

**INTERLOCAL COOPERATIVE AGREEMENT FOR DISCOVERY AND FEASIBILITY STUDY  
OF AN EMPLOYER SPONSORED NEAR-SITE HEALTHCARE CLINIC  
BETWEEN**

**PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY, WASHINGTON AND  
PUBLIC UTILITY DISTRICT NO. 1 OF FRANKLIN COUNTY, WASHINGTON**

BY THIS INTERLOCAL COOPERATIVE AGREEMENT, hereinafter referred to as “Agreement”, entered into this 22<sup>nd</sup> day of August, 2017; PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY, WASHINGTON, a municipal corporation of the State of Washington; hereinafter referred to as “Benton”, PUBLIC UTILITY DISTRICT NO. 1 OF FRANKLIN COUNTY, WASHINGTON; a municipal corporation of the State of Washington, hereinafter referred to as “Franklin”, collectively referred to as “Parties” and individually as “Party” enter into the following agreement:

**I. RECITALS**

WHEREAS, Chapter 39.34, RCW (Interlocal Cooperation Act) permits local government units to make the most efficient use of their powers by enabling them to cooperate with other localities and thereby to provide services and facilities in a manner that will accord best with geographic, economic, population, and other factors influencing the needs and development of local communities; AND

WHEREAS, The Parties are concerned with the steady increase in healthcare costs and would like to bend the cost curve to the benefit of both Parties and their employees; AND

WHEREAS, The Parties agree that as good stewards of the public’s assets we must continue to explore new and innovative healthcare strategies as a way to contain or lower healthcare costs while maintaining or improving healthcare benefits for our employees and their dependents; AND

WHEREAS, One emerging healthcare trend is employer sponsored near-site health care clinics which promote independent primary care and health coaching for employees and their dependents which helps drive down healthcare costs for the employee and the employer; AND

WHEREAS, Both public and private employers in the state of Washington have adopted near-site clinic healthcare models which have resulted in savings.

**NOW, THEREFORE**, In consideration of the foregoing recitals and the mutual covenants contained herein, the Parties do hereby mutually agree as follows:

**II. AGREEMENT**

1. **Interlocal Cooperation.** RCW Chapter 39.34 (the Interlocal Cooperation Act hereafter referred to as the “Act”) authorizes public entities to jointly exercise those powers which have been granted by statute to each party individually. The Parties have entered into this Agreement to provide for the coordinated and cooperative exploration of employer

sponsored near-site healthcare clinic models. Nothing contained in this Agreement shall be deemed to allow any Party to exercise any powers which it has not been granted by law. No new or separate legal or administrative entity is created to administer the provisions of this Agreement.

**2. Purpose.** The purpose of this Agreement is to establish a framework within which the Parties will work with a benefits consultant to help facilitate a process of discovery and feasibility of an employer sponsored healthcare clinic on behalf of Benton and Franklin PUDs. Phase 1 will consist of joint engagement of a feasibility study utilizing the services of a qualified consultant. With Parties approval at the conclusion of Phase 1, Phase 2 will consist of Parties jointly participating in a request for proposals (RFP) for services.

**3. Responsibilities of Parties.** Each Party agrees to:

- a) Identify a primary and secondary point of contact for the administration of this Agreement.
- b) Engage their respective governing bodies and staff members in efforts supportive of the purpose of this Agreement.

**4. Allocation of Costs.** Parties will equally share consulting costs associated with this Agreement through Phase 2. Parties shall be responsible for their own costs associated with administering this Agreement.

**5. Administration.** This Agreement shall not require formation of any new government entity. The Agreement will be jointly administered by the Parties pursuant to RCW 39.34.030(4). Coordination of the activities and meetings associated with this Agreement shall be facilitated through the Parties.

**6. Exchange of Information/Confidentiality.** The Parties may exchange information as needed to facilitate the collaborative efforts. To the extent the Parties have access to sensitive and confidential materials, including, but not limited to, attorney-client privileged documents, e-mails, and social security numbers, a Party shall not exchange that information if it would become a public record subject to disclosure.

**7. Allocation of Liability/Indemnification.** The Parties agree that:

- a) Each of the Parties to this Agreement shall be solely responsible for the acts or omissions of its employees, agents and contractors.
- b) Each of the Parties to this Agreement shall indemnify and hold the other Party harmless from liability, obligation or claims arising solely from the negligent actions or omissions of the indemnifying Party, to the extent permitted by law. In the event the liability, obligation or claim arises from the joint action or inaction of the Parties, then each Party shall be responsible to the extent that

its negligent action or inaction contributed to the liability, obligation or claim.

- 8. Non-Delegation/Non-assignment.** No Party may delegate the performance of any contractual obligation to a third Party unless mutually agreed in writing. No Party may assign this Agreement without the written consent of the other Parties.
- 9. No Third Party Rights.** Except as expressly provided herein, nothing in this Agreement shall be construed to permit anyone other than the Parties hereto and their successors and assigns to rely upon the covenants and agreements herein nor to give any such third party a cause of action (as a third-party beneficiary or otherwise) on account of nonperformance hereunder.
- 10. Term and Termination.** This Agreement shall commence on the date it is signed by the Parties and end on the fifth anniversary date of the Agreement. The parties may by written mutual agreement extend the term of this Agreement in one year installments. Either Party may withdraw from this Agreement with ninety (90) days written notice and at such time this Agreement will be terminated. Any liability or obligation incurred prior to termination and not satisfied shall remain the obligation of the Parties as identified herein and must be satisfied prior to termination.
- 11. Compliance with Law.** The Parties to this Agreement shall comply with all applicable federal, state and local laws, rules and regulations in carrying out the terms and conditions of this Agreement.
- 12. Complete Agreement.** This Agreement contains all the terms and conditions agreed upon. No other understanding, oral or otherwise, regarding this Agreement shall be deemed to exist or bind the Parties. There shall be no modification of this Agreement except in writing and referencing this Agreement.
- 13. Dispute Resolution/Venue.** It is the Parties' intent to resolve any disputes relating to the interpretation or application of this Agreement informally through discussions at the staff level.
- 14. Severability.** If any provision of this Agreement or its application is held invalid, the remainder of the Agreement or the applications of the remainder of the Agreement shall not be affected.
- 15. Notices.** All notices required by this Agreement shall be considered given when delivered in person, by confirmed facsimile or electronic mail, or sent by first class U.S. mail, postage prepaid, duly placed in the U.S. mail, or by overnight delivery service, directed to the attention of the following:


**Benton:**  
Chad Bartram  
General Manager

**Franklin:**  
Tim Nies  
General Manager

16. Evidence of Authority. This Agreement shall be executed in originals. Upon execution of this Agreement, each party shall provide the other with a signed original of the resolution, ordinance, or other authority given to execute this Agreement pursuant to RCW 39.34.030(2), and said document will be attached hereto and incorporated herein as Exhibit A (Benton) and Exhibit B (Franklin). A copy of the executed Agreement shall be filed with the Benton County auditor as provided in RCW 39.34.040, or posted on either Parties' website.

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

PUBLIC UTILITY DISTRICT NO. 1  
OF BENTON COUNTY, WASHINGTON

By:   
Title: GENERAL MGR  
Date: 8/23/17

PUBLIC UTILITY DISTRICT NO. 1  
OF FRANKLIN COUNTY, WASHINGTON

By:   
Title: General Manager  
Date: August 29, 2017  
Franklin PUD