

**FIRE PROTECTION CONTRACT
BETWEEN
CHELAN COUNTY FIRE PROTECTION DISTRICT NO. 1
AND
Chelan County**

This Fire Protection Contract (the "Agreement") is entered into on the date hereinafter written between Chelan County ("Agency") and CHELAN COUNTY FIRE PROTECTION DISTRICT NO. 1 of Chelan County, Washington (the "District").

WHEREAS, the District is organized under Title 52 RCW and provides fire protection and other services.

WHEREAS, in accordance with the law, the Chelan County Assessor determines the equalized valuations of the property for general tax purposes on all nonexempt real and personal property located in the District (the "Assessed Value").

WHEREAS, pursuant to chapter 52.16 RCW the District levies ad valorem taxes on all real and personal property in the District in accordance with the Assessed Value (the "Levy Rate").

WHEREAS, pursuant to chapter 52.16 RCW the District may issue nonvoter approved and voter approved general obligation bonds payable from ad valorem taxes on all real and personal property in the District (the "Bond Rate").

WHEREAS, the Levy Rate and the Bond Rate are hereinafter (the "Tax Rate") and represent the rate per \$1,000 of Assessed Value levied on an annual basis by the District.

WHEREAS, RCW 52.30.020 provides for fire protection districts to enter into interlocal agreements, pursuant to RCW 39.34, with state agencies and municipal corporations which have property, buildings, and/or equipment located within a fire district for fire protection services necessary for the protection and safety of personnel and property (the "Fire Protection Services").

WHEREAS, the Agency has property, buildings, and/or equipment located within the boundaries of the District ("Agency Facilities").

WHEREAS, the Chelan County Assessor does determine the equalized valuations of the property of the Agency Facilities.

WHEREAS, in lieu of an Assessed Value the District and the Agency have elected to utilize the seventy percent (70%) of the value declared by the Agency for casualty insurance on the Agency Facilities (the "Adjusted Insured Value").

WHEREAS, the District and the Agency have determined that Adjusted Insured Value of the Agency Facilities multiplied by the Tax Rate is a true and full value as required pursuant to RCW 43.09.210.

NOW, THEREFORE in consideration of the mutual promises and covenants contained herein the District and the Agency agree as follows:

1. Annual Payment by Agency to District. Except as provided herein, each calendar year on or before the 1st day of March of that year the Agency shall make an annual payment to the District for the Services provided during that year ("Annual Payment").

1.1. Calculation of Annual Payment. Except as provided herein, the Annual Payment shall be calculated by the District by multiplying the Tax Rate times the Adjusted Insured Value of all Agency property located within the District. On or before December 31st of each year the District will provide an invoice to the Agency of the amount of the Annual Payment for the following year.

1.2. Reporting Changes in Agency Facilities and Adjusted Insured Value. Exhibit "A" attached hereto is a current list of the real and personal property of the Agency located within the District. On or before November 1 of each year, the District will provide Agency with updates to the information in Exhibit "A". On or before November 15 of each year, Agency will provide the District with the most recent insurance schedules, including additions and deletions, of the properties subject to this agreement. On or before December 15 of each year, the parties shall approve an amended Exhibit A to adjust insured values for the coming year.

1.3. True and Full Value. Pursuant to RCW 43.09.210, the District and the Agency has each determined that the payment by the Agency to the District as provided herein represents the true and full value of the services noted above provided by the District to the Agency.

1.4 Phase in of Implementation. The District agrees that the Payments from the Agency shall be phased-in over a five (5) year period. The Annual Payment shall be calculated as set forth in Section 1.1 and then paid as follows:

2017: 40% of the Annual Payment
2018: 55% of the Annual Payment
2019 70% of the Annual Payment
2020 85% of the Annual Payment
2021 and thereafter: 100% of the Annual Payment

The Agency agrees that the phasing provided in this Section 1.4 shall terminate commencing with the payment due on March 1, 2021 for the 2021 calendar year fire protection services.

2. Fire Protection Services. In consideration for the Annual Payment set forth herein, the District shall furnish Fire Protection Services to the Agency Facilities during the term of this Agreement.

2.1. Level of Fire Protection Services. The Agency Facilities will be served in the same manner and to the same degree as all other property within the District. In this regard, the District will provide the Agency with the same level and prioritization of providing of Fire Protection Services as is generally provided to all property within the District. It is the intent of

the Agency and the District that this Agreement will not alter or inhibit the manner in which the District provides and prioritizes Fire Protection Services throughout the District.

2.2. No Change to Public Duty Doctrine. It is the intent of the Agency and the District that this Agreement will not create a special relationship for Fire Protection Services.

2.3. Specialized Equipment. Should the need ever arise to acquire specialized equipment which will be used exclusively for Fire Protection of the Agency Facilities, the District and the Agency will negotiate the economic impact of such equipment prior to such purchase(s).

3. Term of Agreement and First Annual Payment. The term of this Agreement shall commence upon execution by the parties hereto and recordation of same with the Chelan County Auditor or the posting of such Agreement on one of the party's websites. The first Annual Payment shall be made for calendar year 2017. This Agreement shall continue year-to-year unless terminated by either party at the end of a calendar year with not less than six (6) months' advance notice.

3.1. Post Termination Notice Cooperation. During the period following the notice of termination the District and the Agency will reasonably cooperate to minimize or eliminate any impact on the provision of services to the public and to ensure a smooth and orderly transition for both governments.

4. Compliance with RCW 39.34.030. This Agreement does not create a separate legal or administrative entity and does not require a joint board. No real or personal property will be jointly acquired pursuant to this Agreement.

5. Recording. Pursuant to RCW 39.34.040, this Agreement shall be recorded with the Chelan County Auditor immediately after execution by all Jurisdictions hereto or posting of such Agreement on either party's website.

6. Contacts for this Agreement. The Fire Chief of the District and the County Administrator of the Agency shall be the respective contacts for any issues relating to this Agreement.

7. No Third Party Beneficiaries. This Agreement shall not be construed to benefit any third party or otherwise limit the application or protection of the "Public Duty Doctrine" to the District or the Agency.

8. Survivability. All covenants, promises and performance which are not fully performed as of the date of termination shall survive termination as binding obligations.

9. Notices. All notices, demands, requests, consents and approvals which may, or are required to be given by any party to any other party hereunder, shall be in writing and shall be deemed to have been duly given if delivered personally, sent by facsimile, sent by a nationally recognized overnight delivery service, or if deposited in the United States mail and sent by registered or certified mail, return receipt requested, postage prepaid to:

Agency: Chelan County Commissioners
Attn: Cathy Mulhall

400 Douglas Street, Suite 201
Wenatchee, Washington 98801

District: Chelan County Fire Protection District No. 1
Attn: Fire Chief
206 Easy Street
P.O. Box 2106
Wenatchee, Washington 98807-2106

or to such other address as the foregoing parties hereto may from time-to-time designate in writing and deliver in a like manner. All notices shall be deemed complete upon actual receipt or refusal to accept delivery. Facsimile transmission of any signed original document, and retransmission of any signed facsimile transmission shall be the same as delivery of an original document.

10. Amendment. No modification, termination or amendment of this Agreement may be made except by written agreement signed by all parties, except as provided herein.

11. Waiver. No failure by any of the foregoing parties to insist upon the strict performance of any covenant, duty, agreement, or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof, shall constitute a waiver of any such breach or any other covenant, agreement, term or condition. Any party hereto, by notice, and only by notice as provided herein may, but shall be under no obligation to, waive any of its rights or any conditions to its obligations hereunder, or any duty, obligation or covenant of any other party hereto. No waiver shall affect or alter this Agreement, and each and every covenant, agreement, term and condition of this Agreement shall continue in full force and effect with respect to any other then existing or subsequent breach thereof.

12. Captions. The captions of this Agreement are for convenience and reference only and in no way define, limit, or describe the scope or intent of this Agreement.

13. Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

14. Neutral Authorship. Each of the provisions of this Agreement has been reviewed and negotiated, and represents the combined work product of all parties hereto. No presumption or other rules of construction which would interpret the provisions of this Agreement in favor of or against the party preparing the same shall be applicable in connection with the construction or interpretation of any of the provisions of this Agreement.

15. Governing Law. This Agreement, and the right of the parties hereto, shall be governed by and construed in accordance with the laws of the State of Washington, and the parties agree that in any such action, venue shall lie exclusively in either Chelan County or Douglas County, Washington.

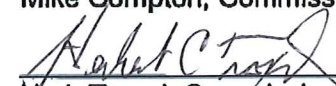
16. Entire Agreement. The entire agreement between the parties hereto is contained in this Agreement, and this Agreement supersedes all of their previous understandings and agreements, written and oral, with respect to this transaction. This Agreement may be amended only by written instrument executed by the parties subsequent to the date hereof.

Dated this 14th day of February, 2017.

CHELAN COUNTY FIRE PROTECTION DISTRICT NO. 1



Mike Compton, Commissioner



Herb Troxel, Commissioner



Phil Dormaier, Commissioner

CHELAN COUNTY

DATED this 6th day of February, 2017.

BOARD OF CHELAN COUNTY COMMISSIONERS

EXCUSED

DOUG ENGLAND, CHAIRMAN



KEITH W. GOEHNER, COMMISSIONER



KEVIN OVERBAY, COMMISSIONER

ATTEST: Susan Ward
~~Carlye Bailey~~



Deputy Clerk of the Board



EXHIBIT "A"

TABLE OF DISTRICT FACILITIES

Asset Number	Location Name	Building Name	Replacement Cost New
CH-50-1-1	CO CAMPUS - LAW AND JUSTICE BUILDING	CO CAMPUS - LAW AND JUSTICE BUILDING	27,716,900.00
CH-11-2-1	CO CAMPUS - COURTHOUSE & OFFICES	CO CAMPUS - COURTHOUSE & OFFICES	11,959,800.00
CH-10-3-1	CO CAMPUS - "316" BUILDING + OFFICES	CO CAMPUS - OFFICE BUILDING	6,669,500.00
CH-55-4-1	CO CAMPUS - JUVENILE DETENTION FACILITY	CO CAMPUS - JUVENILE DETENTION FACILITY	9,817,400.00
CH-80-4-2	CO CAMPUS - JUVENILE DETENTION FACILITY	CO CAMPUS - COUNTY VEHICLE GARAGE ADJACENT TO JUVENILE FACILITY	104,600.00
CH-55-6-1	CO CAMPUS - WEST ANNEX + JAIL (40 BEDS) + OFFICES + SHOP	CO CAMPUS - WEST ANNEX + JAIL (40 BEDS) + OFFICES + MOTOR POOL SHOP	2,619,400.00
CH-10-7-1	CO CAMPUS - COUNTY ADMINISTRATIVE BUILDING	CO CAMPUS - COUNTY ADMINISTRATIVE BUILDING	2,487,000.00
CH-40-8-1	DETOX CENTER	DETOX CENTER	2,575,300.00
CH-20-9-2	PUBLIC WORKS - SUNNYSLOPE COUNTY ROAD SHOP	PUBLIC WORKS - EASY ST TRUCK REPAIR SHOP	2,265,300.00
CH-20-9-3	PUBLIC WORKS - SUNNYSLOPE COUNTY ROAD SHOP	PUBLIC WORKS - PAINT SHOP (NORTH OF TRUCK REPAIR SHOP)	79,865.00
CH-20-9-4	PUBLIC WORKS - SUNNYSLOPE COUNTY ROAD SHOP	PUBLIC WORKS - TRUCK AND SHN STORAGE, 240' WEST OF TRUCK REPAIR SHOP	144,839.00
CH-20-9-5	PUBLIC WORKS - SUNNYSLOPE COUNTY ROAD SHOP	PUBLIC WORKS - CONTROL HOUSE, 240' WEST OF TRUCK REPAIR SHOP	3,791.00
CH-20-9-6	PUBLIC WORKS - SUNNYSLOPE COUNTY ROAD SHOP	PUBLIC WORKS - STEEL WAREHOUSE, 6' EAST OF TRUCK REPAIR SHOP	6,227.00
CH-20-9-7	PUBLIC WORKS - SUNNYSLOPE COUNTY ROAD SHOP	PUBLIC WORKS - SANDER STORAGE, 80' NW OF TRUCK REPAIR SHOP	46,024.00
CH-20-9-8	PUBLIC WORKS - SUNNYSLOPE COUNTY ROAD SHOP	PUBLIC WORKS - OIL TANKS (ELEVATED)	117,766.00
CH-20-9-9	PUBLIC WORKS - SUNNYSLOPE COUNTY ROAD SHOP	PUBLIC WORKS - HEATING PLANT TANK	23,011.00
CH-20-9-10	PUBLIC WORKS - SUNNYSLOPE COUNTY ROAD SHOP	PUBLIC WORKS - EM SVC WAREHOUSE	55,499.00
CH-20-9-11	PUBLIC WORKS - SUNNYSLOPE COUNTY ROAD SHOP	PUBLIC WORKS - CCSO WAREHOUSE AND HELICOPTER HANGER	74,450.00
CH-20-9-12	PUBLIC WORKS - SUNNYSLOPE COUNTY ROAD SHOP	PUBLIC WORKS - VAN BUILDING ON EASY STREET BETWEEN S. HWY #2 AND PETERS STREET	1,827.00
CH-20-9-13	PUBLIC WORKS - SUNNYSLOPE COUNTY ROAD SHOP	PUBLIC WORKS - TOOL SHED ON EASY STREET BETWEEN S. HWY #2 AND PETERS STREET	1,895.00
CH-20-9-14	PUBLIC WORKS - SUNNYSLOPE COUNTY ROAD SHOP	PUBLIC WORKS - SUPPLY STORAGE ON EASY STREET BETWEEN S. HWY #2 AND PETERS STREET	1,895.00
CH-20-9-15	PUBLIC WORKS - SUNNYSLOPE COUNTY ROAD SHOP	PUBLIC WORKS - TRACTOR STORAGE, E & W/S SQUILCHUCK CRK RD BTWN WEN HTS. RD. & INTERSECTION	20,846.00
CH-20-9-16	PUBLIC WORKS - SUNNYSLOPE COUNTY ROAD SHOP	PUBLIC WORKS - DIESEL PUMP	1,895.00
CH-20-9-17	PUBLIC WORKS - SUNNYSLOPE COUNTY ROAD SHOP	PUBLIC WORKS - TRACTOR STORAGE, S/S WEN-MALAGA ROAD BTWN KAWECKI RD. AND FIREHOUSE RD	12,047.00
CH-20-9-18	PUBLIC WORKS - SUNNYSLOPE COUNTY ROAD SHOP	PUBLIC WORKS - TRACTOR STORAGE BUILDING	19,698.00
CH-55-18-1	CO CAMPUS - 60-BED JAIL ANNEX FACILITY	CO CAMPUS - 60-BED JAIL ANNEX FACILITY	838,600.00
CH-70-20-2	CO PARK - OHME GARDENS	OHME - HOUSE - CARETAKER RESIDENCE	264,300.00
CH-70-20-3	CO PARK - OHME GARDENS	OHME - GIFT SHOP	10,500.00
CH-70-20-4	CO PARK - OHME GARDENS	OHME - MAINTENANCE BLDG #1	6,600.00
CH-10-20-5	CO PARK - OHME GARDENS	OHME - MAINTENANCE BLDG #2	11,400.00
CH-70-20-6	CO PARK - OHME GARDENS	OHME - MAINTENANCE BLDG #3	6,200.00
CH-70-20-7	CO PARK - OHME GARDENS	OHME - TOTEM POLE LODGE	48,900.00
CH-70-20-8	CO PARK - OHME GARDENS	OHME - VISTA HOUSE	15,500.00
CH-70-20-9	CO PARK - OHME GARDENS	OHME - RESTROOM BLDG	70,700.00
CH-10-23-1	CO CAMPUS - "410" BUILDING + OFFICES	CO CAMPUS - 410 BUILDING	592,400.00
CH-LEASE	CO CAMPUS - CHAPLAIN HOUSE	CO CAMPUS - CHAPLAIN HOUSE	160,500.00
CH-LEASE	EXTENSION LEASE/COLOCKUM	CARETAKER HOUSE	143,200.00
			68,986,775.00