

Return Address:

Wendy Smith
Port of Shelton
21 W Sanderson Way
Shelton, WA 98584

The information contained in this boxed section is for recording purposes only pursuant to RCW 36.18 and RCW 65.04, and is not to be relied upon for any other purpose, and shall not affect the intent of the warranty contained in the document itself.

Document Title:	INTERLOCAL AGREEMENT
Grantor(s):	PORT OF SHELTON and WASHINGTON STATE DEPARTMENT OF TRANSPORTATION
Grantee(s):	PORT OF SHELTON and WASHINGTON STATE DEPARTMENT OF TRANSPORTATION
Legal Description:	N/A
Assessor's Tax Parcel ID:	N/A

**INTERLOCAL AGREEMENT
FOR EQUIPMENT RENTAL**

0PC 1008

THIS AGREEMENT is made pursuant to chapter 39.34 RCW between the State of Washington Department of Transportation (WSDOT) and the Port of Shelton (PORT), collectively called "Parties", and individually "Party."

WHEREAS, for the Parties' mutual convenience and to conserve public funds, the Parties desire to enter this Agreement providing for an equipment rental arrangement on an as-needed, as- available basis.

NOW, THEREFORE, pursuant to RCW 39.34, the above recitals that are incorporated herein as if fully set forth below, and in consideration of the terms, conditions, and performances contained herein,

1. Purpose

The purpose of this Agreement is to set forth the terms and conditions under which the Port will provide equipment to WSDOT on a reimbursable basis, and when available, for road construction, maintenance, repairs and for facilities support.

2. Duration and Termination

- 2.1 The initial term of this Agreement shall be for five (5) years from the effective date.
- 2.2 This Agreement can be renewed for three (3) additional period of five (5) years each unless terminated in writing by either Party. A Party shall provide the other Party thirty (30) calendar days prior written notice of termination.
- 2.3 Termination of this Agreement shall not release WSDOT from a liability or obligation for any matter or expense arising or incurred prior to such termination and resulting from WSDOT's use, storage and transportation of the equipment furnished by the Port.

3. Administration, Budget, and Property

- 3.1 No separate entity is created by this Agreement.
- 3.2 The Parties shall each designate one Administrator responsible for the administration of this Agreement. The contact information for each Administrator is as follows:

For the Port:
Wendy Smith
Executive Director
Port of Shelton
21 W Sanderson Way
Shelton, Wa 98584
Phone: (360) 426-1151

For WSDOT:
Jeff Smiley
Olympic Region Area 2 Superintendent
Washington State Department of Transportation
8293 SE Springcreek Rd.
Port Orchard, WA 98367
Phone: (360) 874-3050

- 3.3 Each Agreement Administrator shall have full powers to act on behalf of his or her respective Party for the purposes authorized in this Agreement.

- 3.4 No separate financing or budget will be required for this Agreement. No real or personal property will be acquired or expended under this Agreement. Property shall be returned to the owner not more than thirty (30) calendar days following termination of this Agreement.

4.0 Equipment Rental

- 4.1 **Terms and Conditions for Equipment Rental.** The Port agrees to furnish equipment as may be requested by WSDOT, so long as such equipment is owned by the Port and available for use, on the following terms and conditions:

- 4.2.1 When requesting equipment, WSDOT shall provide two (2) weeks' notice to the Port, including the proposed dates when the equipment shall be picked up and

returned.

Each request for equipment shall be submitted in writing by WSDOT's Maintenance Supervisor to the Port's Agreement Administrator. Each request shall specify the requested equipment, the location of the work, and other information relevant to the request. Upon receipt of a request, the Port shall respond within five (5) working days. In cases of emergency or unforeseen circumstances necessitating prompt action, the request and approval may be done verbally but must be confirmed in writing within seventy-two (72) hours after the verbal request and approval.

4.2.2 WSDOT shall be responsible for all transportation of the equipment and shall pick up and return the equipment to the location where such equipment is stored by the Port.

4.2.3 WSDOT shall be responsible for the proper care, maintenance and security of the equipment until the equipment is returned to the Port.

4.2.4 WSDOT shall permit the equipment to be used only by properly trained and supervised operators.

4.2.5 WSDOT shall return the equipment on or before the proposed return date, unless the Port agrees to a later return date; provided that, in the event an emergency requiring use of the equipment by the Port, WSDOT shall return the equipment as directed by the Port.

4.2.6 WSDOT shall be responsible for all physical and mechanical damage and losses to the equipment during use, storage and transportation of the Port's equipment; provided that, WSDOT shall not be responsible for normal wear and tear of the equipment.

4.2.7 WSDOT and the Port shall jointly inspect furnished equipment at the time of the rental and shall make note of any defect or problem. WSDOT accepts all furnished equipment AS IS and waives any and all claims against the Port resulting from the condition of the equipment.

4.2.8 Upon WSDOT returning equipment, WSDOT and the Port shall jointly inspect, identify, and document any change in the condition of the equipment which exceeds normal wear and tear. Disputed equipment damage or problems should be documented. WSDOT shall not be responsible for normal wear and tear resulting from its use of the equipment.

5. Reimbursement to the Port

5.1 Rental and Fuel Rates. WSDOT shall reimburse the Port for furnished equipment based on the Port's published equipment rental rate. The fuel tanks of furnished equipment shall be full when furnished and shall be full when returned by WSDOT. If the equipment fuel tanks are not full when the equipment is returned, WSDOT shall pay for fuel usage based upon the Port's then-current fuel price per gallon.

5.2 Administrative and Related Charges. In addition to equipment rental rates, and fuel charges, WSDOT shall reimburse the Port for all actual direct and related indirect administrative, accounting and clerical services.

5.3 Invoices. The Port shall provide WSDOT with a certified statement of all equipment rental, fuel charges and administrative services fees within ten (10) calendar days after WSDOT's return of equipment.

5.4 Payment. WSDOT shall pay the amount due to the Port within thirty (30) calendar days of receipt of the invoice.

6. Indemnity

6.1 To the extent authorized by law, WSDOT shall protect, defend, indemnify and hold harmless the Port, its departments, elected and appointed officials, employees, and agents, while acting in their official capacity or within the scope of their employment, as the case may be, as such from any and all costs, claims, judgments, and/or awards of damages (both to persons and/or property), including the loss of use resulting therefrom, resulting from WSDOT's use, storage and transportation of the equipment furnished by the Port, arising out of, or in any way resulting from WSDOT's obligations to be performed pursuant to the provisions of this Agreement. But nothing herein shall require WSDOT to indemnify the Port for that portion of any such liability attributable to the negligence of the Port or the negligence of others.

6.2 WSDOT agrees that in the event of any and all claims, damages, losses and expenses for any bodily injury, sickness, disease, or death, or any damage to or destruction of property, including the loss of use resulting therefrom, resulting from the negligence of WSDOT, WSDOT shall be liable only to the extent of negligence attributable to it. For this purpose, WSDOT, by mutual negotiation, hereby waives, with respect to the Port only, any immunity that would otherwise be available to it against such claims under the industrial insurance provisions in chapter 51.12 RCW.

6.3 This indemnification shall survive termination of this Agreement.

7. Performance of Agreement

7.1 Compliance with All Laws. To the extent authorized or required by law each Party shall comply with all federal, state and local laws, rules, regulations and ordinances applicable to the performance of this Agreement, including without limitation all those pertaining to wages and hours, confidentiality, disabilities and discrimination.

7.2 Maintenance and Audit of Records. Each Party shall maintain books, records, documents and other materials relevant to its performance under this Agreement. These records shall be subject to inspection, review and audit by either Party or its designee, and the Washington State Auditor's Office. Each Party shall retain all such books, records, documents and other materials for six (6) years following the termination of this Agreement.

7.3 On-Site Inspections. Either Party or its designee may evaluate the performance of this Agreement through on-site inspection to determine whether performance is in compliance with

the standards set forth in this Agreement, and in compliance with federal, state and local laws, rules, regulations and ordinances, as applicable.

8. Dispute Resolution

8.1 Dispute Resolution.

If a dispute arises under this Agreement, the Administrators shall promptly meet in person at the Port of Shelton offices to negotiate resolution of the dispute. An attempt at such dispute resolution shall be a prerequisite to the filing of any litigation concerning the dispute. Refusal or failure of one Party to participate in dispute resolution shall constitute a waiver of this requirement.

8.2 Attorney's Fees and Costs

If any legal action or other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, each Party shall pay its own attorney's fees and other costs incurred in that action, arbitration or proceeding.

8.3 Governing Law

This Agreement shall be governed exclusively by the laws of the State of Washington.

8.4 Venue

Venue shall be in Thurston County Superior Court for any legal action or proceeding instituted by a Party to enforce a right or obligation under this Agreement.

9. General Provisions

9.1 Waiver Limited. A waiver of any term or condition of this Agreement must be in writing and signed by the Party. Any express or implied waiver of a term or condition of this Agreement shall apply only to the specific act, occurrence or omission and shall not constitute a waiver as to any other term or condition or future act, occurrence or omission.

9.2 Assignment. Neither Party may assign its rights or delegate its duties under this Agreement, whether by assignment, subcontract or other means. Any such attempted assignment or delegation shall be void and shall constitute a material breach of this Agreement.

9.3 Entire Agreement. This Agreement constitutes the entire agreement between the Parties. There are no understandings or agreements between Parties other than those set forth in this Agreement. No other statement, representation or promise has been made to induce either Party to enter into this Agreement.

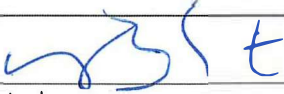
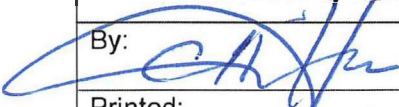
9.4 Modification. This Agreement may not be amended, supplemented or otherwise modified unless expressly set forth in a written agreement signed by both Parties, and if required, adopted by resolution of each Party's legislative authority.

9.5 Invalid Provisions. The invalidity or unenforceability of any particular term or provision of this Agreement shall not affect the validity or enforceability of any other term or provision and this Agreement shall be construed in all respects as if such invalid or unenforceable term or provision was omitted.

9.6 Working Days. Working days for this Agreement are defined as Monday through Friday, excluding Washington State holidays per RCW 1.16.050.

9.7 Effective Date. The Agreement shall become effective upon the date of a filing or listing of the Agreement in compliance with RCW 39.34.040.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date last written below.

Port of Shelton	Washington State Department of Transportation
By: 	By: <i>Troy A Cowan</i>
Printed: <i>Wendy E. Smith</i>	Printed: Troy Cowan
Title: <i>Executive Director</i>	Title: Asst Region Administrator
Date: <i>12/22/25</i>	Date: Jan 8, 2026
Approved as to Form Port of Shelton	Approved as to Form Washington State Department of Transportation
By: 	By: <i>Alex M. Straub</i>
Printed: <i>CHARLES H. HEUSEN</i>	Printed: Alex Straub
Title: <i>General Counsel</i>	Title: Asst. Attorney General
Date: <i>12/10/25</i>	Date: November 20, 2025