



**INTERLOCAL COOPERATIVE AGREEMENT  
BETWEEN  
ENERGY NORTHWEST AND PUBLIC UTILITY DISTRICT NO. 1 OF WHATCOM COUNTY  
FOR SPECIALTY, TECHNICAL AND/OR PROFESSIONAL SERVICES AS REQUESTED**

As provided under Chapter §39.34 Revised Code of Washington (RCW), this Interlocal Cooperative Agreement for Technical and/or Professional Services (Agreement) is by and between 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 located at 345 Hills Street, Richland, WA 99352 (hereinafter referred to as "EN") and Whatcom Public Utility District No. 1 (PUD), a municipal corporation in the State of Washington, with its principal office located at 1705 Trigg Road, Ferndale, WA, 98248 (hereinafter referred to as "Agency").

**RECITALS**

WHEREAS the Interlocal Cooperation Act contained in Chapter 39.34 RCW authorizes local governments, such as the Parties to this Agreement, to contract for joint activities by which each of the Parties is individually authorized to perform to make the most efficient use of their respective resources; and

WHEREAS Agency desires to obtain the most cost effective technical and/or professional services to support its needs, which will be more fully described in forthcoming Work Release Orders (WROs); and

WHEREAS, EN has the capacity and willingness to perform certain technical and/or professional services for hereinafter described in accordance with the provisions of this Agreement and the attached will be addressed in subsequent WROs; and

WHEREAS Agency finds that after considering all relevant factors, that EN is qualified to perform the services needed and that such performance will further Agency '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. AUTHORITY AND PURPOSE

- 1.1 This Agreement is executed pursuant to Chapter 39.34 RCW as a cooperative endeavor of the Parties, as follows:
  - 1.1.1. RCW 39.34.010 permits local governmental units to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage and thereby to provide services and facilities in a manner and pursuant to forms of governmental organization that will accord best with geographic, economic, population and other factors influencing the needs and development of local communities.
  - 1.1.2. Pursuant to RCW 39.34.080, each Party is authorized to contract with any one or more public agencies to perform any governmental service, activity, or undertaking which each public agency entering the contract is authorized by law to perform; provided that such contract shall be authorized by the governing body of each Party to the contract and shall set forth its purposes, powers, rights, objectives, and responsibilities of the contracting parties; and
- 1.2 The purpose of this Agreement is to establish a contractual relationship under which Agency can procure specialty, technical or professional services from EN and EN can avail its employees for that purpose on an "as needed" basis to support needs of Agency , and to set forth the Parties respective rights, obligations, costs, and liabilities for this undertaking.
- 1.3 This Agreement shall be effective only upon execution by the Parties and filing with the Benton County Auditor and/or posting an electronic copy of the Agreement on the Parties' respective websites in compliance with RCW 39.34.040.

## 2. SCOPE OF WORK

- 2.1 The "Services" EN may provide under this Agreement include (but are not limited to) the following and will be more fully described in the WROs.
  - Staff Augmentation Services
    - Engineering
    - IT
    - Legal
  - Cyber/IT Services
  - Grant Services
  - Safety Consultation Services
  - Demand Voltage Reduction
  - Demand Response
  - Electric vehicle services
  - Constructions/Site Development Services
  - Hydropower Operations and Maintenance Services
  - Wind Turbine Operation and Maintenance Services
  - Calibration Services
  - Strategic Planning
  - Project Management
  - Environmental Services

- Enterprise Risk Management Services
- Membership subscription services (e.g., DEED)
- Human Resources/Recruiting Services

2.2 Services shall be requested by Agency 's General Manager (or designee) by WRO to EN. WRO's will be issued in accordance with the form provided in Exhibit A to this Agreement.

2.3 The exact Statement of Work, Period of Performance, and EN labor rates will be established prior to issuance of the WROs and agreed upon between the Parties once services have been requested by Agency . The Parties intend for the WROs to supplement this Agreement, and the WROs shall be in the form reflected in Exhibit A.

### 3. TERM

The duration of this Agreement, subject to its other provisions, shall be from its effective date when executed by both Parties until December 31, 2027, unless otherwise terminated by either Party consistent with the terms and conditions set forth in this Agreement.

### 4. PAYMENT AND INVOICING TERMS

4.1 Payment for Services Agency shall pay EN as follows:

Charges will be invoiced to Agency by EN and will provide detail on the number of hours chargeable, travel and subsistence charges, and any special services delivered as they are ordered/approved by Agency and as outlined in the WRO.

4.2 Reimbursable Costs The [Agency] shall reimburse Energy Northwest for all reasonable 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 attributable to a project or Service (Reimbursable Costs). Hourly billable rates are subject to two annual adjustments (increase or decrease) during Energy Northwest's fiscal year (FY). Adjustments to rates are based on Energy Northwest's executive board approved overhead rates on or about May of each year and are applied to the next FY (July 1), and cost-of-living adjustments applied in August of each year. Energy Northwest shall provide to the [Agency] substantiation of Reimbursable Costs incurred.

4.3 Invoicing Invoices will be submitted monthly by EN for payment by Agency . Payment is due upon receipt and is past due thirty days from receipt of invoice. If Agency has any valid reason for disputing any portion of an invoice, Agency will so notify EN in writing within seven days of receipt of invoice by Agency , 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 8.8 of this Agreement within thirty days of the receipt by EN of the notice from Agency as provided in this section.

Reasonable attorney fees, court costs, or other costs incurred by EN in collection of delinquent accounts shall be paid by the Agency .

- 4.4 Taxes Agency shall pay all state, local sales and use taxes applicable to goods and services provided under this Agreement. EN shall include sales tax charges, separately identified, in the EN invoices to Agency .4.5 Prevailing Wages Where public work will be performed for Agency , EN shall pay the workers at least prevailing wages, as required under RCW Title 39.12.

5. CHANGES

Agency may, with the approval of EN, issue written directions within the general scope of any Services to be ordered. Such changes shall constitute a Change Order for additional work or a change in the work covered by the WRO, but no change will be allowed unless agreed to by EN in writing. Any such approved Change Order may result in an adjustment to Cost or Schedule or both for the Services.

6. STANDARD OF CARE -WARRANTY

EN warrants that services shall be performed by personnel possessing competency consistent with applicable industry standards. Such warranty will be effective for a period of thirty days from the date of acceptance of the performance of such service. 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 unless specifically set forth in the applicable WRO. Additionally, no guarantee is made as to the value of any services performed.

For the foregoing warranty to apply, a written claim must be made to EN as soon as reasonably practicable after the non-conformance is detected by Agency and in no event later than the expiration of the aforesaid warranty period. Agency agrees and hereby acknowledges that this remedy is adequate and serves its essential purpose.

THIS SECTION SETS FORTH THE SOLE AND EXCLUSIVE WARRANTY PROVIDED BY EN 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.

7. INDEMNIFICATION AND LIABILITY

- 7.1 Indemnification Each party shall indemnify, defend, and hold the other Party, its departments, elected and appointed officials, employees, and agents, harmless from and against any and all claims, demands, damages, losses, actions, liabilities, costs, and expenses, including reasonable attorney's fees, for any bodily injury, sickness, disease, or death, or any damage or destruction of property, including the loss of use therefrom, which are alleged or proven to be caused in whole or in part by a negligent act or omission of the other Party, its officials (elected or appointed), officers, directors, employees and agents.

If the claim, suit or action for injuries, death or damages as provided for in the preceding paragraph is caused by or results from the concurrent negligence of the Parties or their respective agents or employees, the indemnity provision shall be valid and enforceable only to the extent of the indemnitor's/indemnitee's negligence.

7.2 Industrial Insurance Act The indemnification obligations contained in this Section 7.1 shall not be limited by any worker's compensation, benefit or disability laws, and each indemnifying party hereby waives any immunity that said indemnifying party may have under the Washington Industrial Insurance Act, Title 51 RCW, and similar worker's compensation, benefit, or disability laws. THE PARTIES ACKNOWLEDGE BY THEIR EXECUTION OF THIS AGREEMENT THAT EACH OF THE INDEMNIFICATION PROVISIONS OF THIS AGREEMENT (SPECIFICALLY INCLUDING BUT NOT LIMITED TO THOSE RELATING TO WORKER'S COMPENSATION BENEFITS AND LAWS) WERE SPECIFICALLY NEGOTIATED AND AGREED TO BY THE PARTIES AFTER AN OPPORTUNITY TO CONSULT WITH COUNSEL.

7.3 Limitation of Liability Except for the indemnifications set forth in Section 7.1, neither Party shall be liable for any special, indirect, consequential, lost profits, or punitive damages. The limitation of liability set forth herein is for any and all matters for which the Parties 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, under any warranty, or under any other legal or equitable theory of law, of any nature arising at any time from any cause whatsoever.

Agency hereby agrees that to the fullest extent permitted by law, EN's total aggregate liability to Agency for any and all injuries, claims, losses, expenses or damages whatsoever arising out of or in any way related to the project or this Agreement from any causes or causes including EN's negligence, errors, omissions, strict liability, breach of contract or breach of warranty, shall not exceed the total sum paid to EN under the respective WRO issued under this Agreement. Notwithstanding the foregoing, the provisions of this Section 7.3 shall not apply to EN's obligations under Section 7.1.

7.4 Insurance Each Party hereto agrees to procure and maintain, at its expense liability insurance of \$1,000,000 per claim for protection against claims, including bodily injury and property damage claims, arising out of the performance or receipt of services under this Agreement caused by negligent acts, errors, or omissions for which it is legally liable. Each party hereto shall deliver to the other party, within ten days subsequent to execution of the Agreement by the parties and prior to commencing work, a Certificate of Insurance, identified on its face as the Agreement Number to which applicable, as evidence that policies providing such coverage and limits of insurance are in full force and effect, which Certificate shall provide that not less than thirty days advance notice will be given in writing to the other party hereto prior to cancellation, termination or alteration of said policies of insurance.

7.5 Survival. The Parties agree Sections 6 and 7 shall survive the expiration or termination of this Agreement.

## 8. MISCELLANEOUS

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

- 8.2 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.
- 8.3 Waiver Waiver or breach of this Agreement by either Party shall not be considered a waiver of any other subsequent breach
- 8.4 Independent Contractor EN is an independent contractor to Agency ; no personnel furnished by EN shall be deemed under any circumstances to be the agent, employee, or servant of Agency .
- 8.5 Termination Each Party shall have the right to terminate this Agreement with or without cause at any time during the initial or extended term of this Agreement by giving thirty days' written notice of the termination to the other party by regular mail to the person identified in Section 8.6. The termination will be effective on the thirty-first day from the date the written notice was sent.
- 8.6 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.

Energy Northwest:                      Energy Northwest  
Attn: Loreen Olds  
P. O. Box 968, MD1035  
Richland, WA 99352-0968  
Phone: (509) 372-5765  
[lcolds@energy-northwest.com](mailto:lcolds@energy-northwest.com)

Whatcom County PUD:                      Whatcom County PUD  
Attn: Chris Heimgartner  
PO Box 2308/1705 Trigg Road  
Ferndale, WA 98248  
Phone: (360) 384-4288 Ext. 19  
[chrish@pudwhatcom.org](mailto:chrish@pudwhatcom.org)

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

- 8.7 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.
- 8.8 Disputes EN and Agency recognize that disputes arising under this Agreement are best resolved at the working level by the Parties directly involved. Both Parties are encouraged to resolve disputes at this level. Such efforts shall include the referral of any remaining issues in dispute to higher authority within each 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 and as available at law.
- 8.9 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.
- 8.10 Representations; Counterparts Each person executing this Agreement on behalf of a Party 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 its obligations hereunder.
- 8.11 Residuals Nothing in this Agreement or elsewhere will prohibit or limit EN'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. EN and Agency shall each have the right to use all data collected or generated under this Agreement.
- 8.12 Non-solicitation of Employees During and for one year after the term of this Agreement, Agency will not solicit the employment of, or employ EN's personnel, without EN's prior written consent.
- 8.13 Cooperation Agency will cooperate with EN in taking actions and executing documents, as appropriate, to achieve the objectives of this Agreement. Agency agrees that the EN's performance is dependent on Agency 's timely and effective cooperation with EN. Accordingly, Agency acknowledges that any delay by Agency may result in EN being released from an obligation or scheduled deadline or in Agency having to pay extra fees for EN's agreement to meet a specific obligation or deadline despite the delay.
- 8.14 Governing Law and Interpretation This Agreement will be governed by and construed in accordance with the laws of the State 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.
- 8.15 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 Agency and EN respecting the subject matter hereof. This Agreement may only be amended by an agreement in writing executed by the Parties.

- 8.16 Force Majeure EN shall not be responsible for delays or failures (including any delay by EN 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.
- 8.17 Use by Third Parties Work performed by EN pursuant to this Agreement are only for the purpose intended and may be misleading if used in another context. Agency agrees not to use any documents produced under this Agreement for anything other than the intended purpose without EN's written permission. This Agreement shall not create any rights or benefits to parties other than to Agency and EN.
- 8.18 Entity Status This Agreement shall not require formation of any new governance entity. No property will be acquired or held, and no joint board or administrator is necessary to accomplish the purpose of this Agreement.
- 8.19 Audits Agency , shall, during the life of this Agreement, and for a period of three (3) years from the last day of the Agreement term, and at its sole expense, retain accurate books, records and original documentation (or to the extent approved by EN, photographs, or other authentic reproductions) which shall be freely disclosed to EN, its representatives, the Washington State Auditor, and the Bonneville Power Administration, to permit verification of performance and EN's entitlement to payment under this Agreement, and to support any change requests, termination claims or any other claim submitted by EN. A copy of these records shall be available to EN upon EN's request.
- 8.20 Public Records In the event a request under the Washington Public Records Act is received by either Party for records associated with this Agreement, the Parties shall cooperate with each other for purposes of responding to such requests.
- 8.21 Non-Discrimination The Parties agree not to discriminate in the performance of this Agreement on the basis of race, color, national origin, sex, age, religion, marital status, disabled or Vietnam era veteran status, or the presence of any physical, mental, or sensory handicap.



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

**WHATCOM COUNTY PUBLIC  
UTILITY DISTRICT NO. 1**

Accepted by: Chik

Name: Chris Heimgartner

Title: General Manager

Date: June 16, 2023

**ENERGY NORTHWEST**

DocuSigned by:  
Loreen Olds  
AA17AD3EA8C5462  
Accepted By: \_\_\_\_\_  
Loreen C. Olds  
Procurement Specialist II

Date: 6/19/2023

**EXHIBIT A**

**WORK RELEASE ORDER (WRO)  
INTERLOCAL AGREEMENT  
SAMPLE**

Whatcom County Public Utility Agency

Attn: x

x

Office Phone: x

Agreement No.: X- x

WRO No.: x

WRO Date:

Under the provisions of Agreement No. X-x, you are hereby authorized to proceed with the Work outlined below. If further technical information is required, contact the Energy Northwest (EN) Technical Representative, x, (509) 377-x, [xx@energy-northwest.com](mailto:xx@energy-northwest.com).

**1. STATEMENT OF WORK**

EN shall provide x.

Agency shall reimburse allowable travel and reimbursable expenses as defined by the Interlocal Agreement.

**2. PERIOD OF PERFORMANCE**

Estimated Start Date: X, 2022

Estimated Completion Date: X, 2022

**3. CONSIDERATION**

Compensation for the services provided shall be in accordance with this Agreement and under the terms of RCW 39.34.130. The Not to Exceed Cost for this WRO is \$X.00. Payment for satisfactory performance of the services shall not exceed this amount unless the parties mutually agree to a greater amount prior to the commencement of the services.

Agency shall reimburse allowable travel and reimbursable expenses as defined by the Inter-Local Agreement, Appendix A

**4. ENERGY NORTHWEST ADMINISTRATION**

Procurement Specialist; x, (509) 372-xx, [xx@energy-northwest.com](mailto:xx@energy-northwest.com)

Technical Representative; x, (509) 377-xx, [xx@energy-northwest.com](mailto:xx@energy-northwest.com)

**5. EXECUTION**

IN WITNESS WHEREOF, Agency and EN have executed this WRO No. XX to be included as part of Interlocal Agreement No. xx each by its proper respective officers and officials thereunto duly authorized the date written below.

**PUBLIC UTILITY AGENCY NO. 1  
OF WHATCOM COUNTY**

**ENERGY NORTHWEST**

Accepted By: \_\_\_\_\_

Accepted By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Certificate Of Completion**

Envelope Id: AAA66FDB80FD4F63B53A1B4B8DB6A215	Status: Completed
Subject: Complete with DocuSign: FULLY EXECUTED X-40775 ILA WHATCOM.pdf	
Source Envelope:	
Document Pages: 11	Signatures: 1
Certificate Pages: 1	Initials: 0
AutoNav: Disabled	Envelope Originator:
Envelope Stamping: Disabled	Loreen Olds
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	P.O. Box 968
	Richland, WA 99352-0968
	lcolds@energy-northwest.com
	IP Address: 66.119.205.190

**Record Tracking**

Status: Original	Holder: Loreen Olds	Location: DocuSign
6/19/2023 11:56:24 AM	lcolds@energy-northwest.com	
Security Appliance Status: Connected	Pool: FedRamp	
Storage Appliance Status: Connected	Pool: Energy Northwest	Location: DocuSign

**Signer Events**

Loreen Olds  
lcolds@energy-northwest.com  
Procurement Specialist II  
Energy Northwest  
Security Level: Email, Account Authentication (Optional)

**Signature**

DocuSigned by:  
*Loreen Olds*  
AA17AD3FA8C5462...  
Signature Adoption: Pre-selected Style  
Using IP Address: 66.119.205.190

**Timestamp**

Sent: 6/19/2023 11:56:36 AM  
Viewed: 6/19/2023 11:56:42 AM  
Signed: 6/19/2023 11:57:20 AM  
Freeform Signing

**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	6/19/2023 11:56:36 AM
Certified Delivered	Security Checked	6/19/2023 11:56:42 AM
Signing Complete	Security Checked	6/19/2023 11:57:20 AM
Completed	Security Checked	6/19/2023 11:57:20 AM
Payment Events	Status	Timestamps