

INTERLOCAL AGREEMENT

This Interlocal Agreement ("Agreement") is entered into between the **Puget Sound Clean Air Agency**, (hereinafter referred to as the "Agency"), a municipal corporation of the laws of the State of Washington, and King County Fire District 45, Duvall (hereinafter referred to as the "Fire Department"), 15600 1st Ave NE, Duvall, WA 98019.

WHEREAS, the Agency established the Diesel Solutions program to reduce emissions from diesel engine exhaust by retrofitting and replacing existing diesel vehicles, vessels, and equipment used in public and private fleets; and

WHEREAS, the Washington State Department of Ecology awarded the Agency Grant No. G1300047 to administer an idle-reduction retrofit program to install idle-reduction technologies on diesel-fueled emergency response vehicles; and

WHEREAS, the Fire Department operates diesel-fueled emergency response vehicles and desires to participate in the idle-reduction retrofit program; and

WHEREAS, the Agency will contract directly with a third-party contractor to procure and install the idle-reduction equipment on vehicles operated by the Fire Department; and

WHEREAS, the grant requires the Agency to track the use of the retrofitted vehicles and report on the idle-reduction resulting from retrofits completed under this program; and

WHEREAS, the Board of Directors of the Puget Sound Clean Air Agency deems it desirable to enter into an Agreement with the Fire Department for the purposes of reducing idling on emergency response equipment; and

WHEREAS, the parties enter into this Agreement pursuant to RCW 39.34 et. seq.; and

NOW, THEREFORE, the Agency and the Fire Department mutually agree as follows:

1. **Purpose and Scope of this Agreement.**

The Agency is administering the Idle-Reduction Program for diesel-fueled emergency response vehicles under Grant No. G1300047 from the Washington State Department of Ecology. The Idle-Reduction Program will reduce or eliminate unnecessary engine idling time by providing idle-reduction systems for emergency response vehicles. A diesel generator system will be used on fire engines and an auxiliary battery system will be used on aid cars. The primary goal of the project is to reduce diesel exhaust emissions, and the Agency will administer the funds to maximize these reductions. The purpose of this Agreement is to establish:

- A. The Process for Selecting and Installing Idle-Reduction Technologies
- B. The Agency's Responsibilities
- C. The Fire Department's Responsibilities

This Agreement does not involve the exchange of funds between the parties.

2. Process for Selecting and Installing Idle-Reduction Technologies

Step 1, Vehicle Selection. Using the vehicle information collected by the Department of Ecology in its idle-reduction equipment application, the Agency will provide the Fire Department with a list of retrofit candidate vehicles. The Fire Department will review the list and provide feedback to the Agency on which vehicles the Fire District wants to retrofit. Should the Fire Department wish to have idle-reduction equipment installed on alternative vehicles not identified on the Agency's list, it will propose those vehicles and provide details on the vehicles and an explanation for the substitution to the Agency. The Agency will determine the final list of vehicles for retrofit and will provide the final list of elected candidate retrofit vehicles to the Fire Department.

Step 2, Work Order Development. The Agency's contractor will conduct a site visit to evaluate the candidate vehicles for the proposed installations. The Fire Department will cooperate with the contractor to schedule the site visit and will make needed Fire Department personnel available for the site visit. The Agency's contractor will work with the Fire Department mechanics to determine the best retrofit options and installation approach for each candidate vehicle. The Agency's contractor will prepare a work order for approval by both the Agency and the Fire Department listing the parts needed for each retrofit, the estimated time to do the installation, and the total cost for each installation. The work order will also include any specific installation instructions requested by the Fire Department. It is anticipated that the system installation will need to be tailored to each vehicle. Following the equipment evaluation and generation of work order(s), if significant additional costs are identified, the Agency may elect to substitute candidate vehicles or reduce the total number of idle-reduction systems to be installed on the Fire Department's fleet. Upon any changes, the Agency will provide to the Fire Department an amended Final list of elected candidate retrofit vehicles to the Fire Department.

Step 3, Installations of Retrofits. Once the Agency and Fire Department approve the work order, the Agency's contractor will work with the Fire Department to schedule the installation of the equipment on the Fire Department's vehicles at a mutually agreeable date and time. The Fire Department will be responsible for delivering the vehicles to the Agency contractor's site where the retrofits will be installed and for retrieving the units when the installations are completed. The Fire Department must be able to leave each vehicle with the Agency's contractor for a period of time estimated in the work order. The Agency is not responsible for delays associated with the installation.

Step 4, Training and Warranty Requirements. In order to ensure the anti-idle technologies are properly used and maintained, the contractor will provide mechanic and operator training to the Fire Department. The Fire Department is required to participate in one mechanic training. The Fire Department may attend additional mechanic training sessions that are offered to other Fire Departments who participate in the grant, as desired. The Agency's contractor will provide operator training to the Fire Department representative(s) that pick up the vehicles from the contractor after the retrofits are installed. The Fire Department will

submit any warranty claims to the Agency's contractor. The Agency will not be directly involved in any warranty claims, but will provide support in resolving any issues or concerns that the Fire Department might have.

Step 5, Reporting. The Fire District will report to the Agency on the success of the retrofit quarterly for two years after the completed retrofits using the reporting form provided by the Agency.

3. Agency Responsibilities

The Agency will be responsible for administering the program and working with both its Agency's contractor and the Fire Department. The Agency's responsibilities under the Idle-Reduction Program are as follows:

Task 1: Secure a Third-Party Contractor. The Agency, with input from several participating fire departments, will select and enter into an agreement with a third-party contractor to procure and install idle-reduction equipment on emergency vehicles operated by the Fire Department. The agreement will include training and warranty requirements.

Task 2: Provide a list of candidate vehicles for retrofit. The Agency will review the grant submittal the Fire Department made to Department of Ecology and generate a list of candidate vehicles to be retrofitted. The selection process is described in Step 1 of Section 2, **Process for Selecting and Installing Idle-Reduction Technologies.**

Task 3: Review and Approve Agency Contractor's Work Orders. The Agency will review and approve work orders generated by the Agency's contractor. If both the Agency and the Fire Department approve the work orders, the Agency will give the Agency's contractor approval to purchase and install the idle-reduction equipment.

Task 4: Compensate Agency's Contractor for Completed Installations. The Agency will pay the Agency's contractor upon the completion of the installations and the Fire Department's acceptance of the installations.

Task 5: Provide Support to the Fire Department as Needed. The Agency will, to the best of its ability, attempt to resolve any deficiencies identified by the Fire Department with the equipment or installation furnished by the contractor, except warranty claims, provided that the deficiencies are not a result of omissions by the Fire Department during the work order review approval. The Agency will have no responsibility for any claims related to warranties provided by the third-party contractor to the Fire Department and will have no responsibility for the adequacy, fitness or operation of any retrofit equipment or installation.

Task 6: Collect Fire Department Reports. The Agency will collect quarterly reports from the Fire Department detailing the idle-reduction equipment use and fuel displacement associated with the installation.

4. Fire Department Responsibilities

Task 1: Vehicle Review. The Fire Department will review the candidate vehicle list provided to it by the Agency and will provide feedback to the Agency regarding which vehicles the Fire District wants to retrofit. Should the Fire Department wish to have idle-reduction equipment

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installed on alternative vehicles not on the candidate vehicle list, it will propose those vehicles and provide details on the vehicles and an explanation for the substitutions to the Agency. The Fire Department will cooperate with the Agency's third-party contractor to schedule a time for a site visit by the third-party contractor to review the candidate vehicles. If the vehicles scheduled to be reviewed will not be available at the specified time, the Fire Department will notify the third-party contractor as soon as possible and will suggest alternative mutually convenient times for the third-party contractor to conduct the site visit. During the vehicle review site visit, the Fire Department will discuss idle-reduction technologies and installation approaches for each vehicle with the third-party contractor. The Fire Department will disclose to the Agency any vehicles on the final list of elected candidate retrofit vehicles that the Fire Department might sell or retire within the next two years.

Task 2: Work Order Review. The Fire Department will review the work order provided by the Agency's contractor to make sure it reflects the retrofit expectations of the Fire Department and includes any specific installations instructions from the Fire Department. Once the work order meets the Fire Department's expectations, the Fire Department will notify the Agency in email or writing that it approves the work order.

Task 3: Deliver and Retrieve Vehicles for Retrofits to be Installed. Once the Agency has notified the Agency's contractor to proceed based on an approved work order, the Agency's contractor will contact the Fire Department to schedule a date for one or more vehicles to be retrofitted at the contractor's worksite. The Fire Department will be responsible for delivering and retrieving the vehicles from the Agency's contractor's worksite.

Task 4: Review and Accept Retrofit. Upon retrieving the retrofitted vehicles, the Fire Department will inspect the installations and accept or contest each installation. When satisfied with each installation the Fire Department will sign off on the work order and provide it to the Agency's contractor.

Task 5: Participate in Training. The Agency's contractor will schedule and provide a mechanic maintenance training session for the Fire Department to coincide with the return of the first completed fire engine. The session can take place at the Fire Department or the Agency's contractor's facility. The Fire Department will make alternative arrangements with the contractor if it would like to have the training conducted at another time. Only one mechanic maintenance training session will be provided specifically for the Fire Department by the Agency's contractor and the Fire Department must participate in one mechanic maintenance training session. Alternatively, the Fire Department may attend a mechanic maintenance training session held by the contractor for another participating fire department if desired. Operator training will be provided by the contractor to the Fire Department representative(s) that picks up a retrofitted vehicle when the vehicle is picked up from the contractor. The Fire Department will ensure that the instructions provided by the contractor to the Fire Department representative(s) are shared with all relevant equipment operators and maintenance mechanics at the Fire Department.

Task 6: Submit Warranty Claims to Agency's Contractor. The Fire Department will work directly with the Agency's third-party contractor to address any warranty claims related to the adequacy, fitness or operation of the equipment installed pursuant to this Agreement.

Task 7: Operate Retrofitted Vehicles in the State of Washington for Two Years.

A. Sales, Transfers, or Retirements of Retrofitted Vehicles. The Fire Department will keep and operate all vehicles retrofitted pursuant to this Agreement solely within the State of Washington for at least two years from the date of retrofit installation. If the Fire Department plans to sell or relocate any vehicle retrofitted under this Agreement prior to the expiration of the two-year period, the Fire Department will notify the Agency Project Manager and follow the procedures below, depending on the final destination of the retrofitted vehicle:

- 1) In-State Sales or Transfers. If the Fire Department wants to sell or transfer a vehicle retrofitted under this Agreement to another fire department within Washington State prior to the end of the two-year term, the Fire District will notify the Agency Project Manager in advance in writing prior to selling or transferring any retrofitted vehicles. The written notification must include the following information: the identification of the vehicle by Vehicle Identification Number (VIN) or equipment ID; the date the idle-reduction technology was installed; the model/engine year of the vehicle; the desired new location of the vehicle; and the intended date of relocation.
- 2) Out-of-State Sales or Transfers. If the Fire Department wants to sell or transfer a vehicle retrofitted under this Agreement to an entity outside of Washington State prior to the end of the two-year term, the Fire Department will notify the Agency Project Manager in advance of the sale and transfer in writing and propose a compensation option to compensate the Agency for the installation of the retrofit equipment on the vehicle(s) the Fire Department wishes to sell or transfer. The written proposal must include the following information: the identification of the vehicle by Vehicle Identification Number (VIN) or equipment ID; the date the idle-reduction technology was installed; the model/engine year of the vehicle; the desired new location of the vehicle; and the intended date of relocation. Potential compensation options may include removing the idle-reduction technology and installing it on another vehicle operating within Washington State or investing a prorated portion of the equipment and installation cost of the idle-reduction technology in other particulate emission-reduction projects within Washington State. The Fire Department may propose another compensation option for Agency approval. If the Fire Department chooses to re-install the idle-reduction technology on another vehicle in Washington State, the Fire Department will be liable for the expense or labor associated with re-installing the idle-reduction technology. The Agency must approve the repayment option in writing.

B. Retiring of Retrofitted Vehicles. If the Fire Department retires or scraps a vehicle that has been equipped with idle-reduction technology under this Agreement prior to the end of the two-year term, the Fire Department agrees to first remove and re-install the idle-reduction technology on another vehicle within Washington State to the extent practicable. The Fire Department will be responsible for the expense or labor associated with re-installing the idle-reduction technology.

Task 8: Report. Upon completion of the first vehicle retrofit, the Fire Department will begin submitting quarterly reports to the Agency on the idle-reduction technology. The Fire

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Department will track the hours of operation of the idle-reduction technology, and the associated fuel savings to the best of its ability.

Deliverable for Task 8: Using an Agency-supplied form provided in Attachment A and incorporated herein by reference, the Fire Department will submit electronic reports for two years following the first installation of idle-reduction technology on one of its vehicles.

Due dates for Task 8: July 15, 2014, October 15, 2014, January 15, 2015, April 15, 2015, July 15, 2015, and October 15, 2015, January 15, 2016, April 15, 2016; and July 15, 2016.

5. **Title to Equipment.** The title to all equipment furnished under this agreement will be held by the Fire Department, subject to the terms of this agreement.
6. **Term.** The effective date of this Agreement is the date of the final signature of this Agreement. The termination date of this Agreement is December 30, 2016.
7. **Communications.** The following persons will be the contact persons for all communications regarding the performance of this Agreement.

Fire Department	Agency
Deputy Chief: Joel Kuhnhenh	Project Manager: Elizabeth Gilpin
King County Fire District 45, Duval	Puget Sound Clean Air Agency
15600 1 st Ave NE Duval, WA 98019	1904 Third Avenue, Suite 105 Seattle, WA 98101
Phone: 425-788-1625	Phone: 206-689-4026
Fax: 425-788-0199	Fax: (206) 343-7522
E-mail address: jkuhnhenh@duvallfire45.com	E-mail address: elizabethg@pscleanair.org

8. **Changes.** The parties may, from time to time, require changes in this Agreement. The parties will mutually agree to the changes by written amendment to this Agreement.
9. **Early Termination.** Either party may terminate this Agreement at any time with or without cause by giving a thirty-day (30-day) written notice of such termination and by specifying the effective date of the termination; provided that the termination will be preceded by a face-to-face meeting between the Fire Department and the Agency. Upon termination of this Agreement, the Agency, in addition to any other rights provided in this Agreement, may require Fire Department to deliver to the Agency any property specifically produced or acquired for the performance of such part of this Agreement as has been terminated.
10. **Assignment.** The work performed under this Agreement, and any claim arising thereunder, is not assignable or delegable by either party, in whole or in part, without the express prior written consent of the other party.
11. **Indemnification.** Each party to this agreement will be responsible for its own acts and/or omissions and those of its officers, employees and agents. No party to this agreement

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will be responsible for the acts and/or omissions of entities or individuals not a party to this agreement.

12. Limitation of liability. The Fire Department acknowledges that participation in this Agreement is voluntary and the use and maintenance of the idle-reduction technologies installed by the third-party contractor on vehicles operated by the Fire Department is the sole responsibility of the Fire Department. The Agency will not be liable for any equipment failures, issues or limitations that result from the installation or operation of the idle-reduction technology installed pursuant to this Agreement. The Fire Department will be the warranty holder for any equipment and installation provided by this Agreement.

13. Compliance with All Laws and Regulations. The parties will comply with all applicable local, state, and federal laws, regulations and standards necessary for the performance of this Agreement.

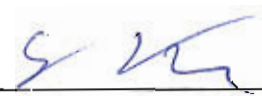
14. Third-Party Beneficiary. Pursuant to Grant No. G1300047, the State of Washington is an express third-party beneficiary to this Agreement with full rights as such.

15. Cooperation with Inspections. Pursuant to Grant No. G1300047, the Fire Department shall make all equipment furnished under this agreement available for inspection by any authorized state, federal, or local representative through December 30, 2016.

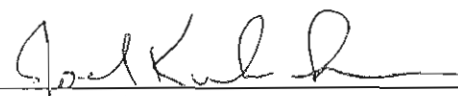
This Agreement is executed by the persons signing below, who warrant they have the authority to execute this Agreement.

PUGET SOUND CLEAN AIR AGENCY

**KING COUNT FIRE DISTRICT
45, DUVALL**

By: 

Craig Kenworthy
Executive Director
Date: 05/02/14

By: 

Joel Kuhnenn
Deputy Chief
Date: 4-29-2014

Approved as to Form:

By: 

Laurie Halvorson
Director of Compliance and Legal
Date: 5/2/14