be given effect without the invalid term, condition, or application. To this end, the terms and conditions of this Agreement are declared severable.

**In Witness Whereof,** the Parties have signed this Agreement as of the day and year written below.

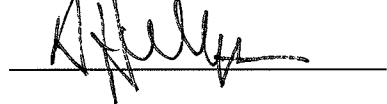
**PORT OF PASCO**

  
By: Randy Hayden  
Its: Executive Director  
Date: \_\_\_\_\_

**CITY OF PASCO**

  
By: Gary Crutchfield  
Its: City Manager  
Date: 2-25-14

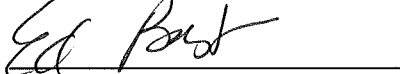
APPROVED AS TO FORM:

  
\_\_\_\_\_

APPROVED AS TO FORM:

  
\_\_\_\_\_

**PUBLIC UTILITY DISTRICT No. 1 OF  
FRANKLIN COUNTY**

  
By: Ed Brost  
Its: General Manager  
Date: 2/28/14

APPROVED AS TO FORM:

  
\_\_\_\_\_