

**PROJECT AGREEMENT  
GRADE CROSSING PROTECTIVE FUND**

Docket No.: TR-140371

Commission Approval Date: April 25, 2014

**A. PARTIES OF THE AGREEMENT**

This project grant agreement (agreement) is entered into between the Washington Utilities and Transportation Commission (UTC), P.O. Box 47250, Olympia, Washington 98504-7250, and Puget Sound & Pacific Railroad, 1710 Midway Court, Centralia, Washington, 98531, and shall be binding upon the agents and all persons acting by or through the parties.

**B. PURPOSE OF THE AGREEMENT**

This agreement sets out the terms and conditions by which grants are made from the Grade Crossing Protective Fund. These grants are administered by the UTC to the grantee for Docket No. TR-140371, identified above.

**C. DESCRIPTION OF PROJECT**

TR-140371 involves upgrading from incandescent to LED lights and LED gate light kits at ten highway-rail grade crossings. The crossings are identified in Appendix A. Specific information about the project is contained in Puget Sound and Pacific Railroad's GCPF application.

**D. PERIOD OF PERFORMANCE**

The project reimbursement period shall begin on April 25, 2014, and end May 1, 2015. No expenditure made before or after this period is eligible for reimbursement unless incorporated by written amendment into this agreement.

**E. PROJECT FUNDING**

Total grant funding awarded by the UTC for this project shall not exceed \$15,030.80. The total approximate cost of the project is \$15,030.80, with Puget Sound and Pacific Railroad contributing labor costs. The grantee shall be responsible for all additional costs.

**F. RIGHTS AND OBLIGATIONS**

All rights and obligations of the parties to this agreement are subject to this agreement and its attachments, including the grantee's application, Commission orders, and the general provisions, all of which are attached and incorporated into this agreement.

Except as provided, no alteration of any of the terms or conditions of this agreement will be effective unless provided in writing. All alterations must be signed by both parties.

The grantee has read, fully understands and agrees to be bound by all terms and conditions in these documents.

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#### **SECTION 4. RESPONSIBILITY FOR PROJECT**

While the WUTC undertakes to assist the grantee with the project by providing a grant pursuant to this agreement, the project itself remains the sole responsibility of the grantee. The WUTC undertakes no responsibilities to the grantee, or to any third party, other than as is expressly set out in this agreement. The responsibility for the implementation of the project, as those phases are applicable to this project, is solely that of the grantee, as is responsibility for any claim or suit of any nature by any third party related in any way to the project.

#### **SECTION 5. INDEMNIFICATION**

To the fullest extent permitted by the law, the grantee expressly agrees to and shall indemnify, defend and hold harmless the state and its agencies, officials, agents and employees from and against all claims, actions, costs, damages, or expenses of any nature arising out of or incident to the grantee's or any contractor's performance or failure to perform the agreement. Grantee's obligation to indemnify, defend and hold harmless also includes any claim by grantee's agents, employees, representatives or any contractor or its employees. Grantee's obligation to defend includes payment of any costs or attorneys' fees. Grantee's obligation shall not include such claims that may be caused by the sole negligence of the state and its agencies, officials, agents, and employees. If the claims or damages are caused by or result from the concurrent negligence of (a) the state, its agents or employees and (b) the grantee, its contractors, agents, or employees, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Grantee or its contractors, agents, or employees. The grantee expressly agrees to waive his/her immunity under Title 51 RCW to the extent required to indemnify, defend, and hold harmless the state and its agencies, officials, agents or employees.

#### **SECTION 6. INDEPENDENT CAPACITY OF THE GRANTEE**

The grantee and its employees or agents performing under this agreement are not employees or agents of the WUTC. The grantee will not hold itself out as nor claim to be an officer or employee of WUTC or of the state of Washington by reason hereof, nor will the grantee make any claim of right, privilege or benefit which would accrue to an employee under Chapters 41.06 or 28B.16 RCW.

The grantee is responsible for withholding and/or paying employment taxes, insurance, or deductions of any kind required by federal, state, and/or local laws.

#### **SECTION 7. CONFLICT OF INTEREST**

Notwithstanding any determination by the Executive Ethics Board or other tribunal, the WUTC may, in its sole discretion, by written notice to the grantee terminate this agreement if it is found after due notice and examination by WUTC that there is a violation of the Ethics in Public Service Act, Chapter 42.52 RCW; or any similar statute involving the grantee in the procurement of, or performance under this agreement. In the event this agreement is terminated as provided above, WUTC shall be entitled to pursue the same remedies against the grantee as it could pursue in the event of a breach of the agreement by the grantee. The rights and remedies of WUTC provided for in this clause shall not be exclusive and are in addition to any other rights and remedies provided by

television, or video presentation designed to support or defeat legislation pending before the U.S. Congress or any state legislature.

No part of any funds provided under this grant shall be used to pay the salary or expenses of any grantee, or agent acting for such grantee, related to any activity designed to influence legislation or appropriations pending before the U.S. Congress or any state legislature.

#### **SECTION 11. RECORDS MAINTENANCE**

The grantee shall maintain books, records, documents, data and other evidence relating to this agreement and performance of the services described herein, including but not limited to accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this agreement. Grantee shall retain such records for a period of six years following the date of final payment. At no additional cost, these records, including materials generated under the agreement, shall be subject at all reasonable times to inspection, review or audit by WUTC, personnel duly authorized by WUTC, the Office of the State Auditor, and federal and state officials so authorized by law, regulation or agreement.

If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

#### **SECTION 12. RIGHT OF INSPECTION**

The grantee shall provide right of access to its facilities to WUTC or any of its officers, or to any other authorized agent or official of the state of Washington or the federal government, at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance under this agreement.

#### **SECTION 13. PROJECT FUNDING**

- A. Additional Amounts. WUTC shall not be obligated to pay any amount beyond the dollar amount as identified in this agreement, unless an additional amount has been approved in advance by WUTC or the Secretary and incorporated by written amendment into this agreement.
- B. Before the agreement. No expenditure made, or obligation incurred, by the grantee before the effective date of this agreement shall be eligible for grant funds, in whole or in part, unless specifically provided for by WUTC policy. The dollar amounts identified in this agreement may be reduced as necessary to exclude any such expenditure from reimbursement.
- C. After the Period of Performance. No expenditure made, or obligation incurred, following the period of performance shall be eligible, in whole or in part, for grant funds hereunder. In addition to any remedy the WUTC may have under this agreement, the amounts identified in this agreement shall be reduced to exclude any such expenditure from participation.

- B. Project agreement including attachments;
- C. Additional provisions or modifications of General Provisions;
- D. General Provisions.

#### **SECTION 18. AMENDMENTS**

This agreement may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

#### **SECTION 19. LIMITATION OF AUTHORITY**

Only WUTC or WUTC's delegate by writing (delegation to be made prior to action) shall have the express, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this agreement. Furthermore, any alteration, amendment, modification, or waiver or any clause or condition of this agreement is not effective or binding unless made in writing and signed by the WUTC.

#### **SECTION 20. WAIVER OF DEFAULT**

Waiver of any default shall not be deemed to be a waiver of any subsequent default. Waiver of breach of any provision of the agreement shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of the agreement unless stated to be such in writing, signed by the Executive Secretary, or the Executive Secretary's designee, and attached to the original agreement.

#### **SECTION 21. APPLICATION REPRESENTATIONS -- MISREPRESENTATIONS OR INACCURACY OR BREACH**

The WUTC relies upon the grantee's application in making its determinations as to eligibility for, selection for, and scope of, funding grants. Any misrepresentation, error or inaccuracy in any part of the application may be deemed a breach of this agreement.

#### **SECTION 22. TERMINATION AND OTHER REMEDIES**

WUTC may require strict compliance by the grantee with the terms of this agreement including, but not limited to, the requirements of the applicable statutes, rules and WUTC policies which are incorporated into this agreement, and with the representations of the grantee in its application for a grant as finally approved by WUTC.

WUTC or the Secretary, may suspend, or may terminate, the obligation to provide funding to the grantee under this agreement:

- A. In the event of any breach by the grantee of any of the grantee's obligations under this agreement; or
- B. If the grantee fails to make progress satisfactory to WUTC or Secretary toward completion of the project by the completion date set out in this agreement.

WUTC may enforce this agreement by the remedy of specific performance, which usually will mean completion of the Project as described in this agreement. However, the remedy of specific performance shall not be the sole or exclusive remedy available to

- A. The state of Washington agrees that it shall initiate any lawsuit against a federally recognized Indian tribe arising out of or relating to the performance, breach or enforcement of this agreement in Federal Court. Interpretation shall be according to the law of the state of Washington. In the event that the Federal Court determines that it lacks subject matter jurisdiction to resolve the dispute between the state and Tribal Party, then the parties agree to venue in Thurston County Superior Court, but the parties agree that the matter shall not be pursued in superior court unless there is a Federal Court determination that it lacks subject matter jurisdiction.
- B. Any judicial award, determination, order, decree or other relief, whether in law or equity or otherwise, resulting from the action shall be binding and enforceable upon the parties. Any money judgment or award against the Tribe, tribal officers and members, or the state of Washington and its officers and employees may not exceed the amount provided for in Section E- Project Funding of the Agreement.
- C. The Tribe hereby waives its sovereign immunity as necessary to give effect to this section, and the state of Washington has waived its immunity to suit in state court. These waivers are only for the benefit of the Tribe and state and shall not be enforceable by any third party or by any assignee or delegate of the parties. In any enforcement action, the parties shall bear their own enforcement costs, including attorneys' fees.

#### **SECTION 27. SEVERABILITY**

The provisions of this agreement are intended to be severable. If any term or provision is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the agreement.