

**INTERLOCAL AGREEMENT
No. 2015-1 BY & BETWEEN
THE PORT OF SEATTLE AND THE PORT OF TACOMA, AND AGREEMENT
WITH VANCOUVER FRASER PORT AUTHORITY,
RE: Northwest Ports Clean Air Strategy 2014
Implementation Report**

This Agreement is made and entered into on this 21st day of May, 2015

AMONG:

Port of Seattle having a place of business at 2711 Alaskan Way, Seattle, WA 98121, USA ("Seattle")

AND:

Port of Tacoma having a place of business at 1 Sitcum Plaza, Tacoma, WA 98421, USA ("Tacoma")

AND:

Vancouver Fraser Port Authority, a corporation established pursuant to the Canada Marine Act, with a place of business at 100 The Pointe, 999 Canada Place, Vancouver, British Columbia, Canada V6C 3T4 (the "Authority")

RECITALS:

WHEREAS Seattle, the Authority, and Tacoma have agreed to complete the annual 2014 Implementation Report for the Northwest Ports Clean Air Strategy (the "Report").

NOW THEREFORE, Seattle, Tacoma, and the Authority further agree as follows:

- 1) Purpose. The purpose of this Agreement is to establish the obligations of Seattle to administer the completion of the Report and the obligations of the Authority and Tacoma each to reimburse to Seattle one-third of the cost associated with facilitation and project management services to prepare the Report, as provided in the scope of work and cost of services outlined in Pinna Sustainability Inc.'s ("Pinna") scope of work, a copy of which is attached a Schedule "A" (the "Services").
- 2) Administration. The Report development will be administered by Seattle, in cooperation with Tacoma, and the Authority. No board will be

established to complete this effort. Seattle will be responsible for contracting, overseeing, and paying Pinna, for requesting information from Tacoma and the Authority, overseeing the drafting of the Report, arranging for teleconferences and any necessary meeting space, and circulating the draft Report for review by all parties. Finally, Seattle will oversee the production and distribution of the final Report.

- 3) Financing. The costs of the Services being provided by Pinna, whether incurred prior to or after this Agreement comes into effect, will be equally shared among Seattle, Tacoma and the Authority. Pinna will invoice Seattle directly for the cost of services. Seattle will pay Pinna and issue an invoice to Tacoma and the Authority for its respective portion of the costs. Seattle will use the funds provided by Tacoma and the Authority for payment to Pinna or for reimbursement of the respective portions already paid to Pinna by Seattle. Notwithstanding the foregoing, Tacoma and the Authority's respective share of the cost of the Services shall not exceed \$10,087 (USD) unless approved in writing by all of the parties and prior to the approval of any work performed by Pinna.
- 4) Effective Date. This Agreement shall become effective on the day it has been executed by all parties.
- 5) Termination and Withdrawal. This Agreement shall terminate thirty (30) days after the final Report is issued to the public, or upon payment of the final invoice from Pinna whichever is later.
- 6) Confidentiality and Use of Information.
 - i) Confidential Information. "Confidential Information" consists of documents, communications or mental impressions concerning or relating to the preparation or completion of the Report that have not been published or have not become a part of the public domain (e.g. the final draft Report and accompanying supporting information). The final Report, and its supporting information, are not Confidential Information. From time to time, the parties may either (1) elect to disclose or transmit Confidential Information to each other, to Pinna, or to the public stakeholders with mutual consent, or (2) be under a duty to disclose Confidential Information. Confidential Information may be disclosed to or transferred among the parties orally or in writing or by any other appropriate means of communication. The parties intend that no claim of attorney-client privilege or work product immunity or any

other privilege be waived as a result of exchange or transmittal of Confidential Information.

- ii) Maintenance of Confidentiality. The parties agree that all Confidential Information received from each other or Pinna shall be held in strict confidence by the receiving party, and that such Confidential Information shall be used only for conducting such activities that are necessary and proper to carry out the purposes of this Agreement. Each party shall take all necessary and appropriate measures to ensure that any person who is granted access to any Confidential Information or who otherwise assists the Consultant in connection with this Agreement, is familiar with the terms of this Agreement and complies with the terms hereof as they relate to the duties of such person.
- iii) Compelled Disclosure. If Confidential Information becomes the subject of a disclosure request pursuant to any legislation applicable, or an administrative or judicial order requiring disclosure by a party, the party may satisfy its confidentiality obligations under this Agreement by either (1) objecting to production of any such Confidential Information on grounds of confidentiality and/or any privilege, and seeking an order for protection from disclosure, or (2) promptly notifying the party that generated the Confidential Information at least thirty (30) days prior to any such required disclosure and informing the generating party of all material information concerning the required disclosure, so that the generating party may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. Unless such protective order is obtained, the party subject of the disclosure request will release to the public the requested information, including the Confidential Information.
- iv) Non-confidential Information. Nothing in this Agreement shall prevent the parties from disclosing to others or using in any manner information which the party can show:
 - (a) was known by a party prior to execution of this Agreement,
 - (b) has been published or has become part of the public domain other than by the acts, omissions or fault of other parties or their agents or employees in violation of this Agreement;
 - (c) has been furnished or made known to a party by third parties (other than those acting directly or indirectly for or on behalf of the parties);
 - (d) was obtained by a party in

some manner other than pursuant to this Agreement, as a matter of legal right, without any applicable restrictions on its disclosure; (e) was in the party's possession prior to the disclosure thereof by or on behalf of any of the parties; or (f) is information that has been made final pursuant to Report approval process, including both the final Report and the supporting information for the final Report.

- 7) Dispute Resolution. If and when there is a disagreement among the parties concerning any aspect of this Agreement that cannot be resolved, the aggrieved party may request appointment of a neutral mediator to resolve the dispute. Such request shall be a condition precedent to resorting to other remedies that the aggrieved party may have. The mediator shall be selected by common agreement between the parties; however, only the requesting party shall be responsible for paying the fees of the mediator. Each Port shall pay its own internal costs for participating in the mediation process. The entire mediation process shall last no longer than fourteen (14) days, starting with the request for appointment of the mediator.
- 8) Enforceability by Third Parties. This Agreement is not intended for the benefit of any person or entity not a signatory to this Agreement and is not enforceable by any third party.
- 9) Amendments. This Agreement may be amended only in writing by all parties
- 10) Severability. If any provision of this Agreement is deemed invalid or unenforceable, the balance of the Agreement shall remain in full force and effect.
- 11) Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.
- 12) Governing Law. This Agreement shall be construed under and in accordance with laws of the state of Washington, USA and venue shall lie in King County Superior Court.
- 13) Entire Agreement. This Agreement, including documents incorporated by reference, constitutes the entire understanding of the parties with respect to its subject matter.

- 14) No Joint Venture or Partnership. No joint venture or partnership is formed as a result of this Agreement. No employees or agents of any party shall be deemed, or represent themselves to be, employees of any of the other party.
- 15) Time Is Of The Essence. The requirements of this Agreement shall be carried out in a timely manner according to a schedule negotiated by and satisfactory to the parties.
- 16) 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.
- 17) Notices. Any notice, demand, request, consent, approval or communication that any party desires or is required to give to the other parties shall be in writing addressed to the other parties at the addresses as follows unless otherwise indicated by the parties to this Agreement:

Port of Seattle:

Ted J. Fick
Chief Executive Officer
Seaport Environmental and Planning
Seattle, WA, USA 98111
Fick.t@portseattle.org

Port of Tacoma:

John Wolfe
Chief Executive Officer
P.O. Box 1837
Tacoma, WA, USA 98401
jwolfe@portoftacoma.com

Vancouver Fraser Port Authority:


Carrie Brown
Director, Environmental Programs
100 The Pointe, 999 Canada Place
Vancouver, British Columbia, Canada V6C 3T4
Carrie.Brown@portmetrovanancouver.com

- 18) Receipt. Notice shall be deemed received on the date of actual delivery or the first attempted delivery as shown on the return

receipt if mailed with the United States Postal Service or Canada Post by certified mail, return receipt requested, otherwise receipt if presumed three days after deposit of mail into US Mail or Canada Post, as applicable.

IN WITNESS WHEREOF the parties hereto enter into this Agreement as of the date and year first written above.


PORT OF SEATTLE


Signature: 
Print Name: Ted J. Fick
Title: Chief Executive Officer
Date: _____

PORT OF TACOMA

Signature: _____
Print Name: John Wolfe
Title: Chief Executive Officer
Date: _____

VANCOUVER FRASER PORT AUTHORITY

Signature: 
Print Name: Carrie Brown
Title: Director, Environmental Programs
Date: _____

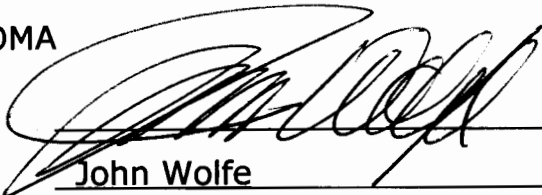
Signature: 
Print Name: Dean Readman
Title: Corporate Secretary
Date: _____

IN WITNESS WHEREOF the parties hereto enter into this Agreement as of
the date and year first written above.

PORT OF SEATTLE

Signature: _____
Print Name: Ted J. Fick
Title: Chief Executive Officer
Date: _____

PORT OF TACOMA

Signature:  _____
Print Name: John Wolfe
Title: Chief Executive Officer
Date: 5/21/15

VANCOUVER FRASER PORT AUTHORITY

Signature: _____
Print Name: Carrie Brown
Title: Director, Environmental Programs
Date: _____

Signature: _____
Print Name: Dean Readman
Title: Corporate Secretary
Date: _____

[End of Document]

ATTACHMENT A

SCOPE OF WORK

NWPCAS 2014 Implementation Report

The Northwest Ports Clean Air Strategy (the Strategy), a voluntary, collaborative effort between the Ports of Seattle, Tacoma and Metro Vancouver (B.C.) was originally adopted in 2008 as a collaboration between Port Metro Vancouver (PMV), Port of Seattle and Port of Tacoma, with support from Canadian and U.S. regulatory agencies. The strategy was updated in 2013 and contains overall airshed emission reduction goals with respect to shipping and port operations in the Georgia Basin. Sector specific emission reduction targets are also defined for 2015 and 2020. The Strategy focuses on reducing diesel particulate matter (DPM) and reducing greenhouse gas (GHG) emissions. An annual Implementation Report has been prepared to show progress made over the past year, and since adoption of the Strategy in 2008 and the 2013 revision.

Pinna will develop an Implementation Report that summarizes the actions that each port/partner took in 2014, and the results achieved in pursuit of emission reduction targets and goals established in the Northwest Ports Clean Air Strategy published in 2013. Development of the report includes developing a coordinated and collaborative approach to gathering and presenting the information to the multiple Strategy Partners. The report must show individual results by port and emissions source, as well an overall view of the collective impact of the NW Ports Clean Air Strategy's initiatives. The report should also provide a logical flow from strategies, to results, to plans for further action, and include both graphical representation of quantitative data and descriptions qualitative results, such as programs and initiatives.

Task 1 – Preliminary Conference Call

Pinna will meet with Port of Seattle Seaport Air Quality staff via teleconference to review project objectives, scope and schedule, background information. The Port of Seattle will schedule the call and set up up the conference call number.

Task 2 – Project Kick-Off Meeting or Conference Call

Pinna will lead a conference call with all of the Ports and Strategy Partners (Partners) to kick-off preparation of the 2014 Implementation Report. The Port of Seattle will coordinate and schedule the call or meeting and set up up the conference room or conference call number. Items to be covered include process and schedule for data collection, reporting, draft reviews; report structure/format; and setting dates and locations for subsequent meetings. In addition, at this meeting, Strategy Partners will share high level results from the past year and objectives for the coming year.

Pinna will prepare an agenda and any supporting documentation and facilitate this meeting. Following the meeting, Pinna will prepare meeting notes with action items highlighted.

Pinna will develop a spreadsheet template for data collection that is aligned with each sector target and Port. A draft of this template will be presented at the kick-off meeting.

Task 3 – Data Collection & Documentation

Pinna will finalize the data collection template, and send it along with notes from the kick-off meeting to the Partners for completion. Pinna will then conduct individual telephone interviews with the ports and Partners to identify data sources, clarify specific targets and identify initiatives or pilot projects to highlight in the report. Pinna will, in addition, verify that data will be submitted by the Partners in accordance with the project schedule.

Task 4 – First Draft of 2014 Implementation Report

Pinna will provide to the Partners a first draft of the 2014 Implementation Report. Following review, the Partners and Pinna will discuss the draft via teleconference. The Partners will then provide Pinna with their comments on the first draft on a "tracked-changes" version of the Word document.

Pinna will prepare an agenda for the teleconference and will facilitate the discussion. The Port of Seattle will schedule the call and set up up the conference call number.

Task 5 – Second Draft of Report

Pinna will provide the Partners with a second draft of the 2014 Implementation Report that incorporates the comments made by the Partners on the first draft. In addition to a "clean" copy of the draft, Pinna will provide a "tracked changes" version so that the Partners can identify the modifications. Partners will provide Pinna with comments on the second draft using the "tracked changes" feature of Word.

Task 6 – Third Draft of Report

If determined to be necessary, a third draft of the report will be prepared by Pinna and distributed to the Partners for review. In addition to a "clean" copy of the draft, Pinna will provide a "tracked changes" version so that the Partners can identify the modifications. Partners will provide Pinna with any comments on the second draft using the "tracked changes" feature of Word. The Port of Seattle will provide Pinna with the Partners' comments on this third draft.

If the Partners determine the need, a conference call will be held after the second, and/or third drafts of the report. Pinna will prepare an agenda and facilitate the discussion. The Port of Seattle will schedule the call(s) and set up the conference call number.

Task 7 – Final report

Pinna will incorporate final edits and desktop publishing. A conference call will be held with all of the Strategy Partners to discuss the final report, spreadsheet template and documentation.

Pinna will prepare an agenda for the teleconference and facilitate the discussion. In addition, Pinna will prepare meeting notes from the discussion. The Port of Seattle will schedule the call and set up the conference call number.

Task 8 – Project Closeout

Pinna presents final documents (i.e., report for publishing, meeting notes) to Partners and via conference call with the Port of Seattle, will provide any recommendations for future Implementation Reports.

The project milestones/deliverables (highlighted) are as follows:

Date (2015)	Action Items/Deliverables (highlighted)	Responsibility
April 1	Execute Contract	Port of Seattle/Pinna
April 6	Preliminary Conference Call	Port of Seattle/Pinna
April 15	Kick-Off conference call	Partners/Pinna
April 26	Data collection template and kick-off meeting notes provided to Partners	Pinna
May 8	Completed data templates provided to Pinna	Partners
May 21	1 st draft submitted to Partners	Pinna
May 27	Teleconference to discuss 1 st draft	Partners/Pinna
June 3	Comments on 1 st draft provided to Pinna	Partners
June 15	2 nd draft submitted to Partners	Pinna
June 24	Comments on 2 nd draft provided to Pinna	Partners
June 29	If necessary, teleconference to discuss 2 nd draft	Partners/Pinna
July 2	If necessary, 3 rd draft submitted to Partners	Pinna
July 10	If necessary, comments on 3 rd draft submitted to Pinna	Partners
July 17	Final Report submitted and final teleconference	Partners/Pinna
July 27	Project Close Out – present final document, and meeting notes and discuss outstanding issues	Port of Seattle/Pinna

ATTACHMENT B
SCHEDULE OF FEES

Proposed budget

Based on the tasks and schedule outlined above, the proposed budget to complete the work is shown in the following table.

	Pinna	Graphics	Total
Hourly rate	\$135	\$75	
1. Preliminary meeting & project management	8	-	\$ 1,080
2. Project kick-off teleconference	6	-	\$ 810
3. Data collection and documentation	78	-	\$ 10,530
4. First draft report and review call	48	-	\$ 6,480
5. Second draft report (optional call)	32	24	\$ 6,120
6. Third draft report (optional call)	8	-	\$ 1,080
7. Final draft	5	8	\$ 1,275
8. Project close-out	2	-	\$ 270
9. Contingency (5%)			\$1,382
TOTAL BUDGET			\$29,027