



PUBLIC UTILITY DISTRICT NO. 1 of CHELAN COUNTY  
P.O. Box 1231, Wenatchee, WA 98807-1231 • 327 N. Wenatchee Ave., Wenatchee, WA 98801  
(509) 663-8121 • Toll free 1-888-663-8121 • [www.chelanpud.org](http://www.chelanpud.org)

August 17, 2010

08-18-10A10:47 RCVD *gm*

Ms. Rebecca Henricks  
Grant County Public Utility District  
15655 Wanapum Village Lane SW  
Beverly, WA 99321

Re: Interlocal Agreement No. 10-101

Dear Rebecca,

Enclosed you will find one (1) fully executed, original of Interlocal Agreement No. 10-101 (#430-3061) between Grant County Public Utility District and Chelan County Public Utility.

If you have any questions, please don't hesitate to contact me at 509-661-4814 or email, [becky.gallaher@chelanpud.org](mailto:becky.gallaher@chelanpud.org).

Sincerely,

*Becky Gallaher*

Becky Gallaher  
Contract Coordinator  
Natural Resources Division

Enc.

**INTERLOCAL COOPERATION AGREEMENT**  
**Chelan PUD No. 10-101    Grant PUD No. 430-3061**

THIS AGREEMENT is made by and between PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON ("Chelan"), and PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY WASHINGTON ("Grant").

**Recitals:**

Public Utility Districts are authorized pursuant to RCW Chapter 39.34 to enter into Cooperative Agreements.

**IT IS MUTUALLY AGREED THAT:**

**I.            PURPOSE and SCOPE**

The purpose of this Interlocal Agreement is to set forth the Parties' agreement to evaluate coordinated rearing of Wenatchee River summer Chinook, Methow River summer Chinook and Upper Wenatchee River spring Chinook at Chelan PUD facilities. The work described in this agreement is intended to provide Chelan and Grant with engineering analysis that will identify where investments will have the greatest return for the proposed coordinated fish rearing. A further description of the study and deliverables is included in Attachment A.

**II.           PERIOD of PERFORMANCE**

The period of performance of this Agreement shall commence upon execution of this Agreement and shall be completed by June 30, 2011, unless terminated sooner as provided herein.

**III.          PAYMENT**

The parties have estimated that the cost of the work herein and Grant agrees to pay Chelan a fee for services under this agreement not to exceed \$150,000. Grant shall reimburse the actual costs invoiced by Chelan for performing the services rendered in Attachment A. Chelan shall provide all back up documentation required by Grant to make reimbursement. The contract price may be modified only in writing and executed by both parties.

**IV.          BILLING PROCEDURES**

Grant shall make reimbursement payments to Chelan for undisputed amounts itemized on a written invoice and based on services performed in accordance with the terms of this Agreement. All invoices shall be delivered monthly to Rebecca Henricks Sr. Contract Officer, Public Utility District No. 2 of Grant County, WA, 15655 Wanapum Village Lane SW, Beverly, WA 99321 or rhenric@gcpud.org. Payment to Chelan shall be made within 30 days of the date invoice requesting payment is received by Grant.

**V.           AGREEMENT ALTERATIONS and AMENDMENTS**

This Agreement may be amended by mutual agreement of the Parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the Parties.

**VI. TERMINATION**

Either party may terminate this Agreement upon 15 days prior written notification to the other party. If this Agreement is so terminated, the terminating party shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement rendered prior to the effective date of termination.

**VII. INDEMNITY and WAIVER OF CLAIMS**

Grant and Chelan agree to hold each other harmless and indemnify one another for any acts committed or caused by one of them or their agents, consultants, employees, or sub-contractors against the other or a third party including, but not limited to, property damage, cost, charge or expense, whether direct or indirect and whether occasioned by injury or loss to persons or property. This indemnity obligation specifically includes liability or alleged liability that may arise from injury or loss suffered by any employee of Grant or Chelan or any subcontractor regardless of any immunity provided by the Washington Industrial Insurance Act, RCW Title 51, or any other applicable law.

**The terms of this section, specifically including the waiver of immunity, shall be deemed mutually negotiated to the fullest extent allowed by the laws of Washington.**

**VIII. GOVERNING LAW/VENUE**

This Agreement is made, executed under and is to be construed by 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 Chelan 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.

**IX. EFFECT OF OTHER AGREEMENTS**

This Agreement shall not change or affect the responsibilities and obligations of Chelan under its Rocky Reach and Rock Island Habitat Conservation Plans.

**X. ALL WRITINGS CONTAINED HEREIN**

This Agreement contains all the terms and conditions agreed upon by the Parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the Parties hereto.

**XI. CONTRACT MANAGEMENT**

The Project Coordinator for each of the Parties shall be responsible for and shall be the contact person for all communications and billings regarding the performance of this Agreement.

<b>The Project Coordinator for Grant PUD is:</b>	<b>The Project Coordinator for Chelan PUD is:</b>
Todd Pearsons	Joe Miller
30 C Street SW	327 N. Wenatchee Avenue
Ephrata, WA 98823	Wenatchee, WA 98801
Phone: (509) 754-0500	Phone: (509) 661-4472
Fax:	Fax: (509) 661-8108

**XII. RELATIONSHIP OF THE PARTIES**

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.

**XIII. COMPLIANCE WITH LAWS, RULES, AND REGULATIONS**

The Parties shall comply with all applicable federal, state, and local laws and regulations, all of which are deemed to be incorporated into this Agreement as if fully set forth. Chelan shall ensure compliance with RCW 39.80, if applicable, to any services provided under, or related to this Agreement.

**XIV. FILING**

The Parties shall, in compliance with RCW 39.34, upon execution of this Agreement, post and electronic copy of the Agreement on Grant and Chelan's Websites at the following addresses:

Grant: <http://www.gcpud.org.html> and

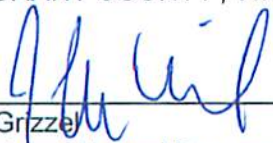
Chelan: <http://www.chelanpud.org/interlocal-agreements.html>

**XV. AUTHORIZED SIGNATURES**

Each individual executing this Agreement warrants he is fully authorized to bind his principal to the terms and conditions of this Agreement.

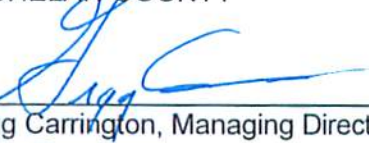
**IN WITNESS WHEREOF**, the Parties have executed this Agreement

PUBLIC UTILITY DISTRICT NO. 2  
OF GRANT COUNTY, WA

  
\_\_\_\_\_  
Jeff Grizzle  
Director of Natural Resources

Date: 8-10-10

PUBLIC UTILITY DISTRICT NO. 1  
OF CHELAN COUNTY

  
\_\_\_\_\_  
Gregg Carrington, Managing Director  
Energy Resources

Date: 8/13/10

# **ATTACHMENT A – SCOPE OF WORK**

## **Chelan PUD No. 10-101 Grant PUD No. 430-3061**

### **Background**

Chelan and Grant PUD's seek to evaluate coordinated rearing of Wenatchee River summer Chinook, Methow River summer Chinook and Upper Wenatchee River spring Chinook at Chelan PUD facilities. The work detailed in this agreement is intended to provide the District's with engineering analysis that will identify where investments will have the greatest return for the proposed coordinated fish rearing. The proposed work will provide three distinct scenarios for the rearing of Grant and Chelan's fish quantities.

### **Biological Program Analysis**

It will be necessary to update Chelan's analytical tool which calculates tank space, and flow requirements with fish stock life cycles, and growth projections. Fish rearing alternatives involve varied water temperature, rearing locations and infrastructure uses. The Biological program shall:

- Model each stock to meet rearing both utilities rearing commitments
- Identify biological growth criteria as inputs
- Identify water resources and infrastructure including possible new infrastructure
- Use a fish growth model already created by the District
- Calculate total fish requirements, fish growth, and feed requirements
- Provide means to compare infrastructure requirements to existing facilities
- Determine metabolite bi-product quantities and treatment capacity requirement

The product of the biological program analysis will be a recommended alternative for combining the two PUD's fish programs. The deliverable will be a report documenting the analysis alternatives, required infrastructure, necessary significant facility changes and an opinion of development schedule.

### **Conceptual Design Analysis**

Once the recommended alternative is agreed upon by both PUD's, Chelan will complete a concept design analysis. Work necessary for this phase of development includes:

- I. Scoping study and concept design
  - a. Review existing drawings and design information.
  - b. Identify design constraints and parameters for utilizing the preferred system to rear stocks.
    - i. Determine water quality effluent parameters (new NPDES developments).
  - c. Prepare concept-level process and layout drawings for the culture system(s).
  - d. Prepare preliminary equipment list.
  - e. Identify basic site requirements including space, access, and utilities for culture system(s).
  - f. Estimate a project design, construction and start-up schedule and milestones.
  - g. Prepare concept-level capital cost and operation and maintenance estimates.
  - h. Prepare summary draft report and recommendations.
- II. Refine system design
  - a. Review Grant comments on the draft report and recommendations.
  - b. Incorporate Grant feedback into the culture system(s) design and design report.
  - c. Refine layout of culture system(s) design.
  - d. Detailed design analysis and design calculations of culture systems:
    - i. Culture tank design.

- ii. Plumbing systems and hydraulics.
- iii. Water treatment (influent, reuse, and effluent).
- iv. Specialty equipment, SCADA input/output description alarms, and automation systems.
- e. Develop hydraulic gradeline from water supply to water discharge for the culture system(s).
- f. Prepare refined concept-level capital cost and O&M estimates for the partial water reuse system(s).
- g. Finalize summary report and recommendations.

**Chelan Supplied Goods and Services:**

- a. Chelan will supply all biological data as required to accurately model fish growth, including feeding rates over the entire rearing period.
- b. Chelan will provide site information, including an electronic survey with elevation contours (2-ft intervals preferred) and flood plain elevations.
- c. Chelan will provide the pump curves for the existing and/or proposed water supply pumps.
- d. Chelan will provide site-specific electrical cost per kilowatt-hour.
- e. Chelan will provide information on seasonal construction constraints.

Chelan is starting to design upgrades to the Eastbank incubation and chilling systems. Chelan's schedule for design and construction cannot be delayed due to its need to meet HCP production requirements by 2013. Gross costs to include Grant fish quantities have been estimated. Chelan is aware of the design process for incubation as it has been involved in studies and analysis for the past 14 months.

Chelan will design the incubation system and chiller to accommodate Grant's programs. Prior to bidding the project the PUD's will agree upon design and construction cost sharing for the incubation and chiller project at a minimum. Bid documents are planned to be ready by December 31, 2010.

**Deliverables**

Deliverables include those items listed in the scope of work including but not limited to:

- a. Summary report and recommendations detailing the conceptual design alternative.
- b. Concept-level capital cost and O&M estimates.
- c. Drawings showing hydraulic gradeline from water supply to water discharge for the culture system(s).
- d. Process equipment technical datasheets as available.
- e. Incubation and chiller project bid documents

**Schedule**

The following schedule of milestones is estimated:

**Table 1: Pilot Project Parameters**

Milestone	Estimated Completion Date
Biological Analysis	12-1-10
Scoping and concept design	3-1-11
Refined system design documents	5-1-11
Incubation and chiller bid documents	6-28-11

Note: All dates assume initiation of contract by August 1, 2010.