MASTER INTERLOCAL AGREEMENT

This Agreement is entered into in duplicate originals this 29th day of 2015 between the WASHINGTON STATE DEPARTMENT OF NATURAL RESOURCES, a state agency (hereinafter "DNR"), and THURSTON COUNTY, a municipal corporation (hereinafter "County"), pursuant to RCW 39.34,080.

WHEREAS it is to the mutual advantage of Thurston County and the DNR to cooperate in order to make the most efficient use of their resources to provide services and facilities needed by the citizens residing within their respective jurisdictions; and

WHEREAS, RCW 39.34.080 authorizes a public agency to contract with another public agency to perform any governmental service, activity, or undertaking that each public agency is authorized by law to perform;

NOW THEREFORE, by virtue of RCW 39.34.080 and in consideration of the terms, conditions, covenants, and performances contained herein, or attached and incorporated and made a part hereof, IT IS MUTUALLY AGREED AS FOLLOWS:

GENERAL

1.0 It is the purpose of the Agreement to permit the parties to make the most efficient use of their resources by enabling them to cooperate by furnishing each other manpower, equipment, and materials when available on a reimbursable basis for roadway maintenance activities. This will be done with the understanding that the work of the owner of the requested resources takes first priority.

II DURATION

2.0 This Agreement shall become effective on the date written above and shall remain in effect for five (5) years unless terminated sooner as provided for herein. At the end of the five-year term, this Agreement may be renewed under those terms and conditions mutually agreed to by the parties herein. Prior to commencement, this Agreement shall be filed in accordance with RCW 39.34.040.

REQUEST FOR SERVICES

3.0 Each request for service shall be submitted by the designated representative on behalf of each entity. Each request for service shall be in writing and shall specify the particular service required, the amounts and types of labor, equipment, and material required, the location of the work, the estimated cost of the work, when the work is to be performed, an agreed-upon budget and other information pertinent to the request. Upon receipt of the request, the party which has been requested to supply the service shall indicate their acceptance or rejection of the request, have it signed by their authorized official, and return one (1) copy to the requesting party. The authorized official for Thurston County is the Director of the Public Works Department or designee and for the DNR is the South Puget Sound Region Manager. In cases of emergency, the request and approval may be done verbally but must be documented in writing within forty-eight (48) hours of the verbal request. Each accepted request for service shall be incorporated into and become a part of this Agreement.

IV PAYMENT

4.0 The parties to this Agreement agree that the party receiving services under this Agreement shall reimburse the party providing the services for their actual direct and related indirect costs. Upon request of the providing party, the party receiving services shall make partial payments to cover costs incurred. These payments are not to be more frequent than one (1) per month. It is agreed

that any such partial payment will not constitute agreement as to the appropriateness of any item. The party being reimbursed shall provide a detailed rate schedule with employee hourly rates, benefits, indirect, equipment rates and all other costs that may be charged under this Agreement.

4.1The maximum amount payable by each party for the five-year term for work to be performed under this Agreement is five hundred thousand dollars (\$500,000) unless otherwise amended as provided herein.

V RECORDS RETENTION AND AUDIT

5.0 During the progress of the work and for a period not less than six (6) years from the final date of payment, the records and accounts pertaining to the work and accounting therefore are to be kept available for inspection by either party and/or the Federal Government and copies of all records, accounts, documents, or other data pertaining to the work will be furnished upon request. If any litigation, claim, or audit is commenced, the records and accounts along with supporting documentation shall be retained until all litigation, claim, or audit finding has been resolved even though such litigation, claim, or audit continues past the 6-year retention period.

VI RIGHT OF ENTRY

6.0 The parties to this Agreement hereby grant and convey to each other the right of entry upon all land in which the parties have interest, within or adjacent to the right of way of the highway, road, or street for the purpose of accomplishing all work or services requested as part of this Agreement.

VII RELATIONSHIP OF THE PARTIES

7.0 The employees or agents of each party who are engaged in the performance of this Agreement shall continue to be employees or agents of that party and shall not be considered for any purpose to be employees or agents of the other party. This Agreement is for the benefit of the parties, and no third party beneficiary relationship is intended. No separate legal entity is created by this Agreement. No joint organization is created. No common budget is to be established. No personal or real property is to be jointly acquired or held.

VIII HOLD HARMLESS AND INDEMNIFICATION

- 8.0 The County shall hold hamiless, indemnify and defend the DNR, its officers, officials, employees and agents, solely for third party claims relating to bodily injury or death, including costs and attorneys fees in defense thereof, caused by or arising out of the County's negligence in the performance of this Agreement.
- 8.1 The DNR shall hold harmless, indemnify and defend the County, its officers, officials, employees and agents, solely for third party claims relating to bodily injury, sickness, or death or real or personal property damage or destruction and loss of use thereof, including costs and attorneys fees in defense thereof, caused or ansing out of the DNR's negligence in the performance of its obligations under this Agreement.
- 8.2 The DNR agrees to be responsible for the claims management, resolution, and payment of claims arising out of the County's completed work resulting in real or personal property damage or destruction. "Claim" means any financial loss, claim, suit, action, damage, or expense, including but not limited to attorneys fees, attributable to damage or destruction of real or personal property including loss of use resulting therefrom.
- 8.3 The County's obligations and the DNR's obligations hereunder shall not extend to bodily injury or death caused by or arising out of the sole negligence of either party, its officers, officials, employees or agents

- 8.4 In the event of the concurrent negligence of the parties, the County's and the DNR's obligations hereunder shall apply only to the percentage of fault attributable to each party, its officers, officials, employees or agents.
- 8.5 The provisions of this Hold Harmless and Indemnification section shall survive the expiration or termination of this Agreement and completion of the request for services.

IX INSURANCE

- 9.0 The State of Washington, including all its agencies and departments, is self insured for all exposures to tort liability, general liability, property damage liability and vehicle liability, as provided in statute, but only as respects the negligence of State. An Evidence of Coverage acknowledgement letter from the Washington State's risk pool will be provided to the County.
- 9.1 The DNR shall maintain workers' compensation insurance as required by Title 51 RCW, and shall provide evidence of Coverage to the Thurston County Risk Management Division.
- 9.2 The DNR shall maintain all required policies in force from the time services commence until services are completed. Certificates, policies, and endorsements expiring before completion of services shall be promptly replaced with written notice mailed to the County.

X TERMINATION

10.0 Either party may terminate this Agreement upon thirty (30) calendar days prior written notice to the other party. If this Agreement is so terminated, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

XI LEGAL RELATIONS

11.0 No liability shall attach to the parties by reason of entering into this Agreement except as expressly provided herein.

XII ADMINISTRATION

12.0 The following individuals are designated as representatives of the respective parties. The representatives shall be responsible for administration of this Agreement and for coordinating and monitoring performance under this Agreement. Wherever written notice is required under this Agreement, such notice shall be provided to the representatives designated below. In the event such representatives are changed, the party making the change shall notify the other party.

The County's representative shall be Traffic Engineering & Operations Manager (9605 Tilley Rd SW Olympia WA 98512, 360-786-5495

The DNR representative shall be. Keith Yonaka Region Engineer, South Puget Sound Department of Natural Resources, 950 Farman Avenue North Enumciaw, WA 98022 360-802-7046

XIII CHANGES, MODIFICATIONS, AND AMENDMENTS

13.0 This Agreement may be changed, modified, amended or waived only by written agreement executed by an authorized representative of the parties hereto.

XIV GOVERNING LAW AND VENUE

14.0 This Agreement has been and shall be construed as having been made and delivered within the State of Washington, and it is agreed by each party hereto that this Agreement shall be governed by the laws of the State of Washington both as to its interpretation and performance. Any action at law, suit in equity, or judicial proceeding arising out of this Agreement shall be instituted and maintained only in a court of competent jurisdiction in Thurston County, Washington,

XV WAIVER

15.0 A failure by either party to exercise its rights under this Agreement shall not preclude that party from subsequent exercise of such rights and shall not constitute a waiver of any other rights under this Agreement unless stated to be such in a writing signed by an authorized representative of the party and attached to the original Agreement.

XVI SEVERABILITY

16.0 If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, if such remainder conforms to the requirements of applicable law and the fundamental purpose of this Agreement, and to this end the provisions of this Agreement are declared to be severable.

IN WITNESS WEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

Board of County Commissioners Thurston County, Washington

ATTEST:

Clerk of the Boa

Approved as to form:

JON TUNHEIM PROSECUTING ATTORNEY

Deputy Prosecuting Attorney

WA State Department of Natural Resources Olympia, Washington

Leonard Young Supervisor Authorized Representative