

INTERLOCAL COOPERATION AGREEMENT

THIS AGREEMENT, effective upon full execution, is by and between City of Grand Coulee, Washington (“City”), and Public Utility District No. 2 of Grant County, Washington (“Grant”) sometimes referred to as “Party” or collectively the “Parties”.

Recitals:

Public Utility Districts are authorized, pursuant to RCW Chapters 39.34 and Title 54, to enter into cooperative agreements for the efficient use of resources; and

Grant and City entered into an agreement in 2017 to establish a payment station and have the City collect payments on behalf of Grant; and

Grant and the City have determined that this agreement is beneficial to both entities and Grant desires to continue the relationship on the terms and conditions as provided herein; and

Grant is defined as any employee, contractor or agent of Public Utility District No. 2 of Grant County, Washington; and

City is defined as any employee, contractor or agent of the City of Grand Coulee, Washington.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties agree as follows:

1. Scope of Services

The purpose of this Agreement is to set forth the terms and conditions under which Grant and City will cooperatively participate to provide a location for the receipt of Grant payments from Grant customers (“Customer”) wishing to make payments in person in the Grand Coulee area. The parties acknowledge that this service is beneficial to Grant and City customers. Grant payments constitute remittances by Customers for electric bills and includes credit cards, cash, checks, money orders or cashier checks.

A. The City shall provide the following services and resources under this Agreement:

- 1) The City agrees to provide adequate space, personnel and an appropriate sized separate change fund at the City Hall for the receipt of Grant payments during all City Hall business hours.
- 2) The City shall follow all Grant policies and operating procedures when dealing with Grant Customers and Grant receipts and resources. Prior to any employee providing services under this Agreement, the employee will attend Grant-provided training on these policies and operating procedures. In the event Grant policies and/or operating procedures are revised, Grant will notify the City and provide any necessary training related to the changes within 14 business days of the date of the revisions.
- 3) City shall notify Grant at least five business days prior to adding any employees providing services under this agreement.

- 4) City shall collect payments from Customers and immediately post to the Grant-provided system.
- 5) City shall collect payments from the drop box located at City Hall. All payments in the drop box by 2:00 PM shall be posted in the current day's deposit.
- 6) City shall segregate all Grant receipts from City funds by locating Grant receipts in a separate Grant-provided locking cash drawer. This cash drawer shall be locked and placed in the City vault each night.
- 7) All payments received shall be balanced on a daily basis.
- 8) All Grant payments shall be deposited to Grant's bank or designated armored car service daily.
- 9) City shall send batch stubs and reports each day to Grant via Grant's Courier.
- 10) City shall communicate with Grant on all Customer issues.
- 11) City shall direct Customers to call Grant using Grant-provided telephone for any Grant business which is not a payment. City shall provide visual verification of Customer's identification when requested.
- 12) The City shall handle Grant payments with at least the same care and diligence used in handling the City's own funds. The City shall use its best efforts to protect against loss while in the care and custody of the City. The City shall not be responsible for any losses incurred by Grant resulting from the City's inadvertent acceptance and collection of counterfeit currency or forgeries.
- 13) Any cash shortages or overages shall be the responsibility of the City, but shall be reported to Grant within one business day.
- 14) City shall be responsible for shortages caused by counterfeit currency if:
 - a) The employee who accepted the counterfeit currency was not trained (See Section 1.A.3 above) because City failed to notify Grant of the employee; or
 - b) The employee did not follow Grant procedures which would have reasonably identified that the currency was counterfeit.

B. Grant shall provide the following services and resources under this Agreement:

- 1) Grant will provide training on applicable Grant policies and operating procedures related to cash receipting and use of Grant equipment to all City employees who will provide services under this Agreement.
- 2) Grant will provide basic training prior to any employee providing services and on-going training to refresh and update skills on a regular basis.
- 3) Grant shall provide and maintain:

- Telephone for Customers to contact Grant
- Computer workstation
- Scanner
- Receipt printer
- Printer
- Locking drawer
- Necessary forms
- Counterfeit detection light with user training

C. Ownership of Property and Payments

All material and equipment furnished by Grant and all Grant payments shall remain the property of Grant and shall be immediately returned to Grant upon termination of this Agreement. This material and equipment shall only be used for Grant purposes.

2. Confidentiality

The City shall not disclose customer addresses or account information to third parties without the Customer's written consent. Any requests by the public for inspection of Grant records shall be referred to Grant for a response. The City shall use reasonable measures to prevent any unauthorized disclosure.

3. Representative

Grant Customer Service Supervisor shall be Grant's Representative and be responsible for administering this Agreement and shall establish procedures to be followed by City personnel responsible for its execution. The City Clerk Treasurer shall be the City's representative.

4. Effect of other Agreements

This Agreement shall supersede and replace Interlocal Cooperation Agreement 130-07485, which was entered into by the Parties on August 1, 2017.

5. Term

This Agreement shall be effective from August 10, 2025 and remain in full force and effect until April 30, 2030 and may be terminated earlier by written notice issued to the other Party at least 30 days in advance of the date of termination.

6. Payment

Grant shall make reimbursement payments to City as follows:

Grant agrees to pay the City a flat rate of \$2,500.00 per month for services provided the previous month, which rate shall not be subject to change until one year after the effective date of this Agreement. At the beginning of year two, the rate shall increase by 4.5% and each year thereafter for the term of this Agreement.

If applicable, Grant agrees to reimburse the City's employee travel expenses at the current Internal Revenue Service mileage rate for privately owned vehicles in effect at the time of travel for any Grant-provided training outside of Grand Coulee, Washington.

In no event however, shall the total amount paid to the City for services and any applicable reimbursable costs exceed the maximum contract price of \$165,000.00 USD, unless amended jointly pursuant to Section 11 of this Agreement.

Invoices shall include the Agreement No. (130-12753) and shall be submitted monthly to the attention of:

Public Utility District No. 2
of Grant County, Washington
Attn: Accounts Payable
PO Box 878
Ephrata, WA 98823
Or AccountsPayable@gcpud.org

Grant will make payment to City within 30 days after Grant's receipt and approval of said invoice.

7. Hold Harmless and Indemnification

The City shall, at its sole expense, indemnify, defend, save, and hold harmless Grant, its officers, agents, and employees from all actual or potential claims or losses, including costs and legal fees at trial and on appeal, and damages or claims for damages to property or persons, suffered by anyone whomsoever, including Grant, to the extent caused by any negligent act of or omission of the City or its subcontractors, excluding damages caused by the negligence of Grant, in the administration or performance of this Agreement or any subcontracts, and for which either of the parties, their officers, agents, or employees may or shall be liable. In situations where liability for damages arises from claims of bodily injury to persons or damage to property, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the City or its subcontractors. The City waives its immunity under industrial insurance, Title 51 RCW, to the extent necessary to effectuate this indemnification/hold harmless agreement. The City's indemnification obligation shall not apply to liability for damages arising out of bodily injury to a person or damage to property caused by the negligence of Grant or its agents or employees and not attributable to any act or omission on the part of the City. In the event of damages to a person or property caused by or resulting from the concurrent negligence of Grant or its agents or employees and the City or its agents or employees, the City's indemnity obligation shall apply only to the extent of the City's (including that of its agents and employees) negligence.

The City acknowledges that by entering into this Agreement with the Grant, it has mutually negotiated the above indemnity provision with the Grant. The City's indemnity and defense obligations shall survive the termination or completion of the Agreement and shall remain in full force and effect until satisfied in full.

8. Administrators

This Agreement shall be jointly administered by a representative of Grant and a representative of City. Absent written notice by one Party to the other, the administrators shall be: For Grant – Jason Scheel, Customer Service Supervisor; for City – Lorna Pearce, Clerk Treasurer.

9. Notices

Any notice or other communication under this Agreement given by either Party shall be sent via email to the email address listed below, or mailed, properly addressed and stamped with the required postage, to the intended recipient at the address and to the attention of the person specified below and shall be deemed served when received and not mailed. Either Party may from time to time change such address by giving the other Party notice of such change.

<p><u>Grant</u> Jason Scheel Public Utility District No. 2 of Grant County, Washington PO Box 878 154 A Street SE Ephrata, WA 98823 (509) 766-2505 ext.2901 jscheel@gcpud.org</p>	<p><u>City</u> Lorna Pearce City of Grand Coulee, Washington PO Box 180 Grand Coulee, Washington 99133 (509) 633-1150 clerkgc@gccitywa.org</p>
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10. Applicable Law

This Agreement is made, executed under and is to be governed by, construed and enforced in accordance with the laws of the State of Washington. In the event of a suit, the undersigned agree that a visiting judge shall be assigned to the case so that a resident judge, who is also a customer of either City or Grant, will not hear the case. The substantially prevailing Party in any legal action herein shall be entitled to reasonable attorney fees and all reasonable costs, including, but not limited to, expert witness fees and travel and lodging expenses.

11. Amendments

Any modification of this Agreement or additional obligation assumed by either Party in connection with this Agreement shall be binding only if evidenced in writing signed by each Party or any authorized representative of each Party and shall be made on the Change Order Form attached as Appendix “A”. This Agreement constitutes the entire agreement between the parties, and any prior understanding or representation of any kind preceding the date of this Agreement shall not be binding on either Party except to the extent incorporated in this Agreement.

12. Insurance

A. Prior to the commencement of any work under this Agreement, and at all times during the term of this Agreement, City shall obtain and maintain continuously, at its own expense, a policy or policies of insurance with insurance companies rated A- VII or better by A. M. Best, as enumerated below. Any significant deductible, self-insured retention or coverage via captive must be disclosed and is subject to approval by Grant’s Risk Manager. The cost of any claim payments falling within the deductible or self-insured retention shall be the responsibility of the City and not recoverable under any part of this Contract.

City Required Insurance

1. **General Liability Insurance:** Commercial general liability insurance, covering all operations by or on behalf of City against claims for bodily injury (including death) and property damage (including loss of use). Such insurance shall provide coverage for:
 - a. Premises and Operations;
 - b. Products and Completed Operations;
 - c. Contractual Liability;
 - d. Personal Injury Liability (with deletion of the exclusion for liability assumed under Contract);
 with the following **minimum limits:**
 - e. \$1,000,000 Each Occurrence
 - f. \$1,000,000 Personal Injury Liability
 - g. \$2,000,000 General Aggregate (per project)
 - h. \$2,000,000 Products and Completed Operations Aggregate

Commercial general liability insurance will include Grant as additional insured on a primary and non-contributory basis for ongoing operations. A waiver of subrogation will apply in favor of Grant.

2. **Workers' Compensation and Stop Gap Employers Liability:** Workers' Compensation Insurance as required by law for all employees. Employer's Liability Insurance, including Occupational Disease coverage, in the amount of **\$1,000,000 for Each Accident, Each Employee, and Policy Limit**. The City expressly agrees to comply with all provisions of the Workers' Compensation Laws of the states or countries where the work is being performed, including the provisions of Title 51 of the Revised Code of Washington for all work occurring in the State of Washington.

If there is an exposure of injury or illness under the U.S. Longshore and Harbor Workers (USL&H) Act, Jones Act, or under U.S. laws, regulations or statutes applicable to maritime employees, coverage shall be included for such injuries or claims. Such coverage shall include USL&H and/or Maritime Employer's Liability (MEL).

3. **Automobile Liability Insurance:** Automobile Liability insurance against claims of bodily injury (including death) and property damage (including loss of use) covering all owned, rented, leased, non-owned, and hired vehicles used in the performance of the work, with a **minimum limit of \$1,000,000 per accident** for bodily injury and property damage combined and containing appropriate uninsured motorist and No-Fault insurance provision, when applicable.

Automobile liability insurance will include Grant as additional insured on a primary and non-contributory basis. A waiver of subrogation will apply in favor of Grant.

4. **Employee Dishonesty:** City shall maintain employee dishonesty coverage in **an amount not less than One Million Dollars (\$1,000,000) per loss** and shall name Grant as a Loss Payee. Coverage shall contain a Clients' Property endorsement and respond to loss of Grant or any employee, participant or beneficiary of the Services provided by City pursuant to this contract. Coverage shall contain a social engineering extension endorsement.
 5. **Commercial Crime** insurance coverage. Such policy must provide, **at a minimum, \$1,000,000 per loss** and shall name Grant as a Joint Loss Payee, and shall not be reduced or canceled within the duration of this contract.
- B. Evidence of Insurance - Prior to performing any services, and within 10 days after receipt of the Contract Award, the City shall file with Grant a Certificate of Insurance showing the Insuring Companies, policy numbers, effective dates, limits of liability and deductibles with a copy of the endorsement naming Grant as an Additional Insured for each policy where indicated in Section A.
- Failure of Grant to demand such certificate or other evidence of compliance with these insurance requirements or failure of Grant to identify a deficiency from the provided evidence shall not be construed as a waiver of the City's obligation to maintain such insurance. Acceptance by Grant of any certificate or other evidence of compliance does not constitute approval or agreement by Grant that the insurance requirements have been met or that the policies shown in the certificates or other evidence are in compliance with the requirements.
- Grant shall have the right but not the obligation of prohibiting the City or subcontractor from entering the project site until such certificates or other evidence of insurance has been provided in full compliance with these requirements. If the City fails to maintain insurance as set forth above, Grant may purchase such insurance at the City's expense. The City's failure to maintain the required insurance may result in termination of this Contract at Grant's option.
- C. Subcontractors - City shall ensure that each subcontractor meets the applicable insurance requirements and specifications of this Agreement. All coverage for subcontractors shall be subject to all the requirements stated herein and applicable to their profession. City shall furnish Grant with copies of certificates of insurance evidencing coverage for each subcontractor upon request.
- D. Cancellation of Insurance - The City shall not cause any insurance policy to be canceled or permit any policy to lapse. Insurance companies or City shall provide 30 days advance written notice to Grant for cancellation or any material change in coverage or condition, and 10 days advance written notice for cancellation due to non-payment. Should the City receive any notice of cancellation or notice of nonrenewal from its insurer(s), City shall provide immediate notice to Grant no later than two days following receipt of such notice from the insurer. Notice to Grant shall be delivered by email.

13. Relationship of the Parties

No agent, employee or representative of Grant shall be deemed to be an agent, employee, or representative of City for any purpose, and the employees of Grant are not entitled to any of the benefits City provides to City employees. No agent, employee or representative for City shall be deemed to be an agent, employee or representative of Grant for any purpose, and the employees of City are not entitled to any of the benefits Grant provides to Grant employees.

14. Public Records Act

Grant is subject to the disclosure obligations of the Washington Public Records Act of RCW 42.56. By entering into this Agreement, City expressly acknowledges and agrees that any information City submits is subject to public disclosure pursuant to the Public Records Act or other applicable law and that Grant may disclose City's proposal and/or information at its sole discretion in accordance with its obligations under applicable law.

- A. Grant will not contact City when records Grant has received are responsive to a request for public record that would result in these records being released.
- B. Marking pages "confidential" or "proprietary" does not prevent them from release. Grant will review for any records that meet the proprietary exemption in RCW 42.56.270(11). Grant will either claim the exemption for City, or if there is any question as to its validity, Grant may contact City about claiming the exemption.
- C. Other items that may be provided by City that are NOT exempt from disclosure: Employee wages, equipment and material costs.
- D. Having a Non-Disclosure Agreement (NDA) with Grant does not preclude Grant from releasing these records. The courts have ruled that not all NDAs are enforceable in response to requests for public records.
- E. Grant scoring/evaluation forms are not exempt from disclosure once the Agreement has been awarded.

15. Assignment

Either Party may not assign this Agreement, in whole or in part, voluntarily or by operation of law, unless approved in writing by Grant.

16. Counterparts

This Agreement may be executed in any number of counterparts with the same effect as if all parties to this Agreement had all signed the same document. All executed current parts shall be construed together, and shall, together with the test of this Agreement, constitute one and the same instrument.

17. Filing

The administrators shall, in compliance with RCW 39.34, upon execution of this Agreement, file copies of the Agreement with their respective county auditors or, alternatively, post an electronic copy of the Agreement on the Parties' websites at www.grantpud.org for Grant and www.gccitywa.org for City.

18. Authority

Each person signing this Agreement has the full authority of the Parties on behalf of which they are signing to execute this Agreement and to bind those parties to the terms of this Agreement.

IN WITNESS WHEREOF, each Party to this Agreement has caused it to be executed on the date indicated below.

Public Utility District No. 2
of Grant County, Washington

City of Grand Coulee, Washington

By:  _____
6F05DAFD445844E...

By:  _____
9E0BBE8E874A415...

Name: Cary West

Name: Ruth Dalton

Title: Senior Manager Customer Solutions

Title: Mayor

Date: 7/17/2025

Date: 7/17/2025

APPENDIX "A"
CHANGE ORDER
NO. __

Pursuant to Section 11, the following changes are hereby incorporated into this Contract:

- A. Description of Change:

- B. Time of Completion: The revised completion date shall be _____.
OR
The completion date shall remain _____.

- C. Contract Price Adjustment: As a result of this Change Order, the not to exceed Contract Price shall remain unchanged (be increased/decreased by the sum of \$_____ plus applicable sales tax). This Change Order shall not provide any basis for any other payments to or claims by the City as a result of or arising out of the performance of the work described herein. The new total revised maximum Contract Price is \$_____, including changes incorporated by this Change Order.

- D. Except as specifically provided herein, all other Contract terms and conditions shall remain unchanged.

Public Utility District No. 2
of Grant County, Washington

City of Grand Coulee, Washington

Accepted By: _____

Accepted By: _____

Name of Authorized Signature
Title

Name of Authorized Signature
Title

Date: _____

Date: _____