SEP 2 1 2015 CILL OF ELECTRIC CITY

Filed for and return to:

Charles D. Zimmerman Ogden Murphy Wallace, PLLC 1 Fifth Street, Suite 200 Wenatchee, WA 98801

1351200 08/07/2015 10:15 AM INTRAG Page 1 of 23 R 94.00 Grant Co, WA OGDEN MURPHY WALLACE

- 1 KANGAR PAR BANGKA 1864 BANGA KANGARAN BANGARAN 1903) PARS ANG HADAN 1864 BANGKA BANGAR PAR BANGKA 1864 BAN

The information contained in this boxed section is for recording purposes only pursuant to RCW 36.18 and RCW 65.04, and is not to be relied upon for any other purpose, and shall not affect the intent of or any warranty contained in the document itself.

Grantor(s): City of Grand Coulee / City of Electric City Grantee(s): City of Grand Coulee / City of Electric City Reference Number(s) of Documents Amended: N/A

Abbreviated Legal Description: N/A

Legal Description: N/A

Assessor's Parcel Number(s): N/A

AMENDED AND RESTATED INTERLOCAL AGREEMENT BETWEEN THE CITY OF ELECTRIC CITY AND THE CITY OF GRAND COULEE FOR THE DELIVERY OF POTABLE WATER

I, RECITALS

WHEREAS, effective May 15, 2003, the then Town and now City of Electric City ("Electric City") and City of Grand Coulee ("Grand Coulee") entered into a certain Interlocal Agreement titled "Interlocal Agreement Between the Town of Electric City and the City of Grand Coulee for the Sale and Delivery of Potable Water" consisting of ten (10) pages and a one page "Attachment 1" (hereinafter "Original Agreement"); and

(CDZ1310043.DOC;2/00009,200002/)06/16/15 AMENDED AND RESTATED INTERLOCAL AGREEMENT Page 1 of 20

WHEREAS, the principal purpose of the Original Agreement was to document the

agreement between Electric City and Grand Coulee with respect to improvements to be

made to the Electric City water system and the construction at Grand Coulee's expense of

an Intertie Line between the Electric City water system and the Grand Coulee water

system; and

WHEREAS, prior to the Original Agreement, Electric City used its water delivery

system to serve Electric City customers and Grand Coulee used its own water delivery

system to serve Grand Coulee customers; and

WHEREAS, pursuant to the Original Agreement, Electric City began delivering

water to the Grand Coulee Intertie Line, and Grand Coulee altered its water rights to

change the point of diversion to the Electric City well sites and Grand Coulee ceased to use

its own wells to provide Grand Coulee potable water; and

WHEREAS, the construction of the facilities identified in the Original Agreement

to meet the needs of the Grand Coulee water system were completed and the system has

been operating successfully for several years; and

WHEREAS, numerous issues have arisen between Electric City and Grand

Coulee, including, but not limited to, arsenic treatment improvements that are necessary to

comply with state and federal regulations and, as a result of discussions concerning these

issues, Electric City and Grand Coulee have determined that adoption of this Amended and

Restated Interlocal Agreement, as a novation, extinguishing all obligation to each other

{CDZ1310043,DOC;2/00009,200002/}06/16/15 AMENDED AND RESTATED INTERLOCAL AGREEMENT

Page 2 of 20

under the Original Agreement, is in the best interests of the citizens of both Cities; now, therefore, Electric City and Grand Coulee agree as follows:

II. AGREEMENT

2.1 <u>Recitals</u>. The Recitals set forth above herein are made a part of this Amended and Restated Interlocal Agreement as if set forth in full.

2.2 <u>Definitions</u>.

A. "Agreement" shall mean this Amended and Restated Interlocal Agreement.

B. "Arsenic Treatment System" shall mean all facilities, improvements, parts and appurtenances to the Electric City Water Utility, presently existing or constructed or installed in the future, required by state or federal law or by state or federal government agencies for the treatment of arsenic which includes the facilities constructed in 2013 and 2014 at 123 Palmer Avenue.

C. "Capital Improvements" shall mean reasonable and necessary repairs and improvements to the Electric City Delivery System, the total cost of which exceeds \$100,000.

D. "CCI" shall mean the Construction Cost Index for Seattle published by the Engineering News-Record.

E, "Easement Area" shall mean all locations within Electric City and within the Electric City UGA where the Intertie Line, or any portion thereof, is currently situated and ten (10) feet on either side of the location of the Intertie Line.

(CDZ1310043.DOC;2/00009.200002/)06/16/15 AMENDED AND RESTATED INTERLOCAL AGREEMENT Page 3 of 20



F. "Electric City Water Utility" shall mean the municipal water utility operated by Electric City which provides potable water to properties located within Electric City and its UGA and also provides potable water to the Grand Coulee Water Utility pursuant to the terms of this Agreement.

G. "Electric City Delivery System" shall mean those portions of the Electric City Water Utility system which convey or are directly involved in the conveyance of water to the Grand Coulee Water Utility, including the Shared Wells and Pumps, the Arsenic Treatment System, the 300,000 gallon water reservoir, the 120,000 gallon water reservoir and all transmission lines through which water is conveyed from the Shared Wells and Pumps to the discharge side of the flow meter on the Intertie Line, which measures the flow delivered to the Grand Coulee Water Utility. The location of the Electric City Delivery System components are generally depicted in the map or diagram attached hereto as Exhibit A, for illustrative purposes only.

H. "Grand Coulee's Consumption Percentage" shall mean the percentage that Grand Coulee's water consumption during a defined period, as measured at the flow meter on the Intertie Line, bears to the total water production of the Shared Wells and Pumps, as measured by meters on each of the Shared Wells and Pumps, during the same period.

I. "Grand Coulee's Water Rights" shall mean the total water that can legally be withdrawn for municipal purposes on the date of this Agreement pursuant to the following water right certificates:

(CDZ1310043,DOC;2/00009.200002/)06/16/15 AMENDED AND RESTATED INTERLOCAL AGREEMENT Page 4 of 20

- (1) Surface Water Right 3397 authorizing 1.8 ofs for a maximum annual quantity of 1302 acre feet.
- (2) Surface Water Right S3-01098C authorizing 2.2 cfs for a maximum annual quantity of 806.4 acre feet provided that this water right is completely supplemental to Surface Water Right 3397 such that it simply permits a higher rate of withdrawal (up to 4 cfs) for the first 806.4 acre feet authorized under Surface Water Right 3397.
- (3) The total amount of water authorized for withdrawal under Surface Water Certificate No. S3-01098C and Surface Water Certificate No. 3397 is 1,302 acre feet per year for municipal supply.
- J. "Grand Coulee Water Utility" shall mean the municipal water utility operated by Grand Coulee which provides potable water to properties located within Grand Coulee and its UGA.
- K. "Intertie Line" shall mean the sixteen inch transmission line constructed between the point of interconnection at the intersection of Pearl Avenue and Water Tower Lane, in Electric City, to the flow meter situated at the Electric City/Grand Coulee UGA boundary connecting the Electric City Delivery System to the Grand Coulee water system.
- L. The "Original Agreement" shall mean that certain Interlocal Agreement entitled "Interlocal Agreement Between the Town of Electric City and the City

(CDZ1310043.DOC;2/00009.200002/)06/16/15 AMENDED AND RESTATED INTERLOCAL AGREEMENT Page 5 of 20

> 1351200 08/07/2015 10:15 AM INTRAG Page 5 of 23 R 94.00 Grant Co, WA OGDEN MURPHY WALLACE

of Grand Coulee for the Sale and Delivery of Potable Water" consisting of ten (10) pages and a one (1) page "Attachment"1."

M. "Shared Wells and Pumps" shall mean the Kent Street, Palmer Avenue, and Grand Avenue wells and pumps. Notwithstanding anything to the contrary contained herein, the Shared Wells and Pumps are, and shall remain the sole property of Electric City. Grand Coulee shall not, by operation of this Agreement or otherwise, acquire an ownership interest in or title to the Shared Wells and Pumps or any part or appurtenance thereof.

N. "UGA" shall mean Urban Growth Area.

2.3 Original Agreement Improvements.

- 2.3.1 Following the effective date of the Original Agreement, the Intertie Line was constructed. Grand Coulee paid for the design and construction of the Intertie Line.
- 2.3.2 Electric City shall be responsible to maintain, repair, and replace the Intertie Line subject to Grand Coulee's obligation to bear a share of the expense of such repairs pursuant to Sections 2.11 and 2.12, below.
- 2.4 <u>Water Delivery</u>. Except as otherwise provided in this Agreement, during the term of this Agreement, Electric City shall deliver to the Grand Coulee Water Utility one hundred percent (100%) of Grand Coulee's requirement for potable water up to, but not exceeding, an amount equal to Grand Coulee's Water Rights as such rights exist on the date of this Agreement, which potable water shall meet the requirements of the

(CDZ1310043,DOC;2/00009,200002/)06/16/15 AMENDED AND RESTATED INTERLOCAL AGREEMENT Page 6 of 20

> 1351200 08/07/2015 10:15 AM INTRAG Page 6 of 23 R 94.00 Grant Co, WA OGDEN MURPHY WALLACE

Washington State Department of Health for Municipal Water Systems and all other state and federal requirements, including requirements related to water quality and water pressure. During the term of this Agreement, Grand Coulee shall not use any other source for the delivery of potable domestic water to Grand Coulee unless Grand Coulee's requirements exceed Grand Coulee's Water Rights as such rights exist on the date of this Agreement or except in the event of an emergency. Electric City shall include the requirements of the Grand Coulee Water Utility in all Electric City Water Utility-related planning and state and federal government agency required documents during the term of this Agreement.

- 2.5 <u>Separate Utilities</u>. Chapter 39.34 RCW permits Electric City and Grand Coulee to do jointly what each of them may do separately. Because Grand Coulee and Electric City each have power to operate a water utility and each continues to operate a water utility, entry into this Agreement is permitted by state law. While Grand Coulee is a customer of Electric City for purposes of water delivery, both Electric City and Grand Coulee shall each continue to maintain separate water utilities.
- 2.6 <u>Inspection by Grand Coulee</u>. Grand Coulee reserves the right, upon at least twelve (12) hours notice and during regular business hours of Electric City, to visit, enter upon, and inspect the Electric City Delivery System to satisfy Grand Coulee that such is being maintained in a manner that permits Electric City to perform its obligations under this Agreement; provided, that, during such entry and inspection, Grand Coulee personnel shall be accompanied by the Electric City Mayor or the Mayor's designee.

(CDZ1310043,DOC;2/00009,200002/ }06/16/15 AMENDED AND RESTATED INTERLOCAL AGREEMENT Page 7 of 20

> 1351200 08/07/2015 10:15 AM INTRAG Page 7 of 23 R 94.00 Grant Co, WA OGDEN MURPHY WALLACE

2.7 <u>Inspection by Electric City</u>. Grand Coulee shall permit Electric City and Electric City's agents and employees, upon at least twelve (12) hours notice and during regular business hours of Grand Coulee, to visit, enter upon and inspect the Grand Coulee water system to satisfy Electric City that such is being maintained and operated in a manner to permit Electric City to operate its water system in compliance with all applicable law and in accordance with this Agreement; provided, that, during such entry and inspection, Electric City personnel shall be accompanied by the Grand Coulee Mayor or the Mayor's designee.

2.8 Service Interruptions and Shortages. In the event of water reductions, rationing, or planned interruptions of delivery, the Grand Coulee Water Utility shall be treated in substantially the same manner as the Electric City Water Utility. Any hardship occasioned by a shortage of potable water shall be shared on an equitable basis between all Electric City and Grand Coulee users of the water produced for delivery by the Electric City Water Utility. Notwithstanding anything to the contrary contained herein, Electric City shall not be liable to Grand Coulee for any interruptions or reduction in the delivery of potable water pursuant to the requirements of this Agreement when such interruption or reduction in the delivery of potable water is caused by fire, strike, weather, war, flood, accident (not the fault of Electric City), loss of electrical power (not the fault of Electric City), or any other cause or causes beyond the reasonable control of Electric City. The legal liability or responsibility of Electric City to make payment or reimbursement to Grand Coulee for interruptions or reductions in delivery of potable water that are caused by

(CDZ1310043.DOC;2/00009.200002/)06/16/15 AMENDED AND RESTATED INTERLOCAL AGREEMENT Page 8 of 20

> 1351200 08/07/2015 10:15 AM INTRAG Page 8 of 23 R 94.00 Grant Co, WA OGDEN MURPHY WALLACE

the fault of Electric City shall be limited to the payment of actual claims of Grand Coulee customers that are approved by a court of law with jurisdiction over the matter, in which case, Electric City shall be provided the opportunity to indemnify and defend Grand Coulee from any such claims.

- 2.9 <u>Water Rate Basic Calculations</u>. Electric City shall bill and Grand Coulee shall pay the following amounts on a quarterly basis:
- A. <u>Electrical Surcharge</u>. Grand Coulee shall pay its pro-rata share of the cost of electricity consumed by the Shared Wells and Pumps and Arsenic Treatment System. Grand Coulee's proportionate share shall be equivalent to Grand Coulee's Consumption Percentage during the quarter multiplied by the cost to Electric City for all electricity consumed by the Shared Wells, Pumps and Arsenic Treatment System during the quarter.
- B. <u>Electrical Administration/Overhead Surcharge</u>. Grand Coulee shall pay Electric City a surcharge for administration and overhead equivalent to seventeen percent (17%) of the Electrical Surcharge described in subparagraph "A" above.
- C. Arsenic Treatment Surcharge. Grand Coulee shall pay its pro-rata share of the labor costs and other expenses incurred by Electric City in the treatment of arsenic in the Electric City Water Utility system including both operation and maintenance of the Arsenic Treatment System. Grand Coulee's proportionate share shall be equivalent to Grand Coulee's Consumption Percentage during the quarter multiplied by the cost to Electric City for labor and expenses in operating and maintaining the Arsenic Treatment

(CDZ1310043,DOC;2/00009,200002/)06/16/15 AMENDED AND RESTATED INTERLOCAL AGREEMENT Page 9 of 20

> 1351200 08/07/2015 10:15 AM INTRAG Page 9 of 23 R 94.00 Grant Co, WA OGDEN MURPHY WALLACE

System. The amount calculated to be paid by Grand Coulee shall be identified as the "Arsenic Treatment Surcharge."

Billings for the rates and charges set forth in this Section shall be produced by Electric City and delivered to Grand Coulee on a quarterly basis. All bills provided from Electric City to Grand Coulee for potable water delivered pursuant to this Amended and Restated Interlocal Agreement shall be due and payable within forty-five (45) days following receipt. In the event Grand Coulee disputes any request for payment pursuant to this Section, then the dispute resolution provisions of this Agreement shall apply.

- D. <u>Arsenic Administration/Overhead Surcharge</u>. Grand Coulee shall pay Electric City a surcharge for administration and overhead equivalent to ten percent (10%) of the Arsenic Treatment Surcharge described in subparagraph "C" above.
- 2.10 Arsenic Treatment System Payments. In addition to the water rate and costs identified in Section 2.9, above, Grand Coulee shall reimburse Electric City for Grand Coulee's proportionate share of the cost of the Arsenic Treatment System. The total cost of the Arsenic Treatment System, inclusive of design, engineering, and construction costs, is \$1,843,408.88. Annual payments shall be made by Grand Coulee to Electric City for Grand Coulee's proportionate share of the repayment of the Arsenic Treatment System costs. Grand Coulee shall pay its proportionate share of each total annual payment (including principal and interest) due October 1 of the then-current year to Electric City on or before September 1 of the same year, except that the first Arsenic Treatment System payment from Grand Coulee shall be due within thirty (30) days following the execution of

(CDZ1310043.DOC;2/00009.200002/)06/16/15 AMENDED AND RESTATED INTERLOCAL AGREEMENT Page 10 of 20

> 1351200 08/07/2015 10:15 AM INTRAG Page 10 of 23 R 94.00 Grant Co, WA OGDEN MURPHY WALLACE

this Agreement. Electric City shall provide Grand Coulee with proof of each loan payment. made by Electric City. Grand Coulee's proportionate share of each annual loan payment shall be calculated based upon the annual percentage consumption of water used by Grand Coulee compared to Electric City as calculated in the manner described in Subsection 2.9(A). The calculation shall be based upon the actual consumption readings for a one year period preceding the annual loan payment due date, which period shall be measured from the last Friday of June of the prior year through the last Friday of June of the following

year. Therefore, Grand Coulee's proportionate share of the first annual loan payment,

which loan payment is due on October 1, 2014 in the total amount of \$150,150.28, shall

be made by Grand Coulee to Electric City within thirty (30) days following the execution

of this Agreement and shall be \$114,785.50. The payments to be made pursuant to this

Subsection shall continue until October 1, 2033, the end of the loan repayment term for

Electric City on its Drinking Water State Revolving Fund Loan. The total of the last

annual loan payment to be equitably shared on the same basis set forth above herein will

be \$93,533.02. The amortization schedule identifying each annual payment amount and

due date is attached hereto as Exhibit B.

2.11 Repairs and Improvements. In addition to the rates set forth above herein,

Grand Coulee shall reimburse Electric City for Grand Coulee's proportionate share of the

costs of all reasonable and necessary repairs and improvements made to the Electric City

Delivery System within forty (45) days of receipt of invoices from Electric City. Grand

Coulce's proportionate share will be based on the averages of the most recent past five (5)

(CDZ1310043,DOC;2/00009.200002/)06/16/15 AMENDED AND RESTATED INTERLOCAL AGREEMENT Page 11 of 20 years of the Grand Coulee average annual percentage of water used as calculated pursuant to Subsection 2.9(A). Reasonable and necessary costs for repair and maintenance shall not include any repairs or replacements constituting Capital Improvements. In the event repairs or improvements to the Electric City Delivery System rise to the level of Capital Improvements, prior approval of the City of Grand Coulee shall be required. Unless an emergency repair is involved, if a repair or improvement to the Electric City Delivery System is deemed necessary and any such single repair or improvement is estimated to exceed \$25,000, Electric City shall provide Grand Coulee with five (5) working days advance written notice prior to commencement of the repair or improvement. If a dispute arises whether any repair or Capital Improvement is reasonable, necessary and/or related to the Electric City Delivery System, then any such dispute shall be resolved pursuant to the dispute resolution provisions of this Agreement.

2.12 Capital

A. <u>Improvements</u>. Grand Coulee shall reimburse Electric City for Grand Coulee's proportionate share of the costs of all Capital Improvements made to the Electric City Delivery System pursuant to a payment plan that is determined to be fair and equitable by both Electric City and Grand Coulee. Grand Coulee's proportionate share shall be calculated by multiplying Grand Coulee's Consumption Percentage over the then-most recent past five (5) years by the costs of the Capital Improvements. The \$100,000 initial threshold level for "Capital"

(CDZ1310043.DOC;2/00009.200002/)06/16/15 AMENDED AND RESTATED INTERLOCAL AGREEMENT Page 12 of 20

> 1351200 08/07/2015 10:15 AM INTRAG Page 12 of 23 R 94.00 Grant Co, WA OGDEN MURPHY WALLACE

Improvements" shall increase annually beginning on January 1, 2016, based upon the annual increase in the CCI.

- B. <u>Depreciation refund</u>. The Original Agreement required Grand Coulee to make depreciation payments to Electric City, but did not address what was to be done with these payments if no improvements or repairs were necessary. Electric City and Grand Coulee agree some funds were used by Electric City to pay for Grand Coulee's proportionate share of repairs and maintenance to the Electric City potable water withdrawal system. The balance of the depreciation payments made by Grand Coulee to Electric City total \$174.172.13, which includes payments for depreciation for each of the quarters up to the date of approval of this Amended and Restated Interlocal Agreement. This amount shall be repaid by Electric City to Grand Coulee within thirty (30) days following the approval and execution of this Agreement by Electric City and Grand Coulee.
- 2.13 <u>Utility System Control</u>. Except as otherwise expressly provided herein, the operation and control of Electric City's Water Utility system, including any betterments or improvements constructed, shall be under the control of Electric City and the operation and control of Grand Coulee's Water Utility system, including any betterments or improvements constructed, shall be under the control of Grand Coulee.
- 2.14 <u>Relationship of the Parties</u>. No agent, official, employee, servant, or representative of Electric City shall be deemed an officer, employee, agent, servant, or representative of Grand Coulee for any purpose, as a result of this Agreement. No agent,

(CDZ1310043.DOC;2/00009,200002/)06/16/15 AMENDED AND RESTATED INTERLOCAL AGREEMENT Page 13 of 20

> 1351200 08/07/2015 10:15 AM INTRAG Page 13 of 23 R 94.00 Grant Co, WA OGDEN MURPHY WALLACE

official, employee, servant, or representative of Grand Coulee shall be deemed an officer, employee, agent, servant, or representative of Electric City for any purpose as a result of this Agreement.

2.15 Indemnification.

A. Grand Coulee shall hold harmless, indemnify, and defend Electric City, its elected and appointed officials, officers, employees, volunteers and agents, from and against any loss or claim for damages of any nature whatsoever arising out of Grand Coulee's performance of this Agreement. This indemnification includes claims by Grand Coulee's employees. This indemnification includes a commitment by Grand Coulee to reimburse Electric City for all actual reasonable attorneys' fees and costs incurred by Electric City in defense of any matter to which this indemnification applies.

- B. Electric City shall hold harmless, indemnify, and defend Grand Coulee, its elected and appointed officials, officers, employees, volunteers, and agents, from and against any loss or claim for damages, of any nature whatsoever, arising out of Electric City's performance of this Agreement. This indemnification includes claims by Electric City's employees. This indemnification includes a commitment by Electric City to reimburse Grand Coulee for all actual reasonable attorneys' fees and costs incurred by Grand Coulee in defense of any matter to which this indemnification applies.
- 2.16 <u>Insurance</u>. Each party shall maintain liability insurance at its sole cost and expense, against claims for bodily injury and property damage under policies of general liability insurance, with minimum limits of \$5,000,000 for bodily injury and \$5,000,000

(CDZ1310043.DOC;2/00009,200002/)06/16/15 AMENDED AND RESTATED INTERLOCAL AGREEMENT Page 14 of 20

> 1351200 08/07/2015 10:15 AM INTRAC Page 14 of 23 R 94.00 Grant Co, WA OGDEN MURPHY WALLACE

for property damage for all incidents arising from the obligations of either party under this Agreement. Each policy of insurance shall name the other party as an additional insured and shall not be cancelable except upon thirty (30) days advance written notice to the other party. In the alternative, either party may satisfy the requirements of this Section by becoming and remaining a participant in an authorized self-insurance pool in the State of Washington with insurance protection equal to or greater than that specified in this Section. The limits of the liability insurance provided for herein shall be reviewed every ten (10) years while this Agreement is in effect for purposes of determining whether the limits of liability insurance should be modified. The parties shall be guided by changes in the CPI when evaluating whether to modify the limits of liability insurance.

2.17 <u>Notice</u>. Any notice required to be given by either party to the other shall be deposited in the United States mail, postage prepaid, addressed to:

Office of the Mayor City of Electric City P. O. Box 130 Electric City, WA 99123

Office of the Mayor City of Grand Coulee P. O. Box 180 Grand Coulee, WA 99133

or at such other address as either party may designate to the other in writing from time to time. All notices to be given with respect to this Agreement shall be in writing. Every notice shall be deemed to have been given at the time it shall be deposited in the United States mails in the manner prescribed herein. Nothing contained herein shall be construed

(CDZ1310043.DOC;2/00009.200002/)06/16/15 AMENDED AND RESTATED INTERLOCAL AGREEMENT Page 15 of 20

> 1351200 08/07/2015 10:15 AM INTRAG Page 15 of 23 R 94.00 Grant Co, WA OGDEN MURPHY WALLACE

to preclude personal service of any notice in the manner prescribed for personal service of a summons.

2.18 No New Entity. No new entity is created as a result of the entry into this Amended and Restated Interlocal Agreement.

2.19 <u>Construction Cost Index</u>. The annual change in the CCI shall be calculated using the period ending September of the year in which the determination is made and commencing in September of the immediately preceding year. In the event the CCI is no longer produced, then the most geographically similar and frequently published urban consumer price index (CPI-U) published by the United States Department of Labor,

2.20 <u>Applicable Law</u>. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. Any action, claim or proceeding brought under this Agreement shall be commenced exclusively in the Superior Court for Grant County.

2.21 <u>Attorneys Fees</u>. In any dispute between the parties arising out of this Agreement, unless specifically provided otherwise in this Agreement, each party shall pay for its own costs and attorneys' fees regardless of the outcome of the litigation.

2.22 <u>Invalidity</u>. Any provision of this Agreement which shall be determined by a court of competent jurisdiction to be invalid, void, or illegal shall in no way affect, impair, or invalidate any of the other provisions hereof and such other provisions shall remain in full force and effect despite such invalidity or illegality.

(CDZ.1310043.DOC;2/00009.200002/)06/16/15 AMENDED AND RESTATED INTERLOCAL AGREEMENT Page 16 of 20

Bureau of Labor and Statistics shall be used,

1351200 08/07/2015 10:15 AM INTRAG Page 16 of 23 R 94.00 Grant Co, WA OGDEN MURPHY WALLACE



2.23 <u>Construction of Agreement</u>. In the event of a dispute between the parties as to the meaning of terms, phrases, or specific provisions of this Agreement, the authorship

of this Agreement shall not be cause for this Agreement to be construed against any party

or in favor of any party.

2.24 Entire Agreement - Amendments. This Agreement contains the entire

agreement between the parties with respect to the subject matter hereof and supersedes all

prior agreements or understandings among the parties, including the Original Agreement,

with respect thereto. This Agreement may be amended only by an agreement in writing

approved by the City council of both parties and signed by both parties.

2.25 <u>Dispute Resolution</u>. In the event a dispute arises between the parties to this

Agreement, the parties agree to first attempt to resolve the dispute through non-binding

mediation before an independent mediator selected by agreement of the parties. If the

parties are unable to agree upon a mediator, then either party may petition the presiding

judge of the Grant County Superior Court to appoint a mediator. Each party shall pay one-

half (1/2) of the costs of the mediator appointed. In the event the parties are unable to

resolve this matter through non-binding mediation, then any remaining dispute shall be

resolved through litigation filed in the Superior Court of the State of Washington in and for

Grant County. If the dispute involves a failure to timely pay a request for payment

pursuant to Sections 2.9, 2.10, 2.11, or 2.12 which amount claimed owed is determined to

be accurate by the court, then the court may award pre-judgment interest at the then-

applicable rate on judgments from the time the amount in controversy is due and owing

{CDZ1310043.DOC;2/00009.200002/ }06/16/L5 AMENDED AND RESTATED INTERLOCAL AGREEMENT

Page 17 of 20

until it is paid. In the event the dispute involves any other provisions of this Agreement,

pre-judgment interest shall not be awarded.

2,26 Term and Termination. This Amended and Restated Interlocal Agreement

shall be effective on the 1st day of September, 2014 ("Effective Date"), and shall remain in

effect until terminated by mutual agreement of both parties, which shall not occur for a

period of fifty (50) years following the Effective Date of this Amended and Restated

Interlocal Agreement. Fifty (50) years after the Effective Date, this Agreement may be

terminated by Grand Coulee providing at least five (5) years written notice of termination

to Electric City. In the event this Agreement is terminated, the parties agree to execute all

documents necessary to modify the Grand Coulee water rights so that the point of

diversion of the Grand Coulee water rights is changed to a new point of diversion selected

by Grand Coulee.

[The remainder of this page left blank intentionally]

(CDZ1310043,DOC;2/00009,200002/)06/16/15 AMENDED AND RESTATED INTERLOCAL AGREEMENT Page 18 of 20

> 1351200 08/07/2015 10:15 AM INTRAC Page 18 of 23 R 94.00 Grant Co, WA OGDEN MURPHY WALLACE

T TO BETTER THE STEEL THE BETTER THE BETTER THE BETTER THE FIRST THE STEEL THE STEEL THE BETTER THE BETTER THE

2.27 <u>Filing</u>. This Agreement, prior to its entry into force, shall be filed with the Electric City Clerk and Grand Coulee Clerk and recorded with the Grant County Auditor.

APPROVED by the City Council of the City of Grand Coulee at an Open Public Meeting the 2015

By:

Chris Christopherson, Mayor

STATE OF WASHINGTON)
) 55.
COUNTY OF GRANT)

I certify that I know or have satisfactory evidence that CHRIS CHRISTOPHERSON is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Mayor of the City of Grand Coulee, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: July \$ 2015

NOTARY PUBLIC

(Use this apace WA frogarial stamp/seal)

Notary Public

Print Name CAROL A. BOYCE

My commission expires OCTOBER 7,0015

(CDZ1310043.DOC;2/00009,200002/)06/16/15 AMENDED AND RESTATED INTERLOCAL AGREEMENT Page 19 of 20

> 1351200 08/07/2015 10:15 AM INTRAG Page 19 of 23 R 94.00 Grant Co, WA

. (1848) | 1846) | 1846) | 1846) | 1846) | 1846) | 1846) | 1846) | 1846) | 1846) | 1846) | 1846) | 1846) | 1846)

APPROVED by the City Council of the City of Electric City at an Open Public Meeting the / // day of _______, 2015.

By: Ohn T. Nordine, II, Mayor

STATE OF WASHINGTON)
) ss.
COUNTY OF GRANT
)

I certify that I know or have satisfactory evidence that JOHN T. NORDINE, II is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Mayor of the City of Electric City, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: July 16, 2015

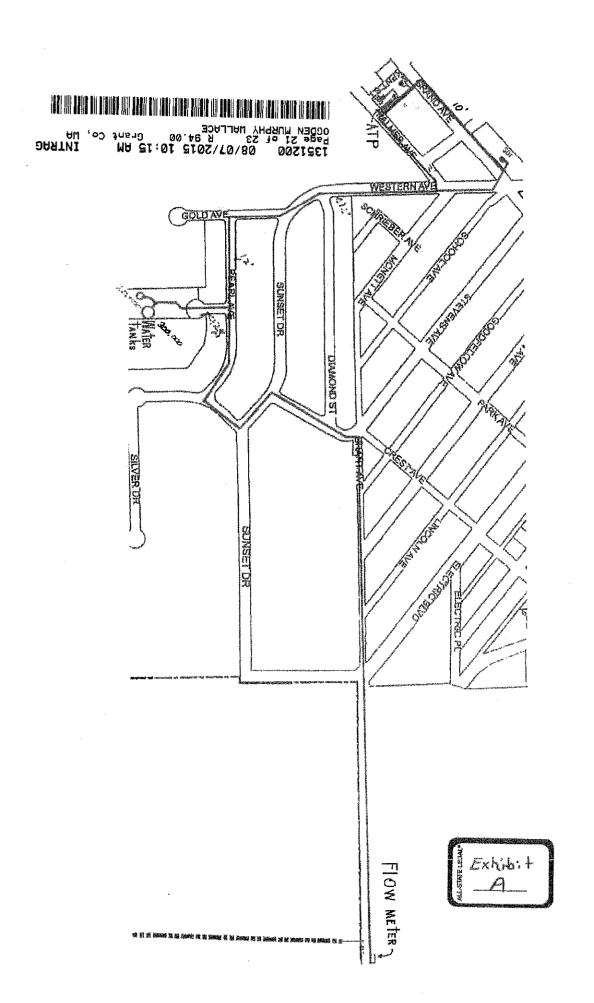
Notary Public
State of Washington
RUSSELL D. POWERS
MY COMMISSION EXPIRES
SEPTEMBER 26, 2017

(Use this space for notarial stamp/seal)

Notary Public
Print Name Russell D. Pousels
My commission expires 9/26/2017

(CDZ1310043,DOC;2/00009.200002/)06/16/15 AMENDED AND RESTATED INTERLOCAL AGREEMENT Page 20 of 20

> 1351200 08/07/2015 10:15 AM INTRAG Page 20 of 23 R 94.00 Grant Co, WA



1321200 08/07/2015 10:15 AM INTRA Page 22 of 23 R 94.00 Grant Co, NA OGDEN MURPHY WALLACE

Wildle Country of the 201/~10(1/2030 6 -10112016 - \$22,170.44 - \$24,886.01 - \$24,886.01 16/1101/2026 THE TWINDS 12("Not) 12022 Periods Principal Deferred: 0 187 107/2028 707/2014 10/12612 TO MAN MAN TO SERVICE STATE OF THE SERVICE STATE OF 10/1/2023 (CIGGIPS) 10/12021 SIZZIAL 10/1/2015 10/1/2011 10/1/2017 Payment Frequency: Annual - 360 Days Amortized Loan Fee: 0.0000 % Interest Rate/Type: 1.5000 % (Simple) Draw Based Loan; Yes Loan Amount: \$1,843,408.88 \$32770.44; \$3522.7211.911. \$2,770.07 382 17025 C 502,170.451.00 (15,16,590,67 \$92,170,43 \$20,738.35 \$92,170,44 \$19,355.80 31.10 - 25.416.41 \$82,170,43 \$92,170,43 SELECTION OF THE SELECT \$27704 3277.43 \$22,170.43; 200 Construct Name ON 10-952-020 Amortization Schedule for Contract Num: DM10-952-020 \$11,060.45 3 317,060.46 3 3103.230.23 3 35.4545,193.36 \$23,503.47 \$12,443.01 \$13,825.57 \$15,208.13 \$17,973.24 \$26,258,56 \$8,290.34 \$9,577.90 \$5,912.78 \$19,355.80 (537,978.84]? (((\$180,180.28), (((\$1,781,238,84) \$8,295.34 \$100,455.80 \$12,443.01 \$13,825.57 \$15,208.13 \$17,973.24 \$20,738.35 \$23,503,47 \$26,258.56 \$6,912.78 \$9,677.90 STATE OF THE PARTY Amortization Term: 23 Years Terminated Date: \$118,438.90 \$107,848.34; \$104,613.45 \$105,996.02 \$107,378,58 \$110,143.67 \$113,526.24 3 1198.215.83 \$112,908.78 Loan Source: DWSRF Loan Term: 23 Years Loan Type: Amortoing Loan S0.30 ... (01,712.92) Amortization Schedule \$1,556,897.57 \$1,290,386.27 22.150.56.45 \$1,800,111.77 SZ76.61136 CONTRACTOR OF THE SERVICE STREET, S \$460,852.26 707656285 \$921,704.52 \$154,153.55 \$368,681,82 5737,363.E3 の発生には対象の構造は対話に関 Subordination Allowed: Yes Distressed Community: N/A Last Payment Date: 10/1/2033 First Payment Date: 10/1/2011 THE WAY Accrual Start Date: Loan Start Date: 3/8/2011 が変形がある 大学 のできる かんしゅう THE WAY A SECTION AND ASSESSMENT OF THE PERSON AND ASSESSMENT OF THE PERSON AND ASSESSMENT OF THE PERSON Page 1 of 2

1351200 08/07/2015 10:15 AM INTRAG Page 23 of 23 R 94.00 Grant Co, WA OGDEN MURPHY WALLACE

		อคิЯТИІ	MA	21:01	2102/70/80	0021981	va -;	out of		HV ST	
12/14/2013 1:052/8 PM							23; 10*112033 Totals:	22: 101/2022	21; (1203)		
							\$1,943,408.88 \$1,943,408.88	\$32,176.48	\$22.570,44	E de la companya de l	
Contract Numero 1992-1200 Looks 1							\$20,555.56	NAC I	\$ 47.57	Trigues (
7-120 kom = 1							\$200,665.39		\$4,147.57		
							\$2,164,074.47)	\$93 5-3.02		10.4	
								\$0.00	242.832.170.46	eri Balanco In	
							-4.0	***************************************		E PARTIE OF	The second secon
						,		And the second s			
							and the second s				
ļ	Pass: 2 df 2										