

**CITY OF SEATTLE**  
**ORDINANCE** 126177  
**COUNCIL BILL** 119870

AN ORDINANCE relating to the City Light Department; authorizing the General Manager and CEO to execute a ten-year agreement with Pend Oreille County, for loss of revenues and additional financial burdens associated with the City Light Department’s operation of the Boundary Hydroelectric Project on the Pend Oreille River pursuant to RCW 35.21.420, 35.21.425, 35.21.426, and 35.21.427; and ratifying and confirming certain prior acts.

WHEREAS, the City Light Department (“City Light”) operates a hydroelectric generating facility (“Boundary Project”) in Pend Oreille County (“County”) and said facility was constructed after March 17, 1955; and

WHEREAS, Revised Code of Washington (“RCW”) 35.21.425 requires any city that constructs a hydroelectric generating project after March 17, 1955, in a county other than the county in which such city is located, to enter into an agreement with such county that provides for loss of revenue and other financial burdens in providing for the public peace, health safety, welfare, and added road maintenance in such county, in addition to road construction or relocation as well as any loss of revenue and/or increases to the financial burden of any school district affected by the construction because of an increase in the number of pupils by reason of the construction or the operation of said generating facilities; and

WHEREAS, the previous agreement between City Light and the County expired by its own terms on December 31, 2019, and the parties began negotiations on a new agreement; and

WHEREAS, the County and City Light have reached monetary agreements for payments made by City Light to the County for the years 2020 through 2029, including all payments made and to be made by the County on behalf of City Light to the towns of Metaline,

1 Metaline Falls, and Ione, and the Selkirk, Cusick, and Newport School Districts, as more  
2 fully set forth in the 2020 Agreement between The City of Seattle and Pend Oreille  
3 County attached hereto as Attachment A; and

4 WHEREAS, the County has reached agreement with the Selkirk, Cusick, and Newport School  
5 Districts, and the towns of Metaline Falls, Metaline, and Ione, on the amounts of money  
6 each entity shall receive from the County on behalf of City Light, however warranted or  
7 entitled; and

8 WHEREAS, each of these towns and school districts have further warranted to City Light that  
9 the payments they are to receive under the agreements are in full satisfaction of the City’s  
10 obligation to them under RCW 35.21.420, 35.21.425, 35.21.426, and 35.21.427 for the  
11 stated years and that they will not seek additional funds, and the agreements are attached  
12 hereto as Attachments B, C, D, E, F, and G; and

13 WHEREAS, City Light’s agreement with the County, and the specified payments to the school  
14 districts of Selkirk, Cusick, and Newport and the towns of Metaline, Metaline Falls, and  
15 Ione are all made pursuant to RCW 35.21.420, 35.21.425, 35.21.426, and 35.21.427 due  
16 to City Light’s operation of the Boundary Project; NOW, THEREFORE,

17 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

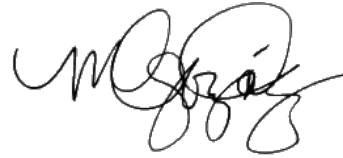
18 Section 1. The General Manager and CEO of City Light, or the General Manager and  
19 CEO’s designee, is hereby authorized for and on behalf of The City of Seattle to execute and  
20 deliver a ten-year agreement with Pend Oreille County providing for payment to Pend Oreille  
21 County and certain school districts and towns adjacent to the Boundary Project, substantially in  
22 the form of the agreement attached hereto as Attachment A (“2020 Agreement”). The 2020  
23 Agreement provides for annual payments for the years 2020 through 2029, inclusive, to Pend

1 Oreille County; the Selkirk, Cusick, and Newport School Districts; and the towns of Metaline,  
2 Metaline Falls, and Ione. As specified in the 2020 Agreement, the payments are made pursuant  
3 to RCW 35.21.420, 35.21.425, 35.21.426, and 35.21.427.

4           Section 2. Any act pursuant to the authority of this ordinance taken prior to its effective  
5 date is hereby ratified and confirmed.

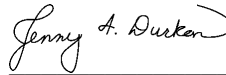
1 Section 3. This ordinance shall take effect and be in force 30 days after its approval by  
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it  
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by the City Council the 21st day of September, 2020,  
5 and signed by me in open session in authentication of its passage this 21st day of  
6 September, 2020.



7 \_\_\_\_\_  
8 President \_\_\_\_\_ of the City Council

9 Approved by me this 25th day of September, 2020.



10 \_\_\_\_\_  
11 Jenny A. Durkan, Mayor

12 Filed by me this 25th day of September, 2020.



13 \_\_\_\_\_  
14 Monica Martinez Simmons, City Clerk

15 (Seal)

16  
17  
18  
19 Attachments:  
20 Attachment A – 2020 Agreement between The City of Seattle and Pend Oreille County

**2020 AGREEMENT BETWEEN**  
**THE CITY OF SEATTLE**  
**AND**  
**PEND OREILLE COUNTY**

This 2020 Agreement ("**Agreement**"), dated this 18 day of May 2020, is entered into by and between The City of Seattle, by and through its City Light Department ("**City Light**") and Pend Oreille County ("**County**"). City Light and the County may individually be referred to as a "**Party**" in this Agreement or collectively as "**Parties**".

WHEREAS, the City operates a hydroelectric generating facility (hereinafter the "**Boundary Project**") in Pend Oreille County and the Boundary Project was constructed after March 1, 1955; and

WHEREAS, the Revised Code of Washington ("**RCW**") 35.21.425 requires any city, that constructs a hydroelectric generating project after March 17, 1955 in a county other than the county in which such city is located, to enter into an agreement with such county that provides for loss of revenue and other financial burdens in providing for the public peace, health, safety, welfare, and added road maintenance in such county, in addition to road construction or relocation as well as any loss of revenues and/or increases to the financial burden of any school district affected by the construction because of an increase in the number of pupils by reason of the construction or the operation of said generating facilities; and

WHEREAS, RCW 35.21.420 provides alternative authority for a city, that constructs a hydroelectric generating project in a county other than the one it resides in, to enter into an agreement with such county to provide for the public peace, health, safety and welfare of such county as concerns the facilities and the personnel employed in connection therewith, by contributing to the support of the county government of any such county; and

WHEREAS, on August 24, 2010, pursuant to such statutory authority, City Light and the County entered into a contract that provided for determining the first-year payment to the County utilizing a compensation methodology based on the generation portion of the state law tax on generation facilities of public utility districts (the "**2010 Contract**"); and

WHEREAS, the 2010 Contract expired by its own terms on December 31, 2019 the Parties began negotiations on a new agreement that same year; and

WHEREAS, senior executives from both Parties made multiple trips from Seattle to Pend Oreille County to meet and negotiate the new agreement; and

---

WHEREAS, in early 2020, in light of the extended negotiating period, City Light, pursuant to RCW 35.21.420, continued payment to the County providing for payments to the County for the calendar year 2020 based on the 2019 payment under the 2010 Contract combined with a 3.1% escalator; and

WHEREAS, the County and City Light have now reached monetary agreements for payments made by City Light to the County for the years 2020 through 2029, including payments made by the County on behalf of City Light to the Selkirk, Cusick and Newport School Districts, ("the School Districts") and the towns of Metaline Falls, Metaline, and Lone (the "Towns") (and collectively "Local Governments"), as more fully set forth in Attachment A, and wish to memorialize such agreement in this document;

WHEREAS, City Light has made all payments required under the 2010 Agreement;

NOW, Therefore, City Light and the County agree as follows:

**Payments Pursuant to RCW 35.21.420, .425, .426 and .427**

1. This agreement shall be effective as of the date first mentioned above and shall set forth the payments to be made from City Light to the County for the years 2020- 2029 pursuant to RCW 35.21.420, .425, .426 and .427 (hereinafter the "**Statutory Payment(s)**").

2. The Parties agree that the Statutory Payments contemplated by this contract shall be made as follows:

- i. For the 2020-year, City Light shall pay the County four equal payments of \$473,340.09, or until such time as a final Agreement has been executed between the parties, at which time remaining payments for 2020 will be adjusted to \$676,293.75; and
- ii. For year 2020, by December 31, 2020 City Light shall provide a true-up payment representing the difference between the initial 2020 payments and the remaining balance for 2020 under the Agreement (Attachment A); and
- iii. For years 2021 – 2029, City Light shall make the payment specified for each year in Attachment A in four equal installments on the following dates for each year: January 10, April 10, July 10, and October 10.

The County acknowledges that City Light must seek and receive ordinance authority for this Agreement from the Seattle City Council. Upon receipt of the County's executed Agreement, City Light shall use good faith, commercially reasonable efforts to expedite the approval of the authorizing ordinance by the Seattle City Council.

3. The County and City Light agree that the Statutory Payments made to the County include funds the County has agreed to distribute on behalf of City Light to the

---

Local Governments. The Statutory Payments shall be made solely to the County as consideration for any and all moneys and payments, however warranted or entitled, to be made by City Light to the County and Local Governments. The Statutory Payments are the complete consideration for any and all claims the County and/or the Local Governments have or could have asserted for the time period through December 31, 2029 pursuant to RCW 35.21.420, .425, .426 or .427.

4. Any portion of the Statutory Payments made on behalf of or for the School Districts are not for the support of basic education and are not to be used for that purpose. These funds are intended to provide compensation to the districts as authorized and allowed under RCW 35.21.420, .425, .426 and .427.

5. The County shall condition the payments made to the Local Governments on the Local Governments' agreement to not request any other payments from City Light under RCW 35.21.420, .425, .426 and .427. In the event the Local Governments fail to adhere to this condition, City Light shall have the right to withhold the applicable Local Government(s)' allocation from its payments to the County until such matters are resolved consistent with this Agreement. The County agrees to cooperate and provide good faith assistance to City Light in the prompt resolution of any such disputes with the Local Government(s).

6. One year prior to the delivery of the last quarterly payment to the County authorized by paragraph 2, this contract shall be subject to renegotiation pursuant to the requirements of RCW 35.21.420, .425, .426 and .427.

#### **General**

7. The County represents and warrants that:

- i. The County has reached written agreements with the Local Governments on the allocation of any Statutory Payments between the County and the Local Governments; and
- ii. The agreed upon payments under this Agreement include any all moneys being paid to the Local Governments, including any payments required to be made by City Light to the Local Governments under RCW 35.21.425; and
- iii. The County will timely make any distribution of the Statutory Payments to the Local Governments;
- iv. The County has the full authority from each of the Local Governments to enter into this agreement.

8. This Agreement shall be governed by the laws of the state of Washington without reference to its choice of law principles to the contrary.

9. This Agreement may be amended or modified only by a writing signed by both Parties.

10. Any failure or delay in the exercise of any right or remedy available to a Party hereunder shall not be construed as a waiver or relinquishment of such right or remedy.

---

11. Any rule or principle of contractual construction that would otherwise require any aspect of this Agreement to be interpreted against the Party primarily responsible for its drafting will not be employed in the interpretation of this Agreement.

12. This Agreement constitutes, on and as of the date hereof, the entire agreement of the Parties with respect to the subject matter hereof and thereof and supersedes any and all prior and contemporaneous agreements and understandings, written or oral, of the Parties regarding the subject matter hereof.

**THE CITY OF SEATTLE,**  
by and through its City Light Department

By: \_\_\_\_\_

Title: \_\_\_\_\_

**BOARD OF COMMISSIONERS  
PEND OREILLE COUNTY**

By: Mike Mooney

Title: Commissioner, Chair

By: Steve Kiss

Title: Commissioner, Vice Chair

By: Jeff Bos

Title: Commissioner



---

Attachment A to the 2020 Agreement

STATUTORY PAYMENTS

<u>Year</u>	<u>Statutory Payment</u>
2020	\$2,705,175
2021	\$2,763,336
2022	\$2,822,748
2023	\$2,883,437
2024	\$2,945,431
2025	\$3,008,758
2026	\$3,073,446
2027	\$3,139,525
2028	\$3,207,025
2029	\$3,275,976

Attachments:

- B- Selkirk School District
- C- Cusick School District
- D- Newport School District
- E- Town of Ione
- F- Town of Metaline
- G- Town of Metaline Falls

**AGREEMENT TO CONDITIONS OF RECEIVING MONETARY  
PAYMENTS-SELKIRK SCHOOL DISTRICT**

This Agreement, effective as of \_\_\_\_\_ (the “Effective Date”), is entered into by and between The City of Seattle, by and through its City Light Department, (“Seattle”), Pend Oreille County (the “County”), and the Selkirk School District (“Selkirk”). Seattle, the County and Selkirk may be collectively referred to as “Parties” and individually as a “Party”.

WHEREAS, Seattle owns the Boundary Hydroelectric Dam (“Boundary Project”) operating in Pend Oreille County; and

WHEREAS, Seattle and the County intend to enter into an Agreement which provides for certain monetary payments to be made by Seattle to the County under Revised Code of Washington (“RCW”) 35.21.420, .425, .426, or .427 and for the period January 1, 2020 through December 31, 2029 for distribution to local government entities including Selkirk to compensate it for impacts arising from the Boundary Project; and

WHEREAS, Selkirk has reviewed this pending Agreement, including total dollar amounts Seattle has agreed to pay the County each year between January 1, 2020 through December 31, 2029; and

NOW THEREFORE, in consideration of the mutual benefits and other good and valuable consideration, the sufficiency of which are hereby recognized by the Parties to be obtained pursuant to this Agreement, Selkirk, County, and Seattle hereby agree as follows:

1. Selkirk, County and Seattle agree that the allocation of Seattle payments to the County for Selkirk is contained in the following table:

Table 1

<u>Year</u>	<u>Payment from County to Selkirk</u>
2020	\$450,412
2021	\$460,095
2022	\$469,988
2023	\$480,092
2024	\$490,414
2025	\$500,958
2026	\$511,729
2027	\$522,731
2028	\$533,970
2029	\$545,450

2. Upon receipt of the quarterly payments from Seattle to the County, the County agrees to pay Selkirk each year’s amount as identified in Table 1 above.

- i. For years 2021-2029, the County shall make the payment specified for each year noted above in four equal installments by the end of each of the following months: January, April, July, and October.

3. Selkirk accepts these payments as identified in Table 1 as full and complete compensation for amounts owed or owing to it from the County and Seattle pursuant to RCW 35.21.420, .425, .426, or .427 arising from the Boundary Project; and

4. Selkirk agrees that upon receipt of these payments as indicated above, Selkirk represents and warrants to the County and Seattle that Selkirk will not, under any circumstances, attempt to seek additional compensation from either the County or Seattle pursuant to RCW 35.21.420, .425, .426, or .427 arising from or related to the Boundary Project and for the time period January 1, 2020 through December 29, 2029.

5. This Agreement represents the entire agreement between the Parties and may be amended only by a written instrument executed by all of the Parties.

6. This Agreement may be executed in two (2) or more counterparts, each of which shall be an original, but such counterparts together shall constitute one and the same instrument notwithstanding that each one of the Parties are not signatories to the same counterpart.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the Effective Date.

The City of Seattle, City Light Department

\_\_\_\_\_  
Name Title Date

Pend Oreille County

Mike Korman NOCC Chair 5-18-20  
Name Title Date

Selkirk School District

Nancy Lotze Superintendent 5/11/2020  
Name Title Date

Nancy Lotze

**AGREEMENT TO CONDITIONS OF RECEIVING MONETARY  
PAYMENTS-CUSICK SCHOOL DISTRICT**

This Agreement, effective as of \_\_\_\_\_ (the “Effective Date”), is entered into by and between The City of Seattle, by and through its City Light Department, (“Seattle”), Pend Oreille County (the “County”), and the Cusick School District (“Cusick”). Seattle, the County and Cusick may be collectively referred to as “Parties” and individually as a “Party”.

WHEREAS, Seattle owns the Boundary Hydroelectric Dam (“Boundary Project”) operating in Pend Oreille County; and

WHEREAS, Seattle and the County intend to enter into an Agreement which provides for certain monetary payments to be made by Seattle to the County under Revised Code of Washington (“RCW”) 35.21.420, .425, .426, or .427 and for the period January 1, 2020 through December 31, 2029 for distribution to local government entities including Cusick to compensate it for impacts arising from the Boundary Project; and

WHEREAS, Cusick has reviewed this pending Agreement, including total dollar amounts Seattle has agreed to pay the County each year between January 1, 2020 through December 31, 2029; and

NOW THEREFORE, in consideration of the mutual benefits and other good and valuable consideration, the sufficiency of which are hereby recognized by the Parties to be obtained pursuant to this Agreement, Cusick, County, and Seattle hereby agree as follows:

1. Cusick, County and Seattle agree that the allocation of Seattle payments to the County for Cusick is contained in the following table:

Table 1

<u>Year</u>	<u>Payment from County to Cusick</u>
2020	\$30,000
2021	\$30,000
2022	\$30,000
2023	\$30,000
2024	\$30,000
2025	\$30,000
2026	\$30,000
2027	\$30,000
2028	\$30,000
2029	\$30,000

2. Upon receipt of the quarterly payments from Seattle to the County, the County agrees to pay Cusick each year’s amount as identified in Table 1 above.

- i. For years 2021-2029, the County shall make the payment specified for each year noted above in four equal installments on the following dates for each year: January 10, April 10, July 10, and October 10.

3. Cusick accepts these payments as identified in Table 1 as full and complete compensation for amounts owed or owing to it from the County and Seattle pursuant to RCW 35.21.420, .425, .426, or .427 arising from the Boundary Project; and

4. Cusick agrees that upon receipt of these payments as indicated above, Cusick represents and warrants to the County and Seattle that Cusick will not, under any circumstances, attempt to seek additional compensation from either the County or Seattle pursuant to RCW 35.21.420, .425, .426, or .427 arising from or related to the Boundary Project and for the time period January 1, 2020 through December 29, 2029.

5. This Agreement represents the entire agreement between the Parties and may be amended only by a written instrument executed by all of the Parties.

6. This Agreement may be executed in two (2) or more counterparts, each of which shall be an original, but such counterparts together shall constitute one and the same instrument notwithstanding that each one of the Parties are not signatories to the same counterpart.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the Effective Date.

The City of Seattle, City Light Department

\_\_\_\_\_  
Name Title Date

Pend Oreille County

  
\_\_\_\_\_  
Name Title Date  
Mike Manus Commissioner, Chair 5-18-20

Cusick School District

  
\_\_\_\_\_  
Name Title Date  
Don Hawpe Superintendent 5/18/2020

**AGREEMENT TO CONDITIONS OF RECEIVING MONETARY  
PAYMENTS-NEWPORT SCHOOL DISTRICT**

This Agreement, effective as of \_\_\_\_\_ (the “Effective Date”), is entered into by and between The City of Seattle, by and through its City Light Department, (“Seattle”), Pend Oreille County (the “County”), and the Newport School District (“Newport”). Seattle, the County and Newport may be collectively referred to as “Parties” and individually as a “Party”.

WHEREAS, Seattle owns the Boundary Hydroelectric Dam (“Boundary Project”) operating in Pend Oreille County; and

WHEREAS, Seattle and the County intend to enter into an Agreement which provides for certain monetary payments to be made by Seattle to the County under Revised Code of Washington (“RCW”) 35.21.420, .425, .426, or .427 and for the period January 1, 2020 through December 31, 2029 for distribution to local government entities including Newport to compensate it for impacts arising from the Boundary Project; and

WHEREAS, Newport has reviewed this pending Agreement, including total dollar amounts Seattle has agreed to pay the County each year between January 1, 2020 through December 31, 2029; and

NOW THEREFORE, in consideration of the mutual benefits and other good and valuable consideration, the sufficiency of which are hereby recognized by the Parties to be obtained pursuant to this Agreement, Newport, County, and Seattle hereby agree as follows:

1. Newport, County and Seattle agree that the allocation of Seattle payments to the County for Newport is contained in the following table:

Table 1

<u>Year</u>	<u>Payment from County to Newport</u>
2020	\$36,000
2021	\$36,000
2022	\$36,000
2023	\$36,000
2024	\$36,000
2025	\$36,000
2026	\$36,000
2027	\$36,000
2028	\$36,000
2029	\$36,000

2. Upon receipt of the quarterly payments from Seattle to the County, the County agrees to pay Newport each year’s amount as identified in Table 1 above.

- i. For years 2021-2029, the County shall make the payment specified for each year noted above in four equal installments by the end of each of the following months: January, April, July, and October.

3. Newport accepts these payments as identified in Table 1 as full and complete compensation for amounts owed or owing to it from the County and Seattle pursuant to RCW 35.21.420, .425, .426, or .427 arising from the Boundary Project; and

4. Newport agrees that upon receipt of these payments as indicated above, Newport represents and warrants to the County and Seattle that Newport will not, under any circumstances, attempt to seek additional compensation from either the County or Seattle pursuant to RCW 35.21.420, .425, .426, or .427 arising from or related to the Boundary Project and for the time period January 1, 2020 through December 29, 2029.

5. This Agreement represents the entire agreement between the Parties and may be amended only by a written instrument executed by all of the Parties.

6. This Agreement may be executed in two (2) or more counterparts, each of which shall be an original, but such counterparts together shall constitute one and the same instrument notwithstanding that each one of the Parties are not signatories to the same counterpart.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the Effective Date.

The City of Seattle, City Light Department

\_\_\_\_\_  
Name Title Date

Pend Oreille County

Walter Klemm POCC Chair 5-18-20  
Name Title Date

Newport School District

Will L. Smith superintendent 5/18/2020  
Name Title Date

**AGREEMENT TO CONDITIONS OF RECEIVING MONETARY  
PAYMENTS-TOWN OF IONE**

This Agreement, effective as of \_\_\_\_\_ (the “Effective Date”), is entered into by and between The City of Seattle, by and through its City Light Department, (“Seattle”), Pend Oreille County (the “County”), and the Town of Ione (“Ione”). Seattle, the County and Ione may be collectively referred to as “Parties” and individually as a “Party”.

WHEREAS, Seattle owns the Boundary Hydroelectric Dam (“Boundary Project”) operating in Pend Oreille County; and

WHEREAS, Seattle and the County intend to enter into an Agreement which provides for certain monetary payments to be made by Seattle to the County under Revised Code of Washington (“RCW”) 35.21.420, .425, .426, or .427 and for the period January 1, 2020 through December 31, 2029 for distribution to local government entities including Ione to compensate it for impacts arising from the Boundary Project; and

WHEREAS, Ione has reviewed this pending Agreement, including total dollar amounts Seattle has agreed to pay the County each year between January 1, 2020 through December 31, 2029; and

NOW THEREFORE, in consideration of the mutual benefits and other good and valuable consideration, the sufficiency of which are hereby recognized by the Parties to be obtained pursuant to this Agreement, Ione, County, and Seattle hereby agree as follows:

1. Ione, County and Seattle agree that the allocation of Seattle payments to the County for Ione is contained in the following table:

Table 1

<u>Year</u>	<u>Payment from County to Ione</u>
2020	\$40,000
2021	\$40,500
2022	\$41,000
2023	\$41,500
2024	\$42,000
2025	\$42,500
2026	\$43,000
2027	\$43,500
2028	\$44,000
2029	\$44,500

2. Upon receipt of the quarterly payments from Seattle to the County, the County agrees to pay Ione each year’s amount as identified in Table 1 above.



i. For years 2021-2029, the County shall make the payment specified for each year noted above in four equal installments by the end of each of the following months: January, April, July, and October.

3. Ione accepts these payments as identified in Table 1 as full and complete compensation for amounts owed or owing to it from the County and Seattle pursuant to RCW 35.21.420, .425, .426, or .427 arising from the Boundary Project; and

4. Ione agrees that upon receipt of these payments as indicated above, Ione represents and warrants to the County and Seattle that Ione will not, under any circumstances, attempt to seek additional compensation from either the County or Seattle pursuant to RCW 35.21.420, .425, .426, or .427 arising from or related to the Boundary Project and for the time period January 1, 2020 through December 29, 2029.

5. This Agreement represents the entire agreement between the Parties and may be amended only by a written instrument executed by all of the Parties.

6. This Agreement may be executed in two (2) or more counterparts, each of which shall be an original, but such counterparts together shall constitute one and the same instrument notwithstanding that each one of the Parties are not signatories to the same counterpart.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the Effective Date.

The City of Seattle, City Light Department

\_\_\_\_\_  
Name Title Date

Pend Oreille County

Mike Moore POCC Chair 5-18-20  
Name Title Date

Town of Ione

Charles M. Spears MAYOR May 7, 2020  
Name Title Date

**AGREEMENT TO CONDITIONS OF RECEIVING MONETARY  
PAYMENTS-TOWN OF METALINE**

This Agreement, effective as of \_\_\_\_\_ (the "Effective Date"), is entered into by and between The City of Seattle, by and through its City Light Department, ("Seattle"), Pend Oreille County (the "County"), and the Town of Metaline ("Metaline"). Seattle, the County and Metaline may be collectively referred to as "Parties" and individually as a "Party".

WHEREAS, Seattle owns the Boundary Hydroelectric Dam ("Boundary Project") operating in Pend Oreille County; and

WHEREAS, Seattle and the County intend to enter into an Agreement which provides for certain monetary payments to be made by Seattle to the County under Revised Code of Washington ("RCW") 35.21.420, .425, .426, or .427 and for the period January 1, 2020 through December 31, 2029 for distribution to local government entities including Metaline to compensate it for impacts arising from the Boundary Project; and

WHEREAS, Metaline has reviewed this pending Agreement, including total dollar amounts Seattle has agreed to pay the County each year between January 1, 2020 through December 31, 2029; and

NOW THEREFORE, in consideration of the mutual benefits and other good and valuable consideration, the sufficiency of which are hereby recognized by the Parties to be obtained pursuant to this Agreement, Metaline, County, and Seattle hereby agree as follows:

1. Metaline, County and Seattle agree that the allocation of Seattle payments to the County for Metaline is contained in the following table:

Table 1

<u>Year</u>	<u>Payment from County to Metaline</u>
2020	\$40,000
2021	\$40,500
2022	\$41,000
2023	\$41,500
2024	\$42,000
2025	\$42,500
2026	\$43,000
2027	\$43,500
2028	\$44,000
2029	\$44,500

2. Upon receipt of the quarterly payments from Seattle to the County, the County agrees to pay Metaline each year's amount as identified in Table 1 above.

- i. For years 2021-2029, the County shall make the payment specified for each year noted above in four equal installments by the end of each of the following months: January, April, July, and October.

3. Metaline accepts these payments as identified in Table 1 as full and complete compensation for amounts owed or owing to it from the County and Seattle pursuant to RCW 35.21.420, .425, .426, or .427 arising from the Boundary Project; and

4. Metaline agrees that upon receipt of these payments as indicated above, Metaline represents and warrants to the County and Seattle that Metaline will not, under any circumstances, attempt to seek additional compensation from either the County or Seattle pursuant to RCW 35.21.420, .425, .426, or .427 arising from or related to the Boundary Project and for the time period January 1, 2020 through December 29, 2029.

5. This Agreement represents the entire agreement between the Parties and may be amended only by a written instrument executed by all of the Parties.

6. This Agreement may be executed in two (2) or more counterparts, each of which shall be an original, but such counterparts together shall constitute one and the same instrument notwithstanding that each one of the Parties are not signatories to the same counterpart.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the Effective Date.

The City of Seattle, City Light Department

\_\_\_\_\_  
Name Title Date

Pend Oreille County

Michael McQuinn POCC Chair 5-18-20  
Name Title Date

Town of Metaline

Pete Daggett Mayor 5/7/2020  
Name Title Date  
Pete Daggett

**AGREEMENT TO CONDITIONS OF RECEIVING MONETARY  
PAYMENTS-TOWN OF METALINE FALLS**

This Agreement, effective as of \_\_\_\_\_ (the “Effective Date”), is entered into by and between The City of Seattle, by and through its City Light Department, (“Seattle”), Pend Oreille County (the “County”), and the Town of Metaline Falls (“Metaline Falls”). Seattle, the County and Metaline Falls may be collectively referred to as “Parties” and individually as a “Party”.

WHEREAS, Seattle owns the Boundary Hydroelectric Dam (“Boundary Project”) operating in Pend Oreille County; and

WHEREAS, Seattle and the County intend to enter into an Agreement which provides for certain monetary payments to be made by Seattle to the County under Revised Code of Washington (“RCW”) 35.21.420, .425, .426, or .427 and for the period January 1, 2020 through December 31, 2029 for distribution to local government entities including Metaline Falls to compensate it for impacts arising from the Boundary Project; and

WHEREAS, Metaline Falls has reviewed this pending Agreement, including total dollar amounts Seattle has agreed to pay the County each year between January 1, 2020 through December 31, 2029; and

NOW THEREFORE, in consideration of the mutual benefits and other good and valuable consideration, the sufficiency of which are hereby recognized by the Parties to be obtained pursuant to this Agreement, Metaline Falls, County, and Seattle hereby agree as follows:

1. Metaline Falls, County and Seattle agree that the allocation of Seattle payments to the County for Metaline Falls is contained in the following table:

Table 1

<u>Year</u>	<u>Payment from County to Metaline Falls</u>
2020	\$40,000
2021	\$40,500
2022	\$41,000
2023	\$41,500
2024	\$42,000
2025	\$42,500
2026	\$43,000
2027	\$43,500
2028	\$44,000
2029	\$44,500

2. Upon receipt of the quarterly payments from Seattle to the County, the County agrees to pay Metaline Falls each year’s amount as identified in Table 1 above.

- i. For years 2021-2029, the County shall make the payment specified for each year noted above in four equal installments by the end of each of the following months: January, April, July, and October.

3. Metaline Falls accepts these payments as identified in Table 1 as full and complete compensation for amounts owed or owing to it from the County and Seattle pursuant to RCW 35.21.420, .425, .426, or .427 arising from the Boundary Project; and

4. Metaline Falls agrees that upon receipt of these payments as indicated above, Metaline Falls represents and warrants to the County and Seattle that Metaline Falls will not, under any circumstances, attempt to seek additional compensation from either the County or Seattle pursuant to RCW 35.21.420, .425, .426, or .427 arising from or related to the Boundary Project and for the time period January 1, 2020 through December 29, 2029.

5. This Agreement represents the entire agreement between the Parties and may be amended only by a written instrument executed by all of the Parties.

6. This Agreement may be executed in two (2) or more counterparts, each of which shall be an original, but such counterparts together shall constitute one and the same instrument notwithstanding that each one of the Parties are not signatories to the same counterpart.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the Effective Date.

The City of Seattle, City Light Department

\_\_\_\_\_  
Name Title Date

Pend Oreille County

Mike Messner POEL Chair 5-18-20  
Name Title Date

Town of Metaline Falls

Tara Leininger MAYOR 11 MAY 2020  
Name Title Date  
Tara Leininger