

"The Green Spot of the Columbia Basin"

# South Columbia Basin Irrigation District

POWER GENERATION DIVISION

(509) 545-2070 • 209 North 3rd • P.O. Box 1316 • Pasco, Washington 99301-1316

January 30, 1986

Ms. Tracy M. Lloyd  
The Washington Department of Game  
P.O. Box 850  
Ephrata, WA 98823

RECEIVED  
DEC 31 1986  
STATE OF WASHINGTON  
DEPARTMENT OF GAME  
EPHRATA OFFICE

Re: Main Canal Headworks Power Plant  
Mitigation Escrow Agreement

Dear Tracy:

Enclosed is a copy of the Term Deposit Contract showing a deposit of \$19,650 has been made in the Peoples National Bank in accordance with the above-mentioned agreement. The deposit has been made for an initial period of three (3) months as I related to you in our telephone conversation this morning. When the investment matures, I will reinvest the principal and interest at the best possible rate.

In order to complete their files, a copy of this letter, together with the signed Escrow Agreement, has been sent to the three irrigation districts.

Very truly yours,



Terry Koester  
Treasurer

TK:gy  
Encl.

cc w/enc. Merle Gibbens  
C. Warren Travis  
Dick Erickson  
John W. Baird

Peoples National Bank of Washington, Seattle, Washington U.S.A. 98111-0720

DATE OF INITIAL DEPOSIT <b>12-30-86</b>	AMOUNT OF INITIAL DEPOSIT <b>\$ 19,650.00</b>	INITIAL INTEREST RATE PER ANNUM <b>5.05 %</b>	COMPOUNDING FREQUENCY <b>SIMPLE</b>	PAYMENT FREQUENCY <b>AT MATURITY</b>	TERM <b>3 Months</b>	ACCOUNT NUMBER <b>0494-53681-6</b>
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PeoplesBank accepts the listed sum for deposit and agrees to repay the deposit, plus accrued interest, to the Depositor according to the provisions of this contract. If any Depositor's signature is not witnessed by Bank personnel, PeoplesBank will not be required to honor any request of that Depositor including the withdrawal of funds. Depositor has read and acknowledges receipt of a copy of this contract and agrees to be bound by the provisions. Depositor certifies, under penalties of perjury, as required by federal tax law P.L. 98-87, the federal tax identification number/Information provided below is correct and this account is not subject to backup tax withholding since Depositor properly reported all past interest and dividends to the IRS.

ACCOUNT NAME (if different from Signers Name) <b>SOUTH COLUMBIA BASIN IRRIGATION DISTRICT POWER GENERATION DIVISION</b>	
DEPOSITOR NAME 1 <b>TERRY L. KOESTER</b>	DEPOSITOR NAME 2 <b>RUSSELL D. SMITH</b>
DEPOSITOR'S SIGNATURE (1) <i>Terry L. Koester</i>	DEPOSITOR'S SIGNATURE (2) <i>Russell D. Smith</i>
DEPOSITOR NAME 3	DEPOSITOR'S SIGNATURE (4)
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

ADDRESS (1) <b>209 N. 3RD PASCO, WASHINGTON</b>	FED TAX I.D. NUMBER (For Fed. Tax Reporting) <b>91-6001057</b>
DEPOSITOR I.D.	PHONE <b>545-2070</b>
ADDRESS (2)	FED TAX I.D. NUMBER
DEPOSITOR I.D.	PHONE
ADDRESS (3)	FED TAX I.D. NUMBER
DEPOSITOR I.D.	PHONE
ADDRESS (4)	FED TAX I.D. NUMBER
DEPOSITOR I.D.	PHONE

<b>CONSUMER ACCOUNT (Individual)</b>	
<input type="checkbox"/> SINGLE	<input type="checkbox"/> JOINT WITH RIGHT OF SURVIVORSHIP
<input type="checkbox"/> GUARDIANSHIP	<input type="checkbox"/> UGMA
<input type="checkbox"/> ESTATE	<input type="checkbox"/> TRUST
<input type="checkbox"/> OTHER	
<b>CORPORATE ACCOUNT (Non-Individual)</b>	
<input type="checkbox"/> SOLE PROPRIETORSHIP	<input type="checkbox"/> PARTNERSHIP
<input type="checkbox"/> CORPORATION (inc. non-profit corp.)	<input type="checkbox"/> NON-PROFIT, Assoc., Club, Org.
<input checked="" type="checkbox"/> OTHER MUNICIPAL	
<b>CREDIT INTEREST TO:</b>	
<input checked="" type="checkbox"/> THIS ACCOUNT	<input type="checkbox"/> CASHIER'S CHECK
<input type="checkbox"/> OTHER	
<input type="checkbox"/> DO NOT RENEW, NO INTEREST PAID AFTER TERM EXPIRES.	
<b>CREDIT BALANCE TO:</b>	
<input type="checkbox"/> CASHIER'S CHECK	<input type="checkbox"/> ACCOUNT NO.
PREPARED BY <b>ANNETTE SEIGFREID</b>	BRANCH NAME <b>PASCO</b>
AUTHORIZED BANK SIGNATURE <i>Susan Jackson</i>	DATE SIGNED <b>12/30/86</b>

1. NATURE OF CONTRACT This document contains the terms of the contract between you ("Depositor") and Peoples National Bank of Washington ("Bank") and serves as the receipt for the initial deposit. This document is not a negotiable instrument and is not assignable or transferable without the written consent of Bank.

2. AUTOMATIC RENEWAL This contract will AUTOMATICALLY RENEW for an identical term unless the "do not renew" box is marked. The contract shall continue to renew until Depositor provides written notice to Bank of the intent not to renew. The renewed term begins when the previous term expires.

3. PENALTY FOR EARLY WITHDRAWAL By signing the Term Deposit Contract, Depositor promises to leave all funds deposited to this account with Bank until the entire term, or renewed term, expires. Unless Depositor dies or is declared legally incompetent, Depositor must seek the consent of Bank to withdraw any funds prior to the completion of the term. Should Bank consent to an early withdrawal, Bank may charge a penalty which will be no less than:

A. Term 7 through 31 Days Depositor must forfeit an amount equal to the greater of the following: (1) All interest earned on the amount withdrawn from the most recent of the date of: a) deposit, b) date of maturity, or c) the date on which notice was given; (2) All interest that could have been earned on the amount withdrawn during the period equal to one-half the maturity period or the required notice.

B. Term 32 Days up to 12 Months Depositor must forfeit an amount equal to the simple interest the withdrawn amount would have earned in one (1) month.

C. Term 12 Months or More Depositor must forfeit an amount equal to the simple interest the withdrawn amount would have earned in six (6) months.

Variable Rate Deposits The penalty for early withdrawals from an account earning a "variable" rate of interest will be based on the interest rate in effect on the date of withdrawal.

"The Green Spot of the Columbia Basin"

# South Columbia Basin Irrigation District

POWER GENERATION DIVISION

(509) 545-2070 • 209 North 3rd • P.O. Box 1316 • Pasco, Washington 99301-1316

January 30, 1986

RD 1/2/86  
cc: Chris Mitchell  
file: Irrigation  
Districts

RECEIVED

DEC 31 1986  
STATE OF WASHINGTON  
DEPARTMENT OF GAME  
EPHRATA OFFICE

Ms. Tracy M. Lloyd  
The Washington Department of Game  
P.O. Box 850  
Ephrata, WA 98823

Re: Main Canal Headworks Power Plant  
Mitigation Escrow Agreement

Dear Tracy:

Enclosed is a copy of the Term Deposit Contract showing a deposit of \$19,650 has been made in the Peoples National Bank in accordance with the above-mentioned agreement. The deposit has been made for an initial period of three (3) months as I related to you in our telephone conversation this morning. When the investment matures, I will reinvest the principal and interest at the best possible rate.

In order to complete their files, a copy of this letter, together with the signed Escrow Agreement, has been sent to the three irrigation districts.

Very truly yours,



Terry Koester  
Treasurer

TK:gy  
Encl.

cc w/enc. Merle Gibbens  
C. Warren Travis  
Dick Erickson  
John W. Baird

DATE OF INITIAL DEPOSIT 12-30-86	AMOUNT OF INITIAL DEPOSIT \$ 19,650.00	INITIAL INTEREST RATE PER ANNUM 5.05 %	COMPOUNDING FREQUENCY SIMPLE	PAYMENT FREQUENCY AT MATURITY	TERM 3 Months	ACCOUNT NUMBER 0494-53681-6
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ACCOUNT NAME (if different from Signers Name) SOUTH COLUMBIA BASIN IRRIGATION DISTRICT POWER GENERATION DIVISION	
DEPOSITOR NAME 1 TERRY I. KOESTER	DEPOSITOR NAME 2 RUSSELL D. SMITH
DEPOSITOR'S SIGNATURE (1) <i>Terry I. Koester</i>	DEPOSITOR'S SIGNATURE (2) <i>Russell D. Smith</i>
DEPOSITOR NAME 3	DEPOSITOR NAME 4
DEPOSITOR'S SIGNATURE (3)	DEPOSITOR'S SIGNATURE (4)
X	X

ADDRESS (1) 209 N. 3RD PASCO, WASHINGTON	FED TAX I.D. NUMBER (For Fed. Tax Reporting) 91-6001057 PHONE 545-2070
DEPOSITOR I.D.	
ADDRESS (2)	FED TAX I.D. NUMBER PHONE
DEPOSITOR I.D.	
ADDRESS (3)	FED TAX I.D. NUMBER PHONE
DEPOSITOR I.D.	
ADDRESS (4)	FED TAX I.D. NUMBER PHONE
DEPOSITOR I.D.	

CONSUMER ACCOUNT (Individual)

SINGLE  JOINT WITH RIGHT OF SURVIVORSHIP  JOINT WITHOUT RIGHT OF SURVIVORSHIP

GUARDIANSHIP  UGMA  TRUST

ESTATE  OTHER

CORPORATE ACCOUNT (Non-Individual)

SOLE PROPRIETORSHIP  PARTNERSHIP

CORPORATION (inc. non-profit corp.)  NON-PROFIT, Assoc., Club, Org.

OTHER MUNICIPAL

CREDIT INTEREST TO:

THIS ACCOUNT  CASHIER'S CHECK

OTHER ACCOUNT NUMBER

DO NOT RENEW, NO INTEREST PAID AFTER TERM EXPIRES.

CREDIT BALANCE TO:

CASHIER'S CHECK  ACCOUNT NO.

PREPARED BY  
ANNETTE SEIGFREID

BRANCH NAME  
PASCO

AUTHORIZED BANK SIGNATURE  
*Susan Jackson* 12/30/86

DATE SIGNED

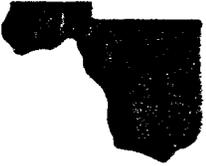
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    - Term 7 through 31 Days** Depositor must forfeit an amount equal to the greater of the following: (1) All interest earned on the amount withdrawn from the most recent of the date of: a) deposit, b) date of maturity, or c) the date on which notice was given; (2) All interest that could have been earned on the amount withdrawn during the period equal to one-half the maturity period or the required notice.
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- Variable Rate Deposits** The penalty for early withdrawals from an account earning a "variable" rate of interest will be based on the interest rate in effect on the date of withdrawal.

12/16

Gary:

FYI, then to  
file. I sent originals  
back to Tracy for  
distribution. Lemcke  
kept 1 original also.

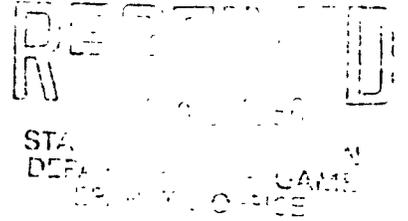
DM



# South Columbia Basin Irrigation District

POWER GENERATION DIVISION

December 1, 1986



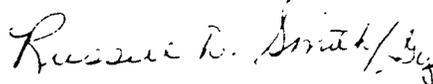
Re: Main Canal Headworks Power Plant  
1985-1986 Banks Lake Drawdown Loss of Spawning Mitigation  
Escrow Agreement

Tracy M. Lloyd  
Regional Habitat Biologist  
The Washington Department of Game  
P.O. Box 850  
Ephrata, WA 98823

Dear Tracy Lloyd:

Responsive to your letter of October 20, 1986, the four original Escrow Agreements have been duly signed by the officers of the three Columbia Basin Irrigation Districts. The four signed copies are enclosed and transmitted for your further action.

Very truly yours,



Russell D. Smith  
Secretary-Manager

RDS:gy  
Enclosures: 4

ESCROW AGREEMENT  
By and Between  
The Three Columbia Basin Irrigation Districts  
and  
The Washington State Department of Game

1. THIS ESCROW AGREEMENT results from the efforts of the three Columbia Basin Irrigation Districts to mitigate for the loss of Kokanee salmon spawning during the 1985-1986 non-irrigation season drawdown of Banks Lake to facilitate construction of the Main Canal Headworks Power Plant. This agreement is in lieu of the previously agreed upon fish plant.

2. WHEREAS The three Columbia Basin Irrigation Districts are developing the hydroelectric potential of the irrigation facilities serving the Columbia Basin Reclamation Project; and

3. WHEREAS It was desirable to hold the Banks Lake water surface at or below elevation 1558.7 during the non-irrigation season of 1985-1986 to allow removal of the unexcavated plug on the new intake channel and to re-establish that portion of Dry Falls Dam during construction for the power plant; and

4. WHEREAS The South Columbia Basin Irrigation District, acting as the lead entity for the three irrigation districts, did request and was granted permission to lower the water surface of Banks Lake by the owner, the U.S. Bureau of Reclamation, conditional on satisfactory mitigative measures as may be required by the State Game Department; and

5. WHEREAS The District agreed to pay \$19,650 for planting 1,500,000 Kokanee Fry as mitigation for the loss of spawning during the drawdown; and

6. WHEREAS The Game Department was unable to locate and provide the Kokanee salmon fry required for a timely plant; and

7. WHEREAS the parties are desirous of adequately providing mitigation for the loss of the Kokanee spawning.

8. NOW THEREFORE In respect of the covenants and promises which provided for the 1985-1986 drawdown, it is mutually agreed by the Washington State Game Department and the three Columbia Basin Irrigation Districts as follows:

9. The Districts will establish an Escrow Account in the Peoples National Bank of Washington with the promised \$19,650, which was intended to provide a plant of 1,500,000 Kokanee Fry in Banks Lake.

10. The escrow funds are to be invested at the highest, safe and practical rate available and earned interest will be credited to the Kokanee mitigation funds.

11. The Washington State Game Department will determine a method of enhancing the Kokanee Fishery at Banks Lake that can be bettered by using the Escrow Funds and its accrued interest.

12. When the Game Department has determined a method for enhancing the Kokanee fishery in Banks Lake, they will submit the plan to the districts for their review and comment.

13. Then, the Districts will release all funds required by the plan within thirty (30) calendar days from receipt of request.

14. This agreement will remain in full force and effect so long as any funds remain in the Escrow Account and will terminate when all of the Escrow Account funds have been released to the Washington State Game Department.

15. Notice of development of plans and request for funds will be given to the South Columbia Basin Irrigation District which is acting as the lead entity for the three Irrigation Districts, or to its successor, the Grand Coulee Project Hydroelectric Authority if the responsibility of the administration of hydroelectric development funds have been duly transferred to that Authority.

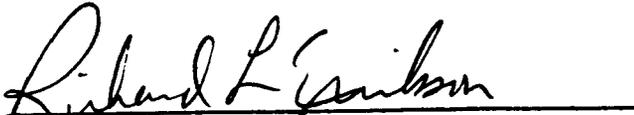
IN WITNESS WHEREOF, the parties hereto have signed their names this \_\_\_\_\_ day of October, 1986.

THE WASHINGTON STATE DEPARTMENT OF GAME

  
Fox Director

EAST COLUMBIA BASIN IRRIGATION DISTRICT

  
President, Board of Directors

  
Secretary

QUINCY COLUMBIA BASIN IRRIGATION DISTRICT

  
President, Board of Directors

  
Assistant Secretary

SOUTH COLUMBIA BASIN IRRIGATION DISTRICT

  
President, Board of Directors

  
Secretary 10-23-86

JACK S. WAYLAND  
Director



STATE OF WASHINGTON

DEC 22 1986

DEPARTMENT OF GAME

EPHRATA OFFICE: P.O. BOX 850 - 1540 ALDER ST. NW EPHRATA, WA 98823 PHONE: (509) 754-4624

December 18, 1986

Russell D. Smith  
Secretary - Manager  
Power Generation Division  
P.O. Box 1316  
Pasco, WA 99301-1316

RE: Main Canal Headworks Power Plant 1985-1986 Banks Lake Drawdown - Mitigation  
Escrow Agreement

Dear Mr. Smith:

Enclosed you will find the signed copies of the Escrow Agreement by and between the three Columbia Basin Irrigation Districts and the Washington Department of Game for your records. Please provide us a copy of the Escrow Account at Peoples National Bank of Washington for \$19,650.00 as soon as possible.

Once again, I am pleased we were able to handle this issue on a local level, and look forward to working with you in the future.

Respectfully,

THE WASHINGTON DEPARTMENT OF GAME

*Tracy M. Lloyd*

Tracy M. Lloyd  
Regional Habitat Biologist

TML;eh

cc: Ray Duff  
Joe Foster  
David Mudd