INTERLOCAL AGREEMENT BETWEEN THE PORT OF SEATTLE AND THE PUGET SOUND CLEAN AIR AGENCY FOR A DRAYAGE TRUCK REPLACEMENT PROGRAM

This Interlocal Agreement ("Agreement") is entered into between the **Puget Sound Clean Air Agency**, (hereinafter referred to as the "Agency"), a municipal corporation under the laws of the State of Washington, and the **Port of Seattle** (hereinafter referred to as "Port"), a Washington municipal corporation, located at Pier 69, 2711 Alaskan Way, Seattle, WA 98111.

WHEREAS, the Port and the Board of Directors of the Agency deem it desirable to enter into an Agreement for the purposes of developing and implementing a drayage truck scrappage and replacement program to be referred to as Scrappage and Replacement for Air in Puget Sound II ("ScRAPS II") Program; and

WHEREAS, the Port has adopted the Northwest Ports Clean Air Strategy, the goal of which is to reduce air emissions from current and future maritime port operations in the Pacific Northwest; and

WHEREAS, drayage trucks working at the Port contribute to local and regional air pollutant emissions; and

WHEREAS, the Northwest Ports Clean Air Strategy requires that 100% of the trucks entering Port marine terminals meet or surpass US Environmental Protection Agency (EPA) emission standards for 2007 heavy-duty truck engines by the end of 2017; and

WHEREAS, the Port has decided to establish its second drayage truck scrappage and replacement program; and

WHEREAS, the Port has been awarded grants from the U.S Department of Transportation Federal Highway Administration Congestion Management and Air Quality Program (CMAQ) through the Washington State Department of Transportation (WSDOT) and from the Washington State Department of Ecology's (Ecology) Clean Diesel Program to provide financial incentives to truck owners to replace their older, higher-polluting vehicles with trucks that meet the United States Environmental Protection Agency's (EPA's) 2007 engine standards; and

WHEREAS, the Agency has completed several diesel emissions reduction projects under previous agreements with the Port, including the original, Port-funded Drayage Truck Scrappage and Retrofits for Air in Puget Sound (ScRAPS), the Cargo-Handling Equipment (CHE) Retrofit and Replacement Project funded by the Port, EPA and the Agency, and the Port-funded At-Berth Clean Fuels low-sulfur fuel reimbursement program for ocean-going vessels; and

WHEREAS, the Port has determined that the Agency is qualified and available to develop and implement a drayage truck scrappage and replacement program; and

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

NOW, THEREFORE, the Agency and the Port mutually agree as follows:

1. **Purpose and Scope of this Agreement.** The purpose of this agreement is to replace 180 or more older, pre-2007 model year engine drayage trucks that serve the Port's marine terminals with trucks that have newer engines and/or EPA-verified or California Air Resources Board (CARB)-verified emissions reduction upgrades. The result will be trucks meeting (or achieving equivalency with) the EPA's 2007 engine standards for heavy-duty diesel highway vehicles. Truck owners will be offered financial incentives to replace or upgrade their trucks. If the Agency identifies a suitable retrofit or upgrade kit that will enable an existing truck to meet the EPA's 2007 engine standards, then truck owners will be offered financial incentives to have such a kit installed instead of replacing the truck. Trucks with pre-2007 model year engines that are not upgraded will be scrapped and replaced with 2007 model year engine-compliant trucks.

   Funding for this work is provided by the Port; an Ecology grant (Clean Diesel Grant No. G1400386, dated December 18, 2013) to the Port, included as Attachment A and incorporated herein by reference; and a WSDOT Agreement (Local Agency Agreement LA-8219, dated August 2, 2013) with the Port, included as Attachment B and incorporated herein by reference.

2. **Duties of Agency**

   A. Develop Program Work Plan

   Deliverable date: January 31, 2014

   Develop, in collaboration with the Port, a detailed program work plan to include, but not be limited to, a description of the following tasks:

   1) Open and operate a truck outreach center for potential applicants at or near a Port-owned marine terminal, to be in place by May 1, 2014, and to operate through June 30, 2015. If funds available for the program are exhausted prior to June 30, 2015, the Port and the Agency will end the ScRAPS II Program earlier by mutual agreement.The Agency will operate the outreach center consistent with the work plan finalized by January 31, 2014.
   2) Process applications from truck owners for financial assistance per Port-provided guidelines.
   3) Assess suitability of trucks with pre-2007 model year engines that are proposed to be scrapped or retrofitted, to verify program eligibility.

4) Assess suitability of proposed replacement trucks having a 2007 model year engine or retrofits achieving equivalency to EPA 2007 engine standards, to verify program eligibility.
5) Coordinate scrapping and associated documentation for trucks being scrapped and replaced.
6) Process ScRAPS II scrapping/upgrading incentive payouts.
7) Track emission reductions associated with each truck replacement/upgrade.
8) Maintain up-to-date records and report on the above actions.

B. <u>Select Partner Truck Dealers, Truck Retrofitters, and Truck Scrapping Service Providers</u>

Deliverable date: May 1, 2014

1) Identify and contract with truck scrapping service providers and truck retrofitters via a competitive process that meets procurement requirements of the applicable federal and state grants.
2) Identify and contract with truck dealers via a competitive process that meets requirements of the applicable federal and state grants. All agreements with the dealers must state that all dealers agree to honor ScRAPS II vouchers issued by the Agency that are redeemable as individual incentive payouts for specific, pre-approved trucks and specific, pre-approved truck owners.

C. <u>Assist the Port in Determining Program Eligibility Criteria</u>

Review the draft program eligibility criteria developed by the Port and provide comments on the draft.

Deliverable date: February 28, 2014

D. <u>Assist with Outreach to Truck Owners</u>

Assist the Port in conducting an outreach campaign to truck owners that will promote the ScRAPS II program. This includes assisting in planning and delivering information to truck owners at a minimum of five events.
Deliverable date: April 30, 2015.

E. <u>Make Equivalency Determinations</u>

The Agency will prepare and submit to the Port analyses of truck technologies/upgrades that would achieve equivalency to the 2007 EPA emission standards for heavy-duty diesel truck engines. These equivalency determinations will address the fuel and retrofit actions necessary to meet these standards and will provide the ScRAPS II program with criteria to determine if a fuel/technology is eligible for an incentive payment under the ScRAPS II program, and include an estimated per unit cost of upgrade and recommended incentive level. The Port will make the final determination on the level of incentive provided to participating truck owners for truck replacements, truck upgrade kits and retrofit kits. Deliverable date: Initial determination on March 15, 2014, and updated by the Agency as new relevant information becomes available.

F. Launch and Operate Truck Center

1) Open the center to the drayage truck community and accept and process truck replacement or upgrade authorization requests. Deliverable date: May 1, 2014, to April 30, 2015. If funds available for the program are exhausted prior to April 30, 2015, the Port and the Agency will end the ScRAPS Program earlier by mutual agreement.
2) Complete all incentive processing for approved truck replacements, upgrade kits and retrofit kits and produce a final project report related to operation of the truck center to the Port. Deliverable date: May 31, 2015, for incentive processing, June 30, 2015, for the final report.

G. Conduct Recordkeeping and Reporting

1) Develop and implement an auditable system meeting federal and state grant requirements to document truck evaluation, scrapping, replacement, and upgrade processes, including cash flow, lien and insurance search procedures and scrap yard coordination. Deliverable date: March 31, 2014

2) Provide information to the Port to meet the requirements of the Ecology and WSDOT grants (see Attachments A and B). Submit a monthly project report and invoice, including the number of trucks upgraded or replaced, the reimbursable costs for each truck, program income due to scrapping replaced trucks and emission calculations showing the annual reduction attributable to each upgraded or replaced truck. Deliverable dates: Monthly, throughout the term of the agreement.

3) Cooperate with routine Port-led audits and budget reconciliation as required.

4) Submit a final project report summarizing results of program and project costs. Verify all files are complete. Deliverable date: June 30, 2015.

3. Duties of the Port

A. Make payments as set forth in section 5 of this agreement.

B. Manage and administer WSDOT and Ecology grants, including auditing Agency performance under this agreement, processing reimbursements, and submitting reports to these organizations.

C. Review and approve the Agency's draft work plan within one week of receipt. Deliverable date: January 22, 2014.

D. Provide the Agency with final truck owner eligibility criteria for participation in the ScRAPS II Program. Deliverable date: March 15, 2014.

E. Perform regular on-site and ScRAPS II Program review of the drayage truck outreach center to ensure compliance with grant requirements.

F. Lead an outreach and marketing effort to engage candidate drayage truckers in the ScRAPS II Program. Deliverable date: April 30, 2015.

G. Provide the Agency with office space, office furniture and equipment, and all utilities and services to serve as a drayage truck outreach center at the Port of Seattle Terminal 5 warehouse office space ("Port Property"), or at a location as designated by the Port. The Port will reimburse the Agency for office space, office furniture and equipment, and all utilities and services if not provided by the Port after providing 5 business days' prior written notice to the Port of its intent to acquire the items. The Agency will execute a separate agreement for the use of Port property. The terms and conditions to use Port Property are set forth in the License Agreement attached hereto as Attachment C.

4. **Highlighted Grant Requirements.** Compliance with the requirements of the Ecology grant (Clean Diesel Grant No. G1400386, dated December 18, 2013) and the WSDOT Agreement (Local Agency Agreement LA-8219, dated August 2, 2013), both of which are included as Attachments (A & B), is required by the Port and the Agency. The Port, as recipient of the grants, has the responsibility to the granting agencies for adhering to the grants' conditions. The Agency acknowledges the grants' conditions and agrees to carry out its obligations under this Agreement in accordance with those conditions.

5. **Compensation.** The total amount paid by the Port for satisfactory performance of the work under this Agreement shall not exceed four million, two hundred and seventy-five thousand ($4,275,000). Up to three million, six hundred and sixty thousand dollars ($3,660,000) will be to provide financial incentives to the truck owners; up to six hundred fifteen thousand dollars ($615,000) are to cover the Agency's administrative costs, and will be paid on a time and expense basis. The income from truck scrappage will be placed back into the program to increase the amount available for incentives.

   The Agency will submit invoices to the Port monthly using a template approved by the Port. The Agency will also submit a monthly written report describing the progress made on each task that the Agency is administering under Section 2 of this Agreement, for reimbursement for work performed during the preceding month. Invoices will list the name of the person(s) who performed the work; the actual wages and benefits per hour for the persons(s) who provided the services; and the specific number of hours spent within a given billing period (monthly). Indirect charges shall utilize the Agency's federally approved indirect rate, which shall be applied to direct wages and benefits. Direct expense shall be supported by actual receipts. All labor and expense submitted to the Port for reimbursement shall comply with the conditions specific to the grants. The Agency shall submit invoices to the Port's Project Manager listed in Section 7. The Port will send its payments within fifteen (15) business days of receipt of the Agency's invoice to the Puget

Sound Clean Air Agency, attention Finance Department, 1904 3rd Ave., Suite 105, Seattle, WA 98101.

6. **Communications.** The following persons shall be the contact person for all communications regarding the performance of this Agreement.

The Agency Project Manager is:	The Port of Seattle Project Manager is:
Kathy Boucher ScRAPS Program Manager Puget Sound Clean Air Agency 1904 3rd Ave., Suite 105 Seattle, WA 98101 206-689-4019 kathyb@pscleanair.org	Catherine Chu Capital Project Manager Port of Seattle P.O. Box 1209 Seattle, WA 98111-1209 206-787-3549 chu.c@portseattle.org

7. **Term.** The effective date of this Agreement is December 31, 2013. The termination date of this Agreement is June 30, 2015.

8. **Changes.** The parties may, from time to time, require changes in the scope of services performed under this Agreement. The parties shall mutually agree to the changes by written amendment to the Agreement.

9. **Cancellation:** Either Party may elect to cancel this Agreement without cause with a 30-day written notice.

10. **Subcontracting.** With the exception of subcontracting with partner truck dealers, truck retrofitters, and truck scrapping service providers, the Agency shall not enter into subcontracts for any of the services or work contemplated under this Agreement without obtaining prior written approval of the Port. In no event shall the existence of any subcontract operate to release or reduce the liability of the Agency to the Port for any breach in the performance of the Agency's duties.

11. **Indemnification/Hold Harmless.** Each party to this agreement shall be responsible for its own acts and/or omissions and those of its officers, employees and agents. No party to this agreement shall be responsible for the acts and/or omissions of entities or individuals not a party to this agreement.

12. **Attorneys' Fees.** In the event of litigation or other action brought to enforce contract terms, each party agrees to bear its own attorneys' fees and costs.

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

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

PUGET SOUND CLEAN AIR AGENCY

By: Paul Roberts
Paul Roberts
Board of Directors, Chair

Date: 12/31/13

Attest:

By: Craig T. Kenworthy
Craig T. Kenworthy
Executive Director

Date: 12/30/13

Approved as to Form:

By: Laurie Halvorson
Laurie Halvorson
Director of Compliance and Legal

Date: 12/30/13

PORT OF SEATTLE

By: T. Yoshitani
Tay Yoshitani
Chief Executive Officer

Date: 1/2/14

By: Tom Tanaka
Tom Tanaka
Senior Port Counsel

Date: 12/31/13

ATTACHMENT A

DEPARTMENT OF ECOLOGY
State of Washington

CLEAN DIESEL GRANT NO. G1400386
between the
STATE OF WASHINGTON DEPARTMENT OF ECOLOGY
and
PORT OF SEATTLE

THIS is a binding agreement entered into by and between the State of Washington, Department of Ecology, hereinafter referred to as "DEPARTMENT" and the Port of Seattle, hereinafter referred to as the "RECIPIENT" to carry out the activities described herein as authorized by Chapters 70.94 RCW, Washington Clean Air Act.

PART 1. GENERAL INFORMATION

Project Title:	Port of Seattle Clean Truck Program Incentive Project
RECIPIENT:	Port of Seattle P.O. Box 1209 Seattle, WA 98111
Federal Tax ID:	91-6001-025
Project Contact:	Janice Gedlund
Telephone:	(206) 787-7924
E-mail address:	gedlund.j@portseattle.org
DEPARTMENT:	Air Quality Program PO Box 47600 Olympia, WA 98504-7600
Project Officer:	Frank Van Haren
Telephone / Fax Numbers:	(360) 407-6870 / (360) 407-7534
E-mail address:	fvan461@ecy.wa.gov
Fiscal Contact:	Carrol Johnston
Telephone / Fax Numbers:	(360) 407-6805 / (360) 407-7534
E-mail address:	carr461@ecy.wa.gov
Maximum Grant Amount:	$500,000

Effective Date: The effective date of this grant is **October 1, 2013**. Any work performed prior to the effective date of this grant shall be at the sole expense and risk of the RECIPIENT.

Completion Date: The Project described in this grant expires on, and must be completed by **June 30, 2015.**

The RECIPIENT shall acknowledge and inform the public at their discretion about the DEPARTMENT's funding participation in this project through the use of project signs and/or acknowledgement in published materials and reports, the news media, or other public announcements.

PART 2. PROGRAM BACKGROUND

Information regarding the Washington State Clean Diesel Grant Program, including grant guidelines, current priorities, eligibility, application forms and instructions, and current and past awards can be found at the Washington Department of Ecology's Clean Diesel Grant Program webpage: http://www.ecy.wa.gov/programs/air/cars/DieselGrantPage.htm

Project Summary

Background: The Port of Seattle's Clean Truck Program was created in response to the Northwest Ports Clean Air Strategy (CAS), a voluntary program to reduce seaport-related diesel emissions in the region. The CAS specifies truck engine emission performance targets for years 2010 and 2017 for trucks that visit the Port of Seattle to deliver or take cargo. The Port of Seattle provides incentives for truckers to meet the emission performance targets.

General Project Scope: This project will provide monetary incentives to owners of approximately 183 older (model year 1994 – 2006) drayage trucks serving the Port of Seattle marine terminals to scrap the older trucks and replace with trucks having 2007 model year engine or newer. Upon advance approval by the DEPARTMENT alternatives to scrapping and replacing may be allowed, such as replacing only the engine of the truck (known as repowering) or providing exhaust retrofits. Incentive amount for alternatives may be set at different amounts than incentives for scrapping and replacing.

Conducting and managing the day to day activities of the project and conducting independent audits of the project will be performed by a consultant and/or a local government sub-recipient. Consultant services will be acquired through a competitive procurement process. Sub-recipient services will be contracted through a contract agreement.

The monetary incentive is estimated at around $20,000 per truck. Old engines will be scrapped or otherwise rendered unusable. In addition, consultant and/or sub-recipient fees to manage and conduct the project (e.g. processing trucker applications, process and manage scrapping and incentive payout, reporting, and auditing) are estimated at $4,461.85 per truck. RECIPIENT costs for general administration of project are estimated at $613.50 per truck.

This $4,587,281 project is funded by multiple sources including a $3,535,498 federal Congestion Mitigation Air Quality (CMAQ) grant from the Federal Highways Administration, $551,783 in matching funds from the RECIPIENT, and this Ecology Clean Diesel grant of $500,000. Ecology's Clean Diesel Grant funds will be used to pay 10.9 percent of all eligible project costs. Eligible project costs include a monetary incentive paid to truck owners to scrap and replace their old truck, or other allowed alternative; consultant and/or sub-recipient costs for managing, conducting and auditing the project; and RECIPIENT administration of the project (staff time, benefits and overhead).

The main purpose of this grant is to provide funding for the Clean Truck Program Incentive project at the Port of Seattle. However, this grant may also be used to fund other diesel emission reduction projects as approved in advance by the DEPARTMENT. Diesel emission reduction projects at ports will be given precedence.

PART 3. BUDGET SUMMARY AND CONDITIONS

1) The DEPARTMENT is providing $500,000 of its Washington Clean Diesel Grant funds to the RECIPIENT to conduct the project.

2) The RECIPIENT shall designate an individual who has signatory authority to verify and certify to the DEPARTMENT that the Clean Truck Program Incentive Project is conducted in accordance with the agreement.

3) Payments to the RECIPIENT from the DEPARTMENT will be made on a cost-reimbursable basis at 10.9 percent of total eligible itemized expenses for the billing period. CMAQ funding and RECIPIENT funding will cover the remaining 89.1 percent. Payment requests will be submitted to the DEPARTMENT's Fiscal Contact as phases of the Clean Truck Program Incentive Project are completed, but not more frequently than monthly.

   This is a performance based grant agreement. Compensation for all work will be based on the satisfactory performance or completion of deliverable(s) or percentage of completion of deliverable(s) accepted and approved by the DEPARTMENT'S Project Officer. Such payment shall be full compensation for work performed or services rendered and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work. A progress report is required with each invoice submitted, but no less often than quarterly. The DEPARTMENT will not pay any invoice until the progress report is received. See Appendix B for suggested progress report format.

4) The RECIPIENT shall submit invoice vouchers using an approved A19-1A Invoice Voucher, Form B2 and Form C2. Invoice vouchers shall not be submitted more frequently than monthly. Payment to the RECIPIENT for approved and completed work will be made by warrant or account transfer from the DEPARTMENT within 30 days of receipt of the invoice.

5) Invoice Voucher amounts must coincide with, and be supported by, backup documentation. Backup documentation must include copies of contractor and/or sub-recipient invoices.

6) For the administration of this agreement the RECIPIENT shall follow the "Administrative Requirements for Recipients of Ecology Grants and Loans", current edition. (http://www.ecy.wa.gov/biblio/9118.html)

7) Expenditures shall be monitored by the DEPARTMENT Fiscal Office for compliance with the EXPENDITURE BUDGET (listed below) at the PROJECT LEVEL.

Clean Truck Program Incentive Project	**MAXIMUM GRANT AMOUNT**
Task 1a – Manage, conduct and audit a clean truck incentive project, and provide monetary incentives to truck owners.	$487,750
Task 1b – Project administration (Port of Seattle staff time, benefits and overhead)	$12,250
Total	**$500,000**

PART 4. SCOPE OF WORK

Task 1a. Manage, conduct, and audit a clean truck incentive project, and provide monetary incentives to truck owners.

A. Enter into a Interagency Agreement with a local government sub-recipient to manage and conduct a clean truck incentive program, and/or:

B. Using the competitive procurement process described in Part 5. SPECIAL TERMS AND CONDITIONS, select the vendor(s) to manage, conduct and audit a clean truck incentive project at the Port of Seattle.

C. Manage, conduct, and audit a clean truck incentive project, including providing monetary incentive to truck owners to replace older trucks (model year 1994 – 2006) with a 2007 or newer model year trucks serving the Port of Seattle; or other allowed alternative. Old engines must be scrapped or otherwise rendered unusable.

Task 1a. Deliverables:

- Interagency agreement entered into with sub-recipient for conducting and managing the project by February 15, 2014. Interagency Agreement documentation must be provided to the DEPARTMENT's Project Officer.

and/or

- Competitive procurement process conducted and vendor(s) for conducting, managing and auditing the project are selected by February 15, 2014. Procurement documentation must be provided to the DEPARTMENT'S Project Officer (see Part 5 of this agreement).
- Clean truck incentive project managed and conducted, including monetary incentive payouts and project audits.
- Invoices submitted for managing, conducting, and auditing the clean truck incentive project and monetary incentive payouts, including back-up documentation.
- Progress reports are submitted with each invoice, but no less often than quarterly (see Appendix B for format).
- Final report is submitted (see Appendix B for format).

Task 1a. Completion Date: June 30, 2015

Task 1b. Administer the clean truck incentive project

Administer the clean truck incentive program, including procuring vendor and/or sub-recipient services, tracking project progress, providing progress reports and general oversight of all project activities.

Task 1b. Deliverables:

- Clean truck incentive project administered, including procuring vendor and/or sub-recipient services, tracking project progress, providing progress reports and general oversight of all project activities.
- Invoices submitted for administering the project, including overhead.
- Progress reports are submitted with each invoice, but no less often than quarterly (see Appendix B for format)

Task 1b. Completion Date: June 30, 2015

PART 5. SPECIAL TERMS AND CONDITIONS

<u>Competitive Procurement Process</u>: For any of tasks that require purchase of equipment or services the RECIPIENT will:

a. Solicit vendor(s) through a competitive procurement process that ensures fair and open competition.

b. Follow RECIPIENT'S own standard procurement procedures to select vendor(s). If RECIPIENT has no formal procurement procedures, RECIPIENT will use procedures issued by the State of Washington, Department of Enterprise Services'. Use this link to read about the procedures and guidelines that apply. http://des.wa.gov/about/pi/ProcurementReform/Pages/Policies.aspx

c. Once vendor is selected, provide written procurement documentation to the DEPARTMENT'S Project Officer that includes:
   1. a copy of the solicitation document,
   2. a list of vendors solicited,
   3. a list of bidders,
   4. a copy of evaluation criteria, and
   5. the name of selected vendor(s).

PART 6. ALL WRITINGS CONTAINED HEREIN

This agreement, the appended 'General Terms and Conditions' (Appendix A), 'Progress Report' (Appendix B), and the DEPARTMENT'S current edition of 'Administrative Requirements for Recipients of Ecology Grants and Loans', contain the entire understanding between the parties. There are no other understandings or representations except those set forth or incorporated by reference herein. No subsequent modification(s) or amendments to this agreement shall be of any force or effect unless in writing, signed by authorized representatives of the RECIPIENT and DEPARTMENT and made a part of this agreement; EXCEPT a letter amendment will suffice to change DEPARTMENT's Project Officer or the RECIPIENT's Project Contact or to extend the completion date as set forth in the agreement.

In Witness Whereof, the parties hereby sign this grant agreement:

Washington State Department of Ecology		Port of Seattle	
Stuart A. Clark Program Manager	Date	Tay Yoshitani Chief Executive Officer	Date

Approved as to form only by the
Assistant Attorney General

APPENDIX A

GENERAL TERMS AND CONDITIONS

Pertaining to Grant and Loan Agreements of the Department Of Ecology

A. RECIPIENT PERFORMANCE

All activities for which grant/loan funds are to be used shall be accomplished by the RECIPIENT and RECIPIENT's employees. The RECIPIENT shall only use contractor/consultant assistance if that has been included in the agreement's final scope of work and budget.

B. SUBGRANTEE/CONTRACTOR COMPLIANCE

The RECIPIENT must ensure that all subgrantees and contractors comply with the terms and conditions of this agreement.

C. THIRD PARTY BENEFICIARY

The RECIPIENT shall ensure that in all subcontracts entered into by the RECIPIENT pursuant to this agreement, the state of Washington is named as an express third-party beneficiary of such subcontracts with full rights as such.

D. CONTRACTING FOR SERVICES (BIDDING)

Contracts for construction, purchase of equipment and professional architectural and engineering services shall be awarded through a competitive process, if required by State law. RECIPIENT shall retain copies of all bids received and contracts awarded, for inspection and use by the DEPARTMENT.

E. ASSIGNMENTS

No right or claim of the RECIPIENT arising under this agreement shall be transferred or assigned by the RECIPIENT.

F. COMPLIANCE WITH ALL LAWS

1. The RECIPIENT shall comply fully with all applicable Federal, State and local laws, orders, regulations and permits.

   Prior to commencement of any construction, the RECIPIENT shall secure the necessary approvals and permits required by authorities having jurisdiction over the project, provide assurance to the DEPARTMENT that all approvals and permits have been secured, and make copies available to the DEPARTMENT upon request.

2. Discrimination. The DEPARTMENT and the RECIPIENT agree to be bound by all Federal and State laws, regulations, and policies against discrimination. The RECIPIENT further agrees to affirmatively support the program of the Office of Minority and Women's Business Enterprises to the maximum extent possible. If the agreement is federally-funded, the RECIPIENT shall report to the DEPARTMENT the percent of grant/loan funds available to women or minority owned businesses.

3. Wages And Job Safety. The RECIPIENT agrees to comply with all applicable laws, regulations, and policies of the United States and the State of Washington which affect wages and job safety.

4. Industrial Insurance. The RECIPIENT certifies full compliance with all applicable state industrial insurance requirements. If the RECIPIENT fails to comply with such laws, the DEPARTMENT shall have the right to immediately terminate this agreement for cause as provided in Section K.1, herein.

G. KICKBACKS

The RECIPIENT is prohibited from inducing by any means any person employed or otherwise involved in this project to give up any part of the compensation to which he/she is otherwise entitled or, receive any fee, commission or gift in return for award of a subcontract hereunder.

H. AUDITS AND INSPECTIONS

1. The RECIPIENT shall maintain complete program and financial records relating to this agreement. Such records shall clearly indicate total receipts and expenditures by fund source and task or object. All grant/loan records shall be kept in a manner which provides an audit trail for all expenditures. All records shall be kept in a common file to facilitate audits and inspections.

Engineering documentation and field inspection reports of all construction work accomplished under this agreement shall be maintained by the RECIPIENT.

2. All grant/loan records shall be open for audit or inspection by the DEPARTMENT or by any duly authorized audit representative of the State of Washington for a period of at least three years after the final grant payment/loan repayment or any dispute resolution hereunder. If any such audits identify discrepancies in the financial records, the RECIPIENT shall provide clarification and/or make adjustments accordingly.

3. All work performed under this agreement and any equipment purchased, shall be made available to the DEPARTMENT and to any authorized state, federal or local representative for inspection at any time during the course of this agreement and for at least three years following grant/loan termination or dispute resolution hereunder.

4. RECIPIENT shall meet the provisions in OMB Circular A-133 (Audits of States, Local Governments & Non Profit Organizations), including the compliance Supplement to OMB Circular A-133, if the RECIPIENT expends $500,000 or more in a year in Federal funds. The $500,000 threshold for each year is a cumulative total of all federal funding from all sources. The RECIPIENT must forward a copy of the audit along with the RECIPIENT'S response and the final corrective action plan to the DEPARTMENT within ninety (90) days of the date of the audit report.

I. PERFORMANCE REPORTING

The RECIPIENT shall submit progress reports to the DEPARTMENT with each payment request or such other schedule as set forth in the Special Conditions. The RECIPIENT shall also report in writing to the DEPARTMENT any problems, delays or adverse conditions which will materially affect their ability to meet project objectives or time schedules. This disclosure shall be accompanied by a statement of the action taken or proposed and any assistance needed from the DEPARTMENT to resolve the situation. Payments may be withheld if required progress reports are not submitted.

Quarterly reports shall cover the periods January 1 through March 31, April 1 through June 30, July 1 through September 30, and October 1 through December 31. Reports shall be due within thirty (30) days following the end of the quarter being reported.

J. COMPENSATION

1. Method of compensation. Payment shall normally be made on a reimbursable basis as specified in the grant agreement and no more often than once per month. Each request for payment will be submitted by the RECIPIENT on State voucher request forms provided by the DEPARTMENT along with documentation of the expenses. Payments shall be made for each task/phase of the project, or portion thereof, as set out in the Scope of Work when completed by the RECIPIENT and approved as satisfactory by the Project Officer.

   The payment request form and supportive documents must itemize all allowable costs by major elements as described in the Scope of Work. Instructions for submitting the payment requests are found in "Administrative Requirements for RECIPIENTS of Ecology Grants and Loans", part IV, published by the DEPARTMENT. A copy of this document shall be furnished to the RECIPIENT. When payment requests are approved by the DEPARTMENT, payments will be made to the mutually agreed upon designee. Payment requests shall be submitted to the DEPARTMENT and directed to the Project Officer assigned to administer this agreement.

2. Period of Compensation. Payments shall only be made for actions of the RECIPIENT pursuant to the grant/loan agreement and performed after the effective date and prior to the expiration date of this agreement, unless those dates are specifically modified in writing as provided herein.

3. Final Request(s) for Payment. The RECIPIENT should submit final requests for compensation within forty-five (45) days after the expiration date of this agreement and within fifteen (15) days after the end of a fiscal biennium. Failure to comply may result in delayed reimbursement.

4. Performance Guarantee. The DEPARTMENT may withhold an amount not to exceed ten percent (10%) of each reimbursement payment as security for the RECIPIENT's performance. Monies withheld by the DEPARTMENT may be paid to the RECIPIENT when the project(s) described herein, or a portion thereof, have been completed if, in the DEPARTMENT's sole discretion, such payment is reasonable and approved according to this agreement and, as appropriate, upon completion of an audit as specified under section J.5. herein.

5. Unauthorized Expenditures. All payments to the RECIPIENT may be subject to final audit by the DEPARTMENT and any unauthorized expenditure(s) charged to this grant/loan shall be refunded to the DEPARTMENT by the RECIPIENT.

6. Mileage and Per Diem. If mileage and per diem are paid to the employees of the RECIPIENT or other public entities, it shall not exceed the amount allowed under state law for state employees.

7. Overhead Costs. No reimbursement for overhead costs shall be allowed unless provided for in the Scope of Work hereunder.

K. TERMINATION

1. For Cause. The obligation of the DEPARTMENT to the RECIPIENT is contingent upon satisfactory performance by the RECIPIENT of all of its obligations under this agreement. In the event the RECIPIENT unjustifiably fails, in the opinion of the DEPARTMENT, to perform any obligation required of it by this agreement, the DEPARTMENT may refuse to pay any further funds there under and/or terminate this agreement by giving written notice of termination.

   A written notice of termination shall be given at least five working days prior to the effective date of termination. In that event, all finished or unfinished documents, data studies, surveys, drawings, maps, models, photographs, and reports or other materials prepared by the RECIPIENT under this agreement, at the option of the DEPARTMENT, shall become Department property and the RECIPIENT shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials.

   Despite the above, the RECIPIENT shall not be relieved of any liability to the DEPARTMENT for damages sustained by the DEPARTMENT and/or the State of Washington because of any breach of agreement by the RECIPIENT. The DEPARTMENT may withhold payments for the purpose of setoff until such time as the exact amount of damages due the DEPARTMENT from the RECIPIENT is determined.

2. Insufficient Funds. The obligation of the DEPARTMENT to make payments is contingent on the availability of state and federal funds through legislative appropriation and state allotment. When this agreement crosses over state fiscal years the obligation of the DEPARTMENT is contingent upon the appropriation of funds during the next fiscal year. The failure to appropriate or allot such funds shall be good cause to terminate this agreement as provided in paragraph K.1 above.

   When this agreement crosses the RECIPIENT's fiscal year, the obligation of the RECIPIENT to continue or complete the project described herein shall be contingent upon appropriation of funds by the RECIPIENT's governing body; provided, however, that nothing contained herein shall preclude the DEPARTMENT from demanding repayment of ALL funds paid to the RECIPIENT in accordance with Section O herein.

3. Failure to Commence Work. In the event the RECIPIENT fails to commence work on the project funded herein within four months after the effective date of this agreement, or by any date agreed upon in writing for commencement of work, the DEPARTMENT reserves the right to terminate this agreement.

L. WAIVER

Waiver of any RECIPIENT default is not a waiver of any subsequent default. Waiver of a breach of any provision of this agreement is not a waiver of any subsequent breach and will not be construed as a modification of the terms of this agreement unless stated as such in writing by the authorized representative of the DEPARTMENT.

M. PROPERTY RIGHTS

1. Copyrights and Patents. When the RECIPIENT creates any copyrightable materials or invents any patentable property, the RECIPIENT may copyright or patent the same but the DEPARTMENT retains a royalty-free, nonexclusive and irrevocable license to reproduce, publish, recover or otherwise use the material(s) or property and to authorize others to use the same for federal, state or local government purposes. Where federal funding is involved, the federal government may have a proprietary interest in patent rights to any inventions that are developed by the RECIPIENT as provided in 35 U.S.C. 200-212.

2. Publications. When the RECIPIENT or persons employed by the RECIPIENT use or publish information of the DEPARTMENT; present papers, lectures, or seminars involving information supplied by the DEPARTMENT; use logos, reports, maps or other data, in printed reports, signs, brochures, pamphlets, etc., appropriate credit shall be given to the DEPARTMENT.

3. Tangible Property Rights. The DEPARTMENT's current edition of "Administrative Requirements for Recipients of Ecology Grants and Loans", Part V, shall control the use and disposition of all real and personal property purchased wholly or in part with funds furnished by the DEPARTMENT in the absence of state, federal statute(s), regulation(s), or policy(s) to the contrary or upon specific instructions with respect thereto in the Scope of Work.

4. Personal Property Furnished by the DEPARTMENT. When the DEPARTMENT provides personal property directly to the RECIPIENT for use in performance of the project, it shall be returned to the DEPARTMENT prior to final payment by the DEPARTMENT. If said property is lost, stolen or damaged while in the RECIPIENT's possession, the DEPARTMENT shall be reimbursed in cash or by setoff by the RECIPIENT for the fair market value of such property.

5. Acquisition Projects. The following provisions shall apply if the project covered by this agreement includes funds for the acquisition of land or facilities:

   a. Prior to disbursement of funds provided for in this agreement, the RECIPIENT shall establish that the cost of land/or facilities is fair and reasonable.

   b. The RECIPIENT shall provide satisfactory evidence of title or ability to acquire title for each parcel prior to disbursement of funds provided by this agreement. Such evidence may include title insurance policies, Torrens certificates, or abstracts, and attorney's opinions establishing that the land is free from any impediment, lien, or claim which would impair the uses contemplated by this agreement.

6. Conversions. Regardless of the contract termination date shown on the cover sheet, the RECIPIENT shall not at any time convert any equipment, property or facility acquired or developed pursuant to this agreement to uses other than those for which assistance was originally approved without prior written approval of the DEPARTMENT. Such approval may be conditioned upon payment to the DEPARTMENT of that portion of the proceeds of the sale, lease or other conversion or encumbrance which monies granted pursuant to this agreement bear to the total acquisition, purchase or construction costs of such property.

N. SUSTAINABLE PRODUCTS

In order to sustain Washington's natural resources and ecosystems, the RECIPIENT is encouraged to implement sustainable practices where and when possible. These practices include use of clean energy, and purchase and use of sustainably produced products (e.g., recycled paper). For more information, see http://www.ecy.wa.gov/sustainability/.

O. RECOVERY OF PAYMENTS TO RECIPIENT

The right of the RECIPIENT to retain monies paid to it as reimbursement payments is contingent upon satisfactory performance of this agreement including the satisfactory completion of the project described in the Scope of Work. In the event the RECIPIENT fails, for any reason, to perform obligations required of it by this agreement, the RECIPIENT may, at the DEPARTMENT's sole discretion, be required to repay to the DEPARTMENT all grant/loan funds disbursed to the RECIPIENT for those parts of the project that are rendered worthless in the opinion of the DEPARTMENT by such failure to perform.

Interest shall accrue at the rate of twelve percent (12%) per year from the time the DEPARTMENT demands repayment of funds. If payments have been discontinued by the DEPARTMENT due to insufficient funds as in Section K.2 above, the RECIPIENT shall not be obligated to repay monies which had been paid to the RECIPIENT prior to such termination. Any property acquired under this agreement, at the option of the DEPARTMENT, may become the DEPARTMENT'S property and the RECIPIENT'S liability to repay monies shall be reduced by an amount reflecting the fair value of such property.

P. PROJECT APPROVAL

The extent and character of all work and services to be performed under this agreement by the RECIPIENT shall be subject to the review and approval of the DEPARTMENT through the Project Officer or other designated official to whom the RECIPIENT shall report and be responsible. In the event there is a dispute with regard to the extent and character of the work to be done, the determination of the Project Officer or other designated official as to the extent and character of the work to be done shall govern. The RECIPIENT shall have the right to appeal decisions as provided for below.

Q. DISPUTES

Except as otherwise provided in this agreement, any dispute concerning a question of fact arising under this agreement which is not disposed of in writing shall be decided by the Project Officer or other designated official who shall provide a written statement of decision to the RECIPIENT. The decision of the Project Officer or other designated official shall be final and conclusive unless, within thirty days from the date of receipt of such statement, the RECIPIENT mails or otherwise furnishes to the Director of the DEPARTMENT a written appeal.

In connection with appeal of any proceeding under this clause, the RECIPIENT shall have the opportunity to be heard and to offer evidence in support of this appeal. The decision of the Director or duly authorized representative for the determination of such appeals shall be final and conclusive. Appeals from the Director's determination shall be brought in the Superior Court of Thurston County. Review of the decision of the Director will not be sought before either the Pollution Control Hearings Board or the Shoreline Hearings Board. Pending final decision of dispute hereunder, the RECIPIENT shall proceed diligently with the performance of this agreement and in accordance with the decision rendered.

R. CONFLICT OF INTEREST

No officer, member, agent, or employee of either party to this agreement who exercises any function or responsibility in the review, approval, or carrying out of this agreement, shall participate in any decision which affects his/her personal interest or the interest of any corporation, partnership or association in which he/she is, directly or indirectly interested; nor shall he/she have any personal or pecuniary interest, direct or indirect, in this agreement or the proceeds thereof.

S. INDEMNIFICATION

1. The DEPARTMENT shall in no way be held responsible for payment of salaries, consultant's fees, and other costs related to the project described herein, except as provided in the Scope of Work.
2. To the extent that the Constitution and laws of the State of Washington permit, each party shall indemnify and hold the other harmless from and against any liability for any or all injuries to persons or property arising from the negligent act or omission of that party or that party's agents or employees arising out of this agreement.

T. GOVERNING LAW

This agreement shall be governed by the laws of the State of Washington.

U. 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, and to this end the provisions of this agreement are declared to be severable.

V. PRECEDENCE

In the event of inconsistency in this agreement, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order: (a) applicable Federal and State statutes and regulations; (b) Scope of Work; (c) Special Terms and Conditions; (d) Any terms incorporated herein by reference including the "Administrative Requirements for Recipients of Ecology Grants and Loans"; and (e) the General Terms and Conditions.

W. SUSPENSION

The obligation of the DEPARTMENT to make payments is contingent on the availability of funds. In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date and prior to completion or expiration date of this agreement, the DEPARTMENT may elect to renegotiate the agreement subject to new funding limitations and conditions or terminate the agreement, in whole or part. The DEPARTMENT may also elect to suspend performance of the agreement until such time as the DEPARTMENT determines that the funding insufficiency is resolved in lieu of terminating the agreement. The DEPARTMENT will provide written notice to RECIPIENT if funding is not available.

SS-010 Rev. 04/04

APPENDIX B

Port of Seattle Clean Truck Program Incentive Project
PROGRESS REPORT

Instructions: *Submit a progress report with each invoice, but no less often than quarterly, to the Department of Ecology's Project Officer to include at a minimum the information listed below.*

1. Grantee name:	
2. Grantee project contact:	
3. Grant agreement #:	
4. Project start date:	
5. Reporting time period:	
6. Narrative describing the activities accomplished since the last progress report, or in the case of the first progress report, since project start, and activities anticipated to occur in the next quarter. For the final report, estimate the amount of diesel emissions reduced as a result of the project:	

Port of Seattle

P.O. Box 1209
Seattle, WA 98111-1209
Tel: (206) 787-3000

www.portseattle.org

July 12, 2013

Mr. Ed Conyers, P.E.
Highways & Local Programs – Northwest Region
Washington State Department of Transportation
P O Box 330310
Seattle, WA 98133-9710

Subject: **Obligation of Federal Funds**
Puget Sound Regional Clean Truck Program – Port of Seattle

Dear Mr. Conyers:

In accordance with the WSDOT Local Agency Guidelines, please find enclosed the following documents that are required to obligate federal Congestion Mitigation Air Quality funds for the above-reference project:

- Prospectus Submittal Checklist
- Local Agency Federal Aid Project Prospectus (two originals)
- Vicinity Map
- Local Agency Agreement (two originals)
- Puget Sound Regional Council TIP, page A-11
- Cost Estimate
- Description of Work
- Approved Local Agency Environmental Classification Summary, page 1

With respect to the enclosed TIP excerpt, it includes a Port of Tacoma element. PSRC informed us on 5/30/13 that they are planning to remove the Port of Tacoma's funds and the associated element in the description of this project during the current TIP amendment cycle, which should be finalized this month.

If you have any questions or need any additional information, please contact me at (206) 787-7924 or gedlund.j@portseattle.org.

Sincerely,

Janice Gedlund

Janice Gedlund
Seaport Air Quality Program Manager

Enclosures

Appendix 21.41 Prospectus Submittal Checklist

Agency: Port of Seattle Project Title: Puget Sound Regional Clean Truck Program

Use this sheet as a cover sheet to the project prospectus package. Place an "X" in the right column to denote items included.

If not applicable, state N/A. Include in the cover letter a comment explaining the action taken on each item as appropriate.

Note later with an "L" if the information will be supplied at a future date.

Application	
1. Project Prospectus (Chapter 21)	X
2. Vicinity Map	X
3. Typical Roadway or Pathway Section	NA
4. Typical Bridge Section	NA
5. Local Agency Agreement (Chapter 22)	X
6. Documented Cost Estimate (Chapter 22)	X
7. TIP/STIP Inclusion (MPO/County/Agency, selected/limited to $)	X
Supporting Data	
8. Local Agency Design Matrix Checklist (Appendix 42.101)	NA
9. Photos (Railroad Crossing, ER event sites, as required)	NA
10. Deviation Analysis Format (Appendix 41.51)	NA
11. Environmental Considerations (Chapter 24)	X
a. Class II Categorically Excluded (CE) — Environmental Classification Summary (ECS)	X
b. Class III Environmental Assessment (EA)	NA
c. Class I Environmental Impact Statement (EIS)	NA
d. SEPA Checklist	NA
e. NEPA/SEPA/Section 404 Interagency Working Agreement	NA
f. Evolutionarily Significant Unit (ESU) Determination of Effect Concurrence	NA
12. Design Approval (Chapter 43)	NA
a. Value Engineering Study (where applicable)	NA
13. Location and Design Approval (Chapter 43)	NA
14. Right of Way Requirements (Chapter 25)	NA
a. Relocation Plan	NA
b. Right of Way Plans	NA
c. Right of Way Project Funding Estimate or True Cost Estimate	NA
d. Request Right of Way Fund Authorization	NA
15. Right of Way Certification (Appendix 25.179)	NA
16. Agreements/Easements with Railroads, Utilities, and Other Agencies (Chapter 32)	NA
17. Tied Bids (Chapter 44)	NA

Remarks:

Additionally, a project work plan is included. This is not a construction project and no right-of-way is required; therefore many of these items are not applicable.

Washington State Department of Transportation

Local Agency Federal Aid Project Prospectus

	Prefix	Route	( )
Federal Aid Project Number			
Local Agency Project Number			(WSDOT Use Only)

Date	7/3/2013
Central Contractor Registration Exp.Date	tbd
Federal Employer Tax ID Number	91-6001-025

Agency: Port of Seattle

Federal Program Title: ☑ 20.205 ☐ Other

Project Title: Puget Sound Regional Clean Truck Program

Start Latitude: N 47.582895 — Start Longitude: W -122.352188

End Latitude: N — End Longitude: W

Project Termini From - To: N/A — Nearest City Name: Seattle — Project Zip Code: 98134-1109

From: N/A — To: — Length of Project: N/A — Award Type: ☑ Local ☐ Local Forces ☐ State ☐ Railroad

Federal Agency: ☑ FHWA ☐ Others — City Number: 1140 — County Number: 17 — County Name: King — WSDOT Region: NW

Congressional District: 7 — Legislative Districts: 36 — Urban Area Number: 1 — TMA / MPO / RTPO: PRSC

Phase	Total Estimated Cost (Nearest Hundred Dollar)	Local Agency Funding (Nearest Hundred Dollar)	Federal Funds (Nearest Hundred Dollar)	Phase Start Date Month Year
P.E.				
R/W				
Const.	$4,087,300	$551,800	$3,535,500	Aug 2013
Total	$4,087,300	$551,800	$3,535,500	Aug 2013

Description of Existing Facility (Existing Design and Present Condition)

Roadway Width: N/A — Number of Lanes: N/A

Older polluting diesel drayage trucks currently operate on existing paved surfaces that serve Port of Seattle marine terminals.

Description of Proposed Work

Description of Proposed Work (Attach additional sheet(s) if necessary)

This project will result in air quality benefits by replacing or retrofitting 160 or more older polluting dryage trucks that serve Port of Seattle marine terminals with newer model year trucks and/or EPA-certified emissions reduction retrofits to render them equivalent to a 2007 model year trucks. This will be accomplished by providing financial incentives to truck owners. Trucks that are not retrofitted will be scrapped.

Local Agency Contact Person: Janice Gedlund — Title: Air Quality Program Manager — Phone: 206-787-7924

Mailing Address: P.O. Box 1209 — City: Seattle — State: WA — Zip Code: 98111

Project Prospectus Approval

By: [signature] Approving Authority

Title: Director, Contracting Services — Date: July 5, 2013

Agency	Project Title	Date
Port of Seattle	Puget Sound Regional Clean Truck Program	7/3/2013

Type of Proposed Work

Project Type (Check all that Apply)			Roadway Width	Number of Lanes
☐ New Construction	☐ Path / Trail	☐ 3-R	N/A	N/A
☐ Reconstruction	☐ Pedestrian / Facilities	☐ 2-R		
☐ Railroad	☐ Parking	☑ Other		
☐ Bridge				

Geometric Design Data

Description	Through Route	Crossroad
Federal Functional Classification	☐ Urban ☐ Rural ☐ NHS; ☐ Principal Arterial ☐ Minor Arterial ☐ Collector ☐ Major Collector ☐ Minor Collector ☐ Local Access	☐ Urban ☐ Rural ☐ NHS; ☐ Principal Arterial ☐ Minor Arterial ☐ Collector ☐ Major Collector ☐ Minor Collector ☐ Local Access
Terrain	☐ Flat ☐ Roll ☐ Mountain	☐ Flat ☐ Roll ☐ Mountain
Posted Speed	N/A	N/A
Design Speed	N/A	N/A
Existing ADT	N/A	N/A
Design Year ADT	N/A	N/A
Design Year	N/A	N/A
Design Hourly Volume (DHV)	N/A	N/A

Performance of Work

Preliminary Engineering Will Be Performed By N/A	Others %	Agency %
Construction Will Be Performed By Consulting contracts	Contract %	Agency %

Environmental Classification

☐ Class I - Environmental Impact Statement (EIS)
Project Involves NEPA/SEPA Section 404 Interagency Agreement

☑ Class II - Categorically Excluded (CE)
Projects Requiring Documentation (Documented CE)

☐ Class III - Environmental Assessment (EA)
Project Involves NEPA/SEPA Section 404 Interagency Agreement

Environmental Considerations

See enclosed Environmental Classification Summary

Agency	Project Title	Date
Port of Seattle	Puget Sound Regional Clean Truck Program	7/3/2013

Right of Way

☑ No Right of Way Required * All construction required by the contract can be accomplished within the existing right of way.	☐ Right of Way Required ☐ No Relocation	☐ Relocation Required

Description of Utility Relocation or Adjustments and Existing Major Structures Involved in the Project

N/A

FAA Involvement

Is any airport located within 3.2 kilometers (2 miles) of the proposed project? ☐ Yes ☑ No

Remarks

This project has been reviewed by the legislative body of the administration agency or agencies, or it's designee, and is not inconsistent with the agency's comprehensive plan for community development.

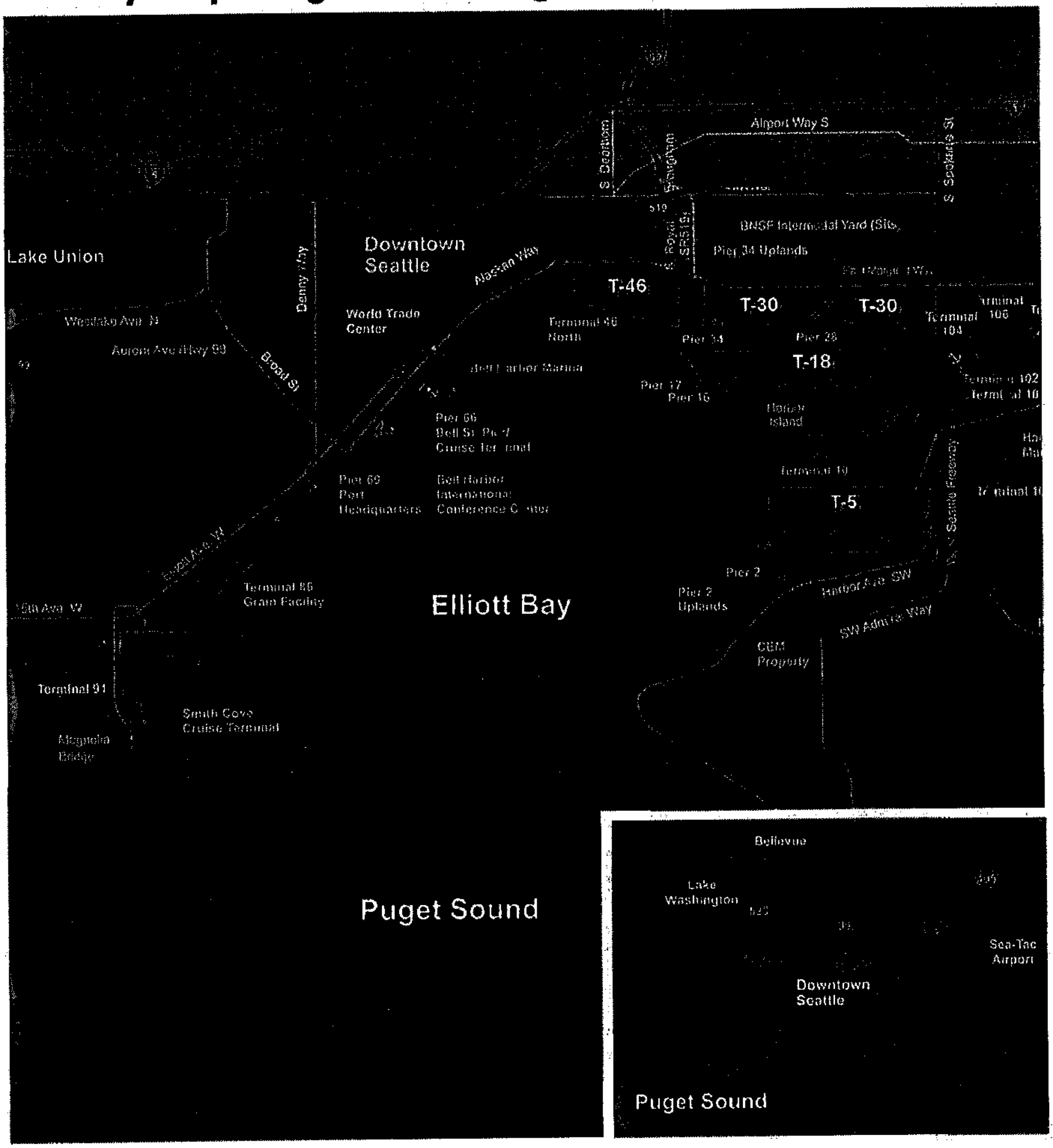
Agency Port of Seattle

Date ____________ By ____________

Mayor/Chairperson

Tay Yoshitani, Chief Executive Officer

Vicinity Map - Puget Sound Regional Clean Truck Program



LEGEND OF MAP SYMBOLS

Interstate	Recreational Moorage	Freeway
		Primary Road
State Highway	Public Shoreline Access & Parks	Secondary Road
		Railroad

Port of Seattle

Where a sustainable world is headed.™

Washington State Department of Transportation

Local Agency Agreement

Agency Port of Seattle

Address P. O. Box 1209
Seattle, WA 98111

CFDA No. 20.205
(Catalog of Federal Domestic Assistance)

Project No. ______

Agreement No. ______

For OSC WSDOT Use Only

The Local Agency having complied, or hereby agreeing to comply, with the terms and conditions set forth in (1) Title 23, U.S. Code Highways, (2) the regulations issued pursuant thereto, (3) 2 CFR 225, (4) Office of Management and Budget Circulars A-102, and A-133, (5) the policies and procedures promulgated by the Washington State Department of Transportation, and (6) the federal aid project agreement entered into between the State and Federal Government, relative to the above project, the Washington State Department of Transportation will authorize the Local Agency to proceed on the project by a separate notification. Federal funds which are to be obligated for the project may not exceed the amount shown herein on line r, column 3, without written authority by the State, subject to the approval of the Federal Highway Administration. All project costs not reimbursed by the Federal Government shall be the responsibility of the Local Agency.

Project Description

Name Puget Sound Regional Clean Truck Program Length N/A

Termini N/A

Description of Work

This project will result in air quality benefits by replacing or retrofitting 160 or more older polluting drayage trucks that serve Port of Seattle marine terminals with newer model years trucks and/or EPA-certified emission reduction retrofits to render them equivalent to a 2007 model year truck. Trucks that are not retrofitted will be scrapped.

	Type of Work	Estimate of Funding (1) Estimated Total Project Funds	(2) Estimated Agency Funds	(3) Estimated Federal Funds
PE	a. Agency			
____%	b. Other			
	c. Other			
Federal Aid Participation	d. State			
Ratio for PE	e. Total PE Cost Estimate (a+b+c+d)			
Right of Way	f. Agency			
____%	g. Other			
	h. Other			
Federal Aid Participation	i. State			
Ratio for RW	j. Total R/W Cost Estimate (f+g+h+i)			
Construction	k. Contract			
	l. Other (Consultants: Administration & Audit)	$ 727,281	$ 98,183	$ 629,098
	m. Other (Truck replacement/retrofit incentives)	$ 3,260,000	$ 440,100	$ 2,819,900
	n. Other			
86.5%	o. Agency	$ 100,000	$ 13,500	$ 86,500
Federal Aid Participation	p. State			
Ratio for CN	q. Total CN Cost Estimate (k+l+m+n+o+p)	$ 4,087,281	$ 551,783	$ 3,535,498
	r. Total Project Cost Estimate (e+j+q)	$ 4,087,281	$ 551,783	$ 3,535,498

Agency Official

By [signature]

Title Tay Yoshitani, Chief Executive Officer

Washington State Department of Transportation

By ______

Director of Highways and Local Programs

Date Executed ______

Construction Method of Financing *(Check Method Selected)*

State Ad and Award

☐ Method A - Advance Payment - Agency Share of total construction cost (based on contract award)

☐ Method B - Withhold from gas tax the Agency's share of total construction cost (line 4, column 2) in the amount of

$ ____________ at $ ____________ per month for ____________ months.

Local Force or Local Ad and Award

☒ Method C - Agency cost incurred with partial reimbursement

The Local Agency further stipulates that pursuant to said Title 23, regulations and policies and procedures, and as a condition to payment of the federal funds obligated, it accepts and will comply with the applicable provisions set forth below. Adopted by official action on

June 25, 2013 Resolution/Ordinance No. Motion on Item 6a passed (voting record attached)

Provisions

I. Scope of Work

The Agency shall provide all the work, labor, materials, and services necessary to perform the project which is described and set forth in detail in the "Project Description" and "Type of Work."

When the State acts for and on behalf of the Agency, the State shall be deemed an agent of the Agency and shall perform the services described and indicated in "Type of Work" on the face of this agreement, in accordance with plans and specifications as proposed by the Agency and approved by the State and the Federal Highway Administration.

When the State acts for the Agency but is not subject to the right of control by the Agency, the State shall have the right to perform the work subject to the ordinary procedures of the State and Federal Highway Administration.

II. Delegation of Authority

The State is willing to fulfill the responsibilities to the Federal Government by the administration of this project. The Agency agrees that the State shall have the full authority to carry out this administration. The State shall review, process, and approve documents required for federal aid reimbursement in accordance with federal requirements. If the State advertises and awards the contract, the State will further act for the Agency in all matters concerning the project as requested by the Agency. If the Local Agency advertises and awards the project, the State shall review the work to ensure conformity with the approved plans and specifications.

III. Project Administration

Certain types of work and services shall be provided by the State on this project as requested by the Agency and described in the Type of Work above. In addition, the State will furnish qualified personnel for the supervision and inspection of the work in progress. On Local Agency advertised and awarded projects, the supervision and inspection shall be limited to ensuring all work is in conformance with approved plans, specifications, and federal aid requirements. The salary of such engineer or other supervisor and all other salaries and costs incurred by State forces upon the project will be considered a cost thereof. All costs related to this project incurred by employees of the State in the customary manner on highway payrolls and vouchers shall be charged as costs of the project.

IV. Availability of Records

All project records in support of all costs incurred and actual expenditures kept by the Agency are to be maintained in accordance with local government accounting procedures prescribed by the Washington State Auditor's Office, the U.S. Department of Transportation, and the Washington State Department of Transportation. The records shall be open to inspection by the State and Federal Government at all reasonable times and shall be retained and made available for such inspection for a period of not less than three years from the final payment of any federal aid funds to the Agency. Copies of said records shall be furnished to the State and/or Federal Government upon request.

V. Compliance with Provisions

The Agency shall not incur any federal aid participation costs on any classification of work on this project until authorized in writing by the State for each classification. The classifications of work for projects are:

1. Preliminary engineering.
2. Right of way acquisition.
3. Project construction.

In the event that right of way acquisition, or actual construction of the road, for which preliminary engineering is undertaken is not started by the closing of the tenth fiscal year following the fiscal year in which the agreement is executed, the Agency will repay to the State the sum or sums of federal funds paid to the Agency under the terms of this agreement (see Section IX).

The Agency agrees that all stages of construction necessary to provide the initially planned complete facility within the limits of this project will conform to at least the minimum values set by approved statewide design standards applicable to this class of highways, even though such additional work is financed without federal aid participation.

The Agency agrees that on federal aid highway construction projects, the current federal aid regulations which apply to liquidated damages relative to the basis of federal participation in the project cost shall be applicable in the event the contractor fails to complete the contract within the contract time.

VI. Payment and Partial Reimbursement

The total cost of the project, including all review and engineering costs and other expenses of the State, is to be paid by the Agency and by the Federal Government. Federal funding shall be in accordance with the Federal Transportation Act, as amended, 2 CFR 225 and Office of Management and Budget circulars A-102 and A-133. The State shall not be ultimately responsible for any of the costs of the project. The Agency shall be ultimately responsible for all costs associated with the project which are not reimbursed by the Federal Government. Nothing in this agreement shall be construed as a promise by the State as to the amount or nature of federal participation in this project.

The Agency shall bill the state for federal aid project costs incurred in conformity with applicable federal and state laws. The agency shall minimize the time elapsed between receipt of federal aid funds and subsequent payment of incurred costs. Expenditures by the Local Agency for maintenance, general administration, supervision, and other overhead shall not be eligible for federal participation unless a current indirect cost plan has been prepared in accordance with the regulations outlined in 2 CFR 225 - Cost Principles for State, Local, and Indian Tribal Government, and retained for audit.

The State will pay for State incurred costs on the project. Following payment, the State shall bill the Federal Government for reimbursement of those costs eligible for federal participation to the extent that such costs are attributable and properly allocable to this project. The State shall bill the Agency for that portion of State costs which were not reimbursed by the Federal Government (see Section IX).

1. Project Construction Costs

Project construction financing will be accomplished by one of the three methods as indicated in this agreement.

Method A – The Agency will place with the State, within (20) days after the execution of the construction contract, an advance in the amount of the Agency's share of the total construction cost based on the contract award. The State will notify the Agency of the exact amount to be deposited with the State. The State will pay all costs incurred under the contract upon presentation of progress billings from the contractor. Following such payments, the State will submit a billing to the Federal Government for the federal aid participation share of the cost. When the project is substantially completed and final actual costs of the project can be determined, the State will present the Agency with a final billing showing the amount due the State or the amount due the Agency. This billing will be cleared by either a payment from the Agency to the State or by a refund from the State to the Agency.

Method B – The Agency's share of the total construction cost as shown on the face of this agreement shall be withheld from its monthly fuel tax allotments. The face of this agreement establishes the months in which the withholding shall take place and the exact amount to be withheld each month. The extent of withholding will be confirmed by letter from the State at the time of contract award. Upon receipt of progress billings from the contractor, the State will submit such billings to the Federal Government for payment of its participating portion of such billings.

Method C – The Agency may submit vouchers to the State in the format prescribed by the State, in duplicate, not more than once per month for those costs eligible for Federal participation to the extent that such costs are directly attributable and properly allocable to this project. Expenditures by the Local Agency for maintenance, general administration, supervision, and other overhead shall not be eligible for Federal participation unless claimed under a previously approved indirect cost plan.

The State shall reimburse the Agency for the Federal share of eligible project costs up to the amount shown on the face of this agreement. At the time of audit, the Agency will provide documentation of all costs incurred on the project.

The State shall bill the Agency for all costs incurred by the State relative to the project. The State shall also bill the Agency for the federal funds paid by the State to the Agency for project costs which are subsequently determined to be ineligible for federal participation (see Section IX).

VII. Audit of Federal Consultant Contracts

The Agency, if services of a consultant are required, shall be responsible for audit of the consultant's records to determine eligible federal aid costs on the project. The report of said audit shall be in the Agency's files and made available to the State and the Federal Government.

An audit shall be conducted by the WSDOT Internal Audit Office in accordance with generally accepted governmental auditing standards as issued by the United States General Accounting Office by the Comptroller General of the United States; WSDOT Manual M 27-50, Consultant Authorization, Selection, and Agreement Administration; memoranda of understanding between WSDOT and FHWA; and Office of Management and Budget Circular A-133.

If upon audit it is found that overpayment or participation of federal money in ineligible items of cost has occurred, the Agency shall reimburse the State for the amount of such overpayment or excess participation (see Section IX).

VIII. Single Audit Act

The Agency, as a subrecipient of federal funds, shall adhere to the federal Office of Management and Budget (OMB) Circular A-133 as well as all applicable federal and state statutes and regulations. A subrecipient who expends $500,000 or more in federal awards from all sources during a given fiscal year shall have a single or program-specific audit performed for that year in accordance with the provisions of OMB Circular A-133. Upon conclusion of the A-133 audit, the Agency shall be responsible for ensuring that a copy of the report is transmitted promptly to the State.

IX. Payment of Billing

The Agency agrees that if payment or arrangement for payment of any of the State's billing relative to the project (e.g., State force work, project cancellation, overpayment, cost ineligible for federal participation, etc.) is not made to the State within 45 days after the Agency has been billed, the State shall effect reimbursement of the total sum due from the regular monthly fuel tax allotments to the Agency from the Motor Vehicle Fund. No additional Federal project funding will be approved until full payment is received unless otherwise directed the Director of Highways and Local Programs.

X. Traffic Control, Signing, Marking, and Roadway Maintenance

The Agency will not permit any changes to be made in the provisions for parking regulations and traffic control on this project without prior approval of the State and Federal Highway Administration. The Agency will not install or permit to be installed any signs, signals, or markings not in conformance with the standards approved by the Federal Highway Administration and MUTCD. The Agency will, at its own expense, maintain the improvement covered by this agreement.

XI. Indemnity

The Agency shall hold the Federal Government and the State harmless from and shall process and defend at its own expense all claims, demands, or suits, whether at law or equity brought against the Agency, State, or Federal Government, arising from the Agency's execution, performance, or failure to perform any of the provisions of this agreement, or of any other agreement or contract connected with this agreement, or arising by reason of the participation of the State or Federal Government in the project, PROVIDED, nothing herein shall require the Agency to reimburse the State or the Federal Government for damages arising out of bodily injury to persons or damage to property caused by or resulting from the sole negligence of the Federal Government or the State.

XII. Nondiscrimination Provision

No liability shall attach to the State or Federal Government except as expressly provided herein.

The Agency shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any USDOT-assisted contract and/or agreement or in the administration of its DBE program or the requirements of 49 CFR Part 26. The Agency shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of USDOT-assisted contracts and agreements. The WSDOT's DBE program, as required by 49 CFR Part 26 and as approved by USDOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the Agency of its failure to carry out its approved program, the Department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S. C. 3801 et seq.).

The Agency hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the rules and regulations of the Secretary of Labor in 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to a grant, contract, loan, insurance, or guarantee or understanding pursuant to any federal program involving such grant, contract, loan, insurance, or guarantee, the required contract provisions for Federal-Aid Contracts (FHWA 1273), located in Chapter 44 of the Local Agency Guidelines.

The Agency further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the applicant so participating is a State or Local Government, the above equal opportunity clause is not applicable to any agency, instrumentality, or subdivision of such government which does not participate in work on or under the contract.

The Agency also agrees:

(1) To assist and cooperate actively with the State in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and rules, regulations, and relevant orders of the Secretary of Labor.

(2) To furnish the State such information as it may require for the supervision of such compliance and that it will otherwise assist the State in the discharge of its primary responsibility for securing compliance.

(3) To refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, government contracts and federally assisted construction contracts pursuant to the Executive Order.

(4) To carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the State, Federal Highway Administration, or the Secretary of Labor pursuant to Part II, subpart D of the Executive Order.

In addition, the Agency agrees that if it fails or refuses to comply with these undertakings, the State may take any or all of the following actions:

(a) Cancel, terminate, or suspend this agreement in whole or in part;

(b) Refrain from extending any further assistance to the Agency under the program with respect to which the failure or refusal occurred until satisfactory assurance of future compliance has been received from the Agency; and

(c) Refer the case to the Department of Justice for appropriate legal proceedings.

XIII. Liquidated Damages

The Agency hereby agrees that the liquidated damages provisions of 23 CFR Part 635, Subpart 127, as supplemented, relative to the amount of Federal participation in the project cost, shall be applicable in the event the contractor fails to complete the contract within the contract time. Failure to include liquidated damages provision will not relieve the Agency from reduction of federal participation in accordance with this paragraph.

XIV. Termination for Public Convenience

The Secretary of the Washington State Department of Transportation may terminate the contract in whole, or from time to time in part, whenever:

(1) The requisite federal funding becomes unavailable through failure of appropriation or otherwise.

(2) The contractor is prevented from proceeding with the work as a direct result of an Executive Order of the President with respect to the prosecution of war or in the interest of national defense, or an Executive Order of the President or Governor of the State with respect to the preservation of energy resources.

(3) The contractor is prevented from proceeding with the work by reason of a preliminary, special, or permanent restraining order of a court of competent jurisdiction where the issuance of such order is primarily caused by the acts or omissions of persons or agencies other than the contractor.

(4) The Secretary determines that such termination is in the best interests of the State.

XV. Venue for Claims and/or Causes of Action

For the convenience of the parties to this contract, it is agreed that any claims and/or causes of action which the Local Agency has against the State of Washington, growing out of this contract or the project with which it is concerned, shall be brought only in the Superior Court for Thurston County.

XVI. Certification Regarding the Restrictions of the Use of Federal Funds for Lobbying

The approving authority certifies, to the best of his or her knowledge and belief, that:

(1) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any federal agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any federal agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit the Standard Form - LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subgrants, and contracts and subcontracts under grants, subgrants, loans, and cooperative agreements) which exceed $100,000, and that all such subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification as a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Additional Provisions

Port of Seattle

COMMISSION REGULAR MEETING VOTES

Port of Seattle Commission

Tom Albro
Stephanie Bowman
Bill Bryant
John Creighton
Courtney Gregoire

Chief Executive Officer

Tay Yoshitani

Web site:
www.portseattle.org

E-mail:
Commission-public-records @portseattle.org

Port Commission:
(206) 787-3034

Meeting and Agenda Information:
(206) 787-3210

Our Mission:
The Port of Seattle is a public agency that creates jobs by advancing trade and commerce, promoting industrial growth, and stimulating economic development

Strategic Objectives:
- Position the Puget Sound region as a premier international logistics hub
- Advance this region as a leading tourism destination and business gateway
- Use our influence as an institution to promote small business growth and workforce development
- Be the greenest, and most energy efficient port in North America

Port of Seattle
Seattle-Tacoma International Airport
Airport Office Building
International Auditorium – Mezzanine Level South
Seattle, Washington 98158

REGULAR MEETING **Note: Commissioner Gregoire absent for all votes.**

Date: June 25, 2013

ORDER OF BUSINESS

12:00 noon 1. Call to Order
Recess to:
2. Executive Session, if necessary*
1:00 p.m. Call to Order or reconvene to Open Public Session**
3. Approval of Minutes
4. Special Order of Business
5. Unanimous Consent Calendar
6. Division, Corporate and Commission Action Items
7. Staff Briefings
8. New Business
9. Policy Roundtables
10. Adjournment

1. **CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

2. **EXECUTIVE SESSION*** - Pursuant to RCW 42.30.110, if necessary.

3. **APPROVAL OF MINUTES** – Any minutes available for approval will be listed on the Unanimous Consent Calendar below.

4. **SPECIAL ORDER OF BUSINESS**

4a. 2013 Fly Quiet Awards.

5. **UNANIMOUS CONSENT CALENDAR(Items 5a, 5b, 5c, and 5d, passed, 3-0; absent: Bryant, Gregoire)**

Notice: ***There will be no separate discussion of Consent Calendar items as they are considered routine by the Port of Seattle Commission and will be adopted by one motion. If a Commissioner or a member of the public requests discussion on a particular item, that item will be removed from the Consent Calendar and considered separately.***

5a. Approval of the minutes of the special meetings of April 24 and 25 and May 14, 28, and 29, 2013.

5b. Approval of the claims and obligations for the period of the May 1, 2013, through May 31, 2013, in the amount of $39,046,220.43.

5c. Authorization for the Chief Executive Officer to (1) advertise and execute a major construction contract in an amount not to exceed $1,595,319 for the Parking Garage Emergency Lights Project at Seattle-Tacoma International Airport and (2) authorize the use of Port crews to perform construction services. The total cost of the project, including expense, is $4,683,370 (CIP #C800230).

5d. Authorization for the Chief Executive Officer to execute a professional services indefinite delivery, indefinite quantity contract for project control services in the amount of $1,000,000 with a contract duration of three years and an ordering period of three years in support of upcoming capital improvement and major expense projects for Aviation, Seaport and Real Estate Divisions. There is no budget request associated with this authorization.

* ***An Executive Session may be held at any time after the convening time, if necessary.***
** ***Please silence all personal electronic devices during the Public Session.***

PUBLIC TESTIMONY: The Commission will take public testimony at this time consistent with the procedures noted at the bottom of this agenda.

6. **DIVISION, CORPORATE, AND COMMISSION ACTION ITEMS**

6a. Authorization for the Chief Executive Officer to: (1) execute a Local Agency Agreement with the Washington State Department of Transportation, substantially as drafted and attached to this request, to accept a Congestion Mitigation Air Quality (CMAQ) grant; and (2) proceed with the CMAQ–funded project that will replace or upgrade drayage trucks to the emissions equivalent of a 2007 model-year engine. The total project amount requested is $4,202,000, of which the Port will contribute $667,000.

(Passed, 4-0)

6b. Authorization for the Chief Executive Officer to complete design, to purchase construction materials and equipment, to utilize Port crews, to award contracts as allowed by Washington law, and to construct the work necessary to install a stand-alone heat source for building heat and domestic hot water at the Pier 66 Cruise Terminal and Bell Harbor Conference Center for an estimated cost of $1,350,000 bringing the total authorized amount of this project to $1,400,000 (CIP #C800625).

(Passed, 4-0)

6c. Authorization for the Chief Executive Officer to: (1) proceed with the construction phase of the Fishermen's Terminal Net Shed Buildings Code Compliance Project (enhanced Option 1) including use of Port crews to perform the work; and (2) execute contracts to purchase materials for the project for an estimated cost not to exceed $2,300,000 bringing the total authorization of the project to $2,950,000.

(Passed, 4-0)

6d. Authorization for the Chief Executive Officer to (1) execute a lease, substantially as drafted in the attached Exhibit 1, with the United Services Organization Northwest (USO) for a term of ten years, with two five-year options, for operation of the Airport service members' lounge located in the Main Terminal of the Seattle-Tacoma International Airport; (2) complete design of the Second Floor Utilities Preparations project at Seattle-Tacoma International Airport; (3) advertise and execute major construction contracts; and (4) utilize Port crews. The total amount of this request is $2,666,000, which is also the total projected program cost (CIP #C800615).

(Passed, 4-0)

6e. Authorization for the Chief Executive Officer to execute a contract with Northwest Center, consistent with RCW 39.23, to provide janitorial services at Pier 69, for a total amount of $1,017,125, for a five-year term with the option to extend for one additional five-year term.

(POSTPONED without objection)

6f. Authorization for the Chief Executive Officer to (1) proceed with the Security Checkpoint Wait Time Project at Seattle-Tacoma International Airport; (2) execute contracts to purchase hardware, software, vendor services, and construction design services; and (3) authorize the use of Port staff for implementation. The amount of this request is $1,325,000. The total project cost is estimated to be $3,600,000 (CIP #C800388).

(POSTPONED without objection)

6g. Approval of a motion adopting the Total Rewards Philosophy, which includes Overarching and Core Principles that guide management and administration of everything of value that the Port makes available to employees and their families as a result of their contributions to the Port's mission, including pay, benefits, learning and development, recognition, and participation in the Port experience.

(Passed, 4-0)

7. **STAFF BRIEFINGS**

7a. Draft Northwest Ports Clean Air Strategy Update.

7b. Quarterly Briefing – Update on the Airport's NorthSTAR Program.

7c. Briefing on the Port Property Insurance Renewal for the Policy Year beginning July 1, 2013.

8. **NEW BUSINESS**

9. **POLICY ROUNDTABLE**

None.

10. **ADJOURNMENT**

Action: Correction

County: King

Jurisdiction: Port of Seattle

Project Number: KGCO-139 **Title:** Puget Sound Regional Clean Truck Program

Phase	Programmed Year	Obligation Date	Funding Source	Federal Fund	State Funds	Local Funds	Phase Total
Construction	2013	1/1/2013	CMAQ	$4,830,785	$0	$551,783	$5,382,568

WSDOT PIN: **Totals:** $4,830,785 $0 $551,783 $5,382,568

Federal Aid/FTA Grant Number(s):

Functional Class: Not applicable (transit, enhancements, Etc.) **Improvement Type:** Other – Special

Location: Port of Seattle and Port of Tacoma marine terminals and truck parking lots in North Bend and Sumner. **From:** NA **To:** NA

MTP Status: Exempt **MTP Reference(s):** N/A

Description: **Total Cost:** $5,470,708 **Regionally Significant:** No **Environmental Status:** EA

The Port of Seattle, King County and Port of Tacoma jointly applied for a clean truck grant with the goal of reducing diesel truck emissions with three project elements. The project provides traffic congestion relief and air quality benefits. Element I: replaces more than 200 older polluting drayage trucks that serve Port of Seattle marine terminals with newer model year trucks (2007). Element II: provides electrification pedestals at truck parking lots in North Bend and Sumner, plus up to 22 Alternative Power Units (APU's) on port related trucks. Element III: provides Optical Character Recognition (OCR) and related improvements at two Port of Tacoma terminals resulting in congestion relief on Port of Tacoma Road and Fife/Tacoma stretch on I-5, and facilitating faster and more efficient access to Port facilities.

COST ESTIMATE - Port of Seattle - Puget Sound Regional Clean Truck Program

PROJECT BUDGET		**Dollars**	**Percent**	**Comments**
grant request	$	3,535,498	86.5%	
PO S 13.5% match	$	551,783	13.5%	
Total Grant Project Cost	$	**4,087,281**	**100%**	
Non-Eligible Costs	$	**115,000**		
	$	**4,202,281**		

PROJECT ADMINISTRATION		**Dollars**		**Comments**
Consultant Contract - program administrator	$	652,281		Program management including staffing trucker outreach center, truck evaluations, replacement, retrofit, scrappage. This figure does not include truck scrap incentives.
Consultant Contract - program auditor	$	75,000		Provide technical program mgmt assistance including program audits, records, projection on number of trucks & assoc. emission reductions as program evolves
POS staff time	$	100,000		Developing contracts, processing invoices, etc. (based on City of Tacoma's costs for similar program in 2012)
total admin cost	$	**827,281**		

TRUCK INCENTIVES		**Dollars**		**Comments**
Paid to truck owner as truck replaced	$	3,260,000		Assume 160 trucks at $20,000/truck, this may be paid directly by POS or by Consultant program administrator
total incentives	$	**3,260,000**	**$ 3,269,824.80**	

NON-eligible Port of Seattle costs (overhead & legal)				
Seaport Environmental overhead	$	65,000.00	65%	2013 rate is 65%
Other ineligible costs	$	50,000.00		
total non-eligible costs	$	**115,000.00**		

TRUCK SCRAPPAGE REVENUE		**Dollars**		**Comments**
Received from scrapping co's as trucks scrapped	$	(84,000.00)		REVENUE, NOT COST. Assume 120 trucks @ $700/truck (some trucks may be retrofitted instead of scrapped.) Program administrator to contract with scrapper.

Description of Work – Port of Seattle Puget Sound Regional Clean Truck Program

Key Tasks	Schedule
Grant obligation a) NEPA environmental documentation b) Commission authorization c) Local Agency Agreement executed	Jun- Aug 013
Program design a) Develop program parameters i. Eligibility criteria for truck owners to receive financial incentive ii. Eligibility criteria for truck technologies/retrofits equivalent to 2007 engine emissions	Aug– Sep 2013
Contracting a) Conduct acquisition planning process i. Program Administrator contract (see tasks below) ii. Program Auditor contract (see tasks below) b) Advertise and award contracts	Aug–Nov 2013
Implementation – project administration contract a) Open truck outreach center for potential applicant, to be in place for duration of program b) Conduct outreach campaign to advertise program c) Develop application forms & recordkeeping systems d) Process applications for financial assistance, including these steps: i. Assist truck owner in understanding program options ii. Verify truck owner and truck information on application forms iii. Obtain verification from truck owner that they will purchase eligible replacement truck and/or retrofits iv. Obtain other verification (affidavit) from truck owner indicating that eligibility criteria met v. Inspect vehicle and engine to verify odometer, engine serial number, date of manufacture of engine to be scrapped vi. Conduct lien search to verify ownership status of truck being scrapped or retrofit vii. Verify that registration and insurance coverage is up-to-date and active e) Process scrapping/retrofitting and incentive payout, including these steps i. Determine total allowable scrapping fee to be paid to truck owner ($20,000 for truck replacement, may be less for retrofits) ii. Obtain proof of purchase of replacement truck iii. Inspect replacement truck to verify program eligiblity iv. Work with scrapping company to ensure/verify full destruction of truck engine v. For retrofits, work with truck owner to determine appropriate technology and installation vi. Pay out clean truck incentive fee f) Maintain up-to-date records and reports	Dec 2013- Dec 2014
Implementation – project auditing contract a) . Audit performance of project administration contractor on a routine basis i. On-site review of truck owner application processing and recordkeeping ii. On-site review scrapping, truck replacement inspection/verification processing and recordkeeping iii. On-site review of payout processes and recordkeeping iv. Review of project progress tracking (number of vehicles scrapped and retrofitted, number and value of incentives paid out, calculations of associated air emission reductions) b) General support to Port Project Manager as needed	Dec 2013- Dec 2014
Closeout activities	Jan 2015

Washington State Department of Transportation

Local Agency Environmental Classification Summary

Part 1 - Project Description			
Federal Aid Project Number: [illegible]	Route: N/A	Date: 7/2/13	Intent of Submittal: ☐ Preliminary ■ Final ☐ Re-Evaluate
Agency: Port of Seattle	Federal Program Title: ■ 20.205 ☐ Other		
Project Title: Puget Sound Regional Clean Truck Program			
Beginning MP: N/A Ending MP: N/A Miles: N/A	Township(s): Township 24 North Range(s): Range 3 East and Range 4 East Section(s): Sections 6, 7, 12, 13, and 18		
County: King			

Project Description (Describe the proposed project, including the purpose and need for the project): **This project will result in air quality benefits by replacing 160 or more older polluting drayage trucks that serve Port of Seattle marine terminals with newer model year trucks and/or EPA-certified emission reduction retrofits to render them equivalent to a 2007 model year truck. This will be accomplished by providing financial incentives to truck owners to upgrade their trucks. Trucks that are not retrofitted will be scrapped.**

Part 2 - Environmental Classification

NEPA	SEPA
☐ Class I – Environmental Impact Statement (EIS)	■ Categorically exempt per WAC 197-11-800
■ Class II – Categorically Excluded (CE)	☐ Determination of Non-Significance (DNS)
CE Type (from 23 CFR 771.117) (c)17	☐ Environmental Impact Statement (EIS)
■ Projects Requiring Documentation (Documented CE) (LAG 24.22)	☐ Adoption
☐ Programmatic CE MOU	☐ Addendum
☐ Class III – Environmental Assessment (EA)	☐ Supplemental (For information purpose only)

NEPA Approval Signatures

[signature] Local Agency Approving Authority	July 5, 2013 Date
For [signature] Regional Local Programs Engineer	7-8-13 Date
[signature] Highways and Local Programs Environmental Engineer	7/9/13 Date
Programmatic DCE Federal Highway Administration	7/9/13 Date

Completed by (Print Official's Name):	Telephone (include area code):	E-mail address:
Janice Gedlund	206-787-7924	gedlund.j@portseattle.org

Washington State Department of Transportation

Local Agency Environmental Classification Summary

Part 1 - Project Description

Federal Aid Project Number:	Route: N/A	Date: 7/2/13	Intent of Submittal: ☐ Preliminary ■ Final ☐ Re-Evaluate

Agency: Port of Seattle	Federal Program Title: ■ 20.205 ☐ Other

Project Title:
Puget Sound Regional Clean Truck Program

Beginning MP: **N/A**	Township(s): **Township 24 North**
Ending MP: **N/A**	Range(s): **Range 3 East and Range 4 East**
Miles: **N/A**	Section(s): **Sections 6, 7, 12, 13, and 18**

County: **King**

Project Description (Describe the proposed project, including the purpose and need for the project): **This project will result in air quality benefits by replacing 160 or more older polluting drayage trucks that serve Port of Seattle marine terminals with newer model year trucks and/or EPA-certified emission reduction retrofits to render them equivalent to a 2007 model year truck. This will be accomplished by providing financial incentives to truck owners to upgrade their trucks. Trucks that are not retrofitted will be scrapped.**

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NEPA Approval Signatures

Local Agency Approving Authority — Date: July 5, 2013

Regional Local Programs Engineer — Date

Highways and Local Programs Environmental Engineer — Date

Federal Highway Administration — Date

Completed by (Print Official's Name):	Telephone (include area code):	E-mail address:
Janice Gedlund	206-787-7924	gedlund.j@portseattle.org

Part 3 - Permits, Approvals & Right of Way (ROW)

Yes	No	Permit or Approval	Yes	No	Permit or Approval
☐	■	Corps of Engineers ☐ Sec. 10 ☐ Sec. 404 ☐ Nationwide Type ____________ ☐ Individual Permit No. ____________	☐	■	Water Rights Permit
			☐	■	Water Quality Certification – Section 401 Issued by ____________
☐	■	Coast Guard Permit	☐	■	Tribal Permit(s) (if any) ____________
☐	■	Coastal Zone Management Certification	☐	■	Other Permits (List) ____________
☐	■	Critical Areas Ordinance (CAO) Permit	☐	■	ROW acquisition required? If yes, amount needed: ____________.
☐	■	Forest Practices Act Permit			
☐	■	Hydraulic Project Approval	☐	■	Is relocation required?
☐	■	Local Building or Site Development Permits	☐	■	Has ROW already been acquired for this project? If yes, attach responses to Appendix N in the ECS Guidebook.
☐	■	Local Clearing and Grading Permit			
☐	■	National Pollutant Discharge Elimination System (NPDES) Baseline General for Construction	☐	■	Has an offer been made or have negotiations begun to acquire ROW for this project? If yes, attach responses to Appendix N in the ECS Guidebook.
☐	■	Shoreline Permit			
☐	■	State Waste Discharge Permit	☐	■	Is a detour required? If yes, please attach detour information.
☐	■	TESC Plans Completed			

Part 4 - Environmental Considerations

Will the project involve work in or affect any of the following? Identify proposed mitigation.
Attach additional pages or supplemental information if necessary.

1. Air Quality - Identify any anticipated air quality issues.

Is the project included in the Metropolitan Transportation Plan? ■ Yes ☐ No

If Yes, date Metropolitan Transportation Plan was adopted 6/12/13

Is the project located in an Air Quality Non-Attainment Area or Maintenance Area for carbon monoxide, ozone or PM 10? ■ Yes ☐ No

Is the project exempt from Air Quality conformity requirements? ■ Yes ☐ No

If Yes, identify exemption – please refer to Appendix H in the ECS Guidebook for a list of exemptions. **Exempt per 40CFR 93.126 "other" category which does not lead to construction.**

2. Critical/Sensitive Areas – Identify any known Critical or Sensitive Areas as designated by local Growth Management Act ordinances.

a. Is this project within:
- an aquifer recharge area ☐ Yes ■ No
- a wellhead protection area ☐ Yes ■ No
- a sole source aquifer ☐ Yes ■ No

If located within a sole source aquifer, is the project exempt from EPA approval?

If Yes, please list exemption: ____________

If No, date of EPA approval: ____________

b. Is this project located in a Geologically Hazardous Area? ■ Yes ☐ No If yes, please describe:

Existing Port of Seattle container cargo facilities are located in filled, former aquatic area in south Elliott Bay and tideland area of the Duwamish River estuary. As marine industrial facilities constructed in filled upland areas, container cargo facilities are subject to liquefaction and are identified by City of Seattle Critical Area maps as within a liquefaction zone. Liquefaction potential zones are considered environmentally sensitive but not environmentally critical areas. However, please note that the proposed clean truck program includes no change in existing container cargo facilities, no grading or physical construction, and no change in land use. As a result, no potential seismic condition or hazard review/approval applies to the present proposal.

c. Will this project impact Species/Habitat other than ESA listed species? ☐ Yes ■ No Explain your answer.

Please note that the proposed project is limited to replacing and/or retrofitting approximately 160 older polluting trucks with cleaner engines or trucks. No increase in the number of trucks serving container cargo facilities, nor change in traffic patterns, is proposed or anticipated. No property acquisition or expansion of existing container cargo facilities is proposed. No construction in shoreland or upland areas is proposed and no aquatic area or riparian areas will result.

Is this project within Bald Eagle nesting territories, winter concentration areas or communal roosts? ■ Yes ☐ No

Existing container cargo facilities in south Elliott Bay are located in areas used by nesting and wintering bald eagles. The nearest known bald eagle nest site is within approximately 3000 feet of active container cargo operations. Bald eagles may be present in the area of all port container cargo facilities. However, bald eagles that have been observed near marine cargo facilities appear to be habituated to relatively high levels of marine industrial activity. Since the proposed clean truck program includes no change in existing container cargo facilities, no grading or physical construction, no change in traffic patterns and no change in land use; no disruption of bald eagles and their prey is anticipated.

Will blasting, pile driving, concrete saw cutting, rock drilling or rock scaling activities occur within one mile of a Bald Eagle nesting area? ☐ Yes ■ No

Part 4 - Environmental Considerations (continued)

d. Are wetlands present within the project area? ☐ Yes ■ No If Yes, estimate the impact in acres: ________
Please attach a copy of the proposed mitigation plan.

3. **Cultural Resources/Historic Structures** – Identify any historic, archaeological or cultural resources present within the project's Area of Potential Effects.

Does the project fit into any of the exempt types of projects listed in Appendix C of the ECS Guidebook?
☐ Yes ■ No If Yes, note exemptions below.

Project Description: The proposed project is limited to replacing and/or retrofitting approximately 160 older polluting trucks with cleaner engines or trucks. Improved trucks will serve existing container cargo facilities. No change in existing container cargo facilities, no grading or physical construction, no change in traffic patterns and no change in land use are anticipated. No cultural resources or historic structures are present at Port of Seattle marine cargo sites in south Elliott Bay.

Project areas/limits: Trucks serving Port of Seattle marine terminals make use of existing public right-of-way arterial and container cargo entrance/exit gates, and transit areas built and committed to industrial and marine industrial uses and activities. The project is located in Township 24N, Range 3E-4E, Sections 6, 7, 12, 13,18. (See attached vicinity map.)

Simple plans showing scope of work: N/A
Photographs of the general setting: N/A
Areas of ground disturbance: N/A
Information on known staging areas or borrow sites: N/A

If No: Date of DAHP concurrence: ____________________

Date of Tribal consultation(s) (if applicable): ____________________

Adverse effects on cultural/historic resources? ☐ Yes ☐ No

If Yes, date of approved Section 106 MOA: ____________________

4. Floodplains and Floodways

Is the project located in a 100-year floodplain? ☐ Yes ■ No

If Yes, is the project located within a 100-year floodway? ☐ Yes ■ No

Will the project impact a 100-year floodplain? ☐ Yes ■ No If Yes, describe impacts.

The proposed project is limited to replacing and/or retrofitting approximately 160 older polluting trucks with cleaner engines or trucks. Improved trucks will serve existing facilities built and committed to transfer of container cargo. Upland locations used by trucks delivering and receiving cargo containers are located above 100 year floodplain elevations. No floodway designations are present at port container cargo facilities. Please note that aquatic area adjacent to marine cargo facilities, including vessel berth areas is located in non-flow restricted flood plain area in south Elliott Bay and the East and West Waterways. No actions are proposed with the potential to affect floodplain areas.

5. Hazardous and Problem Waste – Identify potential sources and type(s).

Does the project require excavation below the existing ground surface? ☐ Yes ■ No

Is this site located in an undeveloped area (*i.e.* no buildings, parking or storage areas or agriculture (other than grazing) based on historic research? ☐ Yes ■ No

Is the project located within a one-mile radius of a site on a Confirmed or Suspected Contaminated Sites List (CSCSL) maintained by the Department of Ecology? ■ Yes ☐ No

Is this project located within a ½-mile radius of a site or sites listed on any of the following Department of Ecology databases? ■ Yes ☐ No If Yes, check the appropriate boxes below.

■ Voluntary Cleanup Program (VCP)

■ Underground Storage Tank (UST)

■ Leaking Underground Storage Tank (LUST)

Has site reconnaissance (windshield survey) been performed? ☐ Yes ■ No

If so identify any properties not identified in the database search that may affect the project (name, address and property use).

Based on the information above and project specific activities, is there a potential for the project to generate contaminated soils or groundwater? ☐ Yes ■ No

Please explain:

Trucks serving Port of Seattle marine terminals make use of existing public right-of-way arterial and container cargo entrance/exit gates. Trucks included in the retrofit/replacement program transit areas built and committed to industrial and marine industrial uses and activities, including those that have been assigned state and federal soil, ground water, and sediment contamination designations. Please note that the present proposal involves no ground disturbance or construction, no right-of-way acquisition, and no change in land use. Older trucks that are removed from service will be replaced will be scrapped in approved/licensed metal recycling and salvage facilities. All fluids drained from the trucks will be captured and disposed of by trained personnel using

best management practices consistent with local, state and federal requirements.

If you responded Yes to any of the above questions, contact your Region LPE for assistance before continuing with this form.

Part 4 - Environmental Considerations (continued)

6. Noise

Does the project involve constructing a new roadway? ☐ Yes ■ No

Is there a change in the vertical or horizontal alignment of the existing roadway? ☐ Yes ■ No

Does the project increase the number of through traffic lanes on an existing roadway? ☐ Yes ■ No

Is there a change in the topography? ☐ Yes ■ No

Are there auxiliary lanes extending 1-½ miles or longer being constructed as part of this project? ☐ Yes ■ No

If you answered Yes to any of the preceding questions, identify and describe any potential noise receptors within the project area and subsequent impacts to those noise receptors. Please attach a copy of the noise analysis if required.

If impacts are identified, describe proposed mitigation measures.

7. Parks, Recreation Areas, Wildlife Refuges, Historic Properties, Wild and Scenic Rivers, Scenic Byways and 4(f)/6(f) resources

a. Please identify any 4(f) properties within the project limits and the areas of impacts.

The proposed project includes replacing and/or retrofitting 160 older polluting trucks with cleaner engines or trucks. There will be no net increase in trucks, no right of way acquisition, no change in land use or traffic patterns, and no construction associated with the project. Please note that no 4(f) properties are present at port container cargo operational areas.

b. Please identify any 6(f) properties within the project limits and areas of impacts.

No 4(f) properties are present at port container cargo operational areas.

c. Please list any Wild and Scenic Rivers and Scenic Byways within the project limits.

No Wild and Scenic Rivers or Scenic Byways are present at port container cargo operational areas.

8. **Resource Lands** – Identify any of the following resource lands within 300 feet of the project limits and those otherwise impacted by the project.

a. Agricultural lands ☐ Yes ■ No If Yes, please describe all impacts.

If present, is the resource considered to be unique and prime farmland? ☐ Yes ☐ No
If Yes, date of project review by Natural Resource Conservation Service (NRCS): ____________

b. Forest/Timber ☐ Yes ■ No If Yes, please describe all impacts.

c. Mineral ☐ Yes ■ No If Yes, please describe all impacts.

Part 4 - Environmental Considerations (continued)

9. **Rivers, Streams (continuous or intermittent) or Tidal Waters**

a. Identify all waterbodies within 300 feet of the project limits or that will otherwise be impacted.

Fisheries WA Stream No.: ____________ Ecology 303d Report No.: ____________
(if known) Reason for 303d Listing: ____________
Date of Report: ____________

Waterbody common name: **Duwamish Waterway, Elliott Bay**

b. Identify stream crossing structures by type.

c. Water Resource Inventory Area (WRIA) No. and name: **WRIA 9**, **Green-Duwamish Watershed**

The project includes no change in existing container cargo facilities, no grading or physical construction, and no change in land use. Please note, however, that vessel berth areas at existing container cargo facilities are located in tidally influenced aquatic area in south Elliott Bay and the East and West Waterways.

10. **Tribal Lands** – Identify whether the project will impact any Tribal lands, including reservation, trust and fee lands.

Please note that the proposed project is limited to replacing and/or retrofitting 160 older polluting trucks with cleaner engines or trucks. There will be no net increase in trucks, no right of way acquisition, no change in land use and no construction associated with the project. As a result no Treaty tribe trust properties or Treaty access areas will be affected.

11. Visual Quality

Will the project impact roadside classification or visual aspects such as aesthetics, light, glare or night sky?

☐ Yes ■ No If Yes, please describe all impacts.

12. Water Quality/Stormwater

Has the NPDES municipal general permit been issued for this WRIA? ■ Yes ☐ No

Amount of existing impervious surface within the project limits: N/A

Net new impervious surface to be created as a result of this project: None

Will this project's proposed stormwater treatment facility be consistent with the guidelines provided by either WSDOT's HRM, DOE's western Washington stormwater manual or a local agency equivalent manual? ☐ Yes ☐ No

If No, explain proposed water quality/quantity treatment for the new and any existing impervious surface associated with the proposed project:

The purpose of this project is to reduce air pollution by removing or retrofitting 160 older trucks serving Port of Seattle marine terminals with newer, cleaner engines. Please note that anticipated reductions in particulate emissions from these trucks will indirectly improve water/storm water quality through reductions in atmospheric deposition. There will be no net increase in trucks, no right of way acquisition, no change in land use or traffic patterns, no construction, and no new storm water treatment facilities associated with the project. Older trucks that are removed from service will be replaced will be scrapped in a licensed salvage yard. All fluids drained from the trucks will be handled and disposed of by trained personnel using best management practices in accordance with all local, state and federal regulations.

Part 4 - Environmental Considerations (continued)

13. Commitments

a. **Environmental Commitments**

- Describe existing environmental commitments that may affect or be affected by the project – if any.

No change in existing environmental commitments would result from the present proposal. The project includes retrofit/replacement of container cargo drayage trucks serving port container cargo facilities, sites built and committed to marine industrial use. Existing container cargo sites have been constructed in phases over a period of decades and may include physical and operational conditions resulting from local, state, and federal approvals.

b. **Long-Term Maintenance Commitments**

- Identify the agency and/or department responsible for implementing maintenance commitments associated with this project.

Please refer to item 13.a, above.

14. Environmental Justice

Does the project meet any of the exemptions noted in Appendix F of the ECS Guidebook? ☐ Yes ■ No

If Yes, please note the exemption and appropriate justification in the space below. Findings should be confirmed using at least <u>two</u> information sources. Please refer to the ECS Guidebook for more information.

If No, are minority or low-income populations located within the limits of the project's potential impacts? ■ Yes ☐ No If No, attach appropriate data to support findings. If Yes, describe impacts and attach appropriate supporting documentation.

Per the attached Social & Community Impacts Decision Matrix, the proposed project will cause no impacts to known protected populations.

Part 5 - Biological Assessments and EFH Evaluations

1. Do any listed species potentially occur in the project's action area and/or is any designated critical habitat present within the project's action area? ■ Yes ☐ No **Please attach species listings.**

Affected ESA Listed Species	2. Will any construction work occur within 0.5 mile of any of the following?	3. Does the project involve blasting, pile driving, concrete sawing, rock-drilling or rock-scaling activity within one mile of any of the following?
Spotted Owl management areas (CSAs, MOCAs, designated critical habitat or potentially suitable nesting, roosting or foraging habitat?	☐ Yes ■ No	☐ Yes ■ No
Marbled Murrelet nest or occupied stand, designated critical habitat or potentially suitable habitat?	☐ Yes ■ No	☐ Yes ■ No
Western Snowy Plover designated critical habitat?	☐ Yes ■ No	☐ Yes ■ No
Is the project within 0.5 mile of marine waters? If Yes explain potential effects on Killer Whales and Steller's Sea Lion and on Marbled Murrelet foraging areas.	☐ Yes ■ No	☐ Yes ■ No
Killer Whale designated critical habitat?	☐ Yes ■ No	☐ Yes ■ No
Grizzly Bear potentially suitable habitat?	☐ Yes ■ No	☐ Yes ■ No

Part 5 - Biological Assessment and EFH Evaluations (continued)

Gray Wolf potentially suitable habitat?	☐ Yes ■ No	☐ Yes ■ No
Canada Lynx habitat?	☐ Yes ■ No	☐ Yes ■ No
Columbia White-tailed Deer potentially suitable habitat?	☐ Yes ■ No	☐ Yes ■ No
Woodland Caribou habitat?	☐ Yes ■ No	☐ Yes ■ No
Streaked Horned Lark proposed critical habitat or potentially suitable habitat?	☐ Yes ■ No	☐ Yes ■ No
Taylor's Checkerspot proposed critical habitat or potentially suitable habitat?	☐ Yes ■ No	☐ Yes ■ No

Mazama Pocket Gopher potentially suitable habitat?	☐ Yes ■ No	☐ Yes ■ No
Eulachon proposed critical habitat or potentially suitable habitat?	☐ Yes ■ No	☐ Yes ■ No
Rockfish proposed critical habitat or potentially suitable habitat??	☐ Yes ■ No	☐ Yes ■ No
A mature coniferous or mixed forest stand?	☐ Yes ■ No	☐ Yes ■ No

4. Will the project involve any in-water work? ☐ Yes ■ No
5. Will any construction work occur within 300 feet of any perennial or intermittent waterbody that either supports or drains to waterbody supporting listed fish? ☐ Yes ■ No
6. Will any construction work occur within 300 feet of any wetland, pond or lake that is connected to any permanent or intermittent waterbody? ☐ Yes ■ No
7. Does the action have the potential to directly or indirectly impact designated critical habitat for salmonids (including adjacent riparian zones)? ☐ Yes ■ No
8. Will the project discharge treated or untreated stormwater runoff or utilize water from a waterbody that supports or drains into a listed-fish supporting waterbody? ☐ Yes ■ No
9. Will construction occur outside the existing pavement? If Yes go to 9a. ☐ Yes ■ No

9a. Will construction activities occurring outside the existing pavement involve clearing, grading, filling or modification of vegetation or tree-cutting? ☐ Yes ■ No

10. Are there any Federally listed Threatened or Endangered plant species located within the project limits? If Yes, please attach a list of these plant species within the action area. ☐ Yes ■ No

Effect Determinations for ESA and EFH

If each of the questions in the preceding section resulted in a "No" response or if any of the questions were checked "Yes," but adequate justification can be provided to support a "no effect" determination, then check "No Effect" below. If this checklist cannot be used for Section 7 compliance (i.e., adequate justification cannot be provided or a "may effect" determination is anticipated), a separate biological assessment document is required.

	NMFS	USFWS
■ No Effect	________	________
☐ NLTAA - Date of Concurrence	________	________
☐ LTAA – Date BO Issued	________	________
☐ RRMP 4(d)	________	

EFH Determination

■ No Adverse Effect

☐ Adverse Effect – Date of NMFS's concurrence ________

Analysis for No Effects Determination – If there are any Yes answers to questions in Part 5, additional analysis is required. Please attach additional sheets if needed.

Species listed under the Endangered Species Act that may be present in the vicinity include Puget Sound Chinook salmon – threatened; Coastal-Puget Sound bull trout – threatened; Stellar sea lion – threatened; humpback whale – endangered; bald eagle—threatened; eulachon – threatened; bocaccio – endangered; canary rockfish – threatened; yelloweye rockfish – threatened. There will be no net increase in trucks, no right of way acquisition, no change in land use, no change in impervious surfaces, no increased stormwater flow or pollutant loading, and no construction associated with the project. Please note that no in-water work is proposed. No potential adverse effects to wetland, riparian, or shoreline areas supporting listed species or habitat important to listed species are anticipated.

Analysis for RRMP ESA 4(d) determination for NMFS

- **Maintenance Category** (check all that apply)

  ☐ 1. Roadway Surface ☐ 2. Enclosed Drainage Systems ☐ 3. Cleaning Enclosed Drainage Systems
  ☐ 4. Open Drainage Systems ☐ 5. Watercourses and Streams ☐ 6. Stream Crossings
  ☐ 7. Gravel Shoulders ☐ 8. Street Surface Cleaning ☐ 9. Bridge Maintenance
  ☐ 10. Snow and Ice Control ☐ 11. Emergency Slide/Washout Repair ☐ 12. Concrete
  ☐ 13. Sewer Systems ☐ 14. Water Systems ☐ 15. Vegetation

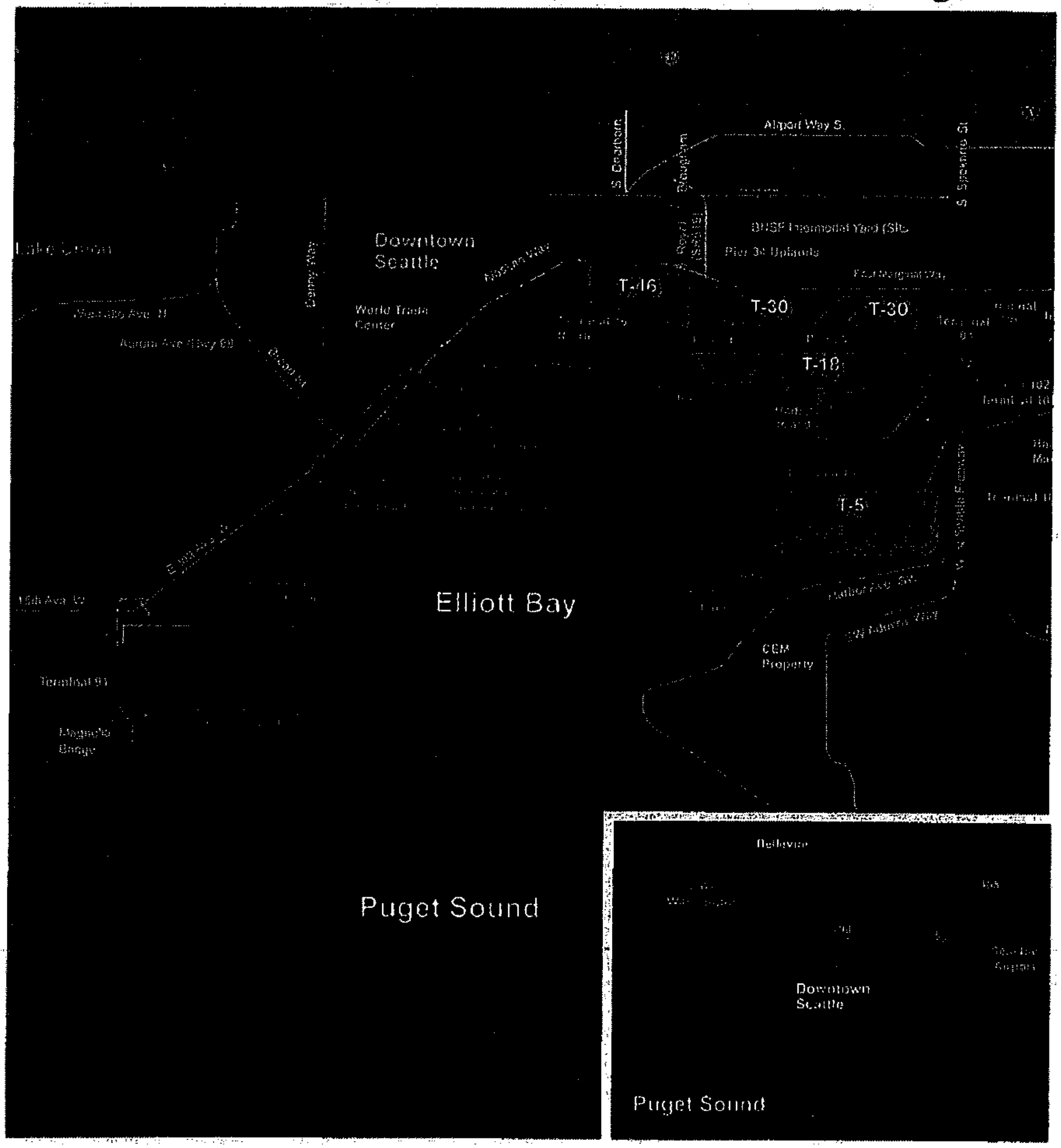
- **Describe how the project fits in the RRMP 4(d) Program:**

  N/A

Part 6 - FHWA Comments

Use supplement sheet if additional space is required to complete this section.

Vicinity Map - Puget Sound Regional Clean Truck Program



LEGEND OF MAP SYMBOLS

	Interstate		Recreational Moorage		Freeway
					Primary Road
	State Highway		Public Shoreline Access & Parks		Secondary Road
					Railroad

Port of Seattle
Where a sustainable world is headed.™

Attachment to Local Agency Environmental Classification Summary:
Port of Seattle - Puget Sound Regional Clean Truck Program 7/2/13

SOCIAL & COMMUNITY IMPACTS DECISION MATRIX

The following decision matrix is a step-wise approach that used a series of questions with Yes/No answers to provide direction on when additional analysis and documentation is appropriate for a proposed project. If additional documentation is necessary, consider all potential sources of impacts to protected populations in the analysis.

1) Are any protected populations present within the proposed limits of the project's impacts?
   Yes – proceed to question 2.

   No – Document findings on ECS and include demographics data; findings should be confirmed by using at least two information sources. No further analysis is required.

2) Does the proposed project:
   a) Require any right of way acquisition or relocations? ____Yes _X_No
   b) Require any traffic detours curing construction? ____Yes _X_No
   c) Result in any noise impacts to surrounding sensitive receptors, specific to affected populations present? ____Yes _X_No
   d) Result in any air quality impacts? ____Yes _X_No
   e) Result in changes to the access of the existing roadway, adjacent residences, or businesses? ____Yes _X_No
   f) Divide the community, restrict access to services, or affect the overall cohesion of the community? ____Yes _X_No
   g) Result in or increase exposure to hazardous materials or other health effects? ____Yes _X_No

If you answered Yes to any of the previous questions, documentation is required. The local agency must describe and analyze the proposed project's potential to result in impacts to protected populations. Consider all potential sources of impacts to protected populations in the analysis.

If you answered No to all of questions 2a through 2g, proceed to question 3.

3) Will the proposed project result in any other impacts to any known protected populations? ____Yes _X_No

   Yes – Describe and analyze the proposed project's potential to result in impacts to protected populations. Consider all potential sources of impacts to protected populations in the analysis. Also consider any offsetting benefits received specific to the affected population.

Attachment to Local Agency Environmental Classification Summary:
Port of Seattle - Puget Sound Regional Clean Truck Program 7/2/13

SOCIAL & COMMUNITY IMPACTS DECISION MATRIX

The following decision matrix is a step-wise approach that used a series of questions with Yes/No answers to provide direction on when additional analysis and documentation is appropriate for a proposed project. If additional documentation is necessary, consider all potential sources of impacts to protected populations in the analysis.

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   <u>Yes</u> – proceed to question 2.

   No – Document findings on ECS and include demographics data; findings should be confirmed by using at least two information sources. No further analysis is required.

2) Does the proposed project:
   a) Require any right of way acquisition or relocations? ____Yes _X_ No
   b) Require any traffic detours curing construction? ____Yes _X_ No
   c) Result in any noise impacts to surrounding sensitive receptors, specific to affected populations present? ____Yes _X_ No
   d) Result in any air quality impacts? ____Yes _X_ No
   e) Result in changes to the access of the existing roadway, adjacent residences, or businesses? ____Yes _X_ No
   f) Divide the community, restrict access to services, or affect the overall cohesion of the community? ____Yes _X_ No
   g) Result in or increase exposure to hazardous materials or other health effects? ____Yes _X_ No

If you answered Yes to any of the previous questions, documentation is required. The local agency must describe and analyze the proposed project's potential to result in impacts to protected populations. Consider all potential sources of impacts to protected populations in the analysis.

If you answered No to all of questions 2a through 2g, proceed to question 3.

3) Will the proposed project result in any other impacts to any known protected populations? ____Yes _X_ No

   Yes – Describe and analyze the proposed project's potential to result in impacts to protected populations. Consider all potential sources of impacts to protected populations in the analysis. Also consider any offsetting benefits received specific to the affected population.

LICENSE AGREEMENT

THIS LICENSE AGREEMENT ("Agreement") is entered into as of December 31, 2013 by and between the PORT OF SEATTLE, a Washington Municipal corporation ("the Port"), and PUGET SOUND CLEAN AIR AGENCY, a municipal corporation of the laws of the State of Washington, with headquarters located at 1904 3rd Avenue, Suite 105, Seattle, Washington, 98101 ("Licensee").

WHEREAS, the Port and Licensee have entered into an Interlocal Agreement dated December 31, 2013 for a drayage truck replacement program; and

WHEREAS, the Port has agreed to provide the Licensee with office space, office furniture and equipment, and all utilities and services to serve as a drayage truck outreach center; and

WHEREAS, the Port owns certain property located at Terminal 5 and commonly referred to the Container Freight Station ("CFS"), 3520 26th Ave SW, Seattle, Washington, 98106 ("the Premises"), and Licensee wishes to use approximately 2,050 square feet of office area, along with adjacent parking area (the "Premises"), to serve as a drayage truck outreach center in support of implementing the drayage truck scrappage and replacement program referred to as Scrappage and Replacement for Air in Puget Sound II ("the Permitted Use").

THEREFORE, in consideration of the mutual promises, covenants and conditions hereinafter set forth, the Port and Licensee agree as follows:

1. Agreement is a License. The relationship between the Port and Licensee is not one of landlord and tenant, but rather one of licensor and licensee. The incurrence of any costs with respect to the Premises or Permitted Use by Licensee shall in no way operate to confer upon Licensee any other interest, status, or estate of any kind other than licensee nor obligate the Port to enter into any agreement conferring such other interest. Licensee shall have no recourse against the Port for any breach hereunder.
2. Grant of Right. Subject to the terms and provisions of this Agreement, the Port hereby grants to Licensee the non-exclusive right to use the Premises to serve as a drayage truck outreach center for the Scrappage and Replacement for Air in Puget Sound II program. The Premises are shown on Exhibit "A" attached hereto and made a part hereof. The Port will have the ability to reconfigure the license area upon written notice delivered to Licensee.
3. Term. This License shall commence on April 1, 2014, and terminate on June 30, 2015. It shall not be subject to extension or renewal without the express written consent of the Port.
4. Terminal Security. Licensee will comply at all times with all local, state, and federal laws, rules, and regulations relating to security ("Security Laws") at any Port facility. If the Premises are subject to a government-approved security plan ("Security Plan"), Licensee will fully and promptly comply with the Security Plan. If the Premises are not

subject to a Security Plan and if Licensee undertakes any activity or handles any cargo that brings the Premises or surrounding area under the Security Laws, Licensee will be fully liable for all its costs and Port costs associated with complying with the Security Laws for the Premises and surrounding areas. Licensee will provide the Port evidence satisfactory to the Port that the appropriate government authority has approved any Licensee-prepared security plan. Licensee will be liable for any fines or penalties for its failure to comply with the Security Laws or the Security Plan whether assessed against Licensee or the Port.

5. Environmental. Licensee agrees to comply with all applicable rules and regulations of the Port pertaining to the Premises in existence or hereafter promulgated for water quality and pollution prevention, for the general safety and convenience of the Port, its various tenants, invitees, licensees and the general public. Licensee further agrees to comply with all applicable federal, state, and municipal laws, ordinances, and regulations, including without limitation those relating to environmental matters.

6. Utilities. The Port will provide or reimburse the Licensee for the following utility services to the Premises: phone service, internet connection, janitorial and garbage collection services, electricity, water, and security alarm monitoring. Furthermore, the Port will be responsible for payment for the surface water (drainage) management fee paid to King County. The Licensee shall be responsible for any other services required.

7. Licensee Responsible for Safety and Property. Licensee specifically accepts the Premises in their present condition on an as-is, where-is basis. Licensee's activities within, on or about the Premises shall be at Licensee's sole risk, and the Port shall not be responsible for the safety of Licensee, its employees, agents, licensees or invitees, or for the condition or loss of any items of personal property brought onto the Premises by any of them.

8. Compliance with Laws, Rules, and Regulations. Licensee shall, at its sole cost and expense, use and/or occupy the Premises solely: (i) in the manner contemplated by this License, (ii) in an orderly manner so as to avoid unreasonably interfering with or interrupting the normal business operations and quiet enjoyment of the other occupants of the Premises or adjoining properties or premises, and (iii) in full compliance with all applicable governmental laws, rules, regulations, and codes, specifically including those related to the protection of the environment and those promulgated by the Port for the general safety and convenience of its customers and the public. Licensee also shall, at its sole cost and expense, obtain any and all permits, licenses, and approvals that may be required in order to make lawful the Licensee's activities on the Premises.

9. Indemnification/Hold Harmless. Each party to this agreement shall be responsible for its own acts and/or omissions and those of its officers, employees and agents. No party to this agreement shall be responsible for the acts and/or omissions of entities or individuals not a party to this agreement.

10. Insurance. Licensee shall provide the following insurance coverage which it shall obtain from commercial insurance carriers and this coverage shall be maintained throughout the term of the License.

i. Commercial General Liability insurance on ISO Form CG 00 01 10 01 (or an equivalent policy form) for third party property damage, bodily injury, personal and advertising injury, and medical payments in an amount which is not less than $1,000,000 per occurrence and $2,000,000 annual aggregate.

ii. Licensee's insurance shall be primary and non-contributory with respect to any insurance the Port carries and apply separately to each insured. The Port shall be named as an additional insured on this policy.

a. Licensee shall submit to the Port a Certificate of Insurance which shows that it has obtained the required coverage(s) and a copy of the additional insured endorsement for the commercial general liability insurance policy.. The stated insurance limits shall not be construed as to relieve the Licensee from liability in excess of the limits. All deductibles or self-insurance retentions are the responsibility of Licensee.

b. Licensee shall have the option of providing a program of self-insurance in lieu of commercial insurance. "Self-Insurance" shall mean that Licensee is acting as though it were the insurance company providing the required insurance. Licensee will have to provide evidence to the Port that Licensee's self-insurance program demonstrates a financial worth of sufficient capacity to finance claims, losses, and defense obligations that would otherwise be covered by the commercial insurance specified above. If the Port does not accept in whole or in part, Licensee's self-insurance program, Licensee shall provide commercial insurance as required by this Section.

11. Termination of Agreement. Notwithstanding any specific term set forth in this License, the Port may terminate this License, in its sole discretion and for any reason whatsoever, effective upon delivery of written notice to Licensee at the address set forth above. In the event of termination, the Port will relocate Licensee to a different office space, as determined by the Port.

12. Attorneys' Fees. In the event of litigation or other action brought to enforce contract terms, each party agrees to bear its own attorneys' fees and costs.

13. Entire Agreement. This letter sets forth all covenants, promises, agreements, conditions and understandings between the Port and Licensee concerning the Premises, and there are no covenants, promises, agreements, conditions, or understandings, either oral or written, between the Port and Licensee other than as set forth in this Agreement. No subsequent alteration, amendment, change, or addition to this Licensee shall be binding upon the Port or Licensee unless reduced to writing and signed by both parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

PORT OF SEATTLE

By: ______________________
Print Name: Michael Burke
Its: Dr. Leasing & Asset Mgmt

PUGET SOUND CLEAN AIR AGENCY

By: ______________________
Print Name: Craig Kenworthy
Its: Executive Director

By: ______________________
Laurie Halvorson
Director of Compliance and Legal

Date: 12/30/13

EXHIBIT A

– PREMISES –

Terminal 5 Container Freight Station (CFS) Building