

**INTERLOCAL AGREEMENT
12-024-INT
FOR PERMITTING ASSISTANCE FOR THE COLUMBIA RIVER FEDERAL
NAVIGATION CHANNEL DEEPENING & MAINTENANCE
BY AND BETWEEN
THE PORT OF LONGVIEW AND PORT OF WOODLAND**

THIS INTERLOCAL AGREEMENT ("Agreement") is entered into by and between the Port of Longview, a Washington municipal corporation, ("the Port") and the Port of Woodland, a Washington municipal corporation ("Contractee") (collectively referred to herein as the "Parties").

WHEREAS, the Port and other public entities have entered into a cost sharing Interlocal Agreement for Non-Federal Sponsor responsibilities for the Navigation Channel Deepening and Maintenance permitting for certain locations (PCA Cost Sharing IGA Amendment No. 2).

WHEREAS, the above mentioned amendment stipulates that cost sharing applies to costs incurred by the Non-Federal Sponsors for Project elements which benefit navigation generally, and does not apply to Port owned property that benefit one port specifically.

WHEREAS, the Contractee owns such sites which benefit Contractee specifically, including the Martins Bar and Austin Point disposal sites.

WHEREAS, the Port of Longview is the lead agency for permitting activities for Non-Federal sponsors and as such, will assist and facilitate obtaining permits for the Project as defined in PCA Cost Sharing IGA Amendment No. 2.

WHEREAS, the Contractee wishes to include their Port-owned property in the permitting process to be facilitated by the Port of Longview and Anchor QEA, LLC and reimburse the Port for expenses relating to disposal sites owned by the Port of Woodland.

NOW, THEREFORE, the Parties agree as follows:

I. Scope of Work

- A. Services Provided. The Assigned Individual or contracting subconsultant shall provide to the Contractee, the following services ("Services"):

PORT OF WOODLAND SITES:

The purpose of the Project is to provide the Port of Woodland (Port) with consulting services for the Columbia River Navigation Channel, Operation and Maintenance Permit Assistance Project. The disposal sites related to this portion of the work are: Martins Bar and Austin Point in Cowlitz County. The tasks detailed in this scope of work include:

- Task 2.1 Project Management
- Task 2.2 Background Information Review
- Task 2.3 SEPA Documentation
- Task 2.4 Permit Documentation
- Task 2.5 Agency Coordination
- Task 2.6 Ports and USACE Coordination

- Task 2.7 Shoreline Hearing
- Task 2.8 Site Visit

TASK 2.1 PROJECT MANAGEMENT

The project management task includes internal project meetings, project schedule development, and monthly progress meetings with the Ports. This task also includes time for monthly invoicing.

Deliverables

- Project schedule (in Microsoft Project)
- Monthly invoices and cover letters

TASK 2.2 BACKGROUND INFORMATION REVIEW

Anchor QEA will work with the Port and USACE to identify and assemble the background information relevant to the project including existing National and State Environmental Policy Acts (NEPA/SEPA) and Endangered Species Act (ESA) documentation, rights-of-entry (ROEs), and other technical studies related to the upland disposal sites. Anchor QEA will also review any additional information relevant to the project as identified by the Port or USACE, including relevant dredge design/construction information. While any information not identified in the RFP is being assembled, Anchor QEA staff will begin the review and synthesis of the information already identified in the RFP to ensure that all background information is rapidly assessed for integration into the SEPA documentation to be prepared for the project. Any additional materials identified will be reviewed and synthesized as soon as they become available.

Deliverables

- Draft and final project reference list (to be incorporated into the SEPA documentation and permit documentation tasks)

TASK 2.3 SEPA DOCUMENTATION

Using the information collected in Task 2, Anchor QEA will develop a SEPA compliance memorandum that addresses each disposal site to be permitted and addresses how the requirements in the Supplemental Environmental Impact Statement (SEIS) are met by the current proposed project. The purpose of the memorandum is to confirm that SEPA requirements for the current project were previously addressed during the SEIS process and how the environmental commitments detailed in the SEIS have been or are being addressed or implemented. The memorandum will be provided to Cowlitz County and Washington State Department of Fish and Wildlife (WDFW) as part of the permit documentation detailed in Task 4.

Note that the SEPA compliance memorandum will include information on each site to be permitted by the Port of Woodland and also the additional sites to be permitted for the overall project as led by the Port of Longview. The budget attached to this memorandum reflects the portion of this task being paid by the Port of Woodland.

Deliverables

- Draft and final SEPA compliance memorandum

TASK 2.4 PERMIT DOCUMENTATION

Anchor QEA will develop a permit strategy that identifies the expected permits and approvals and key regulatory issues associated with each site. Additionally, the permit strategy will discuss potential permit paths for the identified work elements, provide a schedule for obtaining needed

approvals, and identify critical path issues and associated timelines. It is expected that the following permits and approvals will be required for the project:

- Cowlitz County
- Shoreline Conditional Use Permit
- Grading Permit
- Critical Areas Review/Permit
- SEPA documentation
- WDFW
- Hydraulic Project Approval (HPA)

Deliverables

Anchor QEA will develop the following permit application materials to apply for the required permits and approvals:

- Draft and final Joint Aquatic Resources Permit Application (JARPA)
- Draft and final Cowlitz County Critical Areas Reports
- Draft and final Cowlitz County Shoreline Conditional Use Permit applications
- Draft and final Cowlitz County Grading Permit applications

TASK 2.5 AGENCY COORDINATION

Anchor QEA will coordinate and correspond with the resource agencies that will be issuing permits for this project, including Cowlitz County, WDFW, and Ecology, throughout the duration of the project. Once the permit applications are developed and submitted, Anchor QEA will conduct ongoing coordination with the agencies to ensure that any questions on the submitted materials are quickly answered, the SEPA memorandum is provided to the appropriate agencies, notices of complete applications are issued, and Shoreline Conditional Use Permit hearings are scheduled with Cowlitz County.

Deliverables

- Written responses to agency questions and comments

TASK 2.6 PORTS AND USACE COORDINATION

Anchor QEA will coordinate and correspond with the Ports and USACE throughout the duration of the projects to address ongoing project needs and issues. The Anchor QEA project manager will conduct regular phone calls or attend on-site meetings with the Ports and USACE as needed throughout the duration of the project.

Deliverables

N/A

TASK 2.7 SHORELINE HEARING

The Anchor QEA project manager will attend and prepare for the Cowlitz County Shoreline Conditional Use Permit hearing. Included in this task will be a Shoreline Conditional Use Permit preparatory meeting with the Ports and USACE (to be combined with the Port of Longview's Shoreline Conditional Use Permit preparatory meeting). If needed, Anchor QEA will also develop presentation materials commensurate with the level of effort identified in the project budget. The exact nature of the presentation materials will be agreed to by the Ports, USACE, and Anchor QEA prior to any hearings occurring. It is assumed that a one shoreline hearing will be held for the Martins Bar and Austin Point sites and that a separate hearing specific to the Hump, Cottonwood, and Howard Islands will occur to address the other sponsoring Ports permitting requirements.

Deliverables

- Presentation materials (as needed)

TASK 2.8 SITE VISIT

The Anchor QEA project manager and lead permitter (two staff in total) will accompany the Ports and USACE staff on site visits to each of the sites to be permitted to document existing conditions at each site. A total of 8 hours per Anchor QEA staff member is included in this task and that time includes time for travel to and from the site. This task also includes meals and mileage for both staff for the duration of the fieldwork.

ASSUMPTIONS

- Fieldwork will occur on a single day.
- Existing USACE permits, 401 Water Quality Certifications, and Coastal Consistency Determination for the Columbia River Channel Improvement Project are sufficient to address the federal permitting requirements of this project.
- Anchor QEA will produce one draft set of each deliverables for review by the Ports, respond to a single set of combined comments from the Ports on each, and produce the final deliverable for submittal to the agencies.
- Anchor QEA will be the primary point of contact with the regulatory agencies on the project.
- An agency kick-off meeting is not included.
- No mitigation will be required for the project. Existing mitigation activities will be documented in the SEPA compliance memorandum. No new mitigation reports will be developed.
- The Port is responsible for all publication and permit fees.
- No permit or SEPA appeals are anticipated for the project. If the Port needs assistance with responding to an appeal, this work will need to be addressed under a separate scope of services.

- B. Employment. During the term of this Agreement, the Assigned Individual shall remain a full-time employee of the Port and the Port shall continue to be responsible for the Assigned Individual's salary, benefits and retirement contributions. Nothing contained herein shall be construed as creating an employer/employee relationship between the Assigned Individual and the Contractee.

II. Administration of Agreement/Billing

- A. Billing Rate. The Contractee will pay to the Port all direct costs associated with permitting Contractee owned sites. Invoices from consultants shall separate all costs associated to Contractee sites. These costs shall be forwarded to the Contractee.

Project Budget. A Project budget for subconsultant work identified herein is included in Attachment A. The Contractee will pay all costs associated with work performed on their behalf by subcontractor in an amount not to exceed \$35,374 unless modified in writing by both parties.

- B. Billing Procedure. The Port will submit monthly invoices to the Contractee within thirty (30) business days of the last day of the month the Services were provided, including timesheet records describing the services provided and the hours billed. The Contractee shall submit payment to the Port within sixty (60) days of receipt of the invoice. Contractee shall provide the Port notice of any disputed charges within thirty (30) days of receipt of the invoice, or such disputes are waived. Disputes shall be resolved according to the process defined within Paragraph VI here.

III. Term

- A. This Agreement shall be effective on the day it has been executed by the Contractee and the Port of Longview. The expiration date of this Agreement is January 31, 2013.
- B. This Agreement may be terminated at the discretion of either Party, upon thirty (30) days' written notice to the other Party. Upon termination of this Agreement a reconciliation of all costs and obligations since the last reconciliation shall be conducted and all unpaid costs shall be resolved in accordance with Paragraph II of this Agreement, or in the event of dispute, Paragraph VI herein.

IV. Legal Relations

- A. Independent Municipal Governments. The Parties hereto are independent governmental entities and nothing herein shall be construed to limit the independent government powers, authority or discretion of the governing bodies of each Party. It is understood and agreed that this Agreement is solely for the benefits of the Parties hereto and gives no right to any other party. No joint venture or partnership is formed as a result of this Agreement. No employees or agents of any Party shall be deemed, or represent themselves to be, employees of any of the other Party.
- B. Legal Obligations. This Agreement does not relieve either Party of any obligation imposed upon it by law.
- C. Timely Performance. The requirements of this Agreement shall be carried out in a timely manner according to a schedule negotiated by and satisfactory to the Parties.

V. Records and Audit

- A. During the term of this Agreement, and for a period of not less than six (6) years from the date of termination, records and accounts pertaining to the work of this Agreement and accounting therefore shall be kept by each Party and shall be available for inspection and audit by representatives of either Party and any other entity with legal entitlement to review said records. If any litigation, claim, or audit is commenced, the records and accounts along with supporting documentation shall be retained until all litigation, claims, or audit findings has been resolved, even though such litigation, claim, or audit continues past the six-year (6) retention period. This provision is in addition to and is not intended to supplant, alter or amend records retention requirements established by applicable state and federal laws.

VI. Dispute Resolution

- A. Process. The Parties' designated representatives under Paragraph VII herein shall use their best efforts to resolve disputes between the Parties. If the designated representatives are unable to resolve a dispute, then each Party's responsible Executive Directors shall review the matter and attempt to resolve it. The Parties agree to exhaust each of these procedural steps before seeking to further resolve the dispute in any other forum. Any controversy or claim arising out of or relating to this Interlocal Agreement, or the breach thereof, which is not settled by agreement between the Parties, shall be settled by mediation in the State of Washington, in Cowlitz County. In the event either Party reasonably believes mediation will not result in a solution to the disagreement, mediation is waived.

- B. Controlling Law & Venue. This Agreement shall be construed and enforced according to the laws of the State of Washington. All litigation pursued in connection with this Agreement shall be in the Superior Court, Cowlitz County, Washington.

VII. Notices

- A. Contact Persons. Any notice, demand, request, consent, approval or communication that either Party desires or is required to give to the other Party shall be in writing addressed to the other Party at the addresses as follows unless otherwise indicated by the Parties to this Agreement.

Port of Woodland: Nelson Holmberg
Executive Director
115 Davidson Ave
Woodland, WA 98674-9493
360.225.6555
nholmberg@portofwoodland.com

Port of Longview: Lisa Hendriksen
Manager of Environmental Affairs
P.O. Box 1258
Longview, WA 98632
lhendriksen@portoflongview.com

VIII. Indemnification and Hold Harmless

- A. The contractee releases the Port from, and shall defend, indemnify, and hold the Port and its agents, employees, and/or officers harmless from and against all claims, demands, suits at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, made by or on behalf of Contractee and/or its agents, employees, officers, and/or subcontractors, arising out of or in any way related to this Agreement, unless and except to the extent the same be caused in whole or in part by the negligence of the Port or its agents, employees, and/or officers.
- B. The contractee shall defend, indemnify, and hold the Port and its agents, employees, and/or officers harmless from and against all claims, demands, suits at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, made by or on behalf of any third parties and/or their agents, employees, officers and/or subcontractors, arising out of or in any way related to this Agreement, unless and except to the extent the same be caused in whole or in part by the negligence of the Port of its agents, employees, and/or officers.
- C. The Agreement includes a waiver of subrogation against all losses sustained by the Contractee and/or its agents, employees, officers, subcontractors, and/or insurers, arising out of or related to this Agreement except to the extent Contractee's losses are caused in whole or in part by the negligence of the Port or its agents, employees, and/or officers.
- D. Each Party specifically assumes liability for actions brought by its own employees against the other Party and for that purpose each Party specifically waives, with respect to the other Parties only, any immunity under the Worker's Compensation Act, RCW Title 51.
- E. Each Party recognizes that this waiver was the subject of mutual negotiation. In the event that any Party incurs attorney's fees, costs or other legal expenses to enforce the provisions of this

Agreement against the other Party, all such fees, costs and expenses shall be recoverable by the prevailing Party.

- F. No liability shall attach to any of the Parties by reason on entering into this Agreement except as expressly provided herein.
- G. Each Party agrees that it will include in any contract which is related to the work of this Agreement a provision requiring the contractor to defend, indemnify and hold harmless all the Parties to this Agreement against any claims arising out of or related to the work of the contractor.
- H. The provisions of this Article shall survive any termination or expiration of this Agreement.

IX. Severability

- A. If any term or provision of this Agreement, or its application to any person or circumstance is ruled invalid or unenforceable, the remainder of this Agreement will not be affected and will continue in full force and effect.

X. Limits of Financial Obligations/Property Ownership.

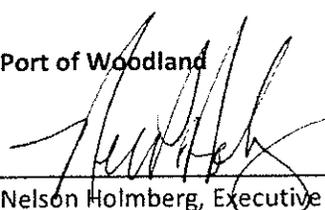
- A. Except as provided above, each Party shall finance its own conduct of responsibilities under this Agreement. No ownership of property will transfer as a result of this Agreement.

XI. Entire Agreement/Amendment

- A. This Agreement, together with any documents incorporated by reference shall constitute the entire agreement between the Parties with respect to the Services to be provided and shall supersede all prior agreements, proposals, understandings, representations, correspondence or communications relating to the subject matter hereof. No modification or amendment of this Agreement shall be valid and effective unless approved by both parties in writing.

WHEREFORE, the parties have executed this Agreement this 20th day of April, 2012.

Port of Woodland

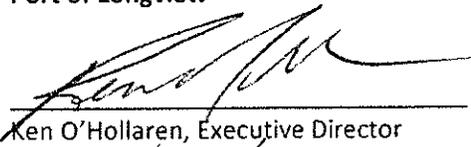


Nelson Holmberg, Executive Director

4/20/12

Date

Port of Longview



Ken O'Hollaren, Executive Director

4/20/12

Date

**Exhibit A
Project Budget**

Labor:	Principal	Senior Manager	Managing Analyst	Senior Analyst	Staff 3 Analyst	Staff 2 Analyst	Staff 1 Analyst	Senior CAD Designer	CAD Designer	Project Coordinator	Total Labor Hours	Total Labor Cost
PORT OF WOODLAND	207.00	192.00	170.00	149.00	131.00	120.00	104.00	110.00	97.00	86.00		
Task: Task (Scope of Services)												
1 Project Management Background Information Review	8.00										8.00	1,656.00
2 SEPA Documentation	4.00		4.00	28.00	4.00	7.00		10.00		4.00	22.00	3,181.00
4 Permit Documentation	8.00		4.00	4.00	20.00	26.00		21.00		6.00	50.00	6,968.00
5 Agency Coordination Ports and USACE Coordination	3.00				14.00						17.00	2,455.00
7 Shoreline Hearings	12.00			6.00				6.00		4.00	28.00	4,274.00
8 Site Visits	8.00			8.00							16.00	2,704.00
9 Captain & Vessel												
Labor Subtotal	61.00			36.00	59.00	33.00		37.00		14.00	240.00	34,954.00

Misc Expenses:	Quantity	Unit Cost	Expenses Per Unit	Markup	Total Misc Exp Cost
Tasks 1 to 9				10%	
Travel & Misc Expense					
Plotting/Printing	1.00	420.00	420.00		420.00
Misc Expense Subtotal	1.00	420.00	420.00		420.00

GRAND TOTAL 35,374.00