



**INTERAGENCY/INTER-LOCAL AGREEMENT NUMBER X-40576
BETWEEN
ENERGY NORTHWEST AND JEFFERSON COUNTY PUD
TO PROVIDE TECHNICAL SERVICES AS REQUESTED**

As provided under RCW Title 39, Chapter 39.34, this Agreement for Technical Services (the "Agreement") is by and between Jefferson County PUD in the State of Washington, with offices located at 310 Four Corners Road, Port Townsend, WA 98368 (hereinafter referred to as "Jefferson"), and Energy Northwest, a municipal corporation and joint operating agency of the State of Washington and doing business by and through its Business Development Fund, with its principal office at 3000 George Washington Way, Richland, WA 99352 (hereinafter "Energy Northwest").

WHEREAS, Jefferson finds that Energy Northwest is willing to perform certain work hereinafter described in accordance with the provisions of this Agreement; and

WHEREAS, Jefferson finds that Energy Northwest is qualified to perform the work, all relevant factors considered, and that such performance will be in furtherance of Jefferson's business; and

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and intending to be legally bound, the parties hereto agree as follows:

1. SERVICES

Energy Northwest shall utilize its best efforts to provide Technical services, as may be required by Jefferson for the duration of this Agreement, as ordered by Jefferson, as budget and schedule allow.

Technical Services provided by Energy Northwest shall not conflict or interfere with work conducted by Jefferson Employees. For this reason a working foreman shall be assigned at all times to coordinate work assignments directly through Jefferson Management and/or Supervision. All services provided under this agreement shall be consistent with applicable and existing Energy Northwest union labor bargaining agreements, which remain unchanged and in effect.

Services shall be requested by the responsible Jefferson Manager by Work Release Authorizations to Energy Northwest as shown in paragraph 6.5. Work Release Authorizations will be issued using the form provided in Exhibit A to this agreement.

The exact Statement of Work, Period of Performance, Crafts and Labor Rates based on current local bargaining agreements, will be established prior to completion of the Work Release Authorization and agreed upon between the parties, once services have been requested by Jefferson. These Work Order Release Authorizations shall be incorporated as attachments to this Agreement when finalized, as provided in Exhibit A to this Agreement.

The period of performance for services under this agreement shall be defined in each Work Release Authorization, Exhibit A.

PAYMENT AND INVOICING TERMS

- 2.1 Payment for Services Jefferson shall pay Energy Northwest as follows:
Charges will be invoiced to Jefferson by Energy Northwest and will provide detail on the number of hour's chargeable, travel and subsistence charges, and any special services delivered as they are ordered / approved by Jefferson.
- 2.2 Reimbursable Costs Jefferson shall reimburse Energy Northwest all costs incurred in connection with the Services rendered, including, but not limited to, travel costs, subcontractors, materials (subcontract and materials costs include the supplier's invoiced cost to Energy Northwest plus Energy Services & Development Overhead charge), computer costs, telephone, copies, delivery that are attributable to a project or Service (the "Reimbursable Costs"). Energy Northwest shall provide to Jefferson substantiation of Reimbursable Costs incurred.
- 2.3 Invoicing Invoices will be submitted monthly by Energy Northwest for payment by Jefferson. Payment is due upon receipt and is past due thirty (30) days from receipt of invoice. If Jefferson has any valid reason for disputing any portion of an invoice, Jefferson will so notify Energy Northwest within seven (7) calendar days of receipt of invoice by Jefferson, and if no such notification is given, the invoice will be deemed valid. The portion of an invoice which is not in dispute shall be paid in accordance with the procedures set forth herein. That portion of the invoice in dispute shall be resolved in accordance with Section 6.7 of this Agreement within thirty (30) days of the receipt by Energy Northwest of the notice from Jefferson as provided in this section.
- Any attorney fees, court costs, or other costs incurred by Energy Northwest in collection of delinquent accounts shall be paid by Jefferson.
- 2.4 Taxes Jefferson shall pay all state, local sales and use taxes applicable to goods and services provided under this Agreement. Energy Northwest shall include sales tax charges, separately identified, in the Energy Northwest invoices to Jefferson.

2.5 Prevailing Wages. The Services shall be conducted by Energy Northwest supplemental personnel paid at least prevailing wages, as stated in RCW Title 39.

3. CHANGES

Jefferson may, with the approval of Energy Northwest, issue written directions within the general scope of any Services to be ordered. Such changes (the "Change Order") may be for additional work or Energy Northwest may be directed to change the direction of the work covered by the Task Order, but no change will be allowed unless agreed to by Energy Northwest in writing.

4. STANDARD OF CARE

Energy Northwest warrants that services shall be performed by personnel possessing competency consistent with applicable industry standards. No other representation, express or implied, and no warranty or guarantee are included or intended in this Agreement, or in any report, opinion, deliverable, work product, document or otherwise. Furthermore, no guarantee is made as to the efficacy or value of any services performed. THIS SECTION SETS FORTH THE ONLY WARRANTIES PROVIDED BY ENERGY NORTHWEST CONCERNING THE SERVICES AND RELATED WORK PRODUCT. THIS WARRANTY IS MADE EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY OR OTHERWISE.

5. LIABILITY

5.1 Limitation Energy Northwest's liability, including but not limited to Jefferson's claims of contributions and indemnification related to third party claims arising out of services rendered by Energy Northwest, and for any losses, injury or damages to persons or properties or work performed under the Agreement, shall be limited to the amount of payment received by Energy Northwest from Jefferson for the particular service that gave rise to the claim. Under no circumstances, shall Energy Northwest be liable for any special, indirect, consequential, lost profits, or punitive damages. Jefferson agrees to limit Energy Northwest's liability to Jefferson and any other third party for any damage on account of any error, omission or negligence to the amount indicated above and Jefferson shall indemnify and hold Energy Northwest harmless for any amount in excess of the above agreed to limit. The limitation of liability set forth herein is for any and all matters for which Energy Northwest may otherwise have liability arising out of or in connection with this Agreement, whether the claim arises in contract, tort (negligence of whatever degree), strict liability or otherwise.

Energy Northwest's cumulative liability to Jefferson under this Agreement is limited to the assets of the Business Development Fund of Energy Northwest. Obligations of

the Energy Northwest Business Development Fund are not, nor shall they be construed as, general obligations of Energy Northwest or other Energy Northwest projects or funds.

5.2 Remedy Jefferson's exclusive remedy for any claim relating to this Agreement will be for Energy Northwest, upon receipt of written notice, either (i) to use commercially reasonable efforts to cure, at its expense, the matter that gave rise to the claim for which Energy Northwest is at fault, or (ii) return to Jefferson the fees paid by Jefferson to Energy Northwest for the particular service provided that gave rise to the claim, subject to the limitation contained in Section 5.1. Jefferson agrees and hereby acknowledges that this remedy is adequate and serves its essential purpose.

5.3 Survival Articles 4 and 5 shall survive the expiration or termination of this Agreement for any reason.

6. MISCELLANEOUS

6.1 Insecurity and Adequate Assurances If reasonable grounds for insecurity arise with respect to Jefferson's ability to pay for the Services in a timely fashion, Energy Northwest may demand in writing adequate assurances of Jefferson's ability to meet its payment obligations under this Agreement. Unless Jefferson provides the assurances in a reasonable time and manner acceptable to Energy Northwest, in addition to any other rights and remedies available, Energy Northwest may partially or totally suspend its performance while awaiting assurances, without liability to Jefferson.

6.2 Severability Should any part of this Agreement for any reason be declared invalid, such decision shall not affect the validity of any remaining provisions, which remaining provisions shall remain in full force and effect as if this Agreement had been executed with the invalid portion thereof eliminated, and it is hereby declared the intention of the parties that they would have executed the remaining portion of this Agreement without including any such part, parts, or portions which may, for any reason, be hereafter declared invalid. Any provision shall nevertheless remain in full force and effect in all other circumstances.

6.3 Waiver Waiver or breach of this Agreement by either party shall not be considered a waiver of any other subsequent breach

6.4 Independent Contractor Energy Northwest is an independent contractor to Jefferson.

6.5 Notices All notices or other communications hereunder shall be in writing and shall be deemed given when delivered to the address specified below or such other address as may be specified in a written notice in accordance with this Section.

If to Energy Northwest:
Energy Northwest
Attn: Sherri Schwartz or Richard Shaff, Procurement, M/D 1040
P. O. Box 968
Richland, WA 99352-0968
Telephone: (509) 372-5072
Fax: (509) 377-4357
Email: slschwartz@energy-northwest.com

If to Jefferson:
Jefferson County PUD
Attn: Jim Parker
District Manager
310 Four Corners
Port Townsend, WA 98368
Office Phone: (360) 385-5800

Any party may, by notice given in accordance with this Section to the other parties, designate another address or person or entity for receipt of notices hereunder.

6.6 Assignment This Agreement is not assignable or transferable by either party without the written consent of the other party, which consent shall not be unreasonably withheld or delayed.

6.7 Disputes Energy Northwest and Jefferson recognize that disputes arising under this Agreement are best resolved at the working level by the parties directly involved. Both parties are encouraged to be imaginative in designing mechanism and procedures to resolve disputes at this level. Such efforts shall include the referral of any remaining issues in dispute to higher authority within each participating party's organization for resolution. Failing resolution of conflicts at the organizational level, then the parties may take other appropriate action subject to the other terms of this Agreement.

6.8 Section Headings Title and headings of sections of this Agreement are for convenience of reference only and shall not affect the construction of any provision of this Agreement.

6.9 Representations; Counterparts Each person executing this Agreement on behalf of a party hereto represents and warrants that such person is duly and validly authorized to do so on behalf of such party, with full right and authority to execute this Agreement and to bind such party with respect to all of its obligations hereunder.

6.10 Residuals Nothing in this Agreement or elsewhere will prohibit or limit Energy Northwest's ownership and use of ideas, concepts, know-how, methods, models, data, techniques, skill knowledge and experience that were used, developed or

gained in connection with this Agreement. Energy Northwest and Jefferson shall each have the right to use all data collected or generated under this Agreement.

6.11 Nonsolicitation of Employees During and for one (1) year after the term of this Agreement, Utility will not solicit the employment of, or employ Energy Northwest's personnel, without Energy Northwest's prior written consent. Similarly, Energy Northwest will not solicit the employment of, or employ Utility's personnel, without Utility's prior written consent.

6.12 Cooperation Jefferson will cooperate with Energy Northwest in taking actions and executing documents, as appropriate, to achieve the objectives of this Agreement. Jefferson agrees that the Energy Northwest's performance is dependent on Jefferson's timely and effective cooperation with Energy Northwest. Accordingly, Jefferson acknowledges that any delay by Jefferson may result in Energy Northwest being released from an obligation or scheduled deadline or in Jefferson having to pay extra fees for Energy Northwest's agreement to meet a specific obligation or deadline despite the delay.

6.13 Governing Law and Interpretation. This Agreement will be governed by and construed in accordance with the laws of Washington, without regard to the principles of conflicts of law. Each party agrees that any action arising out of or in connection with this Agreement shall be brought solely in courts of the State of Washington, in Benton County.

6.14 Entire Agreement; Survival This Agreement, including any Exhibits, states the entire Agreement between the parties and supersedes all previous contracts, proposals, oral or written, and all other communications between the parties respecting the subject matter hereof, and supersedes any and all prior understandings, representations, warranties, agreements or contracts (whether oral or written) between Jefferson and Energy Northwest respecting the subject matter hereof. This Agreement may only be amended by an agreement in writing executed by the parties hereto.

6.15 Force Majeure Energy Northwest shall not be responsible for delays or failures (including any delay by Energy Northwest to make progress in the prosecution of any Services) if such delay arises out of causes beyond its control. Such causes may include, but are not restricted to, acts of God or of the public enemy, fires, floods, epidemics, riots, quarantine restrictions, strikes, freight embargoes, earthquakes, electrical outages, computer or communications failures, and severe weather, and acts or omissions of subcontractors or third parties.

6.16 Use By Third Parties Work performed by Energy Northwest pursuant to this Agreement are only for the purpose intended and may be misleading if used in another context. Jefferson agrees not to use any documents produced under this Agreement for anything other than the intended purpose without Energy Northwest's written permission. This Agreement shall, therefore, not create any rights or benefits to parties other than to Jefferson and Energy Northwest.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year last below written:

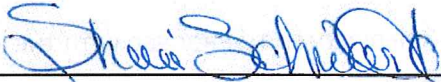
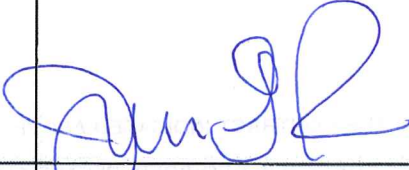

ENERGY NORTHWEST	JEFFERSON COUNTY PUD
	
Name: Sherri Schwartz	Name: Jim Parker
Title: Contracting Officer	Title: District Manager
Date: 10/2/14	Date: 10/2/14

Exhibit A


**ENERGY
NORTHWEST**
WORK RELEASE ORDER (WRO)
(FOR USE WITH BLANKET CONTRACTS)

Page _____ of _____

TO:	CONTRACT NO. <hr/> WORK RELEASE ORDER NO. (MUST BE SHOWN ON ALL INVOICES) <hr/> DATE
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UNDER THE PROVISIONS OF THE CONTRACT INDICATED ABOVE, YOU ARE DIRECTED TO PROCEED WITH THE WORK OUTLINED BELOW.
 IF FURTHER TECHNICAL INFORMATION IS REQUIRED, PLEASE CONTACT

1.0 SCOPE

2. START DATE:		3. ESTIMATED COMPLETION DATE:	
4. ESTIMATED COST:	TOTAL CONTRACT FUNDING:	COMMITTED TO DATE:	BALANCE:
5. SIGNATURES			
REQUESTER	INITIATING DEPARTMENT'S AUTHORIZED REPRESENTATIVE		
	CONTRACT ADMINISTRATOR		
6. RECEIPT ACKNOWLEDGED BY CONTRACTOR ON: <i>(Date)</i>	BY:	TITLE:	

- ENERGY NORTHWEST COPY - TO BE RETURNED TO CONTRACT ADMINISTRATOR
- CONTRACTOR COPY