

**Operating Jurisdiction Agreement
Between the
Tri-City Development Council (TRIDEC)
And the
Participating Jurisdictions of the Hanford Communities**

This Agreement, entered into on this 24th day of April, 2020, is entered into by the cities of **Richland, Kennewick, Pasco, West Richland**, and the **Counties of Benton and Franklin** (the “Participating Jurisdictions” or “Hanford Communities”), by and through the Chair of the Hanford Communities Governing Board, as authorized by the 2017 - 2021 Hanford Communities Interlocal Agreement, and the **Tri-City Development Council**, a Washington non-profit corporation (“TRIDEC”). The Participating Jurisdictions and TRIDEC are referred to collectively herein as the “Parties.”

W-I-T-N-E-S-S-E-T-H

WHEREAS, since 2005, the Participating Jurisdictions have joined together under the Interlocal Cooperation Act, Chapter 39.34 RCW, to form an administrative agency known as Hanford Communities. A succession of interlocal agreements were executed in 2005, 2009, 2014, and 2016. The current interlocal agreement executed by the Participating Jurisdictions added the city of West Richland, and is valid from January 1, 2017 to December 31, 2021; and

WHEREAS, the purpose of Hanford Communities is to review, evaluate and monitor conditions at the Hanford Nuclear Reservation (Hanford) and policies, programs and operations of the U.S. Department of Energy (DOE) and others in regard to Hanford; and

WHEREAS, since its inception to the present, the City of Richland has served as the Operating Jurisdiction for Hanford Communities; and

WHEREAS, the Participating Jurisdictions believe that the function of the Operating Jurisdiction has evolved to the point where the work is best performed by TRIDEC, a third-party that promotes economic diversification, facilitates job creation and retention, pursues new federal missions to support stability in federally funded operations, leads the Tri-Cities community on issues of economic importance, and advocates for the policies and funding needed to support the Hanford clean-up mission; and

WHEREAS, as the Operating Jurisdiction, TRIDEC will be responsible for carrying out the purposes of Hanford Communities by making personnel and resources available; and

WHEREAS, this Agreement is necessary in order to specify the terms and conditions under which TRIDEC will provide various services, as the Operating Jurisdiction, to Hanford Communities.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and in accordance with the terms of the current interlocal agreement governing Hanford Communities, the Parties agree as follows:

Section 1. Designation of Operating Jurisdiction. The Tri-City Development Council, commonly known as TRIDEC, is hereby designated as the Operating Jurisdiction for Hanford Communities.

Section 2. Scope of Services. TRIDEC shall provide, as approved by the Hanford Communities Governing Board and supervised by the Hanford Communities Administrative Board, the following services on behalf of Hanford Communities jointly, or on behalf of individual Participating Jurisdictions:

- A. Coordination of efforts concerning Hanford activities and issues requiring local government interaction or participation between Hanford Communities, DOE, and local, state and national agencies.
- B. Interactions with DOE, Washington State Department of Ecology, U.S. Environmental Protection Agency, and others regarding Hanford environmental contamination, remediation, waste management, response to emergencies, and workforce and site transition issues.
- C. Evaluation of reports, findings, and recommendations regarding on-going, planned and possible clean-up and waste management activities at Hanford, including actual or potential environmental and socioeconomic impacts on Hanford Communities or individual Participating Jurisdictions.
- D. Preparation of special studies, newsletters, issue briefings, a website and related efforts regarding Hanford for the use of Hanford Communities or individual Participating Jurisdictions, and/or to further public information and enhance citizen understanding of Hanford-related issues.
- E. Preparation and issuance of position papers, giving of testimony, and sponsorship of other activities designed to inform the public about environmental, waste management, emergency management, and site transition activities.
- F. Advocacy on behalf of the Participating Jurisdictions on matters relating to Hanford clean-up and the Department of Energy.
- G. With facilitation from the Administrative Board, negotiation of contract(s) with the Department of Ecology to support the work of Hanford Communities.
- H. Perform necessary administrative tasks necessary for the operation of Hanford Communities.

Section 3. Employees and Contractors. TRIDEC agrees to assign its Vice President for Federal Programs to serve as the Director of Hanford Communities. All employee(s) and/or contractors necessary to carry out the scope of services identified in this Operating Agreement shall be employees or contractors of TRIDEC and not of the Participating Jurisdictions. TRIDEC is solely responsible for ensuring that all rights, privileges and obligations associated with the employer/employee relationship are satisfied. TRIDEC is further responsible for ensuring compliance with any contracts let for contracted services.

Section 4. Maintenance of Funds.

- A. From May 23, 2020 to December 31, 2020, the City of Richland will maintain a separate fund, the Hanford Communities Fund, to account for all expenses of Hanford Communities. Monies granted to Hanford Communities and monies from any other source, including all payments from Participating Jurisdictions, will be deposited into the Hanford Communities Fund and promptly provided to TRIDEC in support of and to compensate for services rendered under this Agreement.
- B. Effective January 1, 2021 and continuing for the duration of this Agreement, TRIDEC is responsible for ensuring that all monies paid to Hanford Communities from any source, including all payments from Participating Jurisdictions, are accurately accounted for and not comingled with any funds otherwise managed or owned by TRIDEC.
- C. TRIDEC is responsible for administering the Hanford Communities budget with oversight from the Hanford Communities Administrative Board. Expenditures that exceed the approved budget require Administrative Board approval. Expenditures that fall within the approved budget are within TRIDEC's purview.

Section 5. Annual Budget and Cost of Service. The annual budget for operation of Hanford Communities will be submitted by TRIDEC to the Hanford Communities Governing Board for approval on or before November 1 of each calendar year. TRIDEC is responsible for budgeting projections and recording all appropriate costs.

- A. Each Participating Jurisdiction will be assessed a portion of the annual costs as determined pursuant to Section III of the existing Hanford Communities Interlocal Agreement. Participating Jurisdictions will be invoiced quarterly for their respective contributions. Payment is due to the Operating Jurisdiction no later than thirty (30) calendar days of the date of the invoice.
- B. At mid-year, a budget review may take place to verify that sufficient funds are available to execute the remaining work program scope and tasks for the year. Annually, a full accounting of revenues and expenditures will be made available by TRIDEC to the Administrative Board for review. Expenses incurred beyond the adopted budget at the close of the applicable budget cycle will be assumed as unreimbursed expenditures by TRIDEC.

Section 6. Term. This Agreement is effective May 23, 2020 and will renew automatically upon renewal or extension of the Hanford Communities Interlocal Agreement (HCILA). If renewal of the HCILA occurs, the term of this Agreement will match the term of the renewed or extended HCILA. If renewal of the HCILA does not occur, termination of this Agreement will coincide with termination of the HCILA.

Section 7. Termination. Either TRIDEC or the Hanford Communities Governing Board may terminate this Agreement without penalty at any time, provided that written notice is given no less than ninety (90) calendar days in advance to all Participating Jurisdictions. In the event payment for the year's services has already been made by the Participating Jurisdictions, TRIDEC will provide a refund at termination of all unencumbered, unspent funds paid to TRIDEC on behalf of Hanford Communities.

Section 8. Insurance. TRIDEC will procure and maintain for the duration of this Agreement liability coverage for errors and omissions in a minimum amount of no less than \$1,000,000 covering all activities of its personnel related to the performance of this Agreement. TRIDEC will not reduce the coverage it maintains during the life of this Agreement.

Section 9. Liability. The Hanford Communities will hold harmless and indemnify TRIDEC and its assigned employee from and against all actions taken under this agreement in good faith. To the extent any hold harmless liability exceeds the liability coverage described in Section 8, each Participating Jurisdiction shall be jointly liable for the balance of a claim in the same ratio as its percentage of contribution to the annual budget in the year in which the claim occurred.

Section 10. Governance. The Parties acknowledge and agree that all matters concerning Hanford Communities and TRIDEC's role in serving as the Operating Jurisdiction are separate and distinct from the jurisdiction of the TRIDEC Board of Directors. The TRIDEC Board of Directors shall have no authority or influence over Hanford Communities and vice versa.

Section 11. Order of Precedence. This Agreement will be construed and interpreted so as to harmonize with all terms and conditions of the 2017 - 2021 Interlocal Cooperation Agreement for the Hanford Communities, as amended. In the event of a conflict, the Hanford Communities Interlocal Agreement will control.

Section 12. Amendment. This Agreement may be amended only in a writing executed by duly authorized representatives of the Hanford Communities Governing Board and TRIDEC.

Section 13. Dispute Resolution. In the event of a dispute arising out of this Agreement, the Parties agree to first participate in mediation. In the event mediation is unsuccessful, the Parties agree to submit any dispute to binding arbitration pursuant to Chapter 7.04A RCW. In the event the Parties are unable to promptly agree upon an arbitrator, the same shall be selected by the presiding judge for the Benton County Superior Court.

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

**Tri-City Development Council (TRIDEC)
Operating Jurisdiction**



Karl Dye, Executive Director

**Hanford Communities
Governing Board**



Robert J. Thompson, Chair