

**INTERLOCAL AGREEMENT  
FOR TELECOMMUNICATIONS SERVICE TERRITORIES  
MASON PUD 3 AND MASON PUD 1**

This Interlocal Agreement (Agreement) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2021, by and between Public Utility District No. 3 of Mason County, a municipal corporation in Mason County, Washington (“PUD 3”), and Public Utility District No. 1 of Mason County. (“PUD 3”), collectively “Parties.”

**RECITALS**

**WHEREAS:** PUD 3 and PUD 1 are both municipal corporations organized and operating under Title 54 Revised Code of Washington (RCW);

**WHEREAS:** RCW 54.16.330 authorizes either district to “... construct, purchase, acquire, develop, finance, lease, license, handle, add to, contract for, interconnect, alter, improve, repair, operate and maintain any telecommunications facilities within or without the district’s limits...”

**WHEREAS:** RCW 54.48.030 provides, in relevant part, that any public utility is authorized to enter into agreements with any one or more other public utility for the designation of the boundaries of adjoining service areas which each such public utility shall observe, for the establishment of procedures for orderly extension of service in adjoining areas not currently served by any such public utility;

**WHEREAS:** RCW 54.16.090 authorizes the Parties to enter into any contract or agreement for carrying out any of the powers authorized by Title 54 RCW;

**WHEREAS:** RCW 54.16.200 authorizes the Parties to exercise jointly all powers granted to each individual district;

**WHEREAS:** Chapter 39.34 RCW authorizes the Parties to enter into this interlocal governmental agreement, which becomes enforceable upon recordation with the Auditor of either Party’s respective County, or upon posting to either Party’s agency website;

**WHEREAS:** PUD 1 is planning to extend fiber approximately from 47°32’41.2”N 123°02’30.4”W at US Hwy 101 in Lilliwaup, Washington to 41100 block of us US Hwy 101 in Lilliwaup, Washington and including the Triton Cove development referred to as the Hood Canal-101 Broadband Project (Project).

**WHEREAS:** A portion of the Project is located withing PUD 3 territory. PUD 3 has no current plans to extend telecommunications services utilizing fiber optics to the geographical area where PUD 1 is requesting to provide services within PUD 3 jurisdictional boundaries, and the Parties have therefore determined that it is in the best interests of the residents and businesses in such vicinity to approve and facilitate PUD 1’s construction, ownership, and operation of telecommunications services within the portions of the PUD 3 jurisdictional boundaries where PUD’s provision of electrical service to the same is deemed appropriate and in the best interest of both Parties, upon receipt of requests from ownership interests in the subject vicinity;

**NOW, THEREFORE**, in consideration of the mutual covenants and conditions hereinafter provided, the Parties agree as follows regarding the provision of telecommunications, electric and related services within the jurisdictional territory of the other:

1. **TELECOMMUNICATIONS SERVICES:** PUD 3 hereby consents, approves, authorizes and acquiesces in PUD 1's construction, ownership, operation, management, repair, maintenance and /or expansion of telecommunications services located within PUD 3's jurisdictional boundaries under the Hood Canal-101 Broadband Project
2. **ACQUISITION OF ASSETS UPON TERMINATION / PROVISION REGARDING TELECOMMUNICATIONS ASSETS:** Termination of this Agreement or any sub-agreement(s) shall not affect any right or ability of PUD 1 to continue, in PUD 1's sole discretion, to service customers in the subject vicinity which have, at the time of termination, active connections with PUD 1 telecommunications services. PUD 1 telecommunications, in its sole discretion, continue to own, operate, manage, repair and maintain any such telecommunications service.
3. **TERMINATION / EXTENSION:** This Master Agreement shall terminate on the date that is twenty five (25) years after the date first written above, unless earlier terminated through the mutual written consent of both Parties with effective termination date agreed by both Parties, or unless extended by written mutual written agreement.
4. Nothing in this Agreement is intended, nor shall it be construed, to create any rights in third parties.
5. There are no third parties intended to be benefitted under this Agreement. There are no other agreements or representations, written or oral, concerning the subject matter of this Agreement; PROVIDED that sub-agreements may be executed and incorporated as addendums to this Master Interlocal Agreement, as provided herein.
6. This Agreement shall be governed for all purposes by the law of the State of Washington. The venue for any action arising under this Agreement shall be in Mason County, Washington, unless otherwise mutually agreed in writing by the parties.
7. No amendments or variations of the terms and conditions of this Agreement shall be valid unless they are in writing and signed by all Parties.
8. The Parties agree to perform any further acts and to execute and deliver any further documents as may be reasonably necessary to fully effectuate the provisions of this Agreement.
9. None of the Parties shall be liable nor deemed to be in default for any delay or failure in performance under this Agreement, or other interruption of service or employment resulting, directly or indirectly, from acts of God, civil or military authority, acts of the

public enemy, terrorism, bomb threats, computer virus, epidemic, power outage, acts of war, accidents, fires, explosions, earthquakes, floods, failure of transportation, machinery, or supplies, vandalism, strikes or other work interruptions by the employees of either Party, or any other cause beyond the reasonable control of the party affected thereby. However, each party shall utilize its best good faith efforts to perform under this Agreement in the event of any such occurrence or circumstance.

10. Each Party shall either file or post this Agreement in compliance with RCW 39.34.040.

11. This Agreement will be enforced to the fullest extent permitted by applicable law. If any term or provision of this Agreement is held to be invalid, illegal, or unenforceable by a court or other governmental authority of competent jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement, which shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have duly executed this Agreement, effective the date first indicated above:

**MASON PUD 1:**

\_\_\_\_\_ (DATE)  
Kristin Masteller

**MASON PUD 3:**

\_\_\_\_\_ (DATE)  
Annette Creekpaum, Manager