

**INTERLOCAL COOPERATION AGREEMENT
FOR TELECOMMUNICATION SERVICES**

THIS INTERLOCAL COOPERATION AGREEMENT ("this AGREEMENT") is entered into by PETRICHOR BROADBAND, LLC, a Washington interlocal limited liability company permitted by RCW 39.34.030, (hereinafter "PETRICHOR"), and the PORT OF WHITMAN COUNTY, a municipal corporation of the State of Washington, (hereinafter the "PORT").

RECITALS

WHEREAS, PETRICHOR is a Washington interlocal limited liability company consisting of the following Ports as members: Port of Bellingham, Port of Kalama, Port of Pasco, Port of Ridgefield, Port of Skagit County, and Port of Whitman County; and

WHEREAS, the Port of Whitman County is the named Manager for PETRICHOR; and

WHEREAS, PETRICHOR contracts with public and private entities for the planning, development and operation of local and regional telecommunication facilities; and

WHEREAS, the PORT owns and operates telecommunication infrastructure ("the Facilities"), within and without its district for its own use and to provide wholesale telecommunication services within Whitman County; and

WHEREAS, the PORT has a fiber optic telecommunication network, which is the subject matter of this agreement (herein the "Port of Whitman Network"); and

WHEREAS, this Agreement provides for certain services to be provided by PETRICHOR to the PORT in exchange for fees and revenue sharing as set forth below and the mutual benefits to be derived;

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1. Management, Services and Expenses:

a. PETRICHOR shall provide the following services for the Facilities which are subject to the revenue sharing provisions of this Agreement:

- (1) Fiber and facility mapping, including cut sheet documentation;
- (2) One-Call management services;
- (3) _____ Will or X Will not contract for locate services in accordance with standards in the industry;
- (4) Emergency restoration management in accordance with standards in the industry;
- (5) Review of construction design; and

PETRICHOR may contract with third parties for the services to be provided.

b. PORT shall provide the following services for the Facilities which are subject to the revenue sharing provisions of this Agreement:

- (1) Administration of billing and collection;
- (2) Collection and remittance of applicable taxes directed by the State of Washington and franchise fees; and
- (3) Provide financial reports displaying monthly invoiced amounts by customer.
- (4) Oversight of Network Operations Center (NOC) contracted services.

c. Expenses for the Facilities subject to the Revenue Sharing provisions of this Agreement will be allocated as follows:

- (1) Fiber mapping subscription service expenses shall be paid by PETRICHOR;
- (2) One-call and locate services expenses shall be paid by the PORT;
- (3) Emergency restoration service charges and expenses shall be paid by the PORT;
- (4) Administration, billing, and collection will be provided by the PORT; and

(5) NOC contracted services will be paid by the PORT.

2. Revenue Sharing and Fees:

All revenue derived from the PORT Facilities shall belong to the PORT and payment therefrom shall be as follows:

a. Commencing January 1, 2023, payment for services will be on a revenue share basis whereby PETRICHOR will receive fifteen percent (15%) of monthly revenue derived from the Facilities. The monthly revenue share is payable within thirty (30) days of month-end. The maximum revenue share paid by the PORT to PETRICHOR will be One Hundred Thousand and no/100ths Dollars (\$100,000.00) per year. If the annual revenue share paid by the PORT is projected to be equal to or to exceed One Hundred Thousand and no/100ths Dollars (\$100,000.00), the PORT shall pay 12 equal monthly payments of Eight Thousand Three Hundred Thirty-Three 33/100ths Dollars (\$8,333.33). The minimum revenue share paid by the PORT to PETRICHOR will be Ten Thousand and no/100ths Dollars (\$10,000.00) per year. If at the end of the year, the total revenue paid to PETRICHOR is less than Ten Thousand and no/100ths Dollars (\$10,000.00), the PORT shall pay the difference between the revenue paid and Ten Thousand and no/100ths Dollars (\$10,000.00) within thirty (30) days.

b. The term "Revenue" as used in the Revenue Sharing provisions of this Agreement shall mean the gross amount invoiced/derived from the wholesale lease or grant of use of fiber optic lines. Non-recurring fees, fees for power charges, co-location fees, leasehold taxes, and franchise fees, shall not be considered Revenue for purposes of Revenue Sharing.

3. Leases and Contracts:

a. This Agreement shall apply to the wholesale lease or grant of use of the PORT's Facilities.

b. Lease, contracts, and agreements, to which this Agreement applies, shall be leases, contracts, and agreements of the PORT. Said leases, contracts, and agreements shall conform to and be

consistent with the Master Service Agreement attached as EXHIBIT "A," or such other agreement as mutually agreed upon by PETRICHOR and the PORT.

c. No lease or contract subject to this Agreement shall extend beyond a period of twenty years from the date of execution, except as expressly authorized in writing by both parties. The Revenue from any leases, contracts, or agreements made during the term hereof and subject to this Agreement that have a termination date extending beyond the termination of this Agreement shall, belong to the PORT.

d. All rates, fees and charges for the use the Facilities shall be as mutually agreed upon with the goal of meeting each entity's revenue expectations. The initial rate structure is set forth in EXHIBIT "B".

e. Nothing herein shall be deemed to require the PORT to enter any lease, contract, or agreement for the use of its telecommunication lines or facilities.

f. Nothing herein shall prohibit the PORT from charging non-reoccurring fees for construction, relocation, or capital improvements to its Facilities, which fees shall not be considered Revenue, but will belong to the PORT.

4. Taxes, Fees and Assessments: The collection and payment of all taxes, fees, and assessments shall remain the responsibility of the PORT.

5. Term: The term of this Agreement shall begin January 1, 2023, and terminate on the 31st day of December 2025 (the "Initial Term"). Upon expiration of the Initial Term, this Lease shall automatically and successively renew for additional terms of one (1) year each, unless either party notifies the other in writing of its intent to terminate this Lease by giving one hundred eighty (180) days notice prior to the end of the Initial Term, or any renewal thereof.

6. Development of Additional Facilities: It is understood and agreed that the PORT may wish to add to or expand its telecommunication fiber system, and nothing herein shall be deemed or considered as a

restriction or prohibition on future development. However, any subsequent Interlocal Agreements which result in the management of additional fiber not owned by the PORT will require PETRICHOR's written consent.

7. Ownership on Termination: Upon termination of this Agreement and its non-renewal, all lines and facilities within the **Port of Whitman Network** shall remain the sole property of the PORT.

8. Relocation: In the event relocation of the Facilities which are subject to the Revenue Sharing provision of this Agreement is necessary, relocation costs and expenses shall be the sole responsibility of the PORT.


IN WITNESS WHEREOF, the parties enter into this Agreement the 1st day of January, 2023, and the undersigned represent that he or she is authorized to sign this Agreement.

PETRICHOR BROADBAND, LLC, a
municipal Washington interlocal
limited liability company:

By 
Mark Wilson, Executive Council
President

PORT OF WHITMAN COUNTY, a
municipal corporation of
Washington

By 
Karl Webber, Commissioner

By 
Tom Kammerzell, Commissioner

By 
Kristine Meyer, Commissioner