INTERLOCAL AGREEMENT

This Interlocal Agreement ("Agreement") is entered into between the Puget Sound Clean Air Agency, (hereinafter referred to as the "Agency"), a municipal corporation of the laws of the State of Washington, and The Northwest Seaport Alliance, (hereinafter referred to as the "Alliance"), P.O. Box 1837, Tacoma, WA 98401.

WHEREAS, the Northwest Seaport Alliance is establishing a Clean Truck Loan-Loss Reserve program, the purpose of which is to provide loans to owners of older trucks to help them scrap the old units and purchase newer, cleaner models; and

WHEREAS, the Board of Directors of the Puget Sound Clean Air Agency deems it desirable to enter into an Agreement with the Alliance for the purposes of contributing to the Alliance’s Clean Truck Loan-Loss Reserve program; and

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

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

1. **Purpose and Scope of this Agreement.** The purpose of this Agreement is to provide $200,000 from the Agency to help launch the Alliance’s new Clean Truck Revolving Loan Fund (CTRLF). The CTRLF will provide revolving loans to truck owners serving marine terminals so that those owners can replace their older trucks and purchase trucks with 2007 and newer engines, in compliance with the goals of the Northwest Ports Clean Air Strategy. Upon the closure of the CTRLF, the Alliance shall return all $200,000 less any monies used to cover loan principal amounts, or portions of loan principal amounts, that have been defaulted on by a loan recipient; the Agency shall determine, in consultation with the Alliance, the amounts of defaulted monies that need not be returned to the Agency. If for any reason the Alliance is unable to form and launch the CTRLF before November 1, 2018, the Alliance shall return all Agency funds (in the amount of $200,000) to the Agency by November 30, 2018.

   A. **Duties of Agency**

      **Task 1: Provide Seed Funding for the CTRLF**

      The Agency shall pay $200,000 to the Alliance as seed funding to help the Alliance initiate its CTRLF.

      **Deliverable Date for Task 1:** Pursuant to the dates stated in §(1)(B) below, the Agency shall submit payment (in the amount of $200,000) to the Alliance within 30 days of receiving an invoice from the Alliance.
B. Duties of the Alliance

Task 1: Provide Funding for the CTRLF
The Alliance shall provide $1,000,000 to the CTRLF. The Alliance shall use the Agency’s funds to augment the CTRLF. The Alliance shall seek to obtain additional funding to add to the CTRLF from other sources, such as the Department of Ecology or other State agencies.

Deliverable Dates for Task 1: The Alliance shall make available its own funding (in the amount of $1,000,000) with the CTRLF by August 1, 2018. The Alliance shall issue an invoice to the Agency for $200,000 by August 31, 2018. The Alliance shall continue to augment the balance of the CTRLF if and as funds become available from additional sources.

Task 2: Establish and Administer the CTRLF
The Alliance shall establish loan-intake procedures and requirements, contract with intake and loan service providers as needed, and administer the CTRLF, reserving all oversight functions to itself. If for any reason the CTRLF is not established and operating on November 1, 2018, the Alliance shall return the full amount of Agency’s seed money ($200,000) to the Agency.

Deliverable Dates for Task 2: The Alliance shall establish the CTRLF and start accepting applications no later than October 31, 2018. If the CTRLF is not operating on November 1, 2018, the Alliance shall return the Agency’s $200,000 seed money to the Agency by November 30, 2018.

Task 3: Close Out the CTRLF and Return Seed Money
Upon the satisfaction of all loans issued by the CTRLF, the Alliance shall close out the CTRLF and return to the Agency $200,000, less any monies used to cover loan principal amounts, or portions of loan principal amounts, that have been defaulted on by a loan recipient; the Agency shall determine, in consultation with the Alliance, the amounts of defaulted monies that need not be returned to the Agency.

Deliverable Dates for Task 3: The Alliance shall issue a refund of $200,000 less any monies used to cover loan principal amounts, or portions of loan principal amounts, that have been defaulted on by a loan recipient; to the Agency within 30 days of the CTRLF being closed out or terminated under Section 6 of this Agreement.

2. Compensation. The total amount paid by the Agency for satisfactory performance of the work under this Agreement shall not exceed $200,000. The funding for this contract is provided by the Agency’s Civil Penalty Fund Balance and is part of the Agency’s Fiscal Year 2019 budget. Other than as specified above, no payments in advance or in anticipation of goods or services to be provided under this Agreement shall be made by the Agency.

To obtain payment, the Alliance shall submit an invoice to the Agency’s Manager of Finance and Purchasing. The invoice shall be paid within thirty (30) days after review and approval by the Project Manager.

3. Term. The effective date of this Agreement is July 1, 2018. Other than as specified above, no payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by the Agency. Any costs incurred prior to the effective date of this
contract will be at the sole expense and risk of the Alliance. The termination date of this Agreement is ninety (90) days after the Alliance closes out the Clean Truck Revolving Loan Fund.

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

<table>
<thead>
<tr>
<th>The Northwest Seaport Alliance</th>
<th>Agency Project Manager</th>
<th>Send Invoices To:</th>
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<tbody>
<tr>
<td>Sara Cederberg</td>
<td>Amy Fowler</td>
<td>Attn: Finance Manager</td>
</tr>
<tr>
<td>Senior Manager, The Northwest Seaport Alliance</td>
<td>Puget Sound Clean Air Agency</td>
<td>Puget Sound Clean Air Agency</td>
</tr>
<tr>
<td>P.O. Box 1837</td>
<td>1904 Third Avenue, Suite 105</td>
<td>1904 Third Avenue, Suite 105</td>
</tr>
<tr>
<td>Tacoma, WA 98401</td>
<td>Seattle, WA 98101</td>
<td>Seattle, WA 98101</td>
</tr>
<tr>
<td>Phone: (253) 428-8653</td>
<td>Phone: 206-689-4017</td>
<td>Phone: 206-689-4014</td>
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<tr>
<td>Fax:</td>
<td>Fax: (206) 343-7522</td>
<td>Fax: (206) 343-7522</td>
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<td>E-mail address:</td>
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<tr>
<td><a href="mailto:scederberg@nwseaportalliance.com">scederberg@nwseaportalliance.com</a></td>
<td><a href="mailto:amyf@psecleanair.org">amyf@psecleanair.org</a></td>
<td><a href="mailto:finance@psecleanair.org">finance@psecleanair.org</a></td>
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5. **Changes.** The parties may, from time to time, require changes in this Agreement. Only the Agency’s Project Manager and the Northwest Seaport Alliance Manager shall have the authority to negotiate changes on behalf of the Agency and the Northwest Seaport Alliance, respectively. The parties shall mutually agree to the changes by written amendment to the Agreement.

6. **Termination.** Either party may terminate this Agreement at any time with or without cause by giving a thirty day (30) written notice of such termination and by specifying the effective date of the termination. Upon termination of this Agreement, the Agency, in addition to any other rights provided in this Agreement, may require the Alliance to deliver to the Agency any property specifically produced or acquired for the performance of such part of this Agreement as has been terminated, provided however that any Agency funds relied on by the Northwest Seaport Alliance in administering the CTRLF prior to the date of the Agency’s notice of termination shall be returned to the Agency as provided in Section 1B above.

7. **Subcontracting.** Except as specified in Section 1, the Alliance shall not enter into subcontracts for any of the services or work contemplated under this Agreement without providing written notice to the Agency. In no event shall the existence of any subcontract operate to release or reduce the liability of Alliance to the Agency for any breach in the performance of the Alliance’s duties.

8. **Assignment.** The work provided under this Agreement, and any claim arising thereunder, is not assignable or delegable by either party, in whole or in part, without the express prior written consent of the other party.

9. **Indemnification.** 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. **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.

11. **Non-discrimination.** During performance of this Agreement, the parties shall comply with all federal, state and local nondiscrimination laws, regulations and policies, including but not limited to, Title VI of the Civil Rights Act and all implementing regulations.

**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: [Signature]

Paul Roberts
Board of Directors, Chair

Date: 8/15/18

**THE NORTHWEST SEAPORT ALLIANCE**

By: [Signature]

John Wolfie,
Chief Executive Officer

Date: 8-9-18

Attest:

By: [Signature]

Craig T. Kenworthy
Executive Director

Date: [Signature]

Approved as to Form:

By: [Signature]

Jennifer A. Dold
General Counsel

Date: 8/14/18

By: [Signature]

Carolyn Lake
Legal Counsel

Date: 8/9/18