

INTERLOCAL COOPERATION AGREEMENT

THIS AGREEMENT, effective upon full execution, is by and between Public Utility District No. 1 of Douglas County, Washington ("Douglas" or "Douglas PUD"), and Public Utility District No. 2 of Grant County, Washington ("Grant" or "Grant PUD") 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 desires to obtain professional services from Douglas PUD for the operation and maintenance (O&M) of the Carlton Acclimation Facility. Provided services include all labor, fish health services, standby/emergency response, collection of summer Chinook salmon adults for broodstock at Wells Dam, and final rearing and acclimation of juveniles at Grant PUD's Carlton Acclimation Facility.

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

Douglas is defined as any employee, contractor or agent of Public Utility District No. 1 of Douglas County, 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 Douglas shall provide to Grant PUD the services associated with the rearing and acclimation of Methow Basin summer Chinook salmon, required of Grant PUD, under the 2006 Priest Rapids Salmon and Steelhead Settlement Agreement (Part X) at Grant PUD's Carlton Acclimation Facility (CAF).

A. Scope of Services Provided by Douglas PUD

- 1. Douglas PUD hatchery staff shall support the stocking of the CAF with up to 220,000 (200,000 program target plus up to ten percent (10%) over production, or adjusted number per Grant PUD's Priest Rapids Coordinating Committee Hatchery Sub-Committee (PRCC-HSC) juvenile summer Chinook in eight (8), 30'-diameter acclimation tanks starting in October of each year. Juvenile fish transport to CAF shall be conducted by Washington Department of Fish and Wildlife (WDFW) staff stationed at Eastbank Hatchery.**
- 2. Douglas PUD hatchery staff shall feed and rear (including other standard fish husbandry tasks) up to 220,000 juvenile Chinook until the April/May release time according to an annual rearing plan provided by Grant PUD. Current size target at release is fifteen (15) fish per pound.**
- 3. Douglas PUD hatchery staff shall release the juvenile fish production to the Methow River via the existing CAF release mechanism on the prescribed release date(s) and time(s).**

4. All fish culture targets (rearing number and size targets, release dates, etc.) shall adhere to Grant PUD's PRCC-HSC management guidelines. Grant PUD will keep the Douglas PUD CAF operators informed of these guidelines and of in-season alterations that may need to occur.
5. Douglas PUD staff shall purchase fish feed under the account(s) with the feed vendor(s) established by Grant PUD to ensure that proper fish nutrition is achieved at CAF. Douglas PUD shall provide Grant PUD an annual estimate of the amount of fish feed to be purchased.
6. Douglas PUD hatchery staff shall provide standby and emergency response while fish are on-station, i.e., during the October to May acclimation period. Standby and emergency response shall be within thirty (30) minutes.
7. Douglas PUD hatchery staff shall collect adult broodstock at Wells Dam and/or Wells Hatchery between July 1 and September 15, per broodstock-collection protocols. This work includes trapping, short-term holding, loading of adults into a fish transport vehicle, and delivering the fish to holding ponds at Eastbank Hatchery. Coordination with WDFW Monitoring & Evaluation (M&E) staff at Wells Dam on collection days, and procurement of a fish-transport permit is included in this work.
8. Douglas PUD staff shall provide support for Grant PUD's Passive Integrated Transponder (PIT) tagging contractor at CAF.
9. Douglas PUD staff shall maintain thorough records of all aspects of fish culture: i.e., fish numbers, fish health, feeding, sampling/biological data, mortalities, coefficient of variations (CV), growth profiles, feed-conversion rates, etc. Douglas PUD shall provide a database to hold all recorded data at CAF.
10. Douglas PUD staff shall provide written monthly and annual program reports to Grant PUD. Monthly reports are due by the 10th of the following month. Annual report first drafts are due by May 30 and final reports are due by July 31, annually.
11. Douglas PUD staff shall record facility water use on a weekly basis and shall report these data to Grant PUD on a monthly basis.
12. Douglas PUD hatchery staff shall ensure that in-hatchery M&E crews contracted by Grant PUD and Grant PUD biologists have access to fish at CAF, as well as providing access to the CAF fish culture database.
13. Douglas PUD hatchery staff shall perform all necessary fish health inspections, biological assessments and treatments at the CAF, and shall be responsible for sending fish health samples and testing to a fish health lab. Douglas PUD fish husbandry staff shall also be responsible for implementing Grant PUD-approved biosecurity protocols and procedures recommended by Douglas PUD's fish health personnel.

14. Douglas PUD fish husbandry staff shall strictly implement all of the fish health specialist's prescribed treatments including all chemical, biological, and mechanical treatments and measures. Douglas PUD shall keep Grant PUD apprised of fish health issues and possible treatments. Grant PUD shall have input on the preferred course of treatment, at its discretion.
15. Douglas PUD hatchery staff shall maintain CAF in a fully functional, clean, and reliable condition, including site appearance and grounds maintenance. Douglas PUD hatchery staff will handle minor repairs requested by Grant, using appropriate materials, tools and equipment provided by Grant PUD; provided Grant will be responsible for general maintenance and repair obligations for normal wear and tear of the CAF as provided in Section 1-B5, below. Douglas PUD shall repair the CAF for any damage caused by Douglas PUD.
16. Douglas PUD staff shall follow Grant PUD protocols for purchases, using Grant PUD's provided list of approved vendor accounts whenever possible. These purchases shall be for smaller cost items and items that are needed quickly to keep the facility operating properly and safely. Materials, supplies, or services not available through Grant PUD's approved vendors or in excess of \$500.00 shall be submitted to Grant PUD's Project Manager for approval and/or purchase.
17. Douglas PUD staff and Grant PUD's Project Manager shall closely coordinate on all aspects of facility O&M. Douglas PUD and Grant PUD shall hold a weekly meeting during the fish-acclimation season to foster communication and coordination regarding the operation of the CAF.
18. Douglas PUD shall provide Grant PUD an opportunity to respond to all visitor requests to the CAF prior to scheduling visits.
19. Douglas PUD shall provide and configure a computer, printer, and scanner.
20. Douglas PUD shall provide a telephone (landline type).
21. Douglas PUD shall coordinate with Grant PUD on safety at CAF, and agrees to appoint a safety officer to visit the CAF upon request by Grant PUD to evaluate the facility and activities performed by Douglas PUD staff, and to identify safety improvements and/or facility upgrades deemed necessary by both Douglas and Grant PUD Safety Officers. Douglas PUD shall include the CAF and assigned operators in Douglas PUD's monthly hatchery safety meetings. Safety shall remain a priority for Douglas PUD at the CAF, and Douglas PUD will hold monthly safety meetings to ensure workers operate safely and that the CAF remains a safe working environment. Douglas PUD will adopt any reasonable safety measures requested by Grant PUD.
22. The Douglas PUD workers shall be insured by Douglas PUD. The vehicle supplied to Douglas PUD by Grant PUD (as set forth Section 1(b)(10), below, is

to be used for official business only. The vehicle shall not be used for standby duty (unless authorized by supervisor for unusual circumstances).

23. Douglas PUD shall provide the following employee positions to Grant PUD for CAF:
 - a. 12-month Hatchery Specialist to direct fish husbandry and maintenance at CAF and provide standby and emergency response (30 minute response required).
 - b. 8-month Hatchery Specialist to work at CAF, October through May to support the 12-month Hatchery Specialist position and to provide standby and emergency response (30 minute response required).
 - c. 1-month Methow Hatchery Supervisor to oversee the operation of the CAF team and coordinate standby response using all available Methow and Wells hatchery personnel.
 - d. 1-month Fish Health and Evaluation Specialist to oversee biosecurity and fish health.

Subject to Section 3 (Payment), all Douglas PUD employee payroll, benefits, and costs for its employees will be paid by Douglas PUD unless otherwise provided herein.

B. Scope of Services Provided by Grant PUD

1. Grant PUD will establish an account(s) with a fish feed supplier(s) and provide use of this account(s) for Douglas PUD staff to purchase fish feed for the CAF program. Grant PUD will directly pay for the fish feed with the fish feed vendor(s).
2. Grant PUD will provide PIT tags and a contractor to conduct PIT-tagging activities at CAF. Currently, PIT tagging is conducted by Public Utility District No. 1 of Chelan County (Chelan PUD).
3. Grant PUD will set up a contract with the fish health lab used by Douglas PUD to allow direct payment of fish health laboratory testing expenses.
4. Grant PUD will provide appropriate materials, tools and equipment necessary for maintaining the CAF facility, grounds, and site in a fully functional, clean, and reliable condition.
5. Grant PUD will coordinate and pay for all maintenance and repair of facility components at the CAF (physical plant, structural, mechanical, etc.) except for the Douglas PUD allocated maintenance and repair obligations set forth in Section 1(a)(15). Grant PUD will evaluate the CAF for necessary repairs or improvements. Items to be evaluated include potential flow limitations to the surface water intake, potential for ice buildup or pipes freezing in the facility, or other potential operational or safety hazards identified during the transition process, the safety review, or in the future. Grant PUD will notify Douglas PUD of plans to conduct

facility repairs or upgrades, and keep Douglas PUD informed on progress of facility repairs, upgrades or modifications.

6. Grant PUD will provide an Emergency Action Plan (EAP) for Douglas PUD staff to follow in the event of emergencies that fall outside Douglas PUD's standard emergency response protocol. This plan will include contact names and phone numbers that may be contacted for support and assistance. General scenarios and the appropriate actions to take/people to contact will be included in the EAP.
7. Grant PUD will provide Douglas PUD hatchery staff a list of Grant PUD approved vendor accounts for use in procuring items for the operation of the CAF.
8. Grant PUD will provide internet service, phone service, and electrical service to CAF.
9. Grant PUD shall coordinate with Douglas PUD on safety at CAF, and agrees to appoint a safety officer to visit the CAF upon request by Douglas PUD to evaluate the facility and activities performed by Douglas PUD staff, and to identify safety improvements and/or facility upgrades deemed necessary by both Douglas and Grant PUD Safety Officers. Grant PUD will implement safety measures when completing its CAF maintenance and repair obligations hereunder.
10. Grant PUD will supply one vehicle for Douglas PUD staff to use at CAF, which will be insured by Grant PUD.

2. Term

This Agreement shall be effective upon execution by all Parties and remain in full force and effect until February 29, 2020 and may be terminated earlier by written notice issued to the other Party at least 180 days in advance of the date of termination.

3. Payment

Grant agrees to pay Douglas in 2018 a flat rate of \$42,785.00 on the first day of hatchery transition (estimated to be March 1, 2018) and every three (3) months thereafter (estimated to be June 1, September 1, and December 1, 2018) upon receipt of invoice. In no event shall the total amount paid to Douglas for services in 2018 exceed \$171,140.00.

Grant agrees to pay Douglas in 2019 up to \$44,056.00 on March 1, June 1, September 1, and December 1, 2019 upon receipt of invoice. This increased rate shall be determined by the approved salary increase as required in the Douglas PUD Collective Bargaining Agreement for 2019. In no event shall the total amount paid to Douglas for services in 2019 exceed \$176,224.00.

The total maximum Agreement Price shall not exceed \$347,364.00, unless modified pursuant to Section 8 of this Agreement.

Invoices shall include the Agreement No. 430-08136 and shall be submitted per the schedule designated above 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

4. Hold Harmless and Indemnification

Douglas shall, at its sole expense, indemnify, defend, save, and hold harmless Grant PUD, 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 PUD, to the extent caused by any negligent act of or omission of Douglas or its subcontractors, excluding damages caused by the negligence of Grant PUD, 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 Douglas or its subcontractors. Douglas waives its immunity under industrial insurance, Title 51 RCW, to the extent necessary to effectuate this indemnification/hold harmless agreement. Douglas'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 PUD or its agents or employees and not attributable to any act or omission on the part of Douglas. In the event of damages to a person or property caused by or resulting from the concurrent negligence of Grant PUD or its agents or employees and Douglas or its agents or employees, Douglas's indemnity obligation shall apply only to the extent of Douglas's (including that of its agents and employees) negligence.

Grant PUD shall, at its sole expense, indemnify, defend, save, and hold harmless Douglas PUD, 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 Douglas PUD, to the extent caused by any negligent act of or omission of Grant or its subcontractors, excluding damages caused by the negligence of Douglas PUD, 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 Grant or its subcontractors. Grant waives its immunity under industrial insurance, Title 51 RCW, to the extent necessary to effectuate this indemnification/hold harmless agreement. Grant'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 Douglas PUD or its agents or employees and not attributable to any act or omission on the part of Grant. In the event of damages to a person or property caused by or resulting from the concurrent negligence of Douglas PUD or its agents or employees and Grant or its agents or employees, Grant's indemnity obligation shall apply only to the extent of Grant's (including that of its agents and employees) negligence.

Douglas and Grant acknowledge that by entering into this Agreement they have mutually negotiated the above indemnity provisions. The mutual 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.

5. Administrators

This Agreement shall be jointly administered by a representative of Grant and a representative of Douglas. Absent written notice by one Party to the other, the administrators shall be: For Grant –

Eric Laurver, Biologist III, Project Manager; for Douglas- Gregory Mackey, Fisheries Biologist, Project Manager.

6. 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.

Grant PUD
Eric Laurver
Public Utility District No. 2
of Grant County, Washington
PO Box 878
154 A Street SE
Ephrata, WA 98823
Office (509) 754-5088, x2688
Mobile (509) 797-5175
elaurver@gcpud.org

Douglas
Gregory Mackey
Public Utility District No. 1
of Douglas County, Washington
1151 Valley Mall Parkway
East Wenatchee, WA 98802
(509)881-2489
gregm@dcpud.org

7. 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 Douglas 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.

8. 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 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.

9. Insurance

A. Prior to the commencement of any work under this Agreement, and at all times during the term of this Agreement, Douglas 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 PUD's Risk Manager. The cost of any claim payments falling within the deductible or self-insured retention shall be the responsibility of Douglas and not recoverable under any part of this Agreement.

Required Insurance

1. **General Liability Insurance:** Commercial general liability insurance, covering all operations by or on behalf of Douglas 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 Agreement);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 PUD as additional insured on a primary and non-contributory basis for ongoing operations. A waiver of subrogation will apply in favor of Grant PUD.

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**. Douglas 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 PUD as additional insured on a primary and non-contributory basis. A waiver of subrogation will apply in favor of Grant PUD.

4. **Pollution Liability Insurance:** Pollution Liability insurance with a minimum limit of \$1,000,000. Pollution liability coverage shall cover bodily injury, property damage, including cleanup costs and defense costs resulting from sudden and gradual pollution conditions of contaminants or pollutants into or upon the land, the atmosphere or any water course or body of water.

Pollution liability insurance shall include Grant PUD as additional insured. A waiver of subrogation will apply in favor of Grant PUD.

If Douglas shall hire Subcontractor for all operations and risk involving pollution exposure, this requirement may be satisfied by Subcontractor's policies. Douglas shall impute the insurance requirements stated in this section to Subcontractor by written contract or written agreement. Any exceptions must be mutually agreed in writing with Grant PUD.

- B. **Evidence of Insurance -** Prior to performing any services, and within ten (10) days after receipt of the Agreement Award, Douglas shall file with Grant PUD 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 PUD as an Additional Insured for each policy where indicated in Section A.

Failure of Grant PUD to demand such certificate or other evidence of compliance with these insurance requirements or failure of Grant PUD to identify a deficiency from the provided evidence shall not be construed as a waiver of Douglas's obligation to maintain such insurance. Acceptance by Grant PUD of any certificate or other evidence of compliance does not constitute approval or agreement by Grant PUD 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 PUD shall have the right but not the obligation of prohibiting Douglas 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 Douglas fails to maintain insurance as set forth above, Grant PUD may purchase such insurance at Douglas's expense. Douglas's failure to maintain the required insurance may result in termination of this Agreement at Grant PUD's option.

- C. **Subcontractors -** Douglas 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. Douglas shall furnish Grant PUD with copies of certificates of insurance evidencing coverage for each subcontractor upon request.
- D. **Cancellation of Insurance -** Douglas shall not cause any insurance policy to be canceled or permit any policy to lapse. Insurance companies or Douglas shall provide thirty (30) days advance written notice to Grant PUD for cancellation and fifteen (15) days notice should a material change be made in coverage or condition, and ten (10) days advance written notice for cancellation due to non-payment. Should Douglas receive any notice of cancellation or

notice of nonrenewal from its insurer(s), Douglas shall provide immediate notice to Grant PUD no later than two (2) days following receipt of such notice from the insurer. Notice to Grant PUD shall be delivered by facsimile or email.

10. **Relationship of the Parties**

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

11. **Public Records Act**

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

12. **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.

13. **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.

14. **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.douglaspud.org for Douglas.

15. **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

Public Utility District No. 1
of Douglas County, Washington

By: 

By: 

Name: Jeff Grizzel

Name: Gary R. Ivory

Title: Senior Manager - Environmental Affairs

Title: General Manager

Date: 2-12-18

Date: 2-14-18

**APPENDIX "A"
AMENDMENT NO.**

Pursuant to Section 8, the following changes are hereby incorporated into this Agreement:

- A. **Description of Change:**

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

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

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

Public Utility District No. 2
of Grant County, Washington

Public Utility District No. 1
of Douglas County, Washington

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

AMENDMENT NO. 1

Pursuant to Section 8, the following changes are hereby incorporated into this Agreement:

A. Description of Change:

1. Revise and Replace Section 1. Scope of Services in its entirety with the attached Revised Scope of Services, (Amendment No. 1)
2. Revise and Replace Section 3., Payment in its entirety with the following:

Payment

Grant agrees to pay Douglas for services quarterly for the term of this agreement upon receipt of the invoice. Since the Carlton Acclimation Facility Interlocal Agreement runs from March 1st to February 28th/29th, quarterly invoices will be submitted to Grant at the beginning of each quarter (March 1, June 1, September 1, and December 1). The invoiced amount paid to Douglas will equal one quarter of the estimated annual cost (see table below). Grant will pay invoices within thirty (30) days of receipt. In no event shall the total amount paid to Douglas for services exceed the amount specified for the associated fiscal year laid out in the table below:

Fiscal Year	Budget Estimate	Quarterly Payment
March 1, 2020-Feb. 28, 2021	\$187,543.07	\$46,885.77
March 1, 2021-Feb. 28, 2022	\$193,169.36	\$48,292.34
March 1, 2022-Feb. 28, 2023	\$198,964.44	\$49,741.11
March 1, 2023-Feb. 29, 2024	\$204,933.38	\$51,233.34
March 1, 2024-Feb. 28, 2025	\$210,980.48	\$52,745.12

If the Bureau of Labor Statistics Consumer Price Index (CPI-U) for the West Urban region occurring during the immediately preceding 12-month period for which CPI-U data is available changes more than 2% above or below the agreed upon annual 3% increase (less than 1% or greater than 5%) (not seasonally adjusted) the parties shall have the right to renegotiate this Agreement.

The total maximum Agreement Price shall not exceed \$995,591.00, unless modified pursuant to Section 8 of this Agreement.

Invoices shall include the Agreement No. 430-08136 and shall be submitted per the schedule designated above to the attention of:

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

Or

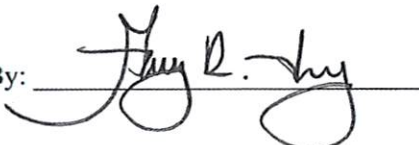
AccountsPayable@gcpud.org

- 3. Extend the Contract Completion Date.
- 4. Increase the Contract Price.
- B. Time of Completion: The revised completion date shall be February 28, 2025.
- C. Agreement Price Adjustment: As a result of this Amendment, the not to exceed Amendment Price shall be increased by the sum of \$995,591.00 plus applicable sales tax. This Amendment shall not provide any basis for any other payments to or claims by Douglas PUD as a result of or arising out of the performance of the work described herein. The new total revised maximum Agreement Price is \$1,342,955.00, including changes incorporated by this Amendment.
- D. Except as specifically provided herein, all other Agreement terms and conditions shall remain unchanged.

Public Utility District No. 2
of Grant County, Washington

Public Utility District No. 1 of Douglas County,
Washington

Accepted By: 

Accepted By: 

Name: Ty Elman

Name: Gary R. Ivory

Title: Managing Dir, PP

Title: General Manager

Date: 1/29/2020

Date: 1.3.2020

1. Revised Scope of Services (Amendment No. 1)

The purpose of this Agreement is to set forth the terms and conditions under which Douglas shall provide to Grant PUD the services associated with the rearing and acclimation of Methow Basin summer Chinook salmon, required of Grant PUD, under the 2006 Priest Rapids Salmon and Steelhead Settlement Agreement (Part X) at Grant PUD's Carlton Acclimation Facility (CAF).

A. Scope of Services Provided by Douglas PUD

1. Douglas PUD hatchery staff shall support the stocking of the CAF with up to 220,000 (200,000 program target plus up to ten percent [10%] over production, or adjusted number per Grant PUD's Priest Rapids Coordinating Committee Hatchery Sub-Committee [PRCC-HSC]) juvenile summer Chinook in eight (8), 30'-diameter acclimation tanks starting in October of each year. Juvenile fish transport to CAF shall be conducted by Washington Department of Fish and Wildlife (WDFW) staff stationed at Eastbank Hatchery.
2. Douglas PUD hatchery staff shall feed and rear (including other standard fish husbandry tasks) the number of stocked fish from item 1 (currently up to 220,000 juvenile Chinook) until the April/May release time according to an annual rearing plan provided by Grant PUD. Current size target at release is fifteen (15) fish per pound.
3. Douglas PUD hatchery staff shall release the juvenile fish production to the Methow River via the existing CAF release mechanism on the prescribed release date(s) and time(s). Should an unplanned emergency release be necessary, the actions will follow the Emergency Action Plan (January 2019) for the CAF. Fish will be released to the Methow River from CAF if possible, or trucked to a safe release location according to the plan. Grant PUD will be notified as soon as possible, but within 24 hours.
4. All fish culture targets (rearing number and size targets, release dates, etc.) shall adhere to Grant PUD's PRCC-HSC management guidelines.
5. Douglas PUD staff shall purchase fish feed under the account(s) with the feed vendor(s) established by Grant PUD to ensure that proper fish nutrition is achieved at CAF. Douglas PUD shall provide Grant PUD an annual estimate of the amount of fish feed to be purchased.
6. Douglas PUD hatchery staff shall provide standby and emergency response while fish are on-station, i.e., during the October to May acclimation period. Standby and emergency response shall be within thirty (30) minutes.
7. Douglas PUD hatchery staff shall collect adult broodstock at Wells Dam and/or Wells Hatchery, per timing outlined in the broodstock-collection protocols, typically between July 1 and September 15. This work includes trapping, short-term holding, loading of adults into a fish transport vehicle, and delivering the fish to holding ponds at Eastbank Hatchery. Coordination with WDFW Monitoring & Evaluation (M&E) staff at Wells Dam on collection days, and procurement of a fish-transport permit is included in this work.

8. Douglas PUD staff shall provide support for Grant PUD's Passive Integrated Transponder (PIT) tagging contractor at CAF.
9. Douglas PUD staff shall maintain thorough records of all aspects of fish culture: i.e., fish numbers, fish health, feeding, sampling/biological data, mortalities, coefficient of variations (CV), growth profiles, feed-conversion rates, etc. Douglas PUD shall provide a database to hold all recorded data at CAF.
10. Douglas PUD staff shall provide written monthly and annual program reports to Grant PUD. Monthly reports are due by the 10th of the following month. Annual report first drafts are due by May 30 and final reports are due by July 31, annually data shall be provided to Grant PUD for annual Monitoring and Evaluation reporting according to Grant PUD's current reporting schedule.
11. Douglas PUD staff shall record facility water use on a weekly basis and shall report these data to Grant PUD on a monthly basis.
12. Douglas PUD hatchery staff shall ensure that in-hatchery M&E crews contracted by Grant PUD and Grant PUD biologists have access to fish at CAF, as well as providing access to the CAF fish culture database.
13. Douglas PUD hatchery staff shall perform all necessary fish health inspections, biological assessments and treatments at the CAF, and shall be responsible for sending fish health samples and testing to a fish health lab. Douglas PUD fish husbandry staff shall also be responsible for implementing Grant PUD approved biosecurity protocols and procedures recommended by Douglas PUD's fish health personnel.
14. Douglas PUD fish husbandry staff shall strictly implement all of the fish health specialist's prescribed treatments including all chemical, biological, and mechanical treatments and measures. Douglas PUD shall keep Grant PUD apprised of fish health issues and possible treatments. Grant PUD shall have input on the preferred course of treatment, at its discretion.
15. Douglas PUD hatchery staff shall maintain CAF in a fully functional, clean, and reliable condition, including site appearance and grounds maintenance. Douglas PUD hatchery staff will handle minor repairs requested by Grant, using appropriate materials, tools and equipment provided by Grant PUD; provided Grant will be responsible for general maintenance and repair obligations for normal wear and tear of the CAF as provided in Section 1-B5, below. Douglas PUD shall repair the CAF for any damage caused by Douglas PUD.
16. Douglas PUD staff shall follow Grant PUD protocols for purchases, using Grant PUD's provided list of approved vendor accounts whenever possible. These purchases shall be for smaller cost items and items that are needed quickly to keep the facility operating properly and safely. Materials, supplies, or services not

available through Grant PUD's approved vendors or in excess of \$500.00 shall be submitted to Grant PUD's Project Manager for approval and/or purchase.

17. Douglas PUD staff and Grant PUD's Project Manager shall closely coordinate on all aspects of facility Operation and Maintenance (O&M). Douglas PUD and Grant PUD shall hold a weekly meeting during the fish-acclimation season to foster communication and coordination regarding the operation of the CAF.
18. Douglas PUD shall provide Grant PUD an opportunity to respond to all visitor requests to the CAF prior to scheduling visits.
19. Douglas PUD shall provide and configure a computer, printer, and scanner.
20. Douglas PUD shall provide a telephone (landline type).
21. Douglas PUD shall coordinate with Grant PUD on safety at CAF and agrees to appoint a safety officer to visit the CAF upon request by Grant PUD to evaluate the facility and activities performed by Douglas PUD staff, and to identify safety improvements and/or facility upgrades deemed necessary by both Douglas and Grant PUD Safety Officers. Douglas PUD shall include the CAF and assigned operators in Douglas PUD's monthly hatchery safety meetings. Safety shall remain a priority for Douglas PUD at the CAF, and Douglas PUD will hold monthly safety meetings to ensure workers operate safely and that the CAF remains a safe working environment. Douglas PUD will adopt any reasonable safety measures requested by Grant PUD.
22. The Douglas PUD workers shall be insured by Douglas PUD. The vehicle supplied to Douglas PUD by Grant PUD (as set forth Section 1(b)(10), below, is to be used for official business only. The vehicle shall not be used for standby duty (unless authorized by supervisor for unusual circumstances).
23. Douglas PUD shall provide the following employee positions to Grant PUD for CAF:
 - a. 12-month Hatchery Specialist to direct fish husbandry and maintenance at CAF and provide standby and emergency response (30-minute response required).
 - b. 8-month Hatchery Specialist to work at CAF, October through May to support the 12-month Hatchery Specialist position and to provide standby and emergency response (30-minute response required).
 - c. 1-month Methow Hatchery Supervisor to oversee the operation of the CAF team and coordinate standby response using all available Methow and Wells hatchery personnel.
 - d. 1-month Fish Health and Evaluation Specialist to oversee biosecurity and fish health.

All Douglas PUD employee payroll, benefits, and costs for its employees will be paid by Douglas PUD unless otherwise provided herein.

24. Douglas PUD shall provide Pollution Liability Insurance for the Carlton Acclimation Facility as required by Agreement, Section 9.A. Insurance. The annual cost of the Pollution Liability Insurance shall be reimbursed by Grant PUD.

B. Scope of Services Provided by Grant PUD

1. Grant PUD will maintain an account(s) with a fish feed supplier(s) and provide use of this account(s) for Douglas PUD staff to purchase fish feed for the CAF program. Grant PUD will directly pay the fish feed supplier(s) for the fish feed.
2. Grant PUD will provide Passive Integrated Transponder (PIT) tags and a contractor to conduct PIT-tagging activities at CAF. Currently, PIT tagging is conducted by Public Utility District No. 1 of Chelan County (Chelan PUD).
3. Grant PUD will maintain a contract with the fish health lab used by Douglas PUD to allow direct payment of fish health laboratory testing expenses.
4. Grant PUD will provide appropriate materials, tools and equipment necessary for maintaining the CAF facility, grounds, and site in a fully functional, clean, and reliable condition.
5. Grant PUD will coordinate and pay for all maintenance and repair of facility components at the CAF (physical plant, structural, mechanical, etc.) except for the Douglas PUD allocated maintenance and repair obligations set forth in Section 1(A)(15). Grant PUD will evaluate the CAF for necessary repairs or improvements. Items to be evaluated include potential flow limitations to the surface water intake, potential for ice buildup or pipes freezing in the facility, or other potential operational or safety hazards identified during safety reviews or during normal operations in the future. Grant PUD will notify Douglas PUD of plans to conduct facility repairs or upgrades, and keep Douglas PUD informed on progress of facility repairs, upgrades or modifications.
6. Grant PUD will provide an Emergency Action Plan (EAP) for Douglas PUD staff to follow in the event of emergencies that fall outside Douglas PUD's standard emergency response protocol. This plan will include contact names and phone numbers for individuals that may be contacted for support and assistance. General scenarios and the appropriate actions to take/people to contact will be included in the EAP.
7. Grant PUD will provide Douglas PUD hatchery staff a list of Grant PUD approved vendor accounts for use in procuring items for the operation of the CAF.
8. Grant PUD will provide internet service, phone service, and electrical service to CAF.
9. Grant PUD shall coordinate with Douglas PUD on safety at CAF and agrees to appoint a safety officer to visit the CAF upon request by Douglas PUD to evaluate

the facility and activities performed by Douglas PUD staff, and to identify safety improvements and/or facility upgrades deemed necessary by both Douglas and Grant PUD Safety Officers. Grant PUD will implement safety measures when completing its CAF maintenance and repair obligations hereunder.

10. Grant PUD will supply one vehicle for Douglas PUD staff to use at CAF, which will be insured by Grant PUD.
11. Grant PUD will keep the Douglas PUD CAF operators informed of all fish culture targets (rearing number and size targets, release dates, etc.), Grant PUD's PRCC-HSC management guidelines, and of all in-season alterations that occur.