

**Interlocal Agreement
Between Thurston County and the Cities of Lacey, Olympia, and Tumwater
for the Development of a Regional Building Electrification Cost Assessment**

THIS AGREEMENT (“Agreement”) is made and entered into as of the date of the last signature below (which is the “effective date”) by and between the City of Lacey, a Washington municipal corporation (“Lacey”); the City of Olympia, a Washington municipal corporation (“Olympia”); the City of Tumwater, a Washington municipal corporation (“Tumwater”); and Thurston County, a Washington municipal corporation (“County”), collectively referred to herein as “the Parties” and individually as “Party.”

WHEREAS, RCW 39.34.010 permits local governmental units to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage and thereby to provide services and facilities in a manner pursuant to forms of governmental organization that will accord best with geographic, economic, populations, and other factors influencing the needs and development of local communities; and

WHEREAS, pursuant to RCW 39.34.080, each Party is authorized to contract with any one or more other public agencies to perform any governmental service, activity, or undertaking which each public agency entering into the contract is authorized by law to perform; provided, that such contract is authorized by the governing body of each Party to the contract and sets forth its purposes, powers, rights, objectives, and responsibilities of the contracting parties; and

WHEREAS, the Parties understand that human activities, especially combustion of fossil fuels, are leading to increased levels of carbon dioxide and other greenhouse gases in the atmosphere that are altering the climate, resulting in such impacts as reduced snowpack, ocean acidification, sea level rise, increased flooding, summer droughts, loss of habitat, and increased forest fires; and

WHEREAS, these environmental impacts of climate change create economic and public health impacts, and disproportionately impact the most vulnerable and marginalized populations, and the Parties are greatly concerned over all these impacts on the Thurston County region and their respective communities; and

WHEREAS, the Parties have each adopted a resolution with a common emissions baseline and targets to reduce communitywide emissions 45% below 2015 levels by 2030 and 85% below 2015 levels by 2050; and

WHEREAS, the Parties have each adopted a resolution accepting the *Thurston Climate Mitigation Plan (2020)* as a framework to guide future action addressing local sources of greenhouse gas emissions that contribute to global climate change; and

WHEREAS, the *Thurston Climate Mitigation Plan* identifies building electrification as one of the most important strategies to achieve substantial reductions in local greenhouse gas emissions; and

WHEREAS, the Parties believe that regionally coordinated implementation of the *Thurston Climate Mitigation Plan* is essential to the most efficient and effective deployment of the plan’s actions; and

WHEREAS, the Parties wish to contract with ECONorthwest, given ECONorthwest's staff expertise, to evaluate the costs associated with building and operating all-electric housing, commercial development, and mixed-used development in Thurston County;

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Parties agree as follows:

I. Purpose and Goals of Agreement

The purpose of this Agreement is to conduct a regionally coordinated building electrification cost assessment to support the implementation of the Thurston Climate Mitigation Plan. The assessment will evaluate the financial implications (including development and operation costs) associated with constructing new homes, businesses, and mixed-use establishments in Thurston County that integrate electric infrastructure, instead of gas-powered appliances, for cooking, space heating, and water heating.

II. Services Provided by Olympia

Olympia will act as the Lead Agency of behalf of the Parties in administering the Consultant Agreement with ECONorthwest. Olympia will submit invoices to each Party for their share of the Consultant's costs.

A description of the services to be performed by Olympia is set forth in Exhibit A Scope of Work, attached hereto, and incorporated herein by reference.

Olympia shall be responsible to monitor the actions of the Consultant, and if ECONorthwest fails to comply with an applicable term or condition of their contract, Olympia shall take appropriate actions to ensure ECONorthwest complies with the fiscal conditions of the contract.

Olympia shall pay ECONorthwest for services rendered in the month following the actual delivery of the work and will remit payment within thirty (30) days from the date of receipt of invoice.

No payment shall be made for any work performed by ECONorthwest, except for work identified and set forth in this Agreement and exhibit incorporated by reference into this Agreement.

III. Services Provided by Lacey

A description of the services to be performed by Lacey is set forth below:

1. Lacey shall pay Olympia \$7,619 upon delivery of the final analysis results and memorandum; and
2. Lacey shall attend a project Kickoff Meeting, facilitated by ECONorthwest, provide any necessary data or planning documents as discussed at the meeting, and approve the project schedule prepared by ECONorthwest following the meeting; and
3. Lacey shall attend monthly project team meetings, facilitated by ECONorthwest, and provide timely input and support to guide the project as needed; and

4. Lacey shall provide guidance on the specific strategies and policies that ECONorthwest should analyze, prior to beginning work on evaluating strategy implications; and
5. Lacey shall provide one round of review on the draft analysis results from ECONorthwest.

IV. Services Provided by Tumwater

A description of the services to be performed by Tumwater is set forth below:

1. Tumwater shall pay Olympia \$7,619 upon delivery of the final analysis results and memorandum; and
2. Tumwater shall attend a project Kickoff Meeting, facilitated by ECONorthwest, provide any necessary data or planning documents as discussed at the meeting, and approve the project schedule prepared by ECONorthwest following the meeting; and
3. Tumwater shall attend monthly project team meetings, facilitated by ECONorthwest, and provide timely input and support to guide the project as needed; and
4. Tumwater shall provide guidance on the specific strategies and policies that ECONorthwest should analyze, prior to beginning work on evaluating strategy implications; and
5. Tumwater shall provide one round of review on the draft analysis results from ECONorthwest.

V. Services Provided by Thurston County

A description of the services to be performed by Thurston County is set forth below:

1. Thurston County shall pay Olympia \$7,619 upon delivery of the final analysis results and memorandum; and
2. Thurston County shall attend a project Kickoff Meeting, facilitated by ECONorthwest, provide any necessary data or planning documents as discussed at the meeting, and approve the project schedule prepared by ECONorthwest following the meeting; and
3. Thurston County shall attend monthly project team meetings, facilitated by ECONorthwest, and provide timely input and support to guide the project as needed; and
4. Thurston County shall provide guidance on the specific strategies and policies that ECONorthwest should analyze, prior to beginning work on evaluating strategy implications; and
5. Thurston County shall provide one round of review on the draft analysis results from ECONorthwest.

VI. Indemnification and Insurance

Each Party shall defend, indemnify, and hold the other parties, their officers, officials, employees, and volunteers harmless from any and all claims, injuries, damages, losses, or suits, including reasonable attorney fees, arising out of or in connection with the indemnifying Party's

performance of this Agreement, including injuries and damages caused by the negligence of the indemnifying Party's officers, officials, and employees.

Each Party shall maintain liability insurance; this may be fulfilled by a Party's membership and coverage in Washington Cities Insurance Authority (WCIA), a self-insured municipal insurance pool, or another recognized self-insured municipal risk pool.

VII. No Separate Legal Entity Created; No Real or Personal Property to be Acquired or Held

This Agreement creates no separate legal entity. No real or personal property will be acquired or held as part of carrying out this Agreement. To the extent any Party furnishes property for purposes of carrying out this Agreement, such property must be returned to that Party upon termination of this Agreement, or upon that Party's withdrawal from this Agreement.

VIII. Relationship of the Parties

The employees or agents of each Party who are engaged in the performance of this Agreement shall continue to be employees or agents of that Party and shall not be considered for any purpose to be employees or agents of the other Party. This Agreement is for the benefit of the Parties, and no third-party beneficiary relationship is intended.

IX. Duration of Agreement

This Agreement shall terminate on December 31, 2022, unless earlier terminated as provided in Section XI, below.

X. Amendment of Agreement

This Agreement may be amended only by written agreement by all Parties and executed in accordance with chapter 39.34 RCW.

XI. Termination of Agreement

This Agreement may be terminated upon mutual agreement of the Parties. Any party may withdraw upon thirty (30) days written notice to the other Parties.

XII. Interpretation and Venue

This Agreement is governed by the laws of the State of Washington as to interpretation and performance. Venue for enforcement of any provision of this Agreement, or for any lawsuit arising out of or relating to this Agreement, is the Superior Court of Thurston County.

XIII. Entire Agreement

This Agreement sets forth all terms and conditions agreed upon by the Parties and supersedes all prior agreements oral or otherwise with respect to the specific subject matter addressed herein.

XIV. Recording

Prior to its entry into force, Thurston County shall file this Agreement with the Thurston County Auditor's Office.

XV. Counterparts

This Agreement may be executed in counterparts, and all such counterparts once so executed together must be deemed to constitute one final agreement, as if one document had been signed by all Parties, and each such counterpart, upon execution and delivery, must be deemed a complete original, binding on the parties. A faxed or email copy of an original signature must be deemed to have the same force and effect as the original signature. A Party may sign by digital or electronic signature, which signature shall be effective as permitted by law.

XVI. Rights

This Agreement is between the signatory Parties only and does not create any third-party rights.

XVII. Notice

Any notice required under this Agreement must be to the party at the address listed below and it becomes effective five business days following the date of deposit with the United States Postal Service.

THURSTON COUNTY

Attn: Josh Cummings, Community Planning and Economic Development Director
Re: Climate Plan Implementation
Thurston County
2000 Lakeridge Dr. SW
Olympia, WA 98502

CITY OF OLYMPIA

Attn: Pamela Braff, Climate Program Manager
Re: Climate Plan Implementation
City of Olympia
P.O. Box 1967
Olympia, WA 98507-1967

CITY OF LACEY

Attn: Rick Walk, Community Development Director
Re: Climate Plan Implementation
City of Lacey
420 College Street SE
Lacey, WA 98503

CITY OF TUMWATER

Attn: Brad Medrud, Planning Manager
Re: Climate Plan Implementation
City of Tumwater
555 Israel Road SW
Tumwater, WA 98501

XVIII. Waiver

A failure by a Party to exercise its rights under this Agreement shall not preclude that Party from subsequent exercise of such rights and shall not constitute a waiver of any other rights under this Agreement unless stated to be such in a writing signed by an authorized representative of the Party and attached to the original Agreement.

XIX. Severability

If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision if such remainder conforms to the requirements of applicable law and the fundamental purpose of this Agreement, and to this end the provisions of this Agreement are declared to be severable.

XX. Records Retention and Audit

During the progress of the work and for a period not less than six (6) years from the completion of the tasks set forth herein, the records and accounts pertaining to the work and accounting therefore are to be kept available for inspection by any Party and the Federal and State Government and copies of all records, accounts, documents, or other data pertaining to the work will be furnished upon request. If any litigation, claim, or audit is commenced, the records and accounts along with supporting documentation shall be retained until all litigation, claim, or audit finding has been resolved even though such litigation, claim, or audit continues past the six-year retention period.

[The remainder of this page is left intentionally blank. Signatures follow on next page.]

This Agreement is hereby entered into between the Parties, and it shall take effect on the date of the last authorizing signature affixed hereto:

GOVERNMENT AGENCY EXECUTIVE

APPROVED AS TO FORM

<p>CITY OF LACEY 420 College Street SE Lacey, WA 98503</p> <hr/> <p>Scott Spence, City Manager Date</p> <p>CITY OF OLYMPIA 601 4th Ave East Olympia, WA 98501</p> <hr/> <p>Steven J. (Jay) Burney, City Manager Date</p> <p>CITY OF TUMWATER 555 Israel Road SW Tumwater, WA 98501</p> <hr/> <p>Debbie Sullivan, Mayor Date</p> <p>THURSTON COUNTY 2000 Lakeridge Drive SW Olympia, WA 98502</p> <hr/> <p>Ramiro Chavez, County Manager Date</p>	<p>CITY OF LACEY 420 College Street SE Lacey, WA 98503</p> <hr/> <p>David Schneider, City Attorney</p> <p>CITY OF OLYMPIA 601 4th Ave East Olympia, WA 98501</p> <hr/> <p>Mark Barber, City Attorney</p> <p>CITY OF TUMWATER 555 Israel Road SW Tumwater, WA 98501</p> <hr/> <p>Karen Kirkpatrick, City Attorney</p> <p>THURSTON COUNTY 2000 Lakeridge Drive SW Olympia, WA 98502</p> <hr/> <p>Jon Tunheim, Prosecuting Attorney</p>
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