TEANAWAY COMMUNITY FOREST INTERAGENCY AGREEMENT BETWEEN DEPARTMENT OF NATURAL RESOURCES AND DEPARTMENT OF FISH AND WILDLIFE

Interagency Agreement No. IAA 14-117

This agreement ("Agreement") is entered into between the Department of Natural Resources ("DNR"), and the Department of Fish and Wildlife ("WDFW"), collectively referred to as "The Parties", as of the 30th day of September, 2013.

AGREEMENT

Purpose: This Agreement embodies the commitment of the Parties to work together as collaborative land managers of the Teanaway Community Forest ("TCF") and generally defines the scope and process of this collaborative partnership.

Joint Decision-Making: The Parties agree to fully, equally, and collaboratively share the land management responsibilities for the TCF upon the principle of joint-decision making. The Parties agree that all decisions regarding the TCF (including, but not limited to, land management decisions, policy decisions, public relations decisions etc.) will require the mutual assent and approval of both Parties according to the process outlined in this Agreement. Both Parties retain the ability to independently create, research, discuss, and plan proposals regarding the TCF to later be presented to the partner agency for consideration and review.

Management Principles: The leadership of DNR and WDFW enter into this partnership in order to maximize the ability of the State of Washington to restore and steward the cherished TCF by combining the expertise and resources of the two sister agencies. This collaborative partnership begins in a spirit of mutual enthusiasm and trust, and the Parties agree to work hard to sustain this partnership at the highest level of teamwork, collegiality, and communication. The Parties agree that DNR and WDFW employees working together in the TCF, while subject to their respective supervisors and agency chain of command, should consider themselves as members of a single TCF team that shares the same goals and mission.

As the TCF is Washington State's first Community Forest, the Parties agree to exercise great care in assuring that the management of the TCF abides by RCW 79.155 and RCW 90.38 as amended by Laws of 2013, 2d Spec. Sess., ch. 11, § 12, and Laws of 2013, 2d Spec. Sess., ch. 19, § 3245 and fulfills the vision of the Community Forest Trust program to create a new land management model that is thoroughly engaged with and responsive to the local communities it serves.

Since the acquisition of the Teanaway property is a key feature of the Yakima Basin Integrated Plan ("YBIP"), the Parties agree to manage the TCF in a manner that assists the State of Washington in attaining the goals of the YBIP embodied in RCW 90.38.010 and does credit to the project and its long history of building strong multilateral stakeholder partnerships.

Term of Agreement: This Agreement shall remain in place unless terminated through the process outlined in the Termination clause of this Agreement or unless the Teanaway Lands are no longer held in community forest trust status. If the Teanaway property is transferred out of community forest status for

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failing to meet the water supply facility permit and funding milestones set forth in RCW 90.38, then this Agreement shall terminate and be of no further force or effect.

Land Management Partnership

Management Plan and Easement: The Parties agree that the TCF will be managed in accordance with the Habitat Restoration and Working Lands Easement ("Easement") agreed upon between the Parties and the post-acquisition Management Plan ("Management Plan"). In the event of inconsistency between the Easement and the Management Plan, the terms of the Easement shall control.

Management Plan Process: The Parties will collaborate to develop and adopt the Management Plan through the community engagement process described in RCW 79.155 and RCW 90.38 as amended in 2013. The Parties will jointly determine an appropriate allocation of costs associated with any consultants/facilitators required to appropriately execute the community engagement process required to create the Management Plan. The Parties will each appoint a lead regional staff person to interface with the public during the creation of the Management Plan, and these staff members will work closely and collaboratively together to ensure the success of the public engagement process.

Although the management plan is subject to mutual assent, the Parties are free to independently develop management concepts for consideration. Once the plan is established, the parties may independently implement elements of the plan as provided in the plan by mutual assent. During development of the management plan and after adoption of the plan, the parties may implement basic maintenance of the property, so long as the maintenance project is consistent with the Easement and the joint decision-making principle.

Interim Stewardship and Operations Plan. The parties shall develop an interim stewardship and operations plan for the property by December 30, 2013 (Interim Stewardship Plan). The Interim Stewardship Plan shall govern activities allowed on the property prior to development of the Management Plan. The Interim plan shall cover such activities as maintenance and road work. Work that must be completed to preserve or correct conditions at the property prior to development of the Interim Plan shall be considered and allowed by mutual assent. The Parties will determinate an appropriate allocation of costs associated with these management activities.

Communications: The Parties agree that all publications, press releases, online material, and public relations materials/activities regarding the TCF will require the mutual assent and agreement of both Parties before being released to the public. Each Party will appoint a public information officer ("PIO") who will be the contact person for the TCF, and these PIOs will work closely and collaboratively together to present a consistent and unified public image for the TCF and the Parties' management and policy decisions regarding TCF.

Appropriations, Funding, and Legislative Advocacy: The Parties agree to cooperate as a team on the basis of joint-decision making with regard to all decisions, requests, and advocacy for funding or legislative action related to the TCF.

Operating Budget. Operational costs associated with the property shall be funded under the DNR operating budget, which, to the extent it addresses the TCF costs, shall be jointly reviewed and supported by WDFW. The operational expenses shall be allocated entirely to the account dedicated by DNR to hold funds pertaining to the TCF, where funds may then be disbursed only with the mutual agreement of both parties.

Capital Budget: The Parties will collaboratively prepare, agree upon, and jointly present capital projects budget proposals for the TCF to the Washington State Legislature, unless otherwise explicitly agreed upon by both parties. The capital expenses shall be allocated entirely to the account dedicated by DNR to hold funds pertaining to the TCF, where funds may then be disbursed only with the mutual agreement of both parties.

Other Requests: Additionally, the Parties will collaboratively prepare, agree upon, and jointly present requests for funding to all other funding sources, including the United States Congress, federal agencies, tribal governments, local and municipal government entities, and granting organizations and entities. Neither Party shall independently or unilaterally implement funded activities on or related to the TCF without the assent of the other Party. All funding for the management of the TCF shall be allocated entirely to the account dedicated by DNR to hold funds pertaining to the TCF, where funds may then be disbursed only with the mutual agreement of both parties.

Access: Representatives of the Parties shall have unrestricted access to the Property for the purposes of meeting their joint responsibilities. Each agency shall also have the right to enter and grant third parties access to implement projects approved by joint decision-making.

Staff Time: The Parties may authorize their respective employees to provide services deemed appropriate by the joint decision-making process or the Management Plan. Any such services will be a cost borne by the agency providing the service, unless the Management Plan or a joint agreement between the Parties provides for a different means of funding the costs.

Joint Decision-Making Process

Authorization of Decisions: All land management decisions on TCF must be approved by a representative of each party that is explicitly authorized to make decisions for the TCF. The Parties will each appoint and maintain at all times one (1) regional representative and one (1) Olympia representative who will both be authorized to make decisions regarding the TCF.

The regional representatives will be the leads for everyday land management decisions and the execution of on-the-ground projects. The regional representatives will work closely and collaboratively together to supervise the management of the TCF.

The Olympia representatives will be the leads for policy decisions and legislative funding requests and advocacy, and they will work closely and collaboratively together to supervise all major policy decisions and budget and legislative requests.

The regional representatives and Olympia representatives will mutually agree on their preferred protocols for communication regarding the TCF shortly after their appointment. If any person authorized to make decisions on the TCF will be unavailable for a period of leave, then that

person must delegate his or her authority to an acting representative who will be on duty in his or her absence and inform all of the other representatives of this delegation.

Type of Authorization: Authorization of any land management decision under the joint-decision making principle can be provided in any manner mutually agreeable to the two authorized decision-makers. Either Party can request approval for a decision to be transmitted in writing.

Executive Authorization: In addition to the normal process, the Commissioner of Public Lands and the Director of WDFW will both be fully authorized to provide assent for any decision regarding the TCF at any time on behalf of their respective agencies.

Dispute Resolution: If a dispute arises relating to the development of the management plan, implementation of the management plan, or general management of the TCF that is deemed inconsistent with the terms of this Agreement, the Parties shall first resort to the following dispute resolution process before taking any other action. Any Party wishing to initiate dispute resolution shall send a letter ("Notice") to the other Parties as provided in the Notice Section below. The Notice shall set forth the issues in dispute. Within ten (10) days of receipt of the Notice, the Parties shall appoint a representative to discuss the issues. The representative must be at an Executive Management level. The representatives must initially meet to start discussion within fifteen (15) work days of receipt of the Notice. If the representatives cannot reach a resolution within sixty (60) calendar days of initiating discussion, the matter shall be elevated to the Director of WDFW and the Commissioner of Public Lands. Should they fail to reach a consensus decision within sixty (60) days of referral, the Parties agree to participate in mediation with an agreed upon mediator jointly selected by the Parties within thirty (30) days from the date it is determined consensus cannot be achieved. The Parties agree the mediation will be completed within onehundred twenty (120) days of the date the mediator is selected. The cost of the mediation shall be shared equally between the Parties.

Ownership: The Property is owned by the State of Washington in fee simple and managed under the jurisdiction of DNR pursuant to RCW 79.155 and RCW 90.38 as amended in 2013 in cooperation with WDFW as provided herein. DNR shall have primary jurisdiction for management and funding the operating costs of the Property, subject to the terms of this Agreement.

Amendments: This Agreement may be amended at any time via the mutual written consent of the Commissioner of Public Lands and the Director of the Department of Fish & Wildlife.

Termination: The Parties may terminate this Agreement if both Parties mutually agree in writing to terminate. Termination would require the written authorization of both the Director of WDFW and the Commissioner of Public Lands. In the event the Parties decide to terminate the Agreement, the agencies shall so inform the Legislature and the Governor's Office of the decision. In such event, DNR shall be responsible for developing and executing the Management Plan as provided under RCW 79.155.080 and RCW 90.38 as amended in 2013, subject to limitations under the Easement.

Default: In the event of default by any Party under the terms of this Agreement, the complaining Party(ies) shall first proceed to the dispute resolution process before seeking any judicial relief. In the event the dispute resolution process fails to resolve the matter, the complaining Party may seek appropriate relief in the form of declaratory judgment, injunctive relief, specific performance, or damages as appropriate. Venue for any such action shall be in Thurston County Superior Court. Each Party shall bear its own costs and attorneys' fees.

Any notice or submittal given under this Agreement shall be deemed as received when delivered by hand or five (5) days after deposit in the United States mail with first-class postage affixed, addressed as noted. Changes of address may be given in accordance with this section. Any notice or submittal given under this Agreement shall be:

To DNR:

Washington Department of Natural Resources Conservation, Recreation & Transactions Division PO Box 47014 Olympia, WA 98504-7014

To WDFW:

Washington Department of Fish and Wildlife Real Estate Services 600 Capitol Way North Olympia, WA 98501-1091

WHEREFORE, the Parties have set forth their signatures below.

Peter Goldmark

Commissioner of Public Lands Department of Natural Resources Phil Anderson

Director

Department of Fish and Wildlife