

Memorandum of Agreement
Between Diking District No. 1 and Port of Pend Oreille and Public Utility
District No. 1 of Pend Oreille County
For the Trimble Creek and Perkin's Slough Inspection Project

Parties

This Memorandum of Agreement (MOA) is entered into between Public Utility District No. 1 of Pend Oreille County (PUD) and Pend Oreille County, on behalf of Diking District No. 1 of Pend Oreille County (DIKING DISTRICT) and Port of Pend Oreille d/b/a Pend Oreille Valley Railroad (PORT).

Purpose, Objective and Scope

This MOA outlines the mutual agreement between the Parties for the inspection of the structural integrity of the culverts running through the railroad bed at Trimble Creek and Perkin's Slough without affecting the rights and obligations of the respective Parties. The Parties agree that comprehensive professional inspections are necessary to accurately determine the extent of any alleged damage and estimate the cost of repairs.

NOW, THEREFORE, the Parties acknowledge and agree to the following:

1. Inspections: The PUD shall cause, at its own expense, professional inspections to be made of the culverts and railroad embankments at Trimble Creek and Perkin's Slough in an amount which is not to exceed **\$15,000.00**. The PUD shall have the sole discretion through State mandated processes to select the licensed inspecting professional. In the event that the cost and expense of these inspections shall exceed \$15,000.00 the PUD shall in its sole discretion make payment or, terminate the inspection process.
2. Existing Agreements. Each party shall continue to be bound by the Existing Agreements listed below and be responsible for such party's own acts or omissions and any liability or penalties that may result therefrom. The PUD shall not be responsible or obligated by virtue of this agreement or the inspections to perform or finance any required maintenance or repairs of the culverts or railroad embankments. The Parties acknowledge that the following documents, or their successors, constitute related agreements that shall continue to govern the relationships of the Parties with regard to the particular subject matter, and are hereby incorporated by reference:

Idaho & Washington Railroad and Diking District No. 1 Agreement dated December 10, 1909;
Diking District No. 1 and PUD Agreement dated March 8, 1963;
Diking District No. 1 and PUD Easement Agreement dated March 4, 1977; and
Diking District No. 1 and PUD Settlement Agreement dated August 5, 2008.

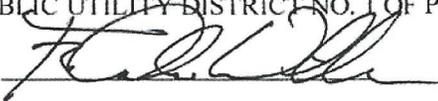
3. Timing: The PUD shall cause the inspections to be made as soon as is reasonably practical, but in no event longer than nine (9) months from the date of execution of this agreement. This agreement shall not prohibit any other Party to this agreement from causing, at its own expense, the necessary inspections.

4. Results: The PUD shall provide each party with a copy of the inspection reports upon completion of the inspections. The Parties agree to meet no later than one (1) month following the release of the reports to review the extent of any damages and discuss potential solutions.

5. Signatures: This MOA may be executed in counterpart and faxed or emailed signatures will be binding.

SIGNATURES

PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY

By  8-25-16
F. Colin Willenbrock, General Manager Date

PORT OF PEND OREILLE

By _____
Kelly Driver, General Manager Date

PEND OREILLE COUNTY FOR
DIKING DISTRICT NO. 1 OF PEND OREILLE COUNTY

By _____
_____, Commissioner Date

By _____
_____, Commissioner Date

By _____
_____, Commissioner Date