

## **INTERLOCAL AGREEMENT FOR PURCHASE OF CRACK SEALING MACHINE**

This Agreement is made and entered into on this 07<sup>th</sup> day of March, 2007, by and between the City of Ephrata, a Washington municipal corporation and non-charter code city (“City”), and Grant County Port District No. 9, Port of Ephrata, a Washington municipal corporation and public port district (“Port”).

WHEREAS, the parties desire to establish their rights and responsibilities for the purchase, ownership, use, maintenance and operation of a crack sealing machine; and

WHEREAS, the City and Port each possess authority to enter into this Agreement under chapter 39.34 RCW;

In consideration of the mutual benefits to be received, the parties agree as follows:

1. Purpose of Agreement. Both parties own and maintain public streets and roads and are in need of a crack sealing machine to perform routine maintenance on such streets and roads. Given the nature and expense of the crack sealing machine and road maintenance issues, it is in the best interests of both parties to share in the acquisition, ownership and maintenance of such machine.

2. Purchase of Crack Sealing Machine. The parties agree to purchase a Crafcro Super Shot 125 crack sealing machine, serial number 1C9SY101951418100, from Arrow Construction Supply Inc., of Spokane, Washington. Each party agrees to contribute the cash sum of \$12,760.50 towards the purchase of the crack sealing machine. The parties agree that all applicable public bid laws shall be complied with in the purchase of this machine.

3. Maintenance, Repair and Upkeep of the Crack Sealing Machine. The parties agree that the crack sealing machine shall be stored at the Port of Ephrata during the term of this Agreement. The parties further agree that all costs of routine maintenance, repair and upkeep of the crack sealing machine which is not covered by any applicable warranty shall be shared equally between the parties. However, damage to the crack sealing machine caused by either party’s own and sole negligence shall be paid for by that party.

4. Use of Crack Sealing Machine. In order to provide for the most efficient use of the crack sealing machine for the parties, the City shall have priority use of the machine during the months of June, July and August, while the Port shall have priority use of the machine during the months of April, May and September. All other use of the machine shall be on a first come, first served basis.

5. Term of Agreement. This Agreement shall expire on 31 December 2027 unless otherwise earlier terminated as provided herein. Either party may terminate this Agreement by giving the other party 60 days' prior written notice of intent to terminate by first class, postage prepaid, mail to the following addresses:

City of Ephrata  
121 Alder Street Southwest  
Ephrata, WA 98823  
Attn.: City Administrator

Port of Ephrata  
PO Box 1089  
Ephrata, WA 98823  
Attn.: Port Manager

6. Disposition of Crack Sealing Machine upon Termination or Expiration of Agreement. Upon termination or expiration of this Agreement, the parties shall dispose of the crack sealing machine in a commercially reasonable manner. Either party may purchase the other party's one half interest at the fair market value as agreed upon between the parties or as established through a commercially reasonable appraisal. In that event, the selling party shall promptly execute all documents required to transfer title to the purchasing party.

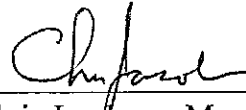
7. Insurance. During the term of this Agreement, both parties shall maintain their own liability insurance as is appropriate for their purposes at their own cost and expense. The parties further agree that they will jointly procure and maintain any insurance appropriate and/or required for the crack sealing machine, the cost of which shall be shared equally.

8. Release and Indemnification. To the maximum extent permitted by law, the City and the Port shall defend, indemnify and hold harmless the other party, and all of its officials, employees, principals, and agents from all claims, demands, suits, actions, and liability of any kind whatsoever which arise out of, or are connected with, or are incident to any errors, omissions or negligent acts of the indemnifying party, its employees and agents in performing the indemnifying party's obligations under this Agreement; provided however, if any such claims, demands, suits, actions or liability are caused by or result from the concurrent negligence of the parties or their respective agents or employees, this defense and indemnity obligation applies only to the extent of the negligence of the indemnifying party or its employees or agents.

9. Filing. A copy of this Agreement shall be filed with the Grant County Auditor, as required by RCW 39.34.040, and with the City of Ephrata City Clerk.

IN WITNESS WHEREOF, the parties have executed this Agreement.

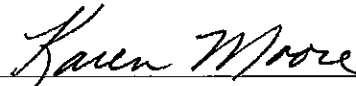
CITY OF EPHRATA



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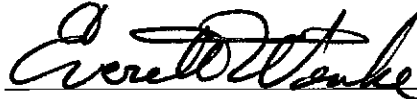
Chris Jacobson, Mayor

GRANT COUNTY PORT DISTRICT NO. 9  
PORT OF EPHRATA




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Karen Moore, President



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Everett Wenke, Vice President



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Robert Criss, Secretary