



City of Sumas Request for Council Action

Meeting Date: February 24, 2025

Subject:

Interlocal Agreement with City of Blaine for Sharing Electric System Related Services

Department: Electric Department

Prepared By: Michelle Quinn

Agenda Location:

☐ Public Hearing ☐ Old Business ☐ New Business ☒ Staff Reports

Brief Summary:

Contract Renewal for Electric System Related Service with the City of Blaine

For Sharing Electric System-Related Services, to combine each cities resources with personnel and equipment. This allows mutual aid between the cities requesting assistance from the other.

This agreement is to remain in effect until February 25, 2028

Legal Review: ☐ Reviewed ☐ Not Reviewed ☐ Review Not Required

Staff Recommendation:

Staff recommends that the council authorize the Mayor to sign the Interlocal Agreement with the City of Blaine.

Senior Staff Review:

- ☒ Mayor
- ☒ Finance Director
- ☒ City Clerk
- ☒ Public Works Director

Budget Implications:

- ☐ Current Budget
- ☐ New Budget Request
- ☒ Non-Budgetary

**INTERLOCAL AGREEMENT
BETWEEN
CITY OF BLAINE
AND
CITY OF SUMAS

FOR SHARING OF
ELECTRIC SYSTEM RELATED SERVICES**

THIS INTERLOCAL AGREEMENT (the "Agreement") is made this ____ day of _____, 20____, between the City of Blaine, a Washington municipal corporation, and the City of Sumas, a Washington municipal corporation. The City of Blaine and the City of Sumas are jointly referred to herein as the "Parties" and individually as "Party".

WHEREAS, the City of Blaine and the City of Sumas are each authorized to engage in the provision of electric energy supply and services to wholesale and retail customers; and

WHEREAS, the City of Blaine and the City of Sumas are each authorized to construct and operate facilities necessary to transmit, and/or distribute electric energy within their respective service areas; and

WHEREAS, the Parties have a common interest in sharing personnel, resources and equipment when feasible for the cost-effective delivery and restoration of electric energy related services; and

WHEREAS, it is in the public interest for the Parties as public entities to work in a cooperative manner; and

WHEREAS, the City of Blaine and the City of Sumas desire to enter into this Agreement under the terms and conditions of Chapter 39.34 RCW (entitled the Interlocal Cooperation Act).

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the City of Blaine and the City of Sumas agree as follows:

1.0 PURPOSE.

The purpose of this Agreement is to establish procedures whereby the Parties can combine, share, and use their respective skills and assets, including personnel and equipment, for assistance with matters related to restoring and/or maintaining electrical system operations to customers within their respective service areas.

2.0 DECISIONS.

All decisions regarding Mutual Aid under Section 3.0 of this Agreement shall be by consensus of the Parties, subject to the financial, technical, and legal limitations of

both Parties. In the event that the Parties are unable to agree upon a means of undertaking any proposed action pursuant to this Agreement, then either Party shall have the unilateral right to reject such means, without contributing additional time or other resources to the further negotiation thereof.

3.0 GENERAL SCOPE OF SERVICES.

3.1. **Mutual Aid.** From time to time during the term of this Agreement, either Party may provide qualified staff to the other for mutual aid assistance with matters related to restoring and/or maintaining the electrical system operations following disruptions and/or other emergencies. Such assistance may include, but not be limited to, the following:

- (a) Personnel*
- (b) Equipment*
- (c) Incidental Materials*

The Party receiving mutual aid shall make the determination when aid is no longer required and the supporting Party can be released to return back to its respective community.

Either Party has the right to a reasonable delay in responding to requests for mutual aid if its responsible person (Section 6) determines that its personnel and resources are needed to restore service to its own system.

3.1.1 Either Party has the right to recall its personnel and equipment if while performing mutual aid they receive report of a disruption to service or an emergency in their own community, or other circumstance determined necessary by the Party providing the mutual aid. This decision shall be in the sole discretion of the recalling Party, provided however that any such recall will be coordinated in such manner as not to leave the other Party's personnel and property in an unsafe position and at risk.

3.2. **Training.** As both Parties are required by law and by good practice to provide continued safety and other training to maintain the expertise and qualifications of linemen, the Parties agree to provide opportunity, when feasible, for joint training sessions with a pro rata sharing of the total cost of the training.

3.3. **Task Orders.** As the need arises for either Party to request assistance from the other, the scope of such services and equipment to be provided with specific tasks assigned will be delineated in a sequentially numbered task order in a form similar to Task Order # 1, attached hereto as Exhibit A, which form is approved with this Agreement. Such Task Order(s) will identify the specific service(s) and/or equipment to be provided, and estimates of the time, and the estimated total cost to complete, based on established rates, as provided in Section 4.

4.0 COMPENSATION FOR SERVICES.

4.1 **Services.** Unless otherwise agreed to by the Parties, services provided by staff of either Party shall be compensated based on cost of service labor rates to be appended to this agreement as a schedule and attached hereto as Exhibit B. Such schedule may be modified from time to time by mutual agreement of both Parties.

4.2 **Equipment.** Unless otherwise agreed to by the Parties, equipment provided by one Party to the other, shall be compensated based on the hourly rate as appended to this agreement and attached hereto as Exhibit B. Such schedule may be modified from time to time by mutual agreement of the Parties.

4.3 **Invoices.** The Party providing services or equipment will submit regular invoices to the other party identifying the specific task order(s) under which work was completed, each staff person involved, any equipment involved, and hours or ½ hour fractions thereof charged by each against the task order(s). Specific procedures for invoicing will be determined by agreement of the Parties.

5.0 TERM.

This Agreement shall commence as of the date of this Agreement and shall continue until February, 25 2028, unless either Party terminates this agreement by providing written notice to the other Party, not less than thirty 30 days prior to the date such Party desires the termination of this Agreement to become effective. Any Party may require that the terms and conditions of this Agreement be re-negotiated by providing written notice to the other Party, not less than thirty (30) days prior to the date such Party desires the modification to this Agreement to become effective. No modification shall be effective unless in compliance with Section 8, below. A notice of re-negotiation shall not be a notice of termination; however, nothing prevents a Party from delivering both a notice of re-negotiation and a notice of termination.

If this Agreement is terminated, in accordance with the provisions of this Section 5, then the Parties agree to negotiate in good faith to unwind the obligations entered into under this Agreement. If the Parties cannot agree to a resolution of the obligations entered into within ninety (90) days of the termination date of this Agreement, then the Parties agree to submit to binding arbitration, as set forth in Section 9.7 below.

6.0 CONTACT PERSONS.

The following persons, referred to as Contact Person(s), are responsible for the administration of this Agreement for each Party and have the authority to execute Task Orders on behalf of their Party under this Agreement:

For City of Blaine: Public Works Director
For City of Sumas: Public Works Director

or such other persons as may be specified from time to time in writing by either Party and provided to the other Party.

7.0 RELATIONSHIPS OF THE PARTIES AND INDEMNIFICATION.

The Parties agree that they are each independent public entities operating pursuant to the terms and conditions of this Agreement. No agent, employee, or representative of a Party to this Agreement shall be deemed to be an agent, employee, or representative of any other Party for any purpose. Each Party shall be responsible for paying the wages, benefits, retirement and other similar costs for its own employees. To the extent permitted by law, each Party remains solely and entirely responsible for the acts of its respective staff performing services for the other Party under this Agreement. Further, subject to section 3.1.1 above, the Party receiving the mutual aid shall be empowered herein to manage and direct the employees and manage and control the equipment provided by the Party providing the mutual aid, but said employee shall not be considered the employee of the Party receiving the mutual aid.

7.1 Indemnification. Each Party, as an indemnitor, agrees to protect, defend, hold harmless, and indemnify each other Party from and against all third-party claims, suits, and actions arising from the intentional or negligent acts or omissions of such indemnitor, its agents, or employees in the performance of this Agreement. To the extent an employee of one Party reasonably complies with the direction and supervision of the other Party, and the direction or supervision is negligent or results in a claim, damages, etc., the Party directing and controlling the work will defend, hold harmless, indemnify, and release the other Party.

7.2 Waiver of Title 51. For purposes of the indemnity provided pursuant to this Agreement, each Party hereto specifically and expressly waives any immunity that may be granted it under the Washington State Industrial Insurance Act, Title 51 RCW, and all other applicable Industrial Insurance/Worker's Compensation Acts or their equivalent. Further, the indemnification obligations under this Agreement shall not be limited in any way by any limitations on the amount or type of damages, compensation, or benefits payable to or for any third party under Workers' Compensation Acts, Disability Benefits Acts, or other Employee Benefit Acts; provided, this waiver of immunity under this Article extends only to claims against one by Party by the other Party hereto, and does not include, or extend to, any claims by either Party's employees directly against that Party.

By initialing below, each Party certifies that the waiver of immunity contained in this Article was mutually negotiated.

City of Blaine: _____

City of Sumas: _____

8.0 EXTENT OF AGREEMENT AND MODIFICATIONS.

This Agreement, together with the Exhibits and Addenda as may be added upon approval of both Parties, contains all of the terms and conditions agreed upon by the Parties. The Parties agree that there are no understandings, oral or otherwise, modifying or adding to this Agreement. No amendments, changes, or modification of this Agreement shall be valid or binding upon either Party unless such amendment, change, or modification be in writing and executed by both Parties.

9.0 MISCELLANEOUS PROVISIONS.

9.1 **No Waiver.** The failure of either Party to insist upon or enforce strict performance by the other Party of any provision of this Agreement or to exercise any right under this Agreement shall not be construed as a waiver or relinquishment to any extent of such Party's right to assert or rely upon any such provision or right in that or any other instance; rather, the same shall be and remain in full force and effect.

9.2 **Applicable Law.** This Agreement shall be interpreted, construed, and enforced in accordance with the laws of the State of Washington, except to the extent such laws may be preempted by the laws of the United States of America.

9.3 **Governing Law and Venue.** The Parties agree that any dispute shall be governed by the laws of the State of Washington, and any proceeding in law or in equity shall be brought in Whatcom County, State of Washington, or such other place as both Parties may agree to in writing.

9.4 **Standards.** The Parties and the Parties' employees and agents will adhere to applicable professional and ethical standards and will perform all work in a manner consistent with generally accepted skill and care and prudent utility practice for the type of work undertaken. All equipment covered hereby shall be provided in good working order and shall be returned in the same condition, ordinary wear and tear excepted.

9.5 **Neutral Authorship.** Each of the provisions of this Agreement has been reviewed and negotiated and represents the combined work product of the Parties. No presumption or other rules of construction, which would interpret the provisions of this Agreement in favor of or against the Party preparing the same, shall be applicable in connection with the construction or interpretation of any of the provisions of this Agreement.

9.6 **Entire Agreement.** This Agreement sets forth the entire Agreement and supersedes any and all prior Agreements of the Parties with respect to the subject matters hereof.

9.7 **Arbitration.** The Parties mutually covenant to work cooperatively to timely resolve any dispute that may arise between the Parties concerning this Agreement. However, if the Parties cannot mutually settle a dispute within thirty (30) days, the dispute or claim shall be submitted to binding arbitration, unless the Parties agree to

first mediate the dispute. The Parties agree that the arbitration shall be governed by the rules and procedures outlined in RCW 7.04 et. seq. and the Whatcom County Mandatory Arbitration Rules, and that the Parties will jointly stipulate to an arbitrator. In the event that the Parties are unable to agree to an arbitrator, the Parties agree that the Presiding Judge of Whatcom County Superior Court may appoint the arbitrator. The prevailing Party as determined by the arbitrator shall be entitled to reasonable attorneys' fees and costs.

9.8 **Notices.** All notices, demands, requests, consents, and approvals which may, or are required to be given to any Party or any other Party hereunder, shall be in writing and shall be deemed have been duly given if delivered personally, sent by facsimile, sent by a nationally recognized overnight delivery service, or if deposited in the United States mail and sent by registered or certified mail, return receipt requested, postage paid to:

City of Blaine:	City Manager 435 Martin Street, Ste. 2000 Blaine, WA 98230
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City of Sumas	Office of Mayor PO BOX 9 433 Cherry Street Sumas, WA 98295
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With copies to:	PW Director 435 Martin Street, Ste. 2000 Blaine, WA 98230
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9.9 **Publication:** Prior to its entry into force, this Agreement shall either be recorded with the Whatcom County Auditor or, alternatively, listed by subject on each Party's web site or other electronically retrievable public source.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives all as of the day and year first above written.

CITY OF BLAINE

Michael Harmon
City Manager

Date

ATTEST/AUTHENTICATE:

Samuel Crawford
City Clerk

Date

APPROVED AS TO FORM:

Jon Sitkin
City Attorney

CITY OF SUMAS

Bruce Bosch
Mayor

Date

ATTEST:

APPROVED AS TO FROM:

Michelle Quinn
City Clerk

James Wright
City Attorney

EXHIBIT A (ILLUSTRATIVE EXAMPLE)

TASK ORDER NO.1

This Task Order has been prepared pursuant to Section 3.1 Mutual Aid of the Interlocal Agreement between the City of Sumas and the City of Blaine and as such is considered to be attached thereto and a part thereof such Agreement.

A. Scope of Authorized Tasks

The City of Blaine shall provide qualified lineman, supporting equipment, and minor miscellaneous material necessary for the performance of tasks related to restoration of operations during electrical system disruptions and/or emergencies where Sumas does not have sufficient staffing alone to restore service in a safe and timely manner. Staff and equipment assigned will be at the discretion of the supplying party with consent prior to dispatch by the receiving party.

B. Task Authorization and Completion

City of Blaine staff may engage in tasks under this Task Order No.1 only when authorized by the City of Sumas' Public Works Director which shall serve as a commitment by the City of Sumas to reimburse the City of Blaine for the work completed at the rates established in Exhibit B. The Sumas Public Works Director shall make the determination that the task has been completed consequently releasing the City of Blaine resources to return to Blaine.

C. Time to Complete (in Hours) (All Tasks)

City of Blaine staff may expend up to eighty (80) hours labor through the end of calendar year 2020 on tasks related to the scope of work under Task Order 1.

D. Task Order Cost Estimate and Billing

The maximum not to exceed cost under this Task Order No.1 will be Seven Thousand Two Hundred Dollars (\$7,200). Billing by Blaine under this task order shall be based on the hours worked and shall include travel time to and from Blaine.

EXHIBIT B

CITY OF BLAINE RATE SCHEDULE

(To be updated annually)

The City of Blaine sets its charge out rates annually in January for the following calendar year, based on the budget. The rates for 2024 are as follows:

Description	Hourly Rate
Crew Leader (Straight Time: 7:30 to 4:00pm)	The rates will be set annually as per the governing collective bargaining agreement plus applicable taxes.
Crew Leader (Overtime)	The rates will be set annually as per the governing collective bargaining agreement plus applicable taxes.
Lineman (Straight Time: 7:30am to 4:00pm)	The rates will be set annually as per the governing collective bargaining agreement plus applicable taxes.
Lineman (Overtime)	The rates will be set annually as per the governing collective bargaining agreement plus applicable taxes.
2003 Ford 5FC-55 Bucket Truck (#2)	\$48.00
1998 Freightliner D947TR Line/Lift (#10)	\$42.00
2005 Ford Ranger 4x4 (#12)	\$24.00
2007 Chevrolet G33503 Box Van (#20)	\$30.00
1991 GMC 4x4 1-ton x/Utility Box (#46)	\$30.00
2003 Ford F250 Super cab 4x4 (#51)	\$30.00
Arc Reflector (TDR Primary Fault Finder)	\$25.00
RD 2000 (Secondary Fault Finder)	\$10.00
Auto Transformer (Temporary Power)	\$12.00

The above hourly rates include a mark-up for general and administrative costs and minor miscellaneous materials which are normally stocked on the equipment.

EXHIBIT B**CITY OF SUMAS RATE SCHEDULE**

(To be updated annually)

The City of Sumas sets the charge out rates annually, based on the budget. The rates for 2025 are as follows:

Description:	Hourly Rate:
Journeyman Lineman (Straight Time 7:00 am to 3:30 pm)	\$92.58
Journeyman Lineman (Over Time and Holidays)	\$138.87
Apprentice Lineman (Straight Time 7:00 am to 3:30 pm)	\$89.21
Apprentice Lineman (Over Time & Holidays)	\$133.82
Bucket Truck	\$75.00
Digger Derrick/ Dump Truck	\$80.00
General/ Administrative Costs and/or Misc. Materials	10% of total billed