STATE OF WASHINGTON
DEPARTMENT OF ENTERPRISE SERVICES
1500 Jefferson Street SE, Olympia, WA 98501

June 28, 2012

Matthew L. Anderson, Facilities Director
Kittitas Valley Event Center
512 N. Poplar Street
Ellensburg, WA 98926

RE: Interagency Agreement No. 2012-ERG-584
Energy Conservation Project Management Services
Kittitas County

Enclosed is the above-referenced Agreement for signature. Please sign and return it to this office.

Please note that this Agreement is not binding upon the State of Washington until it is signed by the state's contracting officer; therefore, work will not begin until the Agreement is completely signed.

Should you have any questions or concerns, please contact me at (360) 407-9379.

Sincerely,

for Donna K. Albert, P.E.
Energy Engineer

DKA:af

Enclosures

Interagency Agreement

Date: June 28, 2012

Department of Enterprise Services
Interagency Agreement No: 2012-ERG-584

Interagency Agreement Between the
Department of Enterprise Services
and
Kittitas County

This Agreement, pursuant to Chapter 39.34 RCW, is made and entered into by and between the Department of Enterprise Services, Facilities Division, Engineering & Architectural Services, hereinafter referred to as "DES", and Kittitas County, hereinafter referred to as the "COUNTY".

The purpose of this Agreement is to establish a vehicle for DES to provide future Energy/Utility Conservation Project Management and Monitoring Services to the COUNTY and to authorize the development of the energy services proposal.

Now therefore, in consideration of the terms and conditions contained herein, or attached and incorporated by reference and made a part hereof, the above-named parties mutually agree as follows:

1. **Statement of Work**

   DES shall furnish the necessary personnel and services and otherwise do all things necessary for or incidental to the performance of the work set forth in Attachment "A" and Attachment "C", attached hereto and incorporated herein by reference. Unless otherwise specified, DES shall be responsible for performing all fiscal and program responsibilities as set forth in Attachment "A" and Attachment "C".

   Energy/Utility Conservation projects shall be authorized by Amendment to this Agreement.

2. **Terms and Conditions**

   All rights and obligations of the parties to this Agreement shall be subject to and governed by the terms and conditions contained in the text of this Agreement.

3. **Period of Performance**

   Subject to its other provisions, the period of performance of this master Agreement shall commence when this Agreement is properly signed, and be completed on **June 30, 2014** unless altered or amended as provided herein.

4. **Consideration**

   Compensation under this Agreement shall be by Amendment to this Agreement for each authorized project. Each Amendment will include a payment schedule for the specific project.

For Project Management Services provided by DES under Attachment "A" of this Agreement, the COUNTY will pay DES a Project Management Fee for services based on the total project value per Project Management Fees Schedule set forth in Attachment "B".

If the COUNTY decides not to proceed with an Energy/Utility Conservation project that meets COUNTY's cost effective criteria, then the COUNTY will be charged a Termination Fee per Attachment "B". The Termination Fee will be based on the estimated Total Project Value outlined in the Energy Audit and Energy Services Proposal prepared by Energy Services Company (ESCO).

If monitoring and verification services are requested by the COUNTY and provided by DES under Attachment "C" of this Agreement, the COUNTY will pay DES $2,000.00 annually for each year of monitoring and verification services requested.

Compensation for services provided by the ESCO shall be paid directly to the ESCO by the COUNTY, after DES has reviewed, approved and sent the invoices to the COUNTY for payment.

5. Billing Procedure

DES shall submit a single invoice to the COUNTY at substantial completion of each authorized project, unless the COUNTY requests a Special Billing Condition in the Amendment. Substantial completion of the project will include the delivery and acceptance of closeout documents and commencement of energy savings notification. Each invoice will indicate clearly that it is for the services rendered in performance of this Agreement and shall reflect both the Agreement and amendment number.

DES will invoice for any remaining services within 60 days of the termination of this Agreement.

6. Payment Procedure

The COUNTY shall pay all invoices received from DES within 90 days of receipt of properly executed invoice vouchers. The COUNTY shall notify DES in writing if the COUNTY cannot pay an invoice within 90 days.

7. Non-Discrimination

In the performance of this Agreement, DES shall comply with the provisions of Title VI of the Civil Rights Act of 1964 (42 USC 200d), Section 504 of the Rehabilitation Act of 1973 (29 USC 794), and Chapter 49.60 RCW, as now or hereafter amended. DES shall not discriminate on the grounds of race, color, national origin, sex, religion, marital status, age, creed, Vietnam-Era and Disabled Veterans status, or the presence of any sensory, mental, or physical disability in:

a) Any terms or conditions of employment to include taking affirmative action necessary to accomplish the objectives of this part and

b) Denying an individual the opportunity to participate in any program provided by this Agreement through the provision of services, or otherwise afforded others.

In the event of DES's non-compliance or refusal to comply with the above provisions, this Agreement may be rescinded, canceled, or terminated in whole or in part, and DES declared ineligible for further Agreement with the COUNTY. DES shall, however, be given a reasonable time in which to cure this noncompliance. Any dispute may be resolved in accordance with the "Disputes" procedure set forth therein.

8. Records Maintenance

The COUNTY and DES shall each maintain books, records, documents, and other evidence that sufficiently and properly reflect all direct and indirect costs expended by either party in the performance of the services described herein. These records shall be subject to inspection, review, or audit by personnel of both parties, other personnel duly authorized by either party, the Office of the State Auditor, and federal officials so authorized by law. DES will retain all books, records, documents, and other material relevant to this agreement for six years after expiration; and the Office of the State Auditor, federal auditors, and any persons duly authorized by the parties shall have full access and the right to examine any of these materials during this period.

9. Contract Management

a. The COUNTY Representative on this Agreement shall be:

Matthew L. Anderson, Facilities Director
Kittitas Valley Event Center
512 N. Poplar Street
Ellensburg, WA 98926
Telephone (509) 962-7639
Fax (509) 962-7010

The Representative shall be responsible for working with DES, approving billings and expenses submitted by DES, and accepting any reports from DES.

b. The DES Project Manager on this Agreement shall be:

Donna K. Albert, P.E.
Department of Enterprise Services
Facilities Division
Engineering and Architectural Services
PO Box 41012
Olympia, WA 98504-1012
Telephone (360) 407-9379

Donna Albert will be the contact person for all communications regarding the conduct of work under this Agreement.

10. 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.

11. Agreement Alterations and Amendments

The COUNTY and DES may mutually amend this Agreement. Such Amendments shall not be binding unless they are in writing and signed by personnel authorized to bind the COUNTY and DES or their respective delegates.

12. Termination

Except as otherwise provided in this Agreement, either party may terminate this Agreement upon thirty (30) days written notification. If this Agreement is so terminated, the terminating party shall be liable only for performance in accordance with the terms of this Agreement for performance rendered prior to the effective date of termination.

13. Disputes

If a dispute arises under this Agreement, it shall be determined in the following manner: The COUNTY shall appoint a member to the Dispute Board. The Director of DES shall appoint a member to the Dispute Board. The COUNTY and DES shall jointly appoint a third member to the Dispute Board. The Dispute Board shall evaluate the dispute and make a determination of the dispute. The determination of the Dispute Board shall be final and binding on the parties hereto.

14. Order of Precedence

In the event of an 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) Terms and Conditions
c) Attachment "A", Project Management Scope of Work; Attachments "B", Project Management Fees; and Attachment "C", Monitoring Services Scope of Work, and
d) Any other provisions of the Agreement incorporated by reference.

All Writings Contained Herein

This Agreement contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto.

AUTHORIZATION TO PROCEED

Agreed to and signed by:

Kittitas County	**Department of Enterprise Services** **Facilities Division** **Engineering & Architectural Services**
_____ Signature	_____ Signature
_____ Name	Roger Wigfield, P.E. Name
_____ Title	Energy Program Manager Title
_____ Date	_____ Date

The Department of Enterprise Services provides equal access for all people without regard to race, creed, color, religion, national origin, age, gender, sex, marital status, or disability. Contract information is available in alternative formats. For more information, please call Andrea Faust at (360) 407-9365.

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REVIEWED BY DES CONTRACT UNIT 7/5/12

ATTACHMENT A

Scope of Work
Energy/Utility Conservation Projects
Management Services

Statewide Energy Performance Contracting Program
Master Energy Services Agreement No. 2011-169

DES will provide the following project management services for each specific project for the COUNTY. Each individual project shall be authorized by Amendment to this Agreement.

1. Assist the COUNTY in the selection of an Energy Service Company (ESCO) consistent with the requirements of RCW 39.35A for local governments; or 39.35C for state agencies and school districts.

2. Assist in identifying potential energy/utility conservation measures and estimated cost savings.

3. Negotiate scope of work and fee for ESCO audit of the facility(s).

4. Assist in identifying appropriate project funding sources and assist with obtaining project funding.

5. Negotiate the technical, financial and legal issues associated with the ESCO's Energy Services Proposal.

6. Review and recommend approval of ESCO energy/utility audits and Energy Services Proposals.

7. Provide assistance during the design, construction and commissioning processes.

8. Review and approve the ESCO invoice vouchers for payment.

9. Assist with final project acceptance.

10. Provide other services as required to complete a successful energy performance contract.

ATTACHMENT B
Fee Schedule

2011-13 Interagency Reimbursement Costs
for Project Management Fees to Administer
Energy/Utility Conservation Projects

TOTAL PROJECT VALUE	PROJECT MANAGEMENT FEE	TERMINATION
5,000,001 6,000,000	$66,000	25,700
4,000,001 5,000,000	65,000	25,400
3,000,001 4,000,000	64,000	25,000
2,000,001 3,000,000	60,000	23,400
1,500,001 2,000,000	56,000	21,800
1,000,001 1,500,000	49,500	19,300
900,001 1,000,000	42,000	16,400
800,001 900,000	39,600	15,400
700,001 800,000	36,800	14,400
600,001 700,000	35,000	13,700
500,001 600,000	32,400	12,600
400,001 500,000	29,000	11,300
300,001 400,000	24,800	9,700
200,001 300,000	19,800	7,700
100,001 200,000	13,800	5,400
50,001 100,000	7,500	3,500
20,001 50,000	4,000	2,000
0 20,000	2,000	1,000

The project management fee on projects over $6,000,000 is 1.1% of the project cost. The maximum DES termination fee is $25,700.

1. These fees cover project management services for energy/utility conservation projects managed by DES's Energy Program.

2. Termination fees cover the selection and project management costs associated with managing the ESCO's investment grade audit and proposal that identifies cost effective conservation measures if the COUNTY decides not to proceed with the project through DES.

3. If the project meets the COUNTY's cost effectiveness criteria and the COUNTY decides not to move forward with a project, then the COUNTY will be invoiced per Attachment B Termination or $25,700.00 whichever is less. If the COUNTY decides to proceed with the project then the Agreement will be amended per Attachment B for Project Management Fee.

4. If the audit fails to produce a project that meets the COUNTY 's established Cost Effectiveness Criteria, then there is no cost to the COUNTY and no further obligation by the COUNTY.

ATTACHMENT C

Scope of Work
Energy/Utility Conservation Projects
Monitoring Services

Statewide Energy Performance Contracting Program
Master Energy Services Agreement No. 2011-169

If requested DES will provide the following monitoring services for each specific project for the COUNTY.

1. Monitor actual energy use and dollar costs, compare with the ESCO's annual Measurement and Verification (M&V) report and any ESCO guarantee, resolve differences, if needed, and approve any vouchers for payment.

2. Monitor facility operations including any changes in operating hours, changes in square footage, additional energy consuming equipment and negotiate changes in baseline energy use which may impact energy savings.

3. Provide annual letter report describing the ESCO's performance, equipment performance and operation, energy savings and additional opportunities, if any, to reduce energy costs.