



# Meeting Agenda

## City Council

City Hall  
601 4th Avenue E  
Olympia, WA 98501

Information: 360.753.8244

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Tuesday, January 14, 2025

6:00 PM

Council Chambers, Online and  
Via Phone

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Register to Attend:

[https://us02web.zoom.us/webinar/register/WN\\_m\\_rwm1tfS623v7BudNWoeQ](https://us02web.zoom.us/webinar/register/WN_m_rwm1tfS623v7BudNWoeQ)

**1. ROLL CALL**

**1.A ANNOUNCEMENTS**

**1.B APPROVAL OF AGENDA**

**2. SPECIAL RECOGNITION**

- 2.A** [25-0050](#) Special Recognition - Swearing-In Ceremony of Newly Appointed City Councilmember
- 2.B** [25-0026](#) Special Recognition - Proclamation Recognizing Dr. Martin Luther King Jr. Day
- Attachments: [Proclamation](#)

**3. PUBLIC COMMENT**

*(Estimated Time: 0-30 Minutes) (Sign-up Sheets are provided in the Foyer.)*

*During this portion of the meeting, community members may address the City Council regarding items related to City business, including items on the Agenda. In order for the City Council to maintain impartiality and the appearance of fairness in upcoming matters and to comply with Public Disclosure Law for political campaigns, speakers will not be permitted to make public comments before the Council in these two areas: (1) where the public testimony may implicate a matter on which the City Council will be required to act in a quasi-judicial capacity, or (2) where the speaker promotes or opposes a candidate for public office or a ballot measure.*

*Individual comments are limited to two (2) minutes or less. In order to hear as many people as possible during the 30-minutes set aside for Public Communication, the City Council will refrain from commenting on individual remarks until all public comment has been taken. The City Council will allow for additional public comment to be taken at the end of the meeting for those who signed up at the beginning of the meeting and did not get an opportunity to speak during the allotted 30-minutes.*

**COUNCIL RESPONSE TO PUBLIC COMMENT (Optional)**

**4. CONSENT CALENDAR**

*(Items of a Routine Nature)*

- 4.A**     [25-0037](#)     Approval of January 7, 2025 City Council Meeting Minutes  
  
             Attachments:   [Minutes](#)
- 4.B**     [25-0035](#)     Approval of a Resolution Authorizing an Intergovernmental Services Agreement with Thurston Conservation District for Urban Agriculture Services  
  
             Attachments:   [Resolution](#)  
                                 [Agreement](#)  
                                 [Scope of Work](#)
- 4.C**     [25-0017](#)     Approval of a Resolution Authorizing a Lease Agreement between the City of Olympia and Thurston County Fire Protection District 3 for the Fire Fleet Vehicle Repair Facility Buildings  
  
             Attachments:   [Resolution](#)  
                                 [Agreement](#)
- 4.D**     [25-0032](#)     Approval of a Resolution Authorizing an Interlocal Agreement between Thurston County and the Cities of Lacey, Olympia, Tumwater and Tenino to Support Implementation of the 2025 “Energize Thurston” Heat Pump Group Purchase Campaign  
  
             Attachments:   [Resolution](#)  
                                 [Agreement](#)
- 4.E**     [25-0034](#)     Approval of a Resolution Authorizing a Municipal Services Agreement with South Puget Sound Habitat for Humanity for Energize Thurston 2025 Subsidized Pathway Program Administration  
  
             Attachments:   [Resolution](#)  
                                 [Agreement](#)

**4. SECOND READINGS (Ordinances) - None**

**4. FIRST READINGS (Ordinances) - None**

**5. PUBLIC HEARING**

**6. OTHER BUSINESS**

- 6.A**     [25-0036](#)     Approval of an Ordinance Amending Olympia Municipal Code Chapter 18.70 Related to Project Permitting Timelines to Ensure Compliance with Updates to State Law  
  
             Attachments:   [Ordinance](#)  
                                 [Olympia Planning Commission Recommendation](#)
- 6.B**     [25-0045](#)     Approval of the 2025 City Council Retreat Agenda

**Attachments:**   [Draft 2025 Retreat Agenda](#)

**7. CONTINUED PUBLIC COMMENT**

*(If needed for those who signed up earlier and did not get an opportunity to speak during the allotted 30 minutes)*

**8. COUNCIL INTERGOVERNMENTAL/COMMITTEE REPORTS AND REFERRALS**

**9. CITY MANAGER'S REPORT AND REFERRALS**

**10. EXECUTIVE SESSION**

- 10.A**   [25-0044](#)   Executive Session Pursuant to RCW 42.30.110(1)(i); Litigation and Potential Litigation

**10. ADJOURNMENT**

*The City of Olympia is committed to the non-discriminatory treatment of all persons in employment and the delivery of services and resources. If you require accommodation for your attendance at the City Council meeting, please contact the Council's Executive Assistant at 360.753.8244 at least 48 hours in advance of the meeting. For hearing impaired, please contact us by dialing the Washington State Relay Service at 7-1-1 or 1.800.833.6384.*



## City Council

### Special Recognition - Swearing-In Ceremony of Newly Appointed City Councilmember

**Agenda Date:** 1/14/2025  
**Agenda Item Number:** 2.A  
**File Number:**25-0050

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**Type:** recognition **Version:** 1 **Status:** Recognition

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**Title**

Special Recognition - Swearing-In Ceremony of Newly Appointed City Councilmember

**Recommended Action**

**Committee Recommendation:**

Not referred to a committee.

**City Manager Recommendation:**

Conduct a swearing in ceremony of the new City Councilmember that was appointed on January 13, 2025, to fill the recently vacated City Council position #5.

**Report**

**Issue:**

Whether to conduct a swearing in ceremony of the new City Councilmember that was appointed on January 13, 2025, to fill the recently vacated City Council position #5.

**Staff Contact:**

Susan Grisham, Assistant to the City Manager 360.753.8244

**Presenter(s):**

Sean Krier, City Clerk

Newly appointed Councilmember (to be appointed on January 13)

**Background and Analysis:**

The City Council will appoint a Councilmember to fill position #5 currently vacant due to the election of Lisa Parshley as State Representative. On January 13, the City Council will interview candidates and appoint someone to fill the vacant seat. At their January 14 business meeting, the City Clerk will swear in the newly appointed Councilmember.

**Attachments:**

None



## City Council

### Special Recognition - Proclamation Recognizing Dr. Martin Luther King Jr. Day

**Agenda Date:** 1/14/2025  
**Agenda Item Number:** 2.B  
**File Number:** 25-0026

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**Type:** recognition **Version:** 1 **Status:** Recognition

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#### **Title**

Special Recognition - Proclamation Recognizing Dr. Martin Luther King Jr. Day

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee.

##### **City Manager Recommendation:**

Proclaim January 20, 2025, Dr. Martin Luther King Jr. Day in the City of Olympia.

#### **Report**

##### **Issue:**

Whether to proclaim January 20, 2025, Dr. Martin Luther King Jr. Day in the City of Olympia.

##### **Staff Contact:**

Dawn Carvalho, Executive Services Assistant, 360.753.8065

##### **Presenter(s):**

Dr. Thelma Jackson, Community Engagement Ministry, New Life Baptist Church  
Reverend David Reaves, New Life Baptist Church

##### **Background and Analysis:**

Dr. Martin Luther King Jr. Day is a federally recognized holiday commemorating the life of Dr. Martin Luther King Jr. and his efforts to advancing equality, social justice, and opportunity for all as a part of the 1960s Civil Rights Movement.

##### **Climate Analysis:**

This is not expected to impact carbon emissions.

##### **Financial Impact:**

No financial impact.

##### **Attachments:**

Proclamation

## **PROCLAMATION**

*WHEREAS, the Reverend Dr. Martin Luther King, Jr. dedicated his life to the non-violent crusade for human rights for all people and advanced the values of equality, justice and opportunity for all; and*

*WHEREAS, Dr. King's words and vision resonate today as they did in his lifetime, and it is incumbent upon us all to carry forward his principles of peace, equality, and service; and*

*WHEREAS, as the forces of hate and oppression rise up in the world, Dr. King reminds us that "the moral arc of the universe is long, but it bends towards justice"; and*

*WHEREAS, in his struggle for human rights Dr. King was committed to economic justice as well as social justice, and in his 1964 Nobel Peace Prize address, Dr. King called out poverty as an "evil which plagues the modern world..."; and*

*WHEREAS, Dr. King encouraged us to act with compassion, saying, "As you press on for justice, be sure to move with dignity and discipline, using only the weapon of love"; and*

*WHEREAS, the Federal government recognized Dr. Martin Luther King, Jr. Day as a national holiday in law on November 2, 1983; and*

*NOW, THEREFORE, BE IT RESOLVED that the Olympia City Council hereby proclaims Monday, January 20, 2025, as*

### ***DR. MARTIN LUTHER KING, JR. DAY***

*in Olympia and urges the community to pay tribute to the life and works of Dr. King through participation in acts of service to the community on this day and throughout the year.*

***SIGNED IN THE CITY OF OLYMPIA, WASHINGTON THIS 14<sup>th</sup> DAY OF JANUARY, 2025.***

***OLYMPIA CITY COUNCIL***

***Dontae Payne  
Mayor***



City Hall  
601 4th Avenue E.  
Olympia, WA 98501  
360-753-8244

## City Council

### Approval of January 7, 2025 City Council Meeting Minutes

**Agenda Date:** 1/14/2025  
**Agenda Item Number:** 4.A  
**File Number:**25-0037

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**Type:** minutes   **Version:** 1   **Status:** Consent Calendar

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**Title**

Approval of January 7, 2025 City Council Meeting Minutes





# Meeting Minutes - Draft

## City Council

City Hall  
601 4th Avenue E  
Olympia, WA 98501

Information: 360.753.8244

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**Tuesday, January 7, 2025**

**6:00 PM**

**Council Chambers, Online and Via  
Phone**

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**Register to Attend:**

**[https://us02web.zoom.us/webinar/register/WN\\_m\\_rwm1tfS623v7BudNWoeQ](https://us02web.zoom.us/webinar/register/WN_m_rwm1tfS623v7BudNWoeQ)**

### **1. ROLL CALL**

**Present:** 6 - Mayor Dontae Payne, Mayor Pro Tem Yến Huỳnh, Councilmember Jim Cooper, Councilmember Clark Gilman, Councilmember Dani Madrone and Councilmember Robert Vanderpool

### **1.A ANNOUNCEMENTS**

Mayor Payne expressed condolences for the City of New Orleans following the recent terrorist event that occurred during New Year's celebrations on Bourbon Street.

### **1.B APPROVAL OF AGENDA**

**The agenda was approved.**

### **2. SPECIAL RECOGNITION**

**2.A** [25-0001](#) Special Recognition - Poetry Reading from City of Olympia Poet Laureate Kathleen Byrd

Arts Program Manager Stephanie Johnson discussed the Poet Laureate program. She introduced Olympia's Poet Laureate Kathleen Byrd.

Poet Laureate Byrd read a poem welcoming the new year.

**The recognition was received.**

### **3. PUBLIC COMMENT - None**

### **4. CONSENT CALENDAR**

**4.A** [25-0015](#) Approval of December 17, 2024 City Council Meeting Minutes

**The minutes were adopted.**

### **4. SECOND READINGS (Ordinances)**

- 4.B**     [24-1037](#)            Approval of an Ordinance Amending Title 3 of the Olympia Municipal Code Relating to Revenue and Finance

**The ordinance was adopted on second reading.**

- 4.C**     [24-1039](#)            Approval of an Ordinance Amending Title 4 of Olympia Municipal Code Relating to a Uniform Civil Method of Enforcing License and Tax Requirements for People Engaging in Business in the City Of Olympia as it Relates to Compliance, Fees and Fines

**The ordinance was adopted on second reading.**

- 4.D**     [24-1040](#)            Approval of an Ordinance Amending Title 5 of the Olympia Municipal Code Relating to Business Taxes, Licenses and Regulations

**The ordinance was adopted on second reading.**

### **Approval of the Consent Agenda**

**Councilmember Gilman moved, seconded by Councilmember Vanderpool, to adopt the Consent Calendar. The motion carried by the following vote:**

**Aye:**            6 - Mayor Payne, Mayor Pro Tem Huynh, Councilmember Cooper, Councilmember Gilman, Councilmember Madrone and Councilmember Vanderpool

### **4.     FIRST READINGS (Ordinances) - None**

### **5.     PUBLIC HEARING - None**

### **6.     OTHER BUSINESS**

- 6.A**     [25-0008](#)            Approval of Appointment Process and Applicants to Interview for a Vacant City Council Seat

Strategic Communications Director Kellie Purce Braseth discussed the appointment process for vacant City Council seat #5. Councilmembers deliberated regarding the interview process, which candidates to move forward to interview for appointment, and the use of ranked choice voting.

**Mayor Pro Tem Huynh moved, seconded by Councilmember Madrone, to interview Kelly Green, Jennifer Riedmayer, Daniel Garcia, Bridgette Valdez-Kogle, Isaac Wagnitz, Tanzania Zenzali-Marshall, Zachary Lynch and Timothy Leadingham via ranked choice voting process. The motion carried by the following vote:**

**Aye:** 6 - Mayor Payne, Mayor Pro Tem Huỳnh, Councilmember Cooper, Councilmember Gilman, Councilmember Madrone and Councilmember Vanderpool

**7. CONTINUED PUBLIC COMMENT - None**

**8. COUNCIL INTERGOVERNMENTAL/COMMITTEE REPORTS AND REFERRALS**

Councilmembers reported on meetings and events attended.

**9. CITY MANAGER'S REPORT AND REFERRALS**

City Manager Burney expressed gratitude to Assistant City Manager Sullivan for acting as City Manager during the holidays.

**10. EXECUTIVE SESSION**

- 10.A** [25-0022](#) Executive Session Pursuant to RCW 42.30.110(1)(b); RCW 42.30.110 (1)(c) - Real Estate Matter, RCW 42.30.110 (1)(g) - Personnel Matter (City Manager's Performance Evaluation) and RCW 42.30.110 (1)(h) - Evaluate the Qualifications of a Candidate for Appointment to Elective Office

Mayor Payne recessed the meeting at 6:59 p.m. He asked the Council to reconvene in 5 minutes for an Executive Session pursuant to RCW 42.30.110(1)(b); RCW 110(1)(c), real estate, RCW 42.30.110(1)(g), personnel, and RCW 42.30.110 (1)(h), evaluate the qualifications of a candidate for appointment to elective office matters. He announced no decisions would be made, the meeting was expected to last no longer than 120 minutes, and the Council would adjourn immediately following the Executive Session.

The City Attorney was present at the Executive Session for the real estate and candidate qualification matters

Mayor Payne returned to the meeting at 9:09 p.m. to announce the Council will remain in Executive Session for up to 60 minutes.

**The executive session was held and no decisions were made.**

**10. ADJOURNMENT**

The meeting adjourned at 9:52 p.m.



## City Council

### Approval of a Resolution Authorizing an Intergovernmental Services Agreement with Thurston Conservation District for Urban Agriculture Services

**Agenda Date:** 1/14/2025  
**Agenda Item Number:** 4.B  
**File Number:** 25-0035

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**Type:** resolution **Version:** 1 **Status:** Consent Calendar

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#### Title

Approval of a Resolution Authorizing an Intergovernmental Services Agreement with Thurston Conservation District for Urban Agriculture Services

#### Recommended Action

##### Committee Recommendation:

Not referred to a committee.

##### City Manager Recommendation:

Move to approve a resolution authorizing an Intergovernmental Services Agreement with Thurston Conservation District for urban agriculture services.

#### Report

##### Issue:

Whether to approve a resolution authorizing an Intergovernmental Services Agreement with Thurston Conservation District for urban agriculture services.

##### Staff Contact:

Sylvana Niehuser, Director of Parks Planning and Maintenance, 360.753.8068

##### Presenter(s):

None

##### Background and Analysis:

Thurston Conservation District (TCD) educates and assists Thurston County residents in managing natural resources. For three years, TCD has partnered with Olympia to deliver urban agriculture services. This includes:

- Building and maintaining community gardens
- Linking vacant landowners to growers
- Providing workshops and on-site technical education to gardeners

The 2025-2029 proposed contract will provide five years of support to existing community gardens and gardeners throughout Olympia and build additional gardens on suitable sites. The contract also supports urban farmland preservation and connection through the Farm My Yard program. The City of Olympia staff will continue to operate and maintain the Sunrise Park and Yauger Park community gardens and TCD will provide technical assistance to gardeners. The contract will not supplant existing resources allocated to the City's operated community gardens but rather provide additional resources to support urban agriculture.

This contract supports long-range goals in the City's Comprehensive Plan:

- **GL25** *Local Thurston County food production is encouraged and supported to increase self-sufficiency, reduce environmental impact, promote health, and the humane treatment of animals, and support the local economy.*
- **PL25.3** *Collaborate with community partners to ensure that everyone within Olympia is within biking or walking distance of a place to grow food.*
- **PL25.4** *Encourage for-profit gardening and farming in the community.*
- **PL25.8** *Work with community organizations to develop strategies, measure, and set goals for increasing local food production.*
- **PL25.9:** *Work with local governments throughout the region to help protect existing agricultural lands and develop and promote a vibrant local food economy.*
- **PR9.1** *Provide opportunities that promote a mentally and physically active lifestyle and healthy food choices, including participation in local food production.*
- **PN8.7** *Reduce energy use and the environmental impact of our food system by encouraging local food production.*

### **Climate Analysis:**

Thurston Conservation District provides technical and educational assistance focused on conservation, sustainability, and stewardship. For example, TCD is a subject matter expert on regenerative agriculture, helping growers adapt to climate change and lessen the carbon impact of agriculture.

### **Equity Analysis:**

Thurston Conservation District provides services at little or no cost to residents. This support is vital to growers and consumers, as it provides nourishing food for households throughout Olympia.

The 2025-2029 contract will support the gardens at all three tiny home villages and Community Court, offering vulnerable individuals opportunities to cultivate their own produce. For example, residents of the Plum Street Tiny Home Village have conveyed they appreciate access to fresh produce and a greater sense of community through participation in the garden programs. Additionally, these gardens have become therapeutic spaces for individuals undergoing rehabilitation, potentially enhancing both mental and physical well-being.

### **Neighborhood/Community Interests (if known):**

Olympia residents have shown support for urban agriculture in a variety of public surveys, including more recent surveys and public engagement through the Urban Farm Park Feasibility Study in 2023.

**Financial Impact:**

The contract amount is \$51,800 per year for five years for a total of \$259,000. The source of revenue is the general fund portion allocated to the Parks, Arts and Recreation Department (also referred to as the “11% general fund”).

**Options:**

1. Move to approve the resolution authorizing an Intergovernmental Services Agreement with Thurston Conservation District for urban agriculture services for five years.
2. Modify the resolution for urban agriculture services resulting in more or less support for the Community Gardens and Farm My Yard programs.
3. Don't approve the Resolution for urban agriculture services which would result in a loss of resources for the Community Gardens and Farm My Yard programs that would jeopardize the success of these programs.

**Attachments:**

Resolution  
Agreement  
Scope of Work

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON, APPROVING AN  
INTERLOCAL AGREEMENT BETWEEN THE CITY OF OLYMPIA AND THURSTON CONSERVATION  
DISTRICT FOR URBAN AGRICULTURAL SERVICES**

**WHEREAS**, 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; and

**WHEREAS**, pursuant to RCW 39.34.080, each party is authorized to contract with any one or more other public agencies to perform any governmental service, activity, or undertaking which each public agency entering into 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

**WHEREAS**, the City of Olympia has at-risk urban and suburban farmland, as well as residents who practice urban agriculture, and has determined that providing services, education, and planning support through local partnerships offers a cost-effective method to deliver services, education, and support to these constituents and to comply with City goals and policies; and

**WHEREAS**, the Thurston Conservation District has a proven record of administering technical and educational services for community members who seek tools and information when growing food in urban settings;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL DOES HEREBY RESOLVE** as follows:

1. The Olympia City Council hereby approves the form of Interlocal Agreement between the City of Olympia and Thurston Conservation District for Urban Agricultural Services and the terms and conditions contained therein.
2. The City Manager is authorized and directed to execute on behalf of the City of Olympia the Interlocal Agreement, and any other documents necessary to execute said Agreement, and to make any amendments or minor modifications as may be required and are consistent with the intent of the Agreement, or to correct any scrivener's errors.

**PASSED BY THE OLYMPIA CITY COUNCIL** this \_\_\_\_\_ day of \_\_\_\_\_ 2025.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

Jake Stillwell  
DEPUTY CITY ATTORNEY

## **INTERGOVERNMENTAL SERVICES AGREEMENT**

### **FOR URBAN AGRICULTURAL SERVICES**

#### **BETWEEN**

#### **THE CITY OF OLYMPIA AND THE THURSTON CONSERVATION DISTRICT**

THIS AGREEMENT, pursuant to chapter 39.34 RCW, is made and entered into between the City of Olympia hereinafter "CITY" and THURSTON CONSERVATION DISTRICT, hereinafter "DISTRICT". In consideration of the mutual benefits and covenants contained herein, the parties agree as follows:

#### **I. PURPOSE OF AGREEMENT**

The CITY has at-risk urban and suburban farmland, as well as residents who practice urban agriculture. The CITY has determined that providing additional services, education, and planning support through local partnerships offers a cost-effective method to deliver services, education, and support to the City's constituents and to be in compliance with their stated goals and policies. The CITY enters into this agreement with the DISTRICT because the District has a proven record of administering technical and educational services for community members who seek tools and information when growing food in urban settings.

#### **II. AGREEMENT SCOPE**

The CITY and the DISTRICT agree to the Scope of Work in Attachment A, and the responsibilities of each party as described therein.

Each party shall do all things necessary for and incidental to the performance of the duties as set forth below.

#### **III. SERVICES PROVIDED BY THE DISTRICT**

##### **A. District**

- i. Represents that it is qualified and possesses the necessary expertise, knowledge, training, and skills, and has the necessary licenses and/or certification to perform the duties and scope of work set forth in this Agreement.
- ii. Through this program, shall perform the services set as described and agreed upon in Attachment A, which are designed to enable and promote urban agriculture and food production within Olympia.
- iii. Shall perform the work specified in this Agreement according to standard industry practice for such work.
- iv. Shall provide labor and materials. Except as specifically provided for in the Scope of Work, no material, labor, or facilities will be furnished by the CITY.
- v. Shall complete its work in a timely manner and in accordance with the schedule agreed upon by the parties.
- vi. Will submit billing invoices along with companion narrative progress reports to the CITY on a quarterly basis within two weeks of the end of each calendar quarter. Quarterly narrative progress reports shall be provided in a format that is determined by and



acceptable to the CITY. In addition to the narrative, the 4th quarter report shall include the cumulative year-end number of participants.

#### **IV. CITY RESPONSIBILITIES**

- B. In order to assist DISTRICT in fulfilling its duties under this Agreement, the CITY shall provide the following:
  - i. Services, documents, or other information, all as identified in Attachment A.

#### **V. BASE ANNUAL FUNDING**

- A. In consideration for the services described, the CITY shall provide funding to the DISTRICT, as shown in Attachment A, not to exceed \$259,000 for the length of this Agreement.
- B. Payment to the DISTRICT shall be on a quarterly basis following receipt of the DISTRICT'S invoice and an acceptable quarterly progress report summarizing services provided to date under this Agreement.

#### **VI. NON-APPROPRIATION OF FUNDS**

Should the CITY fail to secure the base funding amount specified in Attachment A, due to non-appropriation of funds, the CITY shall provide written notice to the DISTRICT within thirty (30) calendar days. The CITY and the DISTRICT agree to meet within fourteen (14) calendar days thereafter to discuss the impacts of such a budget non-appropriation or reduction. The CITY may elect to redistribute costs or terminate this Agreement and eliminate DISTRICT services at its discretion.

#### **VII. DURATION OF AGREEMENT**

This Agreement will continue in effect until December 31, 2029, unless terminated or extended by mutual agreement of the Parties.

#### **VIII. HOLD HARMLESS AND INDEMNIFICATION**

The CITY and the DISTRICT agree to indemnify, defend, and hold harmless the other party, its elected officials, employees, and agents from and against any and all liabilities, losses, damages, expenses, actions, and claims, including reasonable attorneys' fees, arising out of or in connection with the other party's performance of this Agreement except for any damages arising out of bodily injury to persons or damage to property arising from the sole negligence of the Indemnified party, its agents or employees.

It is further specifically and expressly understood that the indemnification provided herein constitutes the waiver of both parties of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

## **IX. AGREEMENT REPRESENTATIVE; NOTICE**

Each party to this Agreement shall have a representative. Each representative shall serve as the agreement administrator for his or her jurisdiction, for purposes of this Agreement. Notice required under this Agreement shall be sent to the address designated for the parties, below. Agreement representatives may be changed upon notice to the other party. Notice will be deemed to be received three business days following deposit in the U.S. Mail, postage prepaid.

### **THURSTON CONSERVATION DISTRICT**

Nora Carman-White, Communications & Education Manager

Thurston Conservation District

2918 Ferguson St. SW, Suite A

Tumwater, WA 98512

Phone: (360) 754-3588

### **CITY OF OLYMPIA**

Sylvana Niehuser, Director of Parks Planning & Maintenance

City of Olympia

PO Box 1967

Olympia, WA 98507-1967

Phone: (360) 753-8068

## **X. TERMINATION AND MODIFICATION**

Any party may terminate this Agreement by giving 30 days' written notice of termination to the other party, provided that the CITY shall be obligated to pay the quarterly invoice for the quarter in which the CITY terminates, for any work performed up to the date of notice of termination. This Agreement may only be modified by agreement of both parties, executed in writing, in the same manner as this Agreement. Modification may be executed solely through written agreement between the agreement representatives, as identified in this Agreement, for the following:

- A. Minor modification to the Scope of Work in Attachment A, if there is budget remaining and the modification meets the purpose of this Agreement.
- B. Minor modification of the budget allocations within and between tasks in Attachment A, within the purpose of this Agreement so long as the bottom-line budget is not exceeded.

## **XI. JURISDICTION AND VENUE**

This Agreement has been and shall be construed as having been made and delivered within the State of Washington, and it is agreed by each party hereto that this Agreement shall be governed by the laws of the State of Washington, both as to interpretation and performance. Any action of law, suit in equity, or judicial proceeding for the enforcement of this Agreement or any provisions thereof, shall be instituted only in any of the courts of competent jurisdiction in Thurston County, Washington.

## **XII. SEVERABILITY**

- A. If, for any reason, any part, term, or provision of this Agreement is held by a court of competent jurisdiction to be illegal, void, or unenforceable, the validity of the remaining provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.
- B. If it should appear that any provision is in conflict with any statutory provision of the State of Washington, said provision which may conflict therewith shall be deemed inoperative and null and void insofar as it may be in conflict.

## **XIII. ENTIRE AGREEMENT**

The parties agree that this Agreement, together with Exhibit A, is the complete expression of the terms hereto and any oral representations or understandings not incorporated herein are excluded. Failure to comply with any of the provisions stated herein shall constitute a material breach of agreement and cause for termination. It is also agreed by the parties that the forgiveness of the nonperformance of any provision of this Agreement does not constitute a waiver of the provisions of this Agreement.

## **XIV. RECORDATION; EFFECTIVE DATE**

This Agreement shall be posted and electronically available to the public on each party's website, consistent with RCW 39.34.040, and will take effect once posted.

## **XV. PROPERTY**

No real or personal property is to be jointly acquired, held, or disposed of under this Agreement.

## **XVI. JOINT BOARD**

This Agreement creates no joint board and no separate legal entity.

## **XVII. EMPLOYMENT RELATIONSHIP**

Employees of each party shall remain at all times under the direction and control of their original agency and the performance of work for any other party pursuant to this Agreement shall not change that relationship for any purpose. Neither party shall be deemed to have agreed to pay the other party's employees any wages or benefits afforded to its own employees. Further, each party's responsibilities to its own employees for workplace injuries shall remain unchanged by this Agreement.

## **XVIII. RECORDS**

Each party shall maintain its own public records and shall be solely responsible for responding to records requests received about the subject matter of this Agreement. Any public records requested addressed to each party as if this Agreement created a separate legal entity, which it does not, shall be deemed to

be a request received by each party individually. Each party shall respond separately, unless agreed to otherwise in writing and properly documented.

#### **XIX. COUNTERPARTS**

This Agreement may be executed in a number of identical counterparts which, taken together, constitute collectively one Agreement; but in making proof of this Agreement, it is not necessary to produce or account for more than one such counterpart. Additionally, (i) the signature pages taken from separate individually executed counterparts of this Agreement may be combined to form multiple fully executed counterparts; and (ii) a facsimile signature or an electronically scanned signature, or an electronic or digital signature where permitted by law, must be deemed to be an original signature for all purposes. All executed counterparts of this Agreement are originals, but all such counterparts, when taken together, constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in multiple originals to take effect on the date of the last signature affixed hereto, once recorded.

THURSTON CONSERVATION DISTRICT

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T.J. Johnson, Thurston Conservation District Board Chair

Date:

CITY OF OLYMPIA

---

Steven J. Burney, City Manager

Date:

APPROVED AS TO FORM:

Jake Stillwell

Deputy City Attorney

ATTEST:

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City Clerk



## 2025-2029 Olympia Urban Farmland Scope of Work

The following tasks are implemented and are part of an interlocal agreement between the City of Olympia (City) and Thurston Conservation District (District). This scope of work carries out recommendations of the Olympia Farmland Workgroup for preserving and enhancing the production and access of local food within the City and its urban growth area. The scope of work defines roles and responsibilities, deliverables, metrics of success, and cost estimates for each task. Costs may be adjusted between tasks through mutual agreement of both parties, but total reimbursement from the City to TCD shall not exceed \$259,000 for all tasks under the terms of this agreement.

### Overall TCD Deliverables and Assumptions:

- Monthly project coordination meeting participation between TCD and the City of Olympia
- Quarterly invoices and project progress emails or memos
- Develop a project schedule outlining the anticipated tasks on an annual basis
- Project schedule updated quarterly and distributed to project partners (City, GRuB, etc.)
- Collaboratively seek additional funding to support these goals with City and partners such as GRuB and the Thurston County Food Bank

## Task #1 – Expand and Maintain Community Gardens

### Thurston Conservation District – Roles & Responsibilities

Thurston Conservation District will serve in the lead role in coordinating the expansion of self-governed community gardens within the City of Olympia. Based on the successful partnerships initiated in 2023, TCD will work with partner organizations involved in community garden work to site, design and construct community gardens. TCD will begin the implementation of a Community Garden Ambassador program to help lead, organize, and engage local communities in activities of the gardens in 2025 and, pending success, expand the program through the duration of this ILA.

### Deliverables and Assumptions:

- Create and hold sub-award contracts with GRuB for shared labor in the below tasks.
- Support the build-out, planting, and maintenance management plans of at least four new community gardens over the course of the contract, based on partner collaboration and recommendation and needs assessment completed.
- Seek community interest and leadership for the development, implementation, and long-term maintenance of new and existing community gardens.
- Provide technical consultation, maintenance and operations planning, and agricultural education to community gardens and their gardeners to ensure the success of existing community gardens.
- Host at a minimum 1 workshop per garden once they are built to support team building between TCD, partners, and gardeners.
- Participate in local networks of partners and gardeners engaging in this work to ensure broad cooperation and collaboration on garden projects, for example, the South Sound Food System Network.
- If time and funding allows, support existing Olympia gardener retention through:

- Research into why City of Olympia Gardeners participation wanes throughout the season.
- Develop recommendations on how to increase retention based on research.
- Utilize methods of collecting information such as staff interviews, previous gardener surveys, and data already collected by the City, etc. If additional information is needed, TCD will coordinate with City staff to identify the most appropriate method of gathering information.
- Provide an annual report that quantifies the number of garden plots restored or built and identifies the organization responsible for each site and who is being served by the gardens (for example Tiny Home Residents, or Students, etc.). Include photos of the sites (before and after if possible) that can be utilized for future promotion and presentations.

### **City of Olympia – Roles & Responsibilities**

The City of Olympia will provide primarily advisory, outreach, and financial assistance support for this program.

Actions include:

- Outreach for garden events through social media and other existing communications channels as allowed by the City's Communication Policies.
- Advisory, to the extent possible, for collaborative community garden planning efforts and in-garden events at the City of Olympia Gardens.
- Process invoices quickly
- Participate in monthly meetings with TCD
- Provide allowable data as requested about the Community Garden Program such as waitlist numbers and plot vacancies, and gardener comments as related to services TCD may support or provide.

### **Task #1 Annual Budget: \$45,100**

TCD Reimbursement: \$45,100

#### **Budget Breakdown:**

##### **Salaries & Benefits: \$18,000**

*Staff time to coordinate volunteers and community members in the construction of new community gardens and the subsequent first full year of growing. Additional staff time to support coordination with partners, educational programming, implementation of a Garden Ambassador program, and planning for ongoing garden builds.*

##### **Overhead (25%): \$4,500**

##### **Garden Ambassador Stipend: \$9,000**

##### **Supplies & Equipment: \$3,500**

*Materials for garden beds or ag related events including garden planning events, harvest celebrations, conferences, and resource fairs.*

##### **Travel: \$200**

*Mileage costs from TCD to the City of Olympia downtown at .67 cents per mile.*

##### **Partner Sub-Awards: \$10,000**

*GRuB Sub-Award:*

## **Task #2 – Urban Farmland Preservation and Connection**

### **Thurston Conservation District – Roles & Responsibilities**

A key goal of the City of Olympia is to reduce the loss of farmland. Implementation of the Farm My Yard program in 2023 and connection with the City's vacant lot registry was an initial starting point for this task. Matching between landowners and growers is a long-form engagement process that will be continued through this task.

#### Deliverables and Assumptions:

- Continue to identify targeted outreach for the Farm My Yard program to enroll at least 3 undeveloped parcels, vacant parcels, and unused lawn and yard space over the course of the contract.
- Using City of Olympia-provided data and landowner outreach, identify suitable properties in the City of Olympia and UGA to enroll in TCD's Farm My Yard program.
  - o Enroll willing landowners.
  - o Develop land listing outreach materials for listed properties.
- Enroll interested urban farmers and gardeners in Farm My Yard.
- Support enrollees with education, connection to partner organizations, and community resources to demonstrate or reach readiness to take on a lease including but not limited to a business plan, marketing and distribution plan, and technical gardening and farming knowledge.
- Offer support to 'links' (grower/property owner connections) including lease templates and negotiation support, and ongoing technical assistance for the management of the linked property.
- Provide a year-end summary of successful matches of vacant landowners and growers and a summary of outreach and support provided.

#### City of Olympia – Roles & Responsibilities

The City of Olympia will support the Farm My Yard and South Sound FarmLink program's land enrollment efforts by supporting the enrollment of eligible vacant land within the city.

#### Actions include:

- Provide a list of city-owned properties that have the potential to accommodate agricultural use based on vacant status, current use, and planned development or use.
- TCD regularly to help maintain an up-to-date database.
- Share Farm My Yard opportunity with vacant lot registrants and others interested.

#### Task #2 Annual Budget: \$6,700

TCD Reimbursement: \$6,700

#### Budget Breakdown:

**Salaries & Benefits: \$5,000**

**Overhead (25%): \$1,250** 25% of salaries and benefits

**Supplies & Equipment: \$450**

*For Farm My Yard outreach materials and printing expenses*

#### Total Budget Summary

YEAR	Task 1	Task 2	Total
2025	\$45,100	\$6,700	\$51,800
2026	\$45,100	\$6,700	\$51,800
2027	\$45,100	\$6,700	\$51,800
2028	\$45,100	\$6,700	\$51,800
2029	\$45,100	\$6,700	\$51,800
<i>TOTAL</i>	<i>\$225,500</i>	<i>\$33,500</i>	<i>\$259,000</i>



## City Council

### Approval of a Resolution Authorizing a Lease Agreement between the City of Olympia and Thurston County Fire Protection District 3 for the Fire Fleet Vehicle Repair Facility Buildings

**Agenda Date:** 1/14/2025  
**Agenda Item Number:** 4.C  
**File Number:**25-0017

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**Type:** resolution **Version:** 2 **Status:** Consent Calendar

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#### Title

Approval of a Resolution Authorizing a Lease Agreement between the City of Olympia and Thurston County Fire Protection District 3 for the Fire Fleet Vehicle Repair Facility Buildings

#### Recommended Action

##### Committee Recommendation:

Not referred to committee.

##### City Manager Recommendation:

Move to approve a Resolution authorizing the City Manager to sign the Lease Agreement between the City of Olympia and Thurston County Fire Protection District 3 for the Fire Fleet Vehicle Repair Facility (VRF) Buildings.

#### Report

##### Issue:

Whether to approve a Resolution authorizing the City Manager to sign the Lease Agreement between the City of Olympia and Thurston County Fire Protection District 3 for the Fire Fleet Vehicle Repair Facility (VRF) Buildings.

##### Staff Contact:

Matt Morris, Fire Chief, 360.753.8466

##### Presenter(s):

None - Consent Calendar Item.

##### Background and Analysis:

Since 2012, the Olympia Fire Department (OFD) has leased Thurston County Fire Protection District 3's (TCFPD3) vehicle repair facility. TCFPD3's vehicle repair facility has grown to meet the needs of OFD Fire Fleet Services and is superior to any property in the City of Olympia for this purpose. In 2024, TCFPD3 completed construction on a second building. This additional building allows OFD mechanics to work on multiple vehicles simultaneously, increasing efficiency and productivity.



**Climate Analysis:**

The impacts of this agreement have been evaluated using the Climate Framework. Reliable, safe and effective emergency response vehicles are vital to the community's safety and sustainability. Mitigating emergencies quickly and efficiently results in less property damage and supports all four greenhouse gas reduction strategies.

**Equity Analysis:**

This lease agreement continues to support OFD Fire Fleet Services' ability to fulfill the critical function of maintaining and repairing the emergency response vehicles that enable the success of the fire and emergency medical services system. The universal protection of life and property is rooted in justness and inherently supports the Equity Framework's intent.

**Neighborhood/Community Interests (if known):**

Properly functioning emergency response vehicles are critical to providing services to the community.

**Financial Impact:**

The cost to the city to lease the VRF buildings is \$146,000.00 and is offset by the revenue generated by Fire Fleet customers.

**Options:**

1. Approve the Resolution authorizing the Lease Agreement and authorize the City Manager to sign the agreement.
2. Do not approve the Resolution authorizing the Lease Agreement and send it back to staff.
3. Take other action.

**Attachments:**

Resolution  
Agreement

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON,  
APPROVING A LEASE AGREEMENT BETWEEN THE CITY OF OLYMPIA AND THURSTON  
COUNTY FIRE PROTECTION DISTRICT NO. 3 FOR LEASE OF VEHICLE MAINTENANCE AND  
REPAIR BUILDINGS**

**WHEREAS**, the City of Olympia (City) has need of a space to perform fire department vehicle maintenance and repair; and

**WHEREAS**, the City and Thurston County Fire Protection District No. 3 (FPD 3) entered into a lease agreement granting the City tenancy for the vehicle maintenance and repair building located at 8407 Steilacoom Road SE, Olympia, Washington that ran from November 1, 2018 through December 31, 2024; and

**WHEREAS**, the City would like to enter into a new lease agreement with Fire Protection District 3 for the use of 8421 and 8433 Steilacoom Road SE, Olympia Washington, commencing January 1, 2025 and running for two years with an automatic annual extension of one year;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL DOES HEREBY RESOLVE** as follows:

1. The Olympia City Council hereby approves the form of the Lease Agreement between the City of Olympia and Fire Protection District No. 3 for lease of the vehicle maintenance and repair buildings located at 8421 and 8433 Steilacoom Road SE and the terms and conditions contained therein.
2. The City Manager is authorized and directed to execute on behalf of the City of Olympia the Lease Agreement, and any other documents necessary to execute said Agreement, and to make any amendments or minor modifications as may be required and are consistent with the intent of the Agreement, or to correct any scrivener's errors.

**PASSED BY THE OLYMPIA CITY COUNCIL** this \_\_\_\_\_ day of \_\_\_\_\_ 2025.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

Jake Stillwell  
DEPUTY CITY ATTORNEY

## ***LEASE AGREEMENT***

(Modified Gross)

THIS LEASE AGREEMENT ("Lease") is made as of the date set forth below between **Fire Protection District No. 3, Thurston County**, a Washington municipal corporation ("Landlord"), and the **City of Olympia**, a Washington municipal corporation ("Tenant"). Landlord and Tenant hereby agree:

### **BASIC LEASE TERMS**

1. **BASIC LEASE INFORMATION AND EXHIBITS.** The following terms as used herein shall have the meanings provided in this Section 1, unless otherwise specifically modified by provisions of this Lease:

- |    |                     |   |
|----|---------------------|---|
| a) | Commencement Date   | January 1, 2025   |
| b) | Tenant              | City of Olympia<br>Attention: Fire Chief  |
| c) | Address of Tenant   | 100 Eastside St. N.E.<br>Olympia, WA 98506-4081   |
| d) | Landlord            | Fire Protection District No. 3, Thurston County<br>Attn: Fire Chief   |
| e) | Address of Landlord | 1231 Franz ST SE<br>Lacey, WA 98502   |
| f) | Premises            | The vehicle maintenance and repair buildings (the "Buildings") located at 8421 & 8433 Steilacoom Road SE, Olympia, Washington 98513 which are situated on the land legally described in <u>Exhibit A</u> attached hereto. |
| g) | Initial Term        | Two years commencing on the Commencement Date and terminating at midnight on the day before the second (2nd) anniversary of the Commencement Date (the "Termination Date").   |
| h) | Extension Term(s)   | Automatic annual extension of one (1) year per Section 6.   |
| i) | Basic Rent          | \$146,000 annually during the Initial Term, may be subject to an annual adjustment of not less than 0% and up to 3.0%.  |
| j) | Additional Rent     | All other costs, other than Basic Rent, payable by Tenant to Landlord hereunder.  |

k)	Security Deposit	N/A
l)	Permitted Use	Fire protection vehicle, apparatus and equipment maintenance and repair facility; vehicle part storage; emergency medical staff and associated facility office use, and for no other use or purpose without Landlord's prior consent.
m)	Party responsible for janitorial services	Tenant
n)	Exhibits	Exhibit A – Description of Land

## **GENERAL LEASE TERMS**

2. **PREMISES.** Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, upon the terms and conditions set forth herein, the Premises described in Section 1, located on the land legally described on Exhibit A attached hereto. Landlord represents to Tenant that (i) fee title in the Premises is vested in Landlord, and (ii) Landlord has the authority to enter into this Lease.
3. **COMMENCEMENT AND TERMINATION DATES.** The Initial Term of this Lease shall commence on the Commencement Date set forth in Section 1 above. The Initial Term of the Lease shall expire on the Termination Date set forth in Section 1 above.
4. **RENT.** Tenant shall pay Landlord without notice the Basic Rent stated in Section 1 in quarterly installments in arrears commencing on the first day of the second calendar quarter of the Initial Term, and thereafter on the first day of each subsequent calendar quarter of the Initial Term; for every Extension Term thereafter, Tenant shall pay Basic Rent as increased under Section 6 below. Basic Rent for any partial quarter shall be prorated in proportion to the number of days in such quarter.
5. **ADDITIONAL RENT.**
  - (a) **Modified Gross Lease.** It is the intention of Landlord and Tenant that this Lease is a modified gross lease, so that all costs of owning, operating, and maintaining the Building and Premises shall be borne by Landlord except as set forth herein. As provided in Section 7 below, Tenant shall be responsible for all utility expenses and janitorial expenses and shall pay for such service directly to the provider. Notwithstanding the foregoing, Tenant shall remain responsible for, and shall pay all costs of repair of damage caused by Tenant's negligence or misuse of the Premises, which shall be deemed Additional Rent hereunder, and shall be payable to Landlord upon demand.
  - (b) **Personal Property Taxes.** Unless exempt, Tenant shall also pay, prior to delinquency, all personal property taxes payable with respect to all property of Tenant located on the Premises, Building or Land, including any improvements paid for by Tenant, and promptly, upon request of Landlord, shall provide written proof of such payment or exemption.
6. **AUTOMATIC EXTENSION OF TERM.** Provided that Tenant is not in default of this Lease, upon the expiration of the Initial Term, and subsequently upon the expiration of the then-effective term of this Lease, by written mutual agreement of the Fire Chiefs representing the Landlord and Tenant the term hereof may be extended for a period of one (1) year (an "Extension Term") upon the same terms and conditions herein, except that Basic Rent may be increased for the Extension Term, effective and payable on the first day of the Extension Term (the "Adjustment Date"). Landlord shall provide Tenant written notice of any adjustment of Basic Rent not less than one hundred twenty (120) days prior to the applicable Adjustment Date, and Landlord's failure to provide such notice within such time period shall be deemed a waiver of Landlord's right to adjust the Basic Rent for the applicable term. Notwithstanding the foregoing, either party may void the automatic extension of any term hereof by providing the other party written notice thereof not later than ninety (90) days prior to the end of the then-effective term, in which case the then-effective term shall end upon the Termination

Date of the then-effective term and there shall be no automatic extension thereof. The foregoing automatic extension is personal to Tenant and shall be ineffective if the Lease has been assigned, voluntarily or involuntarily, to any person or entity other than Tenant.

7. SERVICES AND UTILITIES.

(a) Standard Services. Landlord shall furnish the Premises with electricity service and water and other utilities. Tenant shall be responsible for the cost of all utility services used at the Premises, including but not limited to electricity, water, trash removal, hazardous waste removal, sewer or septic, and oil/water separation and treatment. If not already separately metered, the parties acknowledge that Landlord may have the Premises separately metered at Tenant's expense for one or more utilities. Tenant shall pay directly to the service provider the costs of any separately metered utility service. Janitorial services to the Premises are to be provided by the party identified in the Basic Lease Terms.

(b) Interruption of Services. Except to the extent caused by the gross negligence or intentional misconduct of Landlord or its agents, employees or contractors, failure by Landlord to any extent to furnish or cause to be furnished the utilities or services described in this Lease, or any cessation or interruption thereof, resulting from any cause, including without limitation, mechanical breakdown, overhaul or repair of equipment, strikes, riots, acts of God, shortages of labor or material, compliance by Landlord with any voluntary or similar governmental or business guidelines, governmental laws, regulations or restrictions, or any other similar causes, shall not render the Landlord liable in any respect for damages to either person or property, for any economic loss or other consequential damages incurred by Tenant as a result thereof, be construed as an eviction of Tenant, result in an abatement of rent, or relieve Tenant from its obligation to perform or observe any covenant or agreement contained in this Lease.

(c) Provision of Utility Services. Landlord shall have the right to select and change utility providers from time to time providing service to the Building, and may elect to provide one or more such utility services itself

8. SECURITY DEPOSIT. There is no Security Deposit requirement under this Lease.

9. USES. The Premises are to be used only for the Permitted Uses set forth in Section 1 above and for no other business purpose. Tenant shall not commit any act that will increase the then existing rate of insurance on the Building and will immediately pay any such increase to Landlord as Additional Rent. Tenant shall not commit or allow to be committed any waste upon the Premises, or any public or private nuisance or other act which is unlawful. Tenant shall, at Tenant's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders, and requirements, including without limitation laws and regulations prohibiting discrimination on the basis of race, gender, religion, national origin, age, or disability, in effect during the term hereof, including without limitation the Americans With Disabilities Act, regulating the use, occupancy or improvement of the Premises.

10. IMPROVEMENTS. Upon expiration or sooner termination of this Lease, all improvements, and additions to the Premises, except Tenant's trade fixtures, shall be deemed the property of Landlord.

11. ACCEPTANCE OF PREMISES. Tenant hereby accepts the Premises and the Building "as-is" in their condition existing as of the date of the execution hereof, and that Landlord shall have no obligation of any kind to alter, repair, improve, or rebuild the Premises in connection with Tenant's occupancy thereof except to the extent specifically set forth elsewhere in this Lease. Tenant acknowledges that neither Landlord nor Landlord's agent has made any representation or warranty as

to the suitability of the Premises for the conduct of Tenant's business, and Tenant hereby waives any rights, claims, or actions against Landlord under any express or implied warranties of suitability.

12. CARE OF PREMISES. Landlord shall maintain the structural portions of the Building in reasonably good order and condition, except for damage occasioned by act or omission of Tenant or its contractors, agents, invitees, licensees or employees, the repair of which damage shall be paid by Tenant. Tenant shall, at Tenant's sole cost and expense, keep every other part of the Premises in good condition and repair, damage thereto from causes beyond the reasonable control of Tenant and ordinary wear and tear excepted. If Tenant fails to perform Tenant's obligations under this Section, Landlord may at Landlord's option enter upon the Premises after ten (10) days' prior notice to Tenant and put the same in good order, condition and repair and the cost thereof together with interest thereon at the rate of 12% per annum shall be due and payable as Additional Rent to Landlord together with Tenant's next installment of Basic Rent. All structural repairs required to be made by Landlord shall be those reasonably determined by Landlord as necessary to maintain the structural integrity of the Premises and the Building.

13. ALTERATIONS AND ADDITIONS.

(a) Tenant shall not make any alterations, improvements, additions, or utility installations in or about the Premises (collectively, "Alterations") without first obtaining the written consent of Landlord and, where appropriate, in accordance with plans and specifications approved by Landlord. Any alterations required to be made to the Premises by any applicable building, health, safety, fire, nondiscrimination, or similar law or regulation shall be made at Tenant's sole expense and shall be subject to the prior written consent of Landlord. Tenant shall reimburse Landlord for any sums expended for examination and approval or architectural or mechanical plans and specifications of the Alterations. Landlord may require a lien and completion bond for such construction, or require the improvements be removed at the expiration of the Term. Landlord's approval of the plans, specifications and working drawings for Tenant's alterations shall create no responsibility or liability on the part of Landlord for their completeness, design sufficiency, or compliance with all laws, rules and regulations of governmental agencies or authorities.

(b) Tenant shall pay, when due, all claims for labor or materials furnished to or for Tenant at or for use in the Premises, which claims are or may be secured by any mechanics' or materialmen's liens against the Premises or any interest therein.

(c) Unless Landlord requires their removal, all Alterations (other than trade fixtures and movable equipment) which may be made on the Premises shall become the property of Landlord and remain upon and be tendered with the Premises at the expiration of the term.

14. ACCESS. Tenant shall permit Landlord and its agents to enter the Premises at all reasonable times for the purpose of inspecting, repairing, altering, or improving the Premises or the Building. Landlord may temporarily close any portion of the Building or Premises without liability to Tenant by reason of such closure, and such closure shall not constitute an eviction of Tenant or release Tenant from any Rent hereunder.

15. DAMAGE OR DESTRUCTION. If all of the Premises or such portions of the Building as may be required for the reasonable use of the Premises are damaged by fire or other casualty, this Lease shall automatically terminate as of the date of such casualty. In the event of casualty to a material part, but less than all, of the Building, where Landlord shall determine that the remaining portions of

the Building cannot be economically and effectively used by it (whether on account of physical, economic, aesthetic or other reasons) or where Landlord determines the Building should be restored in such a way as to materially alter the Premises, Landlord shall forward a written notice to Tenant of such determination not more than sixty (60) days after the date of such damage. The term of this Lease shall expire upon such date as Landlord shall specify in such notice but not earlier than sixty (60) days after the date of such notice. If this Lease is not terminated as aforesaid, it shall continue in full force and effect and the Rent shall be equitably reduced during such reconstruction, unless the casualty was due to the negligence or intentional misconduct of Tenant, in which event Rent shall not be abated. If this Lease is terminated as aforesaid, no damages, compensation or claim shall be payable by Landlord for inconvenience, loss of business or annoyance arising from any damage or destruction to any portion of the Premises or the Building. Landlord will not carry insurance of any kind on any improvements paid for by Tenant or on Tenant's furniture, furnishings, fixtures, equipment or appurtenances of Tenant under this Lease and Landlord shall not be obligated to repair any damage thereto or replace the same.

#### 16. CONDEMNATION.

(a) Entire Taking. If all of the Premises or such portions of the Building as may be required for the reasonable use of the Premises are taken by eminent domain, this Lease shall automatically terminate as of the date title vests in the condemning authority. In the event of a taking of a material part, but less than all, of the Building, where Landlord shall determine that the remaining portions of the Building cannot be economically and effectively used by it (whether on account of physical, economic, aesthetic or other reasons) or where Landlord determines the Building should be restored in such a way as to materially alter the Premises, Landlord shall forward a written notice to Tenant of such determination not more than sixty (60) days after the date of taking. The term of this Lease shall expire upon such date as Landlord shall specify in such notice but not earlier than sixty (60) days after the date of such notice. In case of taking of a part of the Premises, or a portion of the Building not required for the reasonable use of the Premises, then this Lease shall continue in full force and effect and the Rent shall be equitably reduced based on the proportion by which the floor area of the Premises is reduced.

(b) Awards and Damages. Landlord reserves all rights to damages to the Premises for any partial, constructive, or entire taking by eminent domain, and Tenant hereby assigns to Landlord any right Tenant may have to such damages or award, and Tenant shall make no claim against Landlord or the condemning authority for damages for termination of the leasehold interest or interference with Tenant's business. Tenant shall have the right, however, to claim and recover from the condemning authority compensation for any loss to which Tenant may be put for Tenant's moving expenses or taking of Tenant's personal property, provided that such damages may be claimed only if they are awarded separately and not out of or as part of the damages recoverable by Landlord.

#### 17. INDEMNIFICATION.

(a) Indemnity. Tenant shall indemnify, defend and hold Landlord harmless from and against all loss, cost and expense, including attorney's fees, arising from any act, omission, or negligence of Tenant or its officers, contractors, licensees, agents, servants, employees, guests, invitees, or visitors in or about the Building, Premises or Land; or arising from any injury or damage to any person or property, occurring in or about the Building, Premises or Land as a result of any act, omission or negligence of Tenant, or its officers, contractors, licensees, agents, employees, guests, or visitors or arising from any breach or default under this Lease by Tenant. The foregoing provisions shall not be construed to make Tenant responsible for loss, damage, liability, or expense resulting from injuries to third parties caused solely by the gross negligence or intentional misconduct of Landlord,



or its officers, contractors, licensees, agents, employees, invitees, or other tenant of the Building.

(b) **Exemption of Landlord from Liability.** As a material part of the consideration to Landlord, Tenant hereby agrees that, notwithstanding anything to the contrary in Section 17(a) above, Landlord shall in no event be liable for injury to Tenant's business or assets or any loss of income therefrom or for damage to Tenant's employees, invitees, customers, or any other person in or about the Premises, whether such damage, loss or injury results from conditions arising upon the Premises or upon other portions of the Buildings of which Premises are a part, or from other sources or places, and regardless of whether the cause of such damage, loss or injury or the means of repairing the same is inaccessible to Tenant. Tenant further agrees that notwithstanding anything to the contrary in Section 17(a) above, Landlord shall in no event be liable for any injury or damage to any person or property of Tenant, Tenant's employees, invitees, customers, agents, or contractors arising from any act or neglect of any tenant or occupant of the Building or any other third person. The foregoing provisions shall not be construed to make Tenant responsible for loss, damage, liability, or expense resulting from injuries to third parties caused solely by the gross negligence or intentional misconduct of Landlord, or its officers, contractors, licensees, agents, employees, invitees, or other tenant of the Building.

(c) **Waiver of Subrogation.** Landlord and Tenant each waive any and all rights to recover against the other, or against the officers, directors, shareholders, partners, joint ventures, employees, agents, customers, invitees, or business visitors of such other party, for any loss or damage to such waiving party arising from any cause covered by any property insurance required to be carried pursuant to this Lease or any other property insurance actually carried by such party. Landlord and Tenant, from time to time, will cause their respective insurers to issue appropriate waiver of subrogation rights endorsements to all property insurance policies carried in connection with the Building or the Premises or the contents of either.

(d) **Industrial Insurance Act Waiver.** Solely for the purpose of effectuating Tenant's indemnification obligations under this Lease, and not for the benefit of any third parties (including but not limited to employees of Tenant), Tenant specifically and expressly waives any immunity that may be granted it under applicable federal, state, or local Worker Compensation Acts, Disability Benefit Acts, or other employee benefit acts. Furthermore, the indemnification obligations under this Lease shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable to or for any third party under Worker Compensation Acts, Disability Benefit Acts, or other employee benefit acts. The parties acknowledge that the foregoing provisions of this Section have been specifically and mutually negotiated between the parties.

18. **HAZARDOUS SUBSTANCES.** Tenant shall be solely responsible and liable for, and shall indemnify, defend, and hold harmless Landlord for, from and against any and all Hazardous Substances existing on the Premises, or present in or on the air, ground water, soil, buildings, or other improvements or otherwise in, on, under or about the Premises or any other property, resulting from the handling by Tenant of any Hazardous Substance during the period of Tenant's occupancy or use of the Premises. Without limiting the generality of the foregoing, Tenant shall, at any time during the term of the Lease and at the end of the term of the Lease, perform all work necessary to render the Premises or any other property "clean" and free of all Hazardous Substances handled by Tenant, in accordance with all present and then-applicable laws. As used herein, the term "Hazardous Substance" means any hazardous, toxic or dangerous substance, waste or material which is or becomes regulated under any federal, state or local statute, ordinance, rule, regulation or other law now or hereafter in effect pertaining to environmental protection, contamination or cleanup,

including without limitation any substance, waste or material which now or hereafter is designated as a "Hazardous Substance" under the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601 et seq.), or under any local or state rule or regulation. Without limiting the foregoing, Hazardous Substances shall include, but not be limited to, any substance which after being released into the environment and upon exposure, ingestion, inhalation, or assimilation, either directly from the environment or indirectly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, behavior abnormalities, cancer and/or genetic abnormalities. In addition, Tenant agrees to indemnify, defend and hold harmless Landlord against any and all loss, cost and expense (including, without limitation, consultant fees, attorneys' fees and disbursements) which may be imposed on, incurred or paid by, or asserted against Landlord or the Building, Premises or land by reason of, or in connection with (i) any misrepresentation, breach of warranty or other default by Tenant under this Lease, or (ii) the acts or omissions by Tenant under this Lease, or (ii) the acts or omissions of Tenant, or any sublessee or other person for whom Tenant would otherwise be liable, resulting in the release of any hazardous waste or materials.

#### 19. INSURANCE.

(a) General. Tenant shall, throughout the term of this Lease and any renewal or extension hereof, and at its own expense, keep and maintain in full force and affect the following:

(i) Commercial general liability insurance on an occurrence basis with at least Five Million Dollars (\$5,000,000) per occurrence limit and Ten Million Dollars (\$10,000,000) general aggregate limit;

(ii) Property insurance covering its leasehold improvements to the Premises, furniture, fixtures, equipment, inventory, and other personal property located on the Premises in an amount which is not less than one hundred percent (100%) of the insurable replacement value with no coinsurance penalty;

(iii) Fire Legal Liability coverage in the amount of \$1,000,000; and

(iv) Garage Liability and Garage Keepers Legal Liability coverage in the amount of \$1,000,000.

(b) Policy Requirements. Coverage may be achieved through the use of the Washington Cities Insurance Authority risk pool which meets the requirements of this Section. Tenant shall deliver to Landlord an "Evidence of Coverage" letter prior to delivery of the Premises to Tenant, for all insurance required to be carried by Tenant hereunder. All policies of insurance provided for herein shall not contain a deductible greater than \$1,000 or any self-insured retention unless expressly approved in writing by Landlord. All liability and property policies of Tenant shall be written as primary policies, not contributing with, and not in excess of coverage which Landlord may carry, and in no event shall the policy limits of such insurance policy or policies be deemed to limit the liability of Tenant thereunder. As often as any such policy shall expire or terminate, renewal or additional policies shall be procured and maintained by Tenant pursuant to the terms of this Section so that at no time shall the insurance coverage required hereby lapse. All policies of insurance delivered to Landlord must contain a provision that the company writing such policy will give to Landlord and/or Landlord's property manager at least thirty (30) days' notice in writing in advance of any cancellation or lapse or the effective date of any reduction in the amount of or other material change of insurance.

(c) Adequacy of Insurance. Landlord makes no representation or warranty to Tenant that the amount of insurance to be carried by Tenant under the terms of this Lease is adequate to fully protect Tenant's interests. If Tenant believes that the amount of any such insurance is insufficient, Tenant is encouraged to obtain, at its sole cost and expense, such additional insurance as Tenant may deem desirable or adequate. Tenant acknowledges that Landlord shall not, by the fact of approving, disapproving, waiving, accepting, or obtaining any insurance, incur any liability for or with respect to the amount of insurance carried, the form or legal sufficiency of such insurance, the solvency of any insurance companies or the payment or defense of any lawsuit in connection with such insurance coverage, and Tenant hereby expressly assumes full responsibility therefor and all liability, if any with respect thereto.

(d) Landlord's Right to Obtain Insurance. If Tenant fails to acquire or maintain any insurance or provide any certificate or policy required by this Section, Landlord may, but shall not be required to, obtain such insurance for Landlord's benefit and Tenant shall reimburse Landlord for the costs of the premiums of such insurance within ten (10) days of receipt of a written request for reimbursement from Landlord. Such amounts shall be Additional Rent payable by Tenant hereunder and in the event of non-payment thereof, Landlord shall have rights with respect to such non-payment as it has with respect to any other non-payment of rent hereunder.

20. ASSIGNMENT AND SUBLETTING. Neither this Lease nor any interest therein may be assigned, mortgaged, transferred, or encumbered, nor shall all or any part of the Premises be sublet except with the prior written consent of Landlord, which may be withheld in Landlord's sole and absolute discretion. Any assignee or subtenant (each, a "Transferee") shall assume all of Tenant's obligations under this Lease and be jointly and severally liable with Tenant hereunder. No assignment, mortgage, transfer, encumbrance, or sublease, whether consented to by Landlord or not, shall effect any release of Tenant's liability hereunder.

21. LIENS AND INSOLVENCY. Tenant shall keep its interest in this Lease and any property of Tenant (other than unattached personal property) and the Premises, the land, and the Building free from any liens arising out of any work performed or materials ordered or obligations incurred by or on behalf of Tenant and hereby indemnifies and holds Landlord harmless from any liability from any such lien. Tenant shall have no right or authority to cause or allow the Premises, Building or land to be subjected to any such lien. Tenant shall provide Landlord written notice of intended construction, alteration, or repair work at least twenty (20) days before the commencement thereof to afford Landlord an opportunity to post notices of non-responsibility.

22. DEFAULT.

(a) Default By Tenant. The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by Tenant:

- (i) the abandonment of the Premises by Tenant or the vacating of the Premises for more than thirty (30) consecutive days;
- (ii) the failure by Tenant to make any undisputed payment required to be made by Tenant hereunder, and such failure continues for more than five (5) days after written notice from Landlord (provided that a dispute not giving rise to a default hereunder is made in good faith);

- (iii) the failure by Tenant to observe or perform any of the other covenants, conditions or provisions of the Lease, where such failure shall continue for a period of twenty (20) days after written notice from Landlord; provided, however, if more than 20 days are reasonably required for its cure then Tenant shall not be deemed to be in default if Tenant commences such cure within said 20-day period and thereafter diligently prosecutes such cure to completion;
  - (iv) the making by Tenant of any general assignment or general arrangement for the benefit of creditors;
  - (v) the filing by or against Tenant of a petition to have Tenant adjudged bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days);
  - (vi) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in the Lease, where possession is not restored to Tenant within thirty (30) days;
  - (vii) the attachment, execution, or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within thirty (30) days; or
  - (viii) the assignment or other transfer of all or any interest of Tenant in this Lease, or the subletting of all or any portion of the Premises, in either case which is in violation of Section 20 above. All notice and cure periods set forth above are in lieu of and not in addition to any notice required pursuant to applicable unlawful detainer/eviction statutes.
- (b) Landlord's Remedies upon Tenant Default. All rights and remedies of Landlord herein enumerated shall be cumulative, and none shall exclude any other right or remedy allowed by law or in equity, and all of the following may be exercised with or without legal process as then may be provided or permitted by the laws of the state in which the Premises are situated:
- (i) Upon any default under this Lease, Landlord may reenter the Premises and remove or put out Tenant or any other persons found therein. No such reentry shall be construed as an election on Landlord's part to terminate this Lease unless a written notice of such intention is given to Tenant.
  - (ii) Landlord may elect to re-let the Premises or any part thereof upon such terms and conditions, including rent, term and remodeling or renovation, as Landlord in its sole discretion may deem advisable. To the fullest extent permitted by law, the proceeds of any reletting shall be applied: first, to pay Landlord all costs and expenses of such reletting (including without limitation, costs and expenses incurred in retaking or repossessing the Premises, removing persons or property therefrom, securing new tenants, and, if Landlord maintains and operates the Premises, the costs thereof); second, to pay any indebtedness of Tenant to Landlord; and third, the residue, if any, shall be held by Landlord and applied in payment of other or future obligations of Tenant to Landlord as the same may become due and payable, and Tenant shall not be entitled to receive any portion of such revenue.
  - (iii) Landlord may also elect to terminate the Lease and all rights of Tenant by giving

notice to Tenant of such election. If Landlord elects to terminate the Lease, Landlord shall have the right to reenter the Premises and remove all persons, and to take possession of and remove all equipment and fixtures of Tenant in the Premises. Tenant hereby waives all damages that may be caused by Landlord's reentering and taking possession of the Premises or removing or storing the property thereof, and Tenant shall save Landlord harmless therefrom, and no such reentry shall be considered a forcible entry. If Landlord so elects to terminate the Lease, Landlord may also recover from Tenant any amount necessary to compensate the Landlord for all the detriment proximately caused by the Tenant's failure to perform its obligations under the Lease or which in the ordinary course of things would be likely to result therefrom and at Landlord's election, such other amounts in addition to or in lieu of the foregoing that may be permitted from time to time by applicable law.

(c) Nothing in this Section 22 shall be deemed to affect Landlord's right to indemnification for liability or liabilities arising prior to termination of this Lease for personal injury or property damage under the indemnification provisions or other provisions of this Lease.

23. This paragraph has been deleted and left blank.

24. SURRENDER OF POSSESSION. Subject to the terms of Section 15 relating to damage and destruction, upon expiration of the term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises to Landlord "broom-clean" and in as good condition as when received by Tenant from Landlord or as thereafter improved, reasonable use, wear and tear excepted. Tenant shall remove all of its personal property and trade fixtures from the Premises at the expiration of the term; any property not so removed shall be deemed abandoned and may be sold or otherwise disposed of as Landlord deems advisable.

25. NON-WAIVER Waiver by Landlord of any term, covenant or condition herein contained or any breach thereof shall not be deemed to be a waiver of such term, covenant, or condition or of any subsequent breach of the same or any other term, covenant, or condition herein contained.

26. LANDLORDS LIABILITY. Anything in this Lease to the contrary notwithstanding, covenants, undertakings and agreements herein made on the part of Landlord are made and intended not as personal covenants, undertakings and agreements for the purpose of binding Landlord personally or the assets of Landlord except Landlord's interest in the Premises and Building, but are made and intended for the purpose of binding only the Landlord's interest in the Premises and Building, as the same may from time to time be encumbered.

27. TRANSFER OF LANDLORD'S INTEREST. In the event of any transfer of Landlord's interest in the Premises or in the Building, the transferor shall be automatically relieved of any and all obligations and liabilities on the part of Landlord accruing from and after the date of such transfer and such transferee shall have no obligation or liability with respect to any matter occurring or arising prior to the date of such transfer. Tenant agrees to attorn to the transferee.

28. RIGIT TO PERFORM. If Tenant shall fail to pay any sum of money required to be paid by it hereunder or shall fail to perform any other act on its part to be performed hereunder, and such failure shall continue for ten (10) days after notice thereof by Landlord, Landlord may, but shall not be obligated so to do, and without waiving or releasing Tenant from any obligations of Tenant, make such payment or perform any such other act on Tenant's part to be made or performed as provided in this Lease.

29. GENERAL.

- (a) **Headings.** Titles to Sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.
- (b) **Successors and Assigns.** All of the covenants, agreements, terms, and conditions contained in this Lease shall inure to and be binding upon the Landlord and Tenant and their respective administrators, successors, and assigns.
- (c) **Authority.** Each individual executing this Lease on behalf of Tenant represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Tenant, and that this Lease is binding upon Tenant in accordance with its terms.
- (d) **No Brokers.** Tenant represents and warrants to Landlord that it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease and shall indemnify and hold harmless Landlord against any loss, cost, liability or expense incurred by Landlord as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Tenant.
- (e) **Entire Agreement.** This Lease is the final and complete expression of Landlord and Tenant relating in any manner to the leasing, use and occupancy of the Premises, to Tenant's use of the Building and other matters set forth in this Lease. No prior agreements or understanding pertaining to the same shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified, or added to except in writing signed by both Landlord and Tenant.
- (f) **Severability.** Any provision of this Lease which shall prove to be invalid, void, or illegal shall in no way affect, impair or invalidate any other provision hereof and the remaining provisions hereof shall nevertheless remain in full force and effect.
- (g) **Force Majeure.** Except for the payment of Rent, Additional Rent, or other sums payable by Tenant to Landlord, time periods for Tenant's or Landlord's performance under any provisions of this Lease shall be extended for periods of time during which Tenant's or Landlord's performance is prevented due to circumstances beyond Tenant's or Landlord's control, including without limitation, embargoes, shortages of labor or materials, governmental regulations, acts of God, war, or other strife.
- (h) **Notices.** All notices under this Lease shall be in writing and delivered in person or sent by registered or certified mail, postage prepaid, to Landlord and to Tenant at the addresses provided in Section 1 (provided that after the Commencement Date any such notice shall be mailed or delivered by hand to Tenant at the Premises) and to the holder of any mortgage or deed of trust at such place as such holder shall specify to Tenant in writing; or such other addresses as may from time to time be designated by any such party in writing. Notices mailed as aforesaid shall be deemed given on the date of such mailing.
- (i) **Costs and Attorney's Fees; Waiver of Jury Trial.** If Tenant or Landlord shall bring any action for any relief against the other, declaratory or otherwise, arising out of this Lease, including any suit by Landlord for the recovery of Rent, Additional Rent or other payments hereunder or possession of the Premises each party shall, and hereby does, to the extent

permitted by law, waive trial by jury and the losing party shall pay the prevailing party a reasonable sum for attorney's fees in such suit, at trial and on appeal, and such attorney's fees shall be deemed to have accrued on the commencement of such action. If Landlord retains an attorney in connection with the default of Tenant hereunder, Tenant shall pay Landlord's reasonable attorney's fees whether or not suit is filed.

(j) Governing Law; Venue. This Lease shall be governed by and construed in accordance with the internal laws of the State of Washington. The venue for any action arising under the Lease shall be the Superior Court of Washington in Thurston County.

(k) Recording. Tenant shall not record this Lease or a memorandum hereof without Landlord's prior written consent and such recordation shall, at the option of Landlord, constitute a non-curable default of Tenant hereunder.

(l) Waivers. No waiver by Landlord of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Tenant of the same or any other provision. Landlord's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Landlord's consent to or approval of any subsequent act by Tenant. The acceptance of Rent hereunder by Landlord shall not be a waiver of any preceding breach at the time of acceptance of such Rent.

(m) Time of Essence. Time is of the essence for the performance of all of the obligations specified hereunder.

(n) Quiet Enjoyment. Subject to the other terms of this Lease, Landlord covenants that Tenant shall, and may peacefully have, hold, and enjoy the Premises for the Term free of any claims by any party claiming by, through or under Landlord, provided that Tenant pays the rent to be paid by Tenant under this Lease and performs all of Tenant's covenants and agreements herein provided.

(o) Merger. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger and shall, at the option of Landlord, terminate all or any existing subtenancies or may, at the option of Landlord, operate as an assignment to Landlord of any or all of such subtenancies.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF this Lease has been executed the day and year first above set forth.

**Landlord**

Fire Protection District No. 3, Thurston County, a Washington municipal Corporation

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

Name: Steve Brooks

Its: Fire Chief

Date:

**Tenant**

City of Olympia, a Washington municipal Corporation

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

Name: Steven J. Burney

Its: City Manager

Date:

Approved as to form:

By: \_\_\_\_\_ *Jake Stillwell*

Its: Deputy City Attorney

Date: 12/23/2024



## EXHIBIT A

### LEGAL DESCRIPTION OF LAND

Parcel "A" of Boundary Line Adjustment No. BLA-0931 as recorded under Auditor's File No. 9006260006, Thurston County records, situated in Section 14, Township 18 North, Range 1 West, Willamette, Meridian, Thurston County, Washington.



## City Council

### Approval of a Resolution Authorizing an Interlocal Agreement between Thurston County and the Cities of Lacey, Olympia, Tumwater and Tenino to Support Implementation of the 2025 “Energize Thurston” Heat Pump Group Purchase Campaign

**Agenda Date:** 1/14/2025  
**Agenda Item Number:** 4.D  
**File Number:** 25-0032

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**Type:** resolution **Version:** 1 **Status:** Consent Calendar

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#### **Title**

Approval of a Resolution Authorizing an Interlocal Agreement between Thurston County and the Cities of Lacey, Olympia, Tumwater and Tenino to Support Implementation of the 2025 “Energize Thurston” Heat Pump Group Purchase Campaign

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee.

##### **City Manager Recommendation:**

Move to approve a resolution authorizing an Interlocal Agreement between Thurston County and the Cities of Lacey, Olympia, Tumwater and Tenino to support implementation of the 2025 “Energize Thurston” heat pump group purchase campaign.

#### **Report**

##### **Issue:**

Whether to approve a resolution authorizing an Interlocal Agreement between Thurston County and the Cities of Lacey, Olympia, Tumwater and Tenino to support implementation of the 2025 “Energize Thurston” heat pump group purchase campaign.

##### **Staff Contact:**

Dominic Jones, Building Decarbonization Program Manager, City Manager’s Office, 360.753.8347

##### **Presenter(s):**

None - Consent Calendar Item

##### **Background and Analysis:**

###### Energize Thurston

Energize Thurston is a regional heat pump group purchase program that makes it faster, easier, and

more affordable for Thurston County residents to purchase and install energy-efficient heat pumps and heat pump water heaters (HPWH). Energize Thurston will reduce upfront costs through a group purchase discount provided by competitively selected installers and application of all available rebates as a time-of-sale discount. The campaign will offer two participant pathways:

- Low- and Moderate-Income (LMI) Pathway: will provide fully subsidized equipment installations for low-income households (<80% area median income; AMI) and partially subsidized installations for moderate-income households (≥80% but <120% AMI).
- Self-Funded Pathway: will provide a group purchase discount, free educational workshops, guidance on relevant incentives and financing, streamlined installation, and customer support available to all households in Thurston County.

Energize Thurston builds on the foundation of existing local and regional campaigns, including:

- The City of Olympia’s “Energize Olympia” campaign, which was developed and implemented in partnership with South Puget Sound Habitat for Humanity (SPSHFH). Energize Olympia provided discounted and subsidized ductless heat pumps to Olympia residents in 2023-2024, leading to 163 heat pump installations, including 96 fully subsidized installations for income-qualified households.
- “The Switch Is On” web platform, which provides education about electric home appliances and location-based tools to find incentives and vetted contractors.

#### Regional Implementation

Thurston County and the cities of Olympia, Lacey, and Tumwater have been working together since 2021 to implement the Thurston Climate Mitigation Plan (TCMP). In 2023, the jurisdiction partners established the Thurston Climate Mitigation Collaborative (TCMC) to support regionally coordinated implementation of the TCMP. Each year, the TCMC selects a Regional Initiative to advance in a coordinated way among all TCMC jurisdictions.

In 2023, the TCMC selected the development of a Residential Energy Efficiency and Electrification Campaign (Energize Thurston) as a 2024 TCMC Regional Initiative. Throughout 2024, TCMC staff completed key tasks to design and develop the regional Energize Thurston program, including a market assessment, incentive program research, stakeholder interviews, and a community survey.

Energize Thurston will expand the scope of Energize Olympia to serve residents throughout Thurston County and offer more equipment types, including ducted and ductless heat pumps and heat pump water heaters. Thurston County and the cities of Olympia, Lacey, Tumwater, and Tenino (“partner jurisdictions”) are entering into an Interlocal Agreement for regionally coordinated implementation of the campaign.

Thurston County will serve as the lead jurisdiction for Energize Thurston. This includes contracting with selected campaign installers and coordinating the implementation and administration of the campaign, with support from partner jurisdictions. Each partner jurisdiction (excluding Tenino) will contribute an equal share of funds for program administration, outreach, and marketing costs. Each jurisdiction will also contribute in-kind staff time to select program installers, develop communications materials, conduct outreach, and oversee applications and installations for participants residing within their jurisdictions.

Staff expect to launch Energize Thurston in March 2025, following the approval of this Interlocal Agreement, contracting with a program administrator to facilitate subsidized installations for income-qualified participants, and selection of vetted program installers.

#### Funding for Incentives and Subsidized Installations

The Energize Thurston partner jurisdictions will independently fund incentives and subsidized installations for their residents.

Each of the five partner jurisdictions has been awarded funds through the Washington State Home Electrification and Appliance Rebate (HEAR) Program to subsidize installations of eligible equipment for low- and moderate-income (LMI) households.

In addition to HEAR funding, Olympia, Lacey and Thurston County also expect to receive federal Energy Efficiency & Conservation Block Grant (EECBG) funding to support additional subsidized HPWH installations.

#### **Climate Analysis:**

The Thurston Climate Mitigation Plan (TCMP) identifies reducing energy use in existing residential buildings and converting to cleaner fuel sources, through the installation of heat pump space and water heating, as key strategies for local action to reduce greenhouse gas emissions (See TCMP Strategies B1 and B6).

Energize Thurston will enable a long-term reduction in greenhouse gas emissions, by supporting the installation of energy-efficient heat pump space heating and heat pump water heating in Olympia households.

#### **Equity Analysis:**

The Energize Thurston Program directly benefits low- and moderate-income households up to 120% AMI through fully- or partially subsidized installations of heat pump and HPWH equipment retrofits. Households at or below 80% AMI are eligible to receive full cost coverage installations of qualified heat pump and HPWH equipment, and households between 80% - 120% AMI are eligible for 80% cost coverage up to a maximum owner contribution of \$2,500.

Providing energy efficiency retrofits to low- and moderate-income households directly supports energy equity by removing the barrier of high up-front costs for equipment and installation, as well as reducing long-term energy use and lowering energy bills. In addition to reducing energy burdens, heat pump and weatherization retrofits offer resilience co-benefits including access to cooling, as well as improved comfort and indoor air quality.

#### **Neighborhood/Community Interests (if known):**

TCMC staff conducted a community survey for homeowners in Thurston County between September-October 2024, to help shape the Energize Thurston Campaign. Out of 165 total respondents:

- 68.5% of respondents shared a 'very favorable' or 'somewhat favorable' view of electric powered home appliances.
- Over 75% of survey respondents, when asked which barriers would affect their decision to switch to electric appliances, indicated upfront costs were either a 'Significant barrier' or 'Somewhat of a barrier'.

These results indicate a high level of interest and community support regarding electric home appliances, as well as significant demand for energy efficiency incentive programs that reduce the barrier of high upfront costs to complete retrofits.

**Options:**

1. Approve a resolution authorizing an Interlocal Agreement between Thurston County and the Cities of Lacey, Olympia, Tumwater and Tenino to support implementation of the 2025 “Energize Thurston” heat pump group purchase campaign.
2. Approve a resolution authorizing an Interlocal Agreement between Thurston County and the Cities of Lacey, Olympia, Tumwater and Tenino to support implementation of the 2025 “Energize Thurston” heat pump group purchase campaign with amendments.
3. Do not approve a resolution authorizing an Interlocal Agreement between Thurston County and the Cities of Lacey, Olympia, Tumwater and Tenino to support implementation of the 2025 “Energize Thurston” heat pump group purchase campaign.

**Attachments:**

Resolution  
Agreement

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON,  
APPROVING AN INTERLOCAL AGREEMENT BETWEEN THURSTON COUNTY AND THE  
CITIES OF LACEY, OLYMPIA, TUMWATER, AND TENINO TO SUPPORT IMPLEMENTATION  
OF THE 2025 “ENERGIZE THURSTON” HEAT PUMP GROUP PURCHASE CAMPAIGN**

**WHEREAS**, 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; and

**WHEREAS**, pursuant to RCW 39.34.080, each party is authorized to contract with any one or more other public agencies to perform any governmental service, activity, or undertaking which each public agency entering into 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

**WHEREAS**, The Thurston Climate Mitigation Collaborative (TCMC) is an ongoing partnership among Thurston County and the Cities of Olympia, Lacey and Tumwater to identify and implement actions to reduce local sources of greenhouse gas emissions that contribute to global climate change; and the TCMS was formalized through a December 2023 Interlocal Agreement; and

**WHEREAS**, the TCMC’s 2022 greenhouse gas emissions inventory found that residential natural gas use and associated emissions increased 31% from 2015 to 2022 in Thurston County, and that natural gas use had the largest increase of all emissions-generating activities over that time period, underscoring the importance of providing voluntary incentives to transition homes toward modern, efficient heating/cooling and water heating systems to meet regional emission reduction goals; and

**WHEREAS**, the TCMC executed another Interlocal Agreement in March 2024 to implement two regionally coordinated initiatives that aim to reduce emissions in residential buildings and implement Strategies B1 and B6 in the *Thurston Climate Mitigation Plan*, one of which was to design a Residential Energy Efficiency and Electrification Campaign; and

**WHEREAS**, the TCMC completed background research and stakeholder engagement to design the Residential Energy Efficiency and Electrification Campaign, named the campaign “Energize Thurston,” and plans to launch Energize Thurston in the first quarter of 2025; and

**WHEREAS**, Energize Thurston will expand on the City of Olympia’s 2023-2024 “Energize Olympia” program by providing discounted and streamlined installations of efficient electric heat pump space heaters and heat pump water heaters to residents throughout Thurston County, as well as subsidized installations for qualifying low- and moderate-income (LMI) residents; and

**WHEREAS**, the City of Tenino wishes to join the four TCMC jurisdictions in implementing Energize Thurston, and all five jurisdictions have been awarded state and/or federal grant funding to contribute to subsidized equipment installations for qualifying residents within their jurisdictions; and

**WHEREAS**, the implementation of this regional initiative will help Thurston residents leverage current and forthcoming state, federal, and utility incentives for energy efficiency and electrification; and

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL DOES HEREBY RESOLVE** as follows:

1. The Olympia City Council hereby approves the form of Interlocal Agreement between Thurston County and the Cities of Lacey, Olympia, Tumwater and Tenino to support implementation of the 2025 “Energize Thurston” heat pump group purchase campaign and the terms and conditions contained therein.
2. The City Manager is authorized and directed to execute on behalf of the City of Olympia the Interlocal Agreement, and any other documents necessary to execute said Agreement, and to make any amendments or minor modifications as may be required and are consistent with the intent of the Agreement, or to correct any scrivener's errors.

**PASSED BY THE OLYMPIA CITY COUNCIL** this \_\_\_\_\_ day of \_\_\_\_\_ 2025.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

Jake Stillwell  
DEPUTY CITY ATTORNEY

**Interlocal Agreement Between Thurston County and the Cities of Lacey, Olympia,  
Tumwater, and Tenino to Support Implementation of the 2025 “Energize Thurston”  
Heat Pump Group Purchase Campaign**

**THIS AGREEMENT** (“Agreement”) is made and entered into as of the date of the last signature below (which is the “effective date”) by and between the City of Lacey, a Washington municipal corporation (“Lacey”); the City of Olympia, a Washington municipal corporation (“Olympia”); the City of Tumwater, a Washington municipal corporation (“Tumwater”); the City of Tenino, a Washington municipal corporation (“Tenino”); and Thurston County, a Washington municipal corporation (“County”), collectively referred to herein as “the Parties” and individually as “Party.”

**WHEREAS**, 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 pursuant to forms of governmental organization that will accord best with geographic, economic, populations, and other factors influencing the needs and development of local communities; and

**WHEREAS**, pursuant to RCW 39.34.080, each Party is authorized to contract with any one or more other public agencies to perform any governmental service, activity, or undertaking which each public agency entering into the contract is authorized by law to perform; provided, that such contract is authorized by the governing body of each Party to the contract and sets forth its purposes, powers, rights, objectives, and responsibilities of the contracting parties; and

**WHEREAS**, the Thurston Climate Mitigation Collaborative (TCMC) is an ongoing partnership among Thurston County, Lacey, Olympia, and Tumwater to identify and implement actions to reduce local sources of greenhouse gas emissions that contribute to global climate change; and the TCMC was formalized through a December 2023 Interlocal Agreement; and

**WHEREAS**, the TCMC’s 2022 greenhouse gas emissions inventory found that residential natural gas use and associated emissions increased 31% from 2015 to 2022 in Thurston County, and that natural gas use had the largest increase of all emissions-generating activities over that time period, underscoring the importance of providing voluntary incentives to transition homes toward modern, efficient heating/cooling and water heating systems to meet regional emission reduction goals; and

**WHEREAS**, from 2015 to 2022 in Thurston County, residential electricity use increased 17% but emissions from residential electricity use only increased 3% as a result of growing investments in clean electricity generation, and these investments are expected to continually reduce emissions from electricity use in the future; and

**WHEREAS**, the TCMC executed another Interlocal Agreement in March 2024 to implement two regionally coordinated initiatives that aim to reduce emissions in residential buildings and implement Strategies B1 and B6 in the *Thurston Climate Mitigation Plan*, one of which was to design a Residential Energy Efficiency and Electrification Campaign; and

**WHEREAS**, the TCMC completed background research and stakeholder engagement to design the Residential Energy Efficiency and Electrification Campaign, named the campaign “Energize Thurston,” and plans to launch Energize Thurston in the first quarter of 2025; and



**WHEREAS**, Energize Thurston will expand on the City of Olympia’s 2023-2024 “Energize Olympia” campaign by providing discounted and streamlined installations of efficient electric heat pump space heaters and heat pump water heaters to residents throughout Thurston County, as well as subsidized installations for qualifying low- and moderate-income (LMI) residents; and

**WHEREAS**, the City of Tenino wishes to join the four TCMC jurisdictions in implementing Energize Thurston, and all five jurisdictions have been awarded state and/or federal grant funding to contribute to subsidized equipment installations for qualifying residents within their jurisdictions; and

**NOW, THEREFORE**, in consideration of the mutual promises contained in this Agreement, the Parties agree as follows:

**I. Purpose and Goals of Agreement**

The purpose of this Agreement is to establish a framework for regionally coordinated implementation of the 2025 Energize Thurston heat pump group purchase campaign. Energize Thurston aims to make it faster, easier, and more affordable for Thurston County residents to purchase and install efficient, all-electric heat pump space conditioning systems and heat pump water heaters (hereafter “heat pump equipment”). Energize Thurston will reduce upfront costs through a group purchase discount provided by competitively selected Campaign Installer(s), and application of all available rebates as a time-of-sale discount. The campaign will offer two participant pathways:

- Low- and Moderate-Income (LMI) Pathway: will provide fully subsidized equipment installations for low-income households (<80% area median income; AMI) and partially subsidized installations for moderate-income households (≥80% but <120% AMI).
- Self-Funded Pathway: will provide a group purchase discount, free educational workshops, guidance on relevant incentives and financing, streamlined installation, and customer support available to all households in Thurston County.

This Agreement defines partner roles and responsibilities to complete all tasks and deliverables detailed in the “Energize Thurston Launch and Implementation Plan” (attached as Exhibit A and incorporated herein). The Agreement also proposes a Campaign Administration Budget (attached as Exhibit B and incorporated herein) and cost share structure to cover shared costs of Energize Thurston administration, outreach, and marketing.

**II. Roles**

- i. **Jurisdiction Parties.** Thurston County, Lacey, Olympia, Tumwater, and Tenino each received state grant funding to support the Energize Thurston campaign. Some of the jurisdictions also expect to contribute federal grant funding as detailed in Section III below. Each Party will execute a contract with the LMI Pathway Administrator to transfer grant funds and authorize the LMI Pathway Administrator to perform its role as detailed below. Each jurisdiction will allocate staff time as needed to implement Energize Thurston.
- ii. **Lead Jurisdiction.** As Lead Jurisdiction, Thurston County will hold contract(s) with the selected Campaign Installers and a Customer Support Consultant. Staff from the Lead Jurisdiction will lead the campaign’s execution and administration with support from other jurisdictional staff and the Customer Support Consultant.

- iii. **LMI Pathway Administrator.** Each of the Parties will contract with a partner organization (TBD) that will contract with the selected Campaign Installers to provide installations of qualifying equipment for qualified LMI participants. The LMI Pathway Administrator will verify participant income eligibility, coordinate installer site assessments and installations, review completion of work with LMI participants as well as provide installer oversight. They will also support campaign promotion, administration of grant funding for subsidized installations, participant recruitment, marketing, and outreach efforts.
- iv. **Campaign Installer(s).** Installer(s) will be selected through a competitive Request for Proposals (RFP) process evaluating qualifications, experience, pricing, alignment with campaign goals, and commitment to customer support. The RFP and resulting contract(s) with the Lead Jurisdiction will detail the Installer scope of work and specify equipment requirements for qualifying heat pump equipment. The contract(s) will set a group purchase discount rate for all participants and require that the Installer(s) apply all available rebates as a time-of-sale discount. Campaign Installers will provide information at the educational workshops, conduct free site assessments, offer streamlined access to incentives and rebates, provide information on financing if requested, and execute installations for the campaign.
- v. **Customer Support Consultant.** The Lead Jurisdiction may also contract with a Customer Support Consultant (TBD) to augment staff capacity by assisting with customer support and/or campaign outreach and education.

### III. Services Provided by Thurston County

- i. County shall serve as Lead Jurisdiction for the 2025 Energize Thurston campaign as defined in Section II.
- ii. County shall serve as the contract manager and conduct all contracting responsibilities with the selected Campaign Installers, a Customer Support Consultant, and other contractors as needed, except for design and printing of marketing materials (provided by Olympia).
- iii. County's contract management responsibilities include monitoring contractor compliance with the terms of their contracts, ensuring contractors comply with the fiscal conditions of their contracts, and when necessary, implementing corrective actions.
- iv. County shall host a Community Energy Fellow through the U.S. Department of Energy's Energy Efficiency Conservation Block Grant (EECBG) Program, from August 2024 through July 2025 or longer. The Fellow will lead campaign outreach and marketing, customer service, and participant tracking for Energize Thurston.
- v. County shall allocate all or some of its awarded grant funding from the State Home Electrification and Appliance Rebates (HEAR) program and/or the EECBG program toward subsidized installations of heat pump equipment for income-qualified participants.
- vi. County shall execute a contract with the LMI Pathway Administrator to utilize the County's grant funds to provide equipment installations and associated services for income-qualified participants.

### IV. Services Provided by Olympia

- i. Olympia shall serve as contract manager and conduct all contracting responsibilities for design and printing of Energize Thurston marketing materials.
- ii. Olympia's contract management responsibilities include monitoring contractor compliance with the terms of their contracts, ensuring contractors comply with the fiscal conditions of their contracts, and when necessary, implementing corrective actions.

- iii. Olympia shall allocate all or some of its awarded grant funding from the HEAR program and/or the EECBG program toward subsidized installations of heat pump equipment for income-qualified participants.
- iv. Olympia shall execute a contract with the LMI Pathway Administrator to utilize the City's grant funds to provide equipment installations and associated services for income-qualified participants.

**V. Services Provided by Lacey**

- i. Lacey shall allocate all or some of its awarded grant funding from the HEAR program and/or the EECBG program toward subsidized installations of heat pump equipment for income-qualified participants.
- ii. Lacey shall execute a contract with the LMI Pathway Administrator to utilize the City's grant funds to provide equipment installations and associated services for income-qualified participants.

**VI. Services Provided by Tumwater**

- i. Tumwater shall allocate all or some of its awarded grant funding from the HEAR program toward subsidized installations of heat pump equipment for income-qualified participants.
- ii. Tumwater shall execute a contract with the LMI Pathway Administrator to utilize the City's grant funds to provide equipment installations and associated services for income-qualified participants.

**VII. Services Provided by Tenino**

- i. Tenino shall allocate all or some of its awarded grant funding from the HEAR program toward subsidized installations of heat pump equipment for income-qualified participants.
- ii. Tenino shall execute a contract with the LMI Pathway Administrator to utilize the City's grant funds to provide equipment installations and associated services for income-qualified participants.

**VIII. Funding and In-Kind Commitment**

- i. **Funding.** The Campaign Administration Budget (Exhibit B) specifies the proposed budget of \$47,000 for Energize Thurston administration, outreach, and marketing.
  - a. County, Lacey, Olympia, and Tumwater shall each contribute an equal share of funds not to exceed \$11,750 per Party.
  - b. Tenino is exempt from the cost-share requirements of this Agreement.
  - c. County shall issue an invoice to each Party specifying each Party's share of actual expenses, excluding design and printing of outreach and marketing materials. Invoices must be paid within thirty (30) days.
  - d. Olympia shall issue an invoice to each Party specifying each Party's share of actual expenses for design and printing of outreach and marketing materials. Invoices must be paid within thirty (30) days.
  - e. The Campaign Administration Budget does not include the following:
    - 1) Costs of subsidized equipment installations, which are to be funded through jurisdictional grant awards and administered through contracts between the LMI Pathway Administrator and each individual jurisdiction.
    - 2) Costs of any social media marketing, jurisdiction-specific mailers, and/or other outreach and incentives that may be provided by individual jurisdictions.

- ii. **In-kind Commitment.** Each Party shall allocate in-kind staff time to implement this Agreement. In-kind staff support includes, but is not limited to:
  - a. Staff time to manage jurisdictional grant awards, execute this Agreement, execute a contract with the LMI Pathway Administrator, select Campaign Installers, conduct outreach, and collaboratively implement the Energize Thurston campaign.
  - b. Jurisdictional staff to provide oversight of participant applications and equipment installations for participants residing within their own jurisdiction.
  - c. Support from jurisdictional staff with specific expertise (i.e., communications, housing, planning, permitting, etc.).

**IX. Indemnification and Insurance**

Each Party shall defend, indemnify, and hold the other parties, their officers, officials, employees, and volunteers harmless from any and all claims, injuries, damages, losses, or suits, including reasonable attorney fees, arising out of or in connection with the indemnifying Party's performance of this Agreement, including injuries and damages caused by the negligence of the indemnifying Party's officers, officials, and employees.

Each Party shall maintain liability insurance; this may be fulfilled by a Party's membership and coverage in Washington Cities Insurance Authority (WCIA), a self-insured municipal insurance pool, or another recognized self-insured municipal risk pool.

**X. No Separate Legal Entity Created; No Real or Personal Property to be Acquired or Held**

This Agreement creates no separate legal entity. No real or personal property will be acquired or held as part of carrying out this Agreement. To the extent any Party furnishes property for purposes of carrying out this Agreement, such property must be returned to that Party upon termination of this Agreement, or upon that Party's withdrawal from this Agreement.

**XI. Relationship of the Parties**

The employees or agents of each Party who are engaged in the performance of this Agreement continue to be employees or agents of that Party and may not be considered for any purpose to be employees or agents of the other Party. This Agreement is for the benefit of the Parties, and no third-party beneficiary relationship is intended.

**XII. Duration of Agreement**

This Agreement terminates on December 31, 2025, unless earlier terminated as provided in Section XIV, below.

**XIII. Amendment of Agreement**

This Agreement may be amended only by written agreement by all Parties and executed in accordance with chapter 39.34 RCW.

**XIV. Termination of Agreement**

This Agreement may be terminated upon mutual agreement of the Parties. Any party may withdraw upon thirty (30) days written notice to the other Parties.

**XV. Interpretation and Venue**

This Agreement is governed by the laws of the State of Washington as to interpretation and performance. Venue for enforcement of any provision of this Agreement, or for any lawsuit arising out of or relating to this Agreement, is as described in RCW 36.01.050.

**XVI. Entire Agreement**

This Agreement sets forth all terms and conditions agreed upon by the Parties and supersedes all prior agreements oral or otherwise with respect to the specific subject matter addressed herein.

**XVII. Recording**

Prior to its entry into force, Thurston County shall file this Agreement with the Thurston County Auditor's Office.

**XVIII. Counterparts**

This Agreement may be executed in counterparts, and all such counterparts once so executed together must be deemed to constitute one final agreement, as if one document had been signed by all Parties, and each such counterpart, upon execution and delivery, must be deemed a complete original, binding on the parties. A faxed or email copy of an original signature must be deemed to have the same force and effect as the original signature. A Party may sign by digital or electronic signature, which signature shall be effective as permitted by law.

**XIX. Rights**

This Agreement is between the signatory Parties only and does not create any third-party rights.

**XX. Notice**

Any notice required under this Agreement must be to the party at the address listed below and it becomes effective five business days following the date of deposit with the United States Postal Service.

**THURSTON COUNTY**

Attn: Rebecca Harvey, Climate Mitigation Senior Program Manager  
Thurston County  
3000 Pacific Avenue SE, Suite 200  
Olympia, WA 98501

**CITY OF OLYMPIA**

Attn: Pamela Braff, Director of Climate Programs  
City of Olympia  
P.O. Box 1967  
Olympia, WA 98507-1967

**CITY OF LACEY**

Attn: Vanessa Dolbee, Community and Economic Director  
City of Lacey  
420 College Street SE  
Lacey, WA 98503

**CITY OF TENINO**

Attn: Jen Scharber, Clerk Treasurer  
City of Tenino  
149 Hodgen St. S./PO Box 4019  
Tenino, WA 98589

**CITY OF TUMWATER**

Attn: Dan Smith, Water Resources & Sustainability Director  
City of Tumwater  
555 Israel Road SW  
Tumwater, WA 98501

**XXI. Waiver**

A failure by a Party to exercise its rights under this Agreement does not preclude that Party from subsequent exercise of such rights and does not constitute a waiver of any other rights under this Agreement unless stated to be such in a writing signed by an authorized representative of the Party and attached to the original Agreement.

**XXII. Severability**

If any provision of this Agreement or any provision of any document incorporated by reference is held invalid, such invalidity does not affect the other provisions of this Agreement which can be given effect without the invalid provision if such remainder conforms to the requirements of applicable law and the fundamental purpose of this Agreement, and to this end the provisions of this Agreement are declared to be severable.

**XXIII. Records Retention and Audit**

During the progress of the work and for a period not less than six years from the completion of the tasks set forth herein, the records and accounts pertaining to the work and accounting therefore are to be kept available for inspection by any Party and the Federal and State Government and copies of all records, accounts, documents, or other data pertaining to the work will be furnished upon request. If any litigation, claim, or audit is commenced, each Party shall retain the records and accounts along with supporting documentation until all litigation, claim, or audit finding has been resolved even though such litigation, claim, or audit continues past the six-year retention period.

**XXIV. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND INELIGIBILITY**

County, Olympia, Lacey, Tumwater, and Tenino certifies that neither it nor its principals are debarred, suspended, proposed for debarment, or voluntarily excluded from participation in transactions by any federal department or agency. County, Olympia, Lacey, Tumwater, and Tenino further certifies that they will ensure that potential subcontractors or subrecipients or any of their principals are not debarred, suspended, proposed for debarment, or voluntarily excluded from participation in covered transactions by any federal department or agency. County, Olympia, Lacey, Tumwater, and Tenino may do so by obtaining a certification statement from the potential subcontractor or subrecipient or by checking [SAM.GOV](https://sam.gov) and Washington State vendor debarment list.

**[Signatures follow on next page.]**





## **Exhibit A**

### **Energize Thurston Launch & Implementation Plan**



# **Thurston Climate Mitigation Collaborative “Energize Thurston” Launch and Implementation Plan**

## **2024 TCMC Regional Initiative: Energy Efficiency & Electrification Campaign**

### **Phase 1 - Campaign Design and Planning**

#### **Deliverable #3**

Prepared by the Thurston Climate Mitigation Collaborative Staff Team:

Rebecca Harvey, Thurston County  
Julia Downing, USDOE Community Energy Fellow  
Dominic Jones, City of Olympia  
Pamela Braff, City of Olympia  
Linsey Fields, City of Lacey  
Alyssa Jones Wood, City of Tumwater

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## Introduction

The [Thurston Climate Mitigation Collaborative \(TCMC\)](#) prioritized development of a Residential Energy Efficiency and Electrification Campaign as one of its 2024 regional initiatives. The TCMC Staff Team<sup>1</sup> presented a Phase I Project Plan to the Executive Committee and Community Advisory Workgroup (CAW) in January – February 2024. The Staff Team has now completed key tasks in the Phase I plan including [Market Assessment and Incentive Program Research](#), Stakeholder Interviews, and a Resident Survey.

We have named the forthcoming campaign “Energize Thurston” and are moving toward launch and implementation in the first quarter of 2025. Energize Thurston will provide outreach and financial incentives to accelerate residential building decarbonization and reduce energy costs for households throughout the county. The campaign will provide turnkey, subsidized installations of heat pump space conditioning systems (hereafter “heat pumps”) and heat pump water heaters (HPWH) for income-qualified participants. It will also provide access to equipment discounts, streamlined installations, guidance, and customer support for all participants regardless of income.

Energize Thurston builds on the foundation of existing local and regional campaigns:

- City of Olympia’s [Energize Olympia](#) campaign, which has provided discounted and subsidized ductless heat pumps to City residents in 2023-2024
- [The Switch Is On](#) web platform, which provides education about electric home appliances and location-based tools to find incentives and vetted contractors.

The Staff Team applied recommendations from the Phase I research to make programmatic decisions about elements of the Energize Thurston campaign. This Launch and Implementation Plan describes the structure and processes for Energize Thurston including Partnerships and Funding, Participant Pathways, Types of Equipment and Services, Campaign Structure and Processes, and Outreach and Marketing Strategy. This plan provides a timeline and a detailed list of tasks and deliverables to guide the launch, implementation, evaluation, and continuation of Energize Thurston.

### A. Campaign Goals

The Phase I project plan defined the following overarching goals for the energy efficiency and electrification campaign:

- Deliver a compelling and accessible educational campaign to raise awareness of the climate, health, and economic benefits of building electrification and energy efficiency among broad segments of the Thurston community.
- Support energy equity by prioritizing program benefits to low- to moderate-income (LMI) households and members of overburdened communities.
- Connect a quantifiable number of residents with information about technologies, incentives, and advisory support services.

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<sup>1</sup> The TCMC Staff Team is comprised of the climate program staff from each of the four TCMC jurisdictions. The Staff Team meets on a regular basis to share information and actively facilitate cross-jurisdictional coordination on selected regional initiatives. The TCMC Staff Team is a subset of the Energize Thurston Project Team defined in Section II.A. below.

- Implement a quantifiable number of home electrification and efficiency improvements across the participating jurisdictions during the campaign period.
- Maintain program flexibility to respond and adapt to regional, state, and national clean energy programs and investments, with the aim of ensuring ongoing benefits to Thurston residents.

Based on prior outputs of Energize Olympia and considering the currently available funding and geographic scale of Energize Thurston, approximate numeric goals for the campaign are listed below.

- Engage at least 600 residents via community workshops, online and in-person.
- Complete a total of 60-70 subsidized HPWH installations for LMI participants.
- Complete a total of 70-95 subsidized heat pump installations (combination of ducted and ductless) for LMI participants.<sup>2</sup>
- Enable approximately 150 total discounted and streamlined equipment installations for self-funded participants (i.e., we anticipate approximately the same number of LMI and self-funded installations).

## II. Partnerships and Funding

**Partner Jurisdictions:** The TCMC is an ongoing partnership among Thurston County and the cities of Lacey, Olympia, and Tumwater to identify and implement regional climate mitigation initiatives including the 2024 initiative Energize Thurston. These jurisdictions along with the city of Tenino each received funding from the State Home Electrification and Appliance Rebates (HEAR) program to support the campaign. Thurston County, Olympia, and Lacey also expect to receive federal Energy Efficiency & Conservation Block Grant (EECBG) funding to support the campaign. The partner jurisdictions expect to enter into an interlocal agreement for joint implementation of Energize Thurston.

**Lead Jurisdiction:** As Lead Jurisdiction, Thurston County will hold contract(s) with the selected Campaign Installers and a Customer Support Consultant. Staff from the Lead Jurisdiction will lead the campaign's execution and administration with support from TCMC Staff Team members and the Customer Support Consultant.

**Customer Support Consultant.** The Lead Jurisdiction may also contract with a Customer Support Consultant (TBD) to augment staff capacity by assisting with customer support, case management, and/or outreach and education.

**LMI Pathway Administrator:** Each of the Parties will contract with a partner organization that will contract with the selected Campaign Installers to provide installations of qualifying equipment for qualified LMI participants. The project team expects that this role will be served by **South Puget Sound**

**Habitat for Humanity (SPSHFH)** because they have been an integral partner in the design and implementation of Energize Olympia (2023 and 2024). The LMI Pathway Administrator will verify participant income eligibility, coordinate installer site assessments and installations, review completion of work with LMI participants as well as provide installer oversight. They will also support campaign

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<sup>2</sup> Potential supplemental grant funding from partner SPSHFH may add at least 20 more subsidized heat pump installations, for a campaign total of approximately 90-115.

promotion, administration of grant funding for subsidized installations, participant recruitment, marketing, and outreach efforts.

**Installation Partners:** Installers will be selected through a competitive Request for Proposals (RFP) process evaluating qualifications, experience, pricing, alignment with campaign goals and commitment to customer support. Installation partners will provide information at the educational workshops, conduct free site assessments, offer streamlined access to incentives and rebates, and execute installations for the campaign. Energize Thurston expects to contract with up to five installation partners.

**Puget Sound Energy (PSE):** PSE is the local electric and natural gas utility and provides rebates for energy efficiency retrofits including heat pump and heat pump water heater installations. This includes increased rebates amounts for households up to 90% AMI through the Efficiency Boost Rebate Program. This incentive helps reduce the cost of installations and will allow Energize Thurston to provide subsidized installations to a greater quantity of households. Note: While the TCMC is coordinating with PSE on the design and implementation of Energize Thurston, PSE is not an official campaign partner.

#### A. Project Team Roles and Responsibilities

Name	Organization/Work Group	Role
Julia Downing	DOE Community Energy Fellow (Thurston County)	<ul style="list-style-type: none"> <li>• Campaign Co-Lead</li> <li>• Primary participant contact</li> <li>• Case management and outreach lead</li> </ul>
Dominic Jones	City of Olympia, Building Decarbonization Manager	<ul style="list-style-type: none"> <li>• Campaign Co-Lead (TBD)</li> <li>• Marketing materials lead</li> <li>• Participant management software lead</li> <li>• Case management and outreach support for Olympia participants</li> </ul>
Rebecca Harvey	Thurston County, Climate Mitigation Senior Program Manager	<ul style="list-style-type: none"> <li>• Contracting lead</li> <li>• Installer and campaign administration oversight</li> <li>• Case management and outreach support for Thurston County participants</li> </ul>
Pamela Braff	City of Olympia, Director of Climate Programs	<ul style="list-style-type: none"> <li>• Campaign advisor</li> <li>• Outreach support</li> </ul>
Linsey Fields	City of Lacey, Climate and Sustainability Coordinator	<ul style="list-style-type: none"> <li>• Case management and outreach support for City of Lacey participants</li> </ul>
Alyssa Jones Wood	City of Tumwater, Sustainability Coordinator	<ul style="list-style-type: none"> <li>• Case management and outreach support City of Tumwater participants</li> </ul>
Amanda Schuyler	South Puget Sound Habitat for Humanity	<ul style="list-style-type: none"> <li>• Installer selection support</li> <li>• LMI intake and case management</li> <li>• Outreach support</li> </ul>

Amit Singh	Puget Sound Energy, Program Manager	<ul style="list-style-type: none"> <li>PSE Point of Contact</li> </ul>
TBD	TBD Customer Support Consultant	<ul style="list-style-type: none"> <li>Support of case management, customer support, and/or outreach and education</li> </ul>

## B. Campaign Funding

Thurston County and the cities of Olympia, Lacey, Tumwater, and Tenino have each been awarded funds through the HEAR Program<sup>3</sup>. The jurisdictions will utilize these funds to subsidize installations of eligible equipment for LMI households. Since the EECBG funding (described below) is allocated to subsidize HPWH installations, the partners expect that the HEAR funding will be used primarily to subsidize heat pump space conditioning systems. The HEAR program allows up to 15% of the grant funding to be used for administrative costs. This portion of the funding will help to cover the cost of administering the Energize Thurston LMI Pathway.

Thurston County, Olympia, and Lacey have also applied for formula grants through the U.S. Department of Energy's EECBG program. This grant funding will be used to subsidize installations of HPWH for qualifying LMI households. The cities of Tumwater and Tenino do not meet the population threshold to qualify for this EECBG formula funding, but the County's allocation can support residents in small cities and unincorporated Thurston County.

Table 1 summarizes the jurisdictions' grant funding sources that directly support the Energize Thurston campaign. Across all five jurisdictions, total funding available to subsidize equipment installations is approximately \$1.7 million. This is anticipated to fund 60-70 subsidized HPWH installations, and 70-95 subsidized heat pump installations (ducted and ductless) for qualifying LMI participants.

**Table 1: Jurisdictions' Grants for Energize Thurston 2025.**

Jurisdiction	Total Grant Funds	HEAR Grants			EECBG Grants
		Total HEAR Grants	Administration Costs	Heat Pump Subsidies	HPWH Subsidies
Thurston County	\$553,303	\$472,263	\$70,839	\$401,424	\$81,040
Olympia <sup>4</sup>	\$603,513	\$481,483	\$72,222	\$409,261	\$122,030
Lacey <sup>5</sup>	\$593,015	\$477,555	\$71,633	\$350,000	\$115,460
Tumwater	\$477,540	\$477,540	\$71,631	\$405,909	\$0

<sup>3</sup> The Home Electrification and Appliance Rebates Program is supported with funding from Washington's Climate Commitment Act. The CCA supports Washington's climate action efforts by putting cap-and-invest dollars to work reducing climate pollution, creating jobs, and improving public health. Information about the CCA is available at [www.climate.wa.gov](http://www.climate.wa.gov).

<sup>4</sup> City of Olympia may allocate a some of its HEAR grant towards ductless heat pump installations during the 2024 Energize Olympia program dependent on program demand.

<sup>5</sup> City of Lacey plans to allocate about 12% of its HEAR grant to the City's existing matching rebate program, and the rest to Energize Thurston.

Tenino	\$95,009	\$95,009	\$14,251	\$80,758	\$0
<b>Total</b>	<b>\$2,322,380</b>	<b>\$2,003,850</b>	<b>\$300,578</b>	<b>\$1,647,351</b>	<b>\$318,530</b>

In addition to the grants provided by the jurisdictions, partner SPSHFH may supplement the campaign by leveraging approximately \$360,000 of their own grant funding from the WA State Department of Commerce HEAR Program to supplement the quantity of heat pump and HPWH retrofits provided to LMI households. These funds will be used to provide integrated weatherization services in coordination with the energy upgrades for LMI participants.

The City of Olympia also expects to allocate approximately \$96,000 in Federal Community Development Block Grant (CDBG) funding for additional heat pump and HPWH installations, as well as weatherization upgrades for low-income participants in Olympia.

### III. Participant Pathways

#### A. Income Qualifications

Energize Thurston participant pathways are defined based on household gross annual income compared to Thurston County's area median income (AMI). This is the same metric used by the U.S. Department of Housing and Urban Development (HUD) to determine eligibility for affordable housing. A table of specific income levels for the 80% and 120% AMI thresholds in Thurston County can be [found here](#).

**Table 2: Energize Thurston Income Qualification Levels.**

Pathway	Qualifying Income Levels
Low and Moderate Income (LMI) Pathway	
Fully Subsidized	Less than 80% AMI
Partially Subsidized	At least 80% but less than 120% AMI
Self-funded (Market Rate) Pathway	120% AMI or higher

#### B. LMI Pathway

The Energize Thurston LMI Pathway will provide subsidized equipment and services for LMI households as defined in Table 2. It is expected that campaign partner SPSHFH will administer this pathway by contracting directly with installer(s) and subcontractors to coordinate subsidized installations for LMI participants along with site assessments, integrated critical home repair, and limited weatherization services.

Energize Thurston will subsidize the cost of home energy equipment and services for LMI participants at two different levels based on household income qualification:

- Full Cost Coverage for Low-Income: Households under 80% AMI will be eligible for 100% cost coverage of equipment and services. The campaign will reserve at least 60% of available funding for this pool of applicants on a first-come first-served basis.
- Partial Cost Coverage for Moderate-Income: Households with annual incomes of at least 80% AMI but less than 120% AMI will be eligible for partial cost coverage of eligible equipment and services. The exact portion of required household contribution is to be determined but is expected to be capped at \$2,500.

### C. Self-Funded Pathway

The Energize Thurston Self-Funded Pathway (aka “Market Rate”) will provide a group purchase discount<sup>6</sup> to participants with household incomes of 120% AMI or higher. The exact discount rate will be negotiated with installers during the contracting process. Installers will also be required to include all applicable rebates (from Puget Sound Energy, manufacturers, jurisdiction partners, etc.) as a time-of-sale discount to participants.

In addition to the financial incentives noted above, self-funded participants will have access to further benefits of Energize Thurston:

- Free educational workshops;
- Guidance on additional incentives (e.g., tax credits) and financing;
- Streamlined installation; and
- Customer support.

Staff from Thurston County and the other Jurisdiction Partners will administer the self-funded pathway and provide case management and installer oversight.

The Energize Thurston Project Team may identify local financing providers (e.g., banks, credit unions) with favorable rates/terms that participants may choose to use to finance their projects. Installation partners may also recommend financing products if approved by Thurston County per the terms of their contract.

## IV. Types of Equipment and Services

After attending an Energize Thurston workshop, participants in both the LMI and Self-Funded pathways will be asked to state on their applications if they request a site assessment for a heat pump , HPWH, or both. They will then be connected to a campaign installer who will provide a free site assessment and recommend the appropriate equipment for their home. The installer will also assess and inform participants of relevant aspects of the building envelope, such as air sealing and insulation, that may affect customer satisfaction and savings from the equipment.

Specific requirements for all Energize Thurston equipment and services will be defined in the contracts between Thurston County and the selected installers. These requirements have been defined to align with Puget Sound Energy’s planned 2025 rebates for heat pumps and HPWH.

### A. Heat Pumps

Energize Thurston will focus on space conditioning heat pumps because our research found space heating to be the largest overall consumer of energy for households across all fuel types. Eligible heat pump equipment will include ducted as well as ductless electric heat pumps. For both LMI and Self-Funded participants, the installer will assess the needs of the home and recommend the appropriate

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<sup>6</sup> Group Purchase discount in Energize Olympia 2024 was 10% discount up to a maximum of \$1,200 off total equipment + labor cost.



heating and cooling equipment for the customer. Installed equipment may replace any type of heating fuel.

**1. Heat Pumps for Energize Thurston must meet the following minimum requirements:**

- i. Consortium for Energy Efficiency (CEE) highest efficiency tier for 2025:

2025 CEE Split ASHP Specification (DUCTLESS Heat Pumps)					
CEE Level	SEER2	EER2	HSPF2	COP at 5°F*	Capacity Ratio <sup>~</sup>
CEE Tier 1					
Path A	≥ 16.0	≥ 9.8	≥ 8.5	≥ 1.75	≥ 60% at 5°F/47°F
Path B	≥ 16.0	≥ 11.0	≥ 8.0	≥ 1.75	≥ 45% at 5°F/47°F
CEE Advanced Tier					
Refer to the <a href="#">DOE Cold Climate Heat Pump Challenge Specification</a>					

2025 CEE Packaged ASHP Specification (DUCTED Heat Pumps)					
CEE Level	SEER2	EER2	HSPF2	COP at 5°F*	Capacity Ratio <sup>~</sup>
CEE Tier 1	≥ 15.2	≥ 10.0	≥ 7.2	≥ 1.75	≥ 45% at 5°F/47°F

- ii. System must be AHRI Certified as a variable speed heat pump, mini-split or multi-split heat pump and use inverter technology and be a minimum of ¾ ton in heating mode.
- iii. For ductless heat pump only installations, at least one indoor head must be installed in the main living (high-flow) area of the home; bedroom only installations do not qualify for the campaign.

**2. Additional Heat Pump Requirements for LMI Pathway**

For participants in the LMI Pathway, Energize Thurston will cover costs of the recommended heat pump equipment plus the following upgrades, which are eligible uses of HEAR grant funding:

- i. Electric panel upgrades necessary to enable heat pump upgrades.
- ii. Duct sealing as needed for installations of ducted heat pump systems.

For ductless heat pump systems, the LMI Pathway will cover the cost of up to two ductless heads. At least one indoor head must be installed in the main living (high-flow) area of the home; bedroom only installations are not eligible for Energize Thurston subsidies.

For ducted systems, the campaign will cover the cost of duct repair as required. Installation of new ductwork where existing ductwork was not present is not eligible for Energize Thurston subsidies.

**3. All heat pump installations that are funded with HEAR grants must meet the following HEAR program requirements:**

- i. Remove all fossil fuel equipment where technically and economically feasible.

- ii. All air-source heat pumps must be listed on the Northeast Energy Efficiency Partnership's (NEEP) Cold Climate Air Source Heat Pump (ccASHP) Product List or meet the most recent ENERGY STAR Cold Climate product criteria.
- iii. All equipment must be ENERGY STAR Certified or CEE North Region Certified.
- iv. All equipment that uses refrigerants must follow the statutory global warming potential (GWP) limits from the Washington State Department of Ecology and the U.S. Environmental Protection Agency (EPA), and where technically and economically feasible, must use low GWP refrigerants listed by the EPA's Significant New Alternatives Policy (SNAP) Program, or the California Air Resources Board (CARB).

## B. Heat Pump Water Heaters

The campaign will also incentivize HPWH because our research found water heating to be the second largest natural gas end use for residential homes in Washington State. HPWHs have also shown to be more cost effective for homeowners when replacing an existing electric water heater.

For both LMI and Self-Funded participants, the installer will assess the needs of the home (in coordination with SPSHFH for the LMI Pathway) and recommend the appropriate water heating equipment for the customer, which may or may not be a HPWH. As for heat pump space heaters, the installed equipment may replace any type of heating fuel.

### 1. Energize Thurston's requirements for heat pump water heaters:

- i. Must be Northwest Energy Efficiency Alliance (NEEA) Tier 3 or 4<sup>7</sup> heat pump water heater.

### 2. Additional HPWH Requirements for LMI Pathway

For participants in the LMI Pathway, Energize Thurston will cover costs of a HPWH if it is recommended by the selected installer as appropriate water heating equipment for the site. The campaign may include an age requirement for water heater replacement (e.g., equipment is 10 or more years old; TBD). In addition to the equipment costs, Energize Thurston will cover costs of electrical upgrades to accommodate HPWH installation when needed in LMI households.

### 3. All LMI installations that are funded with HEAR grants must meet the following HEAR program requirements:

- i. Remove all fossil fuel equipment where technically and economically feasible.
- ii. All equipment must be ENERGY STAR Certified or CEE North Region Certified.
- iii. All equipment that uses refrigerants must follow the statutory global warming potential (GWP) limits from the Washington State DOE and the U.S. EPA, and where technically and economically feasible, must use low GWP refrigerants listed by the EPA's SNAP Program, or the CARB.

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<sup>7</sup> Refer to NEEA Advanced Water Heating Specification 8.1 for information on HPWH Product Tiers

## V. Campaign Structure and Processes

### A. Contracting Structure

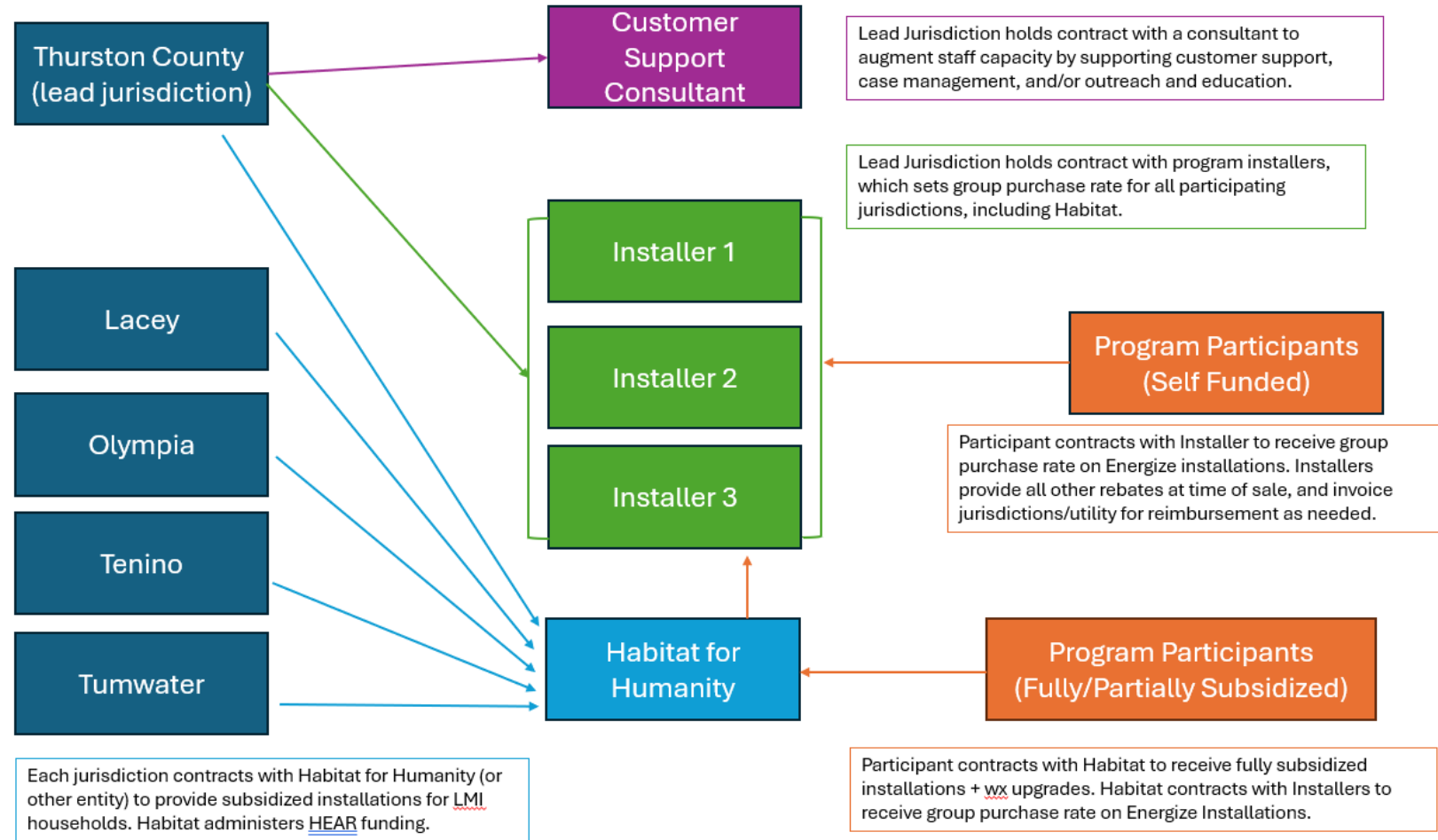
Energize Thurston will follow the “installer model” used by Energize Olympia, in which program installers are selected by evaluating price and qualifications through a competitive bidding process. The lead jurisdiction (Thurston County or County) will issue a Request for Proposals (RFP) to select qualified contractors to provide installation of ducted and ductless heat pumps, heat pump water heaters, and associated electrical work. The partners anticipate needing approximately four to five contracted installers to serve Energize Thurston. Selected installers will be required to provide a fixed group-purchase discount for all installations, and to apply all applicable rebates as a time-of-sale discount to participants. Thurston County will hold a contract with each selected installer to set the group purchase rate. Self-funded participants will contract directly with an installer as described in the “Applicant Process” section below.

SPSHFH will contract with the same suite of selected installers, who will be required to apply the same discounts for the LMI installations as for the self-funded installations. Each of the partner jurisdictions will enter a contract with the administrative partner to allow them to administer the LMI installations using funding provided by the jurisdiction.

The County will also issue an RFP to select a Customer Support Consultant (TBD), who will support case management, installer oversight, outreach, and/or campaign evaluation.

The contracting structure for Energize Thurston is illustrated in Figure 1 below.

**Figure 1. Energize Thurston Proposed Contracting Structure**



## B. Applicant Process

### 1. All participants will progress through the Energize Thurston campaign as follows:

- i. Sign up for and attend a campaign workshop (either in-person or virtual).
- ii. Submit a campaign application that includes their general information and the following:
  - a) Whether they are applying for the LMI Pathway or the Self-Funded Pathway; and
  - b) If they request a site assessment for a heat pump space conditioning system, heat pump water heater, or both.
- iii. Campaign staff will verify site eligibility and request income eligibility information from LMI Pathway applicants.
- iv. Campaign staff will provide the participant with a status update and notify the installer that the participant is ready to schedule a site assessment.

### 2. LMI Pathway:

- i. The installer will work with the LMI Pathway Administrator and the participant to schedule a site assessment, recommend the appropriate equipment, and provide a quote. If the participant chooses to move forward, the installer will contract with Habitat for Humanity to complete the installation. The installer will provide all available rebates and incentives at the time of sale, including the Energize Thurston campaign pricing.
- ii. Moderate-income households (80%-120% AMI) will pay their household cost share to SPSHFH. Payment plans are available.

### 1. Self-Funded Pathway:

- i. The installer will contact the participant to schedule a site assessment, recommend the appropriate equipment, and provide a quote. If the participant chooses to move forward, the installer will contract directly with the participant to complete the installation. The installer will provide all available rebates and incentives at the time of sale, including the Energize Thurston campaign pricing, as well as direct participants to program-approved financing options. The campaign staff team will support self-funded participants by offering customer support throughout the installation process.

## C. Participant Management System

The partners will follow the model used by Energize Olympia for participant tracking and case management. “Monday.com” software will serve as a platform for project and task management, providing a streamlined system to track participant applications and partner tasks all in one place. The Staff Team will modify this system as needed to accommodate the expanded multijurisdictional campaign. We will refine and document the participant intake process for the LMI and self-funded pathways; train all campaign partners and installation partners on the use of the tracking software; and assign roles and responsibilities for case management, customer support, and installer oversight. We will host regular meetings with all campaign partners to ensure installers are meeting the contract deliverables and installation timelines, and address case management issues as they arise.

## VI. Outreach and Marketing Strategy

Energize Thurston will build upon the existing “Energize Olympia” brand and will expand outreach and marketing efforts countywide through a variety of methods as described below. Following the recommendations from background research, outreach will target both rural and urban areas with messages emphasizing environmental, health and safety benefits of electrification, as well as concerns about electric appliances cost and performance.

Energize Thurston will focus on reaching underserved and disadvantaged communities via targeted outreach and supportive program implementation. Target communities will include low-income households, communities of color, immigrants, seniors, first-time homeowners, and people on utility support programs, among others. Campaign staff will aim to develop partnerships with community-based organizations to leverage trusted networks that support these communities. A list of Community Outreach Partners will be included in the Energize Thurston Communications Plan.

**Educational Workshop Series:** Campaign staff, SPSHFH, and campaign installers will educate residents of Thurston County on the benefits of electrification appliances and services through a free series of educational workshops. The workshops provide information on the benefits of heat pump technology, residential energy efficiency, an overview of the program pathways and installation process, as well as information on the many available financial incentives including federal tax credits, and local utility incentives from Puget Sound Energy. The partners will host multiple in-person workshops across the county as well as an on-demand workshop to expand the accessibility of events.

**TCMC Website:** The TCMC website ([Thurstonclimatecollaborative.org](https://Thurstonclimatecollaborative.org)) will serve as the primary hub for interested residents to access Energize Thurston campaign information. The site will include information about in-person and on-demand workshops, participant eligibility criteria, FAQs, and contact information for the campaign’s point of contact.

**Switch Is On (SIO) Website:** The Energize Thurston Campaign will build on an existing outreach and marketing campaign that was launched regionally in 2024 via the [wa.SwitchIsOn.org](https://wa.switchison.org) web platform. The Switch Is On (SIO) website serves as a central information hub for residential home electrification. It educates residents about home electrification benefits and technologies and provides tools to find vetted contractors and available incentives.

**Outreach at Community Events:** Campaign staff and SPSHFH staff will provide targeted outreach to community groups throughout Thurston County. This will include informational presentations for cultural organizations, faith-based organizations, and neighborhood associations, as well as tabling at local businesses, trade shows or community events.

**Distribution of Marketing Materials:** Physical marketing materials will be distributed around the County including post cards, flyers, and street banners at central hubs in the community. Campaign staff will also regularly post online updates on the status of the campaign through partner jurisdictions’ e-newsletters and via social media platforms such as Facebook, Instagram, Threads, X, Nextdoor, and/or Reddit.

**Outreach Partnerships and Volunteers:** Energize Thurston will leverage trusted community partners to engage members of target communities. Staff will maintain a list of Community Outreach Partners and track engagements before and during campaign launch. Campaign staff will work with partners to recruit community volunteers (“Energize Ambassadors”) to assist with distribution of marketing materials throughout the County. Early recruitment of volunteers can build greater awareness of the program, natural engagement of community partners, and opportunities for press coverage.

**Translation and Interpretation services:** The partners will set aside marketing budget to translate outreach materials and the on-demand workshop into Spanish; and to provide interpretation services as needed throughout the campaign.

**Post-Installation Education:** All participants will receive an educational packet providing information on how to use and maintain their newly installed equipment as well as a reference to the sources of funding that helped subsidize their installation.

## VII. Campaign Timeline, Tasks and Deliverables

To launch the Energize Thurston campaign in Q1 2025, the Staff Team will aim to complete the following project tasks by the end of 2024.

### **Step 1: Contract with Energize Thurston Partners (October – December 2024)**

*This step includes executing an interlocal agreement among the jurisdiction partners for joint implementation of Energize Thurston, conducting a competitive solicitation for installation partners, and contracting with Habitat for Humanity. The jurisdictions may also contract with a Customer Support Consultant to augment staff capacity (TBD).*

#### *Step 1 Tasks:*

- 1.0 Execute Energize Thurston 2025 Interlocal Agreement (ILA)
  - Define roles and responsibilities of each jurisdiction partner
  - Develop collaborative budget for campaign launch and implementation
- 1.2 Lead Jurisdiction: Issue Request for Proposal (RFP) for installation partners
  - Develop scope of work and scoring rubric for Energize Thurston installation partners
  - Publish and promote RFP
  - Establish Installer Selection Committee and review proposals
  - Contract individually with up to 5 installers that are selected through the RFP process
  - Negotiate Energize Thurston group purchase discount with selected installers
- 1.3 All jurisdictions: Contract with LMI Pathway Administrator
  - Confirm that South Puget Sound Habitat for Humanity (SPSHFH) will serve as the LMI Pathway Administrator based on their foundational role in the design and implementation of Energize Olympia (2023-2024).
  - Each jurisdiction will execute a contract(s) with SPSHFH to provide grant funding for subsidized installations for LMI households.

- 1.4 (TBD) Lead Jurisdiction: Contract with Customer Support Consultant
  - Refine scope of work for Customer Support Consultant
  - Issue RFP and select consultant
  - Contract with consultant

*Step 1 Deliverables:*

- 1.1 Energize Thurston 2025 ILA
- 1.2 Contracts with up to 5 installation partners
- 1.3 Contracts between SPSHFH and each jurisdiction
- 1.4 (TBD) Lead jurisdiction contract with Customer Support Consultant

**Step 2: Develop Communications Plan and Outreach Materials (October – December 2024)**

*Energize Thurston will leverage existing Energize Olympia outreach materials and communication strategies and modify them as needed for the expanded program. This step includes producing the new marketing assets, developing a communications plan and tracking system, establishing outreach partnerships, and developing a framework for the educational workshops.*

*Step 2 Tasks:*

- 2.1 Design Energize Thurston marketing materials
  - Work with Energize Olympia designer to revise materials for Energize Thurston
  - Develop content for campaign website
  - Compile weatherization information packet to provide participants (TBD if staff capacity allows)
- 2.2 Develop Communications Plan
  - Build the Outreach & Marketing Strategy into a detailed campaign Communications Plan
  - Determine number and locations of in-person workshops
- 2.3 Establish outreach partnerships
  - Develop list of community-based organizations (CBOs) and outreach partners
  - Contact outreach partners to initiate relationships and engage potential volunteers
- 2.3 Design Energize Thurston workshops
  - Build off existing Energize Olympia workshops to add new technologies, application processes, and information about the multijurisdictional campaign
  - Provide Spanish translation of workshop subtitles; and explore other options for translation/interpretation of on-demand workshop

*Step 2 Deliverables:*

- 2.1 Energize Thurston brand and marketing materials
- 2.2 Energize Thurston webpage
- 2.3 Energize Thurston Communications Plan
- 2.4 Tracking system for outreach activities and partner engagement

**Step 3 – Develop Participant Application and Tracking System (November 2024 – January 2025)**

*This step involves modifying Energize Olympia’s participant application and tracking system for the expanded multijurisdictional campaign.*



*Step 3 Tasks:*

- 3.1 Develop application materials and process
  - Revise Energize Olympia’s application as needed for expanded campaign
  - Develop participant intake/tracking process for LMI and self-funded pathways
- 3.2 Set up participant tracking system in Monday.com software
  - Expand existing system to track participants across multiple jurisdictions
  - Establish project and task management boards in Monday.com
- 3.2 Train campaign partners on tracking system
  - Host kickoff meeting with campaign partners, SPSHFH, and installation partners
  - Assign roles and responsibilities for case management, customer support, and installer oversight
  - Establish weekly check-in schedule with all campaign partners

*Step 3 Deliverables:*

- 3.2 Final participant application
- 3.3 Guidance document on Participant Tracking Process
- 3.4 Complete project, task management system in Monday.com

**Step 4 – Implement Campaign (est. March – June 2025)**

*Step 4 Tasks:*

- 4.1 Implement communications and outreach plan
- 4.2 Conduct in-person workshops
- 4.3 Record virtual “on-demand” workshop and post online
- 4.4 Implement participant intake and management process
- 4.5 Provide customer support and case management
- 4.6 Conduct oversight of installers and partners
- 4.7 Track and report on progress toward goals

*Step 4 Deliverables:*

- 4.1 Campaign Outcomes
  - Workshop registrations
  - Workshop attendances
  - Participant applications
  - Completed installations for LMI Pathway
  - Completed installations for Self-Funded Pathway

**Step 5 – Develop Campaign Continuation Plan (est. July - September 2025)**

*Step 5 Tasks:*

- 5.1 Document and evaluate processes and partnerships developed in the pilot campaign
- 5.2 Develop a plan for continuation of the campaign in alignment with related federal, state, and regional initiatives.
- 5.3 Develop recommendations for expanding the program to further enhance benefits to disadvantaged communities.

*Step 5 Deliverables:*

- 5.1 Energize Thurston Evaluation Report
- 5.2 Energize Thurston Continuation Plan

## Exhibit B

### Proposed Campaign Administration Budget for Energize Thurston 2025

The budget includes project tasks that are expected to be completed by third-party service providers. Project tasks not listed here will be completed in-house by jurisdictional staff.

Project Step and Task	Description	Total
Step 1: Contract with Energize Thurston Partners		
1.4 Contract with Customer Support Consultant	Thurston County may contract with a Customer Support Consultant (TBD) to augment staff capacity by assisting with customer support and/or campaign outreach and education.	\$30,000
Step 2: Develop Communications Plan and Outreach Materials		
2.1 Design and Print Energize Thurston marketing materials	City of Olympia is contracting with Kelly Design to design Energize Thurston marketing materials and will pay for the printing of all materials.	\$14,000
2.3 Design Energize Thurston workshops	Thurston County will contract for Language Interpretation Services (as needed).	\$3,000
<b>Total Proposed Budget (not to exceed)</b>		<b>\$47,000</b>
<b>Per Partner Cost Share (not to exceed)</b>		<b>\$11,750</b>



## City Council

# Approval of a Resolution Authorizing a Municipal Services Agreement with South Puget Sound Habitat for Humanity for Energize Thurston 2025 Subsidized Pathway Program Administration

**Agenda Date:** 1/14/2025  
**Agenda Item Number:** 4.E  
**File Number:** 25-0034

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**Type:** resolution   **Version:** 1   **Status:** Consent Calendar

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### Title

Approval of a Resolution Authorizing a Municipal Services Agreement with South Puget Sound Habitat for Humanity for Energize Thurston 2025 Subsidized Pathway Program Administration

### Recommended Action

#### Committee Recommendation:

Not referred to a committee.

#### City Manager Recommendation:

Move to approve a resolution authorizing a Municipal Services Agreement with South Puget Sound Habitat for Humanity for Energize Thurston 2025 subsidized pathway program administration.

### Report

#### Issue:

Whether to approve a resolution authorizing a Municipal Services Agreement between the City of Olympia and South Puget Sound Habitat for Humanity for Energize Thurston 2025 Subsidized Pathway Program Administration.

#### Staff Contact:

Dominic Jones, Building Decarbonization Program Manager, City Manager's Office, 360.753.8347

#### Presenter(s):

None - Consent Calendar Item

### Background and Analysis:

#### Energize Thurston

Energize Thurston is a regional heat pump group purchase program that makes it faster, easier, and more affordable for Thurston County residents to purchase and install energy-efficient heat pumps and heat pump water heaters (HPWH). Energize Thurston will reduce upfront costs through a group purchase discount provided by competitively selected installers and the application of all available

rebates as a time-of-sale discount. The campaign will offer two participant pathways:

- Low- and Moderate-Income (LMI) Pathway: will provide fully subsidized equipment installations for low-income households (<80% area median income; AMI) and partially subsidized installations for moderate-income households (≥80% but <120% AMI).
- Self-Funded Pathway: will provide a group purchase discount, free educational workshops, guidance on relevant incentives and financing, streamlined installation, and customer support available to all households in Thurston County.

Energize Thurston builds on the foundation of existing local and regional campaigns, including:

- The City of Olympia’s “Energize Olympia” campaign, which was developed and implemented in partnership with South Puget Sound Habitat for Humanity (SPSHFH). Energize Olympia provided discounted and subsidized ductless heat pumps to Olympia residents in 2023-2024, leading to 163 heat pump installations, including 96 fully subsidized installations for income-qualified households.
- “The Switch Is On” web platform, which provides education about electric home appliances and location-based tools to find incentives and vetted contractors.

Energize Thurston will expand the scope of Energize Olympia to serve residents throughout Thurston County and offer more equipment types, including ducted and ductless heat pumps and heat pump water heaters. Thurston County and the cities of Olympia, Lacey, Tumwater, and Tenino (“partner jurisdictions”) are entering into an Interlocal Agreement for regionally coordinated implementation of the campaign, and Thurston County is leading a competitive Request for Proposals (RFP) process to select the Energize Thurston 2025 Installers.

#### LMI Pathway Administration

South Puget Sound Habitat for Humanity was a key partner in the design and implementation of Energize Olympia and has leveraged their own grant funds to augment the program. The Energize Thurston partner jurisdictions intend to continue this established partnership with SPSHFH to administer the LMI Pathway for Energize Thurston 2025.

Serving as the LMI Pathway Administrator for the 2025 Energize Thurston Campaign, SPSHFH will:

- Support ongoing campaign coordination and installer oversight.
- Support educational workshops and program outreach.
- Conduct income verification for LMI pathway participants.
- Provide customer support for all LMI pathway participants.
- Schedule and facilitate installations for eligible LMI pathway participants.
- Review installer bids, invoices, and completion of work for subsidized installations.

#### LMI Pathway Funding

Each of the five partner jurisdictions has been awarded funds through the Washington State Home Electrification and Appliance Rebate (HEAR) Program to subsidize installations of eligible equipment for low- and moderate-income (LMI) households. The City of Olympia was awarded \$481,483 in HEAR funding to administer rebates for heat pumps and other high-efficiency electric equipment for low- and moderate-income households. The Olympia Climate Program intends to allocate an additional \$100,000 towards subsidized equipment installations for LMI households as well. In total, this is anticipated to fund approximately 25-40 subsidized heat pump heating/cooling retrofits for income-qualified households.

### **Climate Analysis:**

The Thurston Climate Mitigation Plan (TCMP) identifies reducing energy use in existing residential buildings and converting to cleaner fuel sources as key strategies for local action to reduce greenhouse gas emissions (See TCMP Strategies B1 and B6).

Energize Thurston will enable a long-term reduction in greenhouse gas emissions, by supporting the installation of energy-efficient heat pump space heating and heat pump water heating in Olympia households.

### **Equity Analysis:**

The Energize Thurston Program directly benefits low- and moderate-income households up to 120% AMI through fully- or partially subsidized installations of heat pump and HPWH equipment retrofits. Households at or below 80% AMI are eligible to receive full cost coverage installations of qualified heat pump and HPWH equipment, and households between 80% - 120% AMI are eligible for 80% cost coverage up to a maximum owner contribution of \$2,500.

Providing energy efficiency retrofits to low- and moderate-income households directly supports energy equity by removing the barrier of high up-front costs for equipment and installation, as well as reducing long-term energy use and lowering energy bills. In addition to reducing energy burdens, heat pump and weatherization retrofits offer resilience co-benefits including access to cooling, as well as improved comfort and indoor air quality.

### **Neighborhood/Community Interests (if known):**

TCMC staff conducted a community survey for homeowners in Thurston County between September-October 2024, to help shape the Energize Thurston Campaign. Out of 165 total respondents:

- 68.5% of respondents shared a 'very favorable' or 'somewhat favorable' view of electric powered home appliances.
- Over 75% of survey respondents, when asked which barriers would affect their decision to switch to electric appliances, indicated upfront costs were either a 'Significant barrier' or 'Somewhat of a barrier'.

These results indicate a high level of interest and community support regarding electric home appliances, as well as significant demand for energy efficiency incentive programs that reduce the barrier of high upfront costs to complete retrofits.

Additionally, demand for fully subsidized installations in the 2024 Energize Olympia program exceeded program funding, and 43 participants were put on a waitlist to receive a heat pump dependent on additional program funding. The high number of low- and moderate-income households on the Energize Olympia 2024 waitlist directly indicates strong community interest in additional funding for fully subsidized heat pump installations and future energy efficiency incentive programs.

### **Financial Impact:**

Incentives and subsidized installations for City of Olympia residents will be funded through existing general fund allocations (\$100,000) as well as state and federal grant programs.

The City of Olympia has accepted an award of \$481,483.00 from the HEAR Program to fund subsidized installations through Energize Thurston; 88% of the HEAR grant funding (\$423,705.04) is allocated towards the provision of subsidized equipment installations for LMI households. The remaining 12% of the total HEAR award (\$57,777.96) is allocated towards SPSHFH operations and staff time for subsidized pathway program administration.

**Options:**

1. Approve a resolution authorizing a Municipal Services Agreement between the City of Olympia and South Puget Sound Habitat for Humanity for Energize Thurston 2025 Subsidized Pathway Program Administration.
2. Approve a resolution authorizing a Municipal Services Agreement between the City of Olympia and South Puget Sound Habitat for Humanity for Energize Thurston 2025 Subsidized Pathway Program Administration with amendments.
3. Do not approve a resolution authorizing a Municipal Services Agreement between the City of Olympia and South Puget Sound Habitat for Humanity for Energize Thurston 2025 Subsidized Pathway Program Administration.

**Attachments:**

Resolution  
Agreement

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON,  
AUTHORIZING A MUNICIPAL SERVICES AGREEMENT WITH SOUTH PUGET SOUND  
HABITAT FOR HUMANITY FOR ENERGIZE THURSTON 2025 SUBSIDIZED PATHWAY  
PROGRAM ADMINISTRATION**

**WHEREAS,** The Thurston Climate Mitigation Plan and Olympia’s 2021 Greenhouse Gas Emissions Reduction Strategy Analysis both identify the importance of accelerating energy efficiency and building decarbonization retrofits to achieve local and regional greenhouse gas emissions reduction targets; and

**WHEREAS,** The Thurston Climate Mitigation Collaborative (TCMC) is an ongoing partnership among Thurston County and the Cities of Olympia, Lacey, and Tumwater to identify and implement actions to reduce local sources of greenhouse gas emissions that contribute to global climate change; and the TCMS was formalized through a December 2023 Interlocal Agreement; and

**WHEREAS,** in 2024 the Thurston Climate Mitigation Collaborative completed background research and stakeholder engagement to design the “Energize Thurston” Heat Pump Group Purchase Program, and plans to launch Energize Thurston in the first quarter of 2025; and

**WHEREAS,** Energize Thurston will expand on the City of Olympia’s 2023-2024 “Energize Olympia” program by providing discounted and streamlined installations of efficient heat pump space heaters and heat pump water heaters to residents throughout Thurston County, as well as subsidized installations for qualifying low- and moderate-income (LMI) residents; and

**WHEREAS,** the City of Olympia applied for and was awarded \$481,483.00 of Washington State Department of Commerce Home Electrification and Appliance Rebates (HEAR) Program grant funding to administer rebates for heat pumps and other high-efficiency electric equipment. With this funding, the City will provide time-of-sale rebates for qualifying low- and moderate-income Olympia households through the Energize Thurston Program, to install heat pumps and heat pump water heaters as well as enabling electrical upgrades; and

**WHEREAS,** providing energy-efficient heat pump retrofits to low- and moderate-income households directly supports energy equity by removing the barrier of high up-front costs for equipment and installation, reducing long-term energy bills as well as providing co-benefits such as access to cooling and improved indoor air quality; and

**WHEREAS,** South Puget Sound Habitat for Humanity co-developed the initial design of the 2023-2024 Energize Olympia Program with the City of Olympia, and has supported the implementation of previous Energize Olympia programs, including administering more than 80 subsidized heat pump installations for LMI households in Olympia, supporting marketing and outreach efforts, and leveraging state grant funds to provide additional subsidized installations; and

**WHEREAS,** in 2024, South Puget Sound Habitat for Humanity applied for and was awarded additional HEAR Program grant funding for the provision of subsidized installations of HEAR-eligible equipment for



LMI households in Olympia and throughout Thurston County and intends to allocate this funding to support Energize Thurston; and

**WHEREAS**, The Olympia City Council has determined it to be in the best interest of the City of Olympia and its residents for South Puget Sound Habitat for Humanity to continue to administer subsidized heat pump installations for qualifying Olympia residents as a part of the 2025 Energize Thurston Program; and

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL DOES HEREBY RESOLVE** as follows:

1. The Olympia City Council hereby approves the Municipal Services Contract between the City of Olympia and South Puget Sound Habitat for Humanity for Energize Thurston 2025 Subsidized Pathway Program Administration, and the terms and conditions contained therein.
2. The City Manager is authorized and directed to execute on behalf of the City of Olympia the Municipal Services Contract, and any other documents necessary to execute said Agreement, and to make any amendments or minor modifications as may be required and are consistent with the intent of the Agreement, or to correct any scrivener's errors.

**PASSED BY THE OLYMPIA CITY COUNCIL** this \_\_\_\_\_ day of \_\_\_\_\_ 2025.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

Michael M. Young  
DEPUTY CITY ATTORNEY

**MUNICIPAL SERVICES CONTRACT**  
**for**  
**ENERGIZE THURSTON 2025**

THIS CONTRACT is made and on the date of the last authorizing signature below (which is the “effective date”) by the City of Olympia, a municipal corporation, (“City”) and South Puget Sound Habitat for Humanity, a Washington non-profit corporation, (“Agency”).

**WHEREAS**, City wants to have certain services performed as described below, which require specialized skills and other supportive capabilities; and

**WHEREAS**, sufficient City resources are not available to provide such services; and

**WHEREAS**, Agency represents that it is qualified and possesses sufficient skills and the necessary capabilities, including technical and professional expertise where required, to perform the services set forth in this contract;

**NOW, THEREFORE**, in consideration of the terms, conditions, covenants, and performance contained in this contract, the parties agree as follows:

**1. Services.**

Agency shall perform such services and accomplish such tasks, including the furnishing of all personnel, materials, and equipment necessary for full performance, as identified and designated as Agency responsibilities throughout this contract and as detailed in **Exhibit A** attached to contract (“Scope of Work”).

**2. Reporting Requirements.**

Agency shall submit with all payment invoices a report that outlines the service or project(s) completed as of the time of invoicing.

Agency shall submit reports (activity, service, financial, etc.) upon request by City.

**3. Duration of Contract.**

The term of this contract and the performance of the Agency commences as of the effective date and ends no later than June 30, 2025.

**4. Compensation and Method of Payment.**

A. City shall make payments for services on a reimbursement basis unless otherwise permitted by law and approved in writing by City. Agency shall submit final invoices, along with any required reports to City prior to June 30, 2025, to avoid loss of funding.

B. No payment will be made for any services rendered by Agency except for services identified and set forth in this contract.

C. City shall reimburse Agency for services performed under this contract in an amount not to exceed **Five Hundred Eighty One Thousand Four Hundred Eighty Three dollars and Zero cents (\$581,483.00)** payable within 30 days of receipt of a properly completed invoice as set forth in this section.

D. Agency shall submit to City an itemized invoice executed in accordance with **Exhibit E** attached to this contract. On an invoice, Agency shall document which services detailed in **Exhibit A** were performed and the cost of the services.

- E. Agency shall attach to the invoice copies of any invoices, statements, and cancelled checks for goods or services purchased by Agency and for which reimbursement under terms of this contract is being requested. If the invoice includes costs for staff time to provide the services, an itemization of staff hours must be listed with the requested reimbursement being equal to the number of itemized hours multiplied by the hour rate for staff to provide the services. Agency shall list lump sum services for reimbursement as they are outlined in the applicable Exhibits.

The Agency shall provide other documentation as requested by the City.

**5. Internal Control.**

Agency shall establish and maintain a system of internal control to ensure the efficient and proper processing and use of contract funds.

**6. Books and Records/Public Records/Audit.**

A. Agency shall maintain books, records, and documents that sufficiently and properly reflect all work, as well as direct and indirect costs, related to the performance of this contract. In addition, Agency shall maintain such accounting procedures and practices to assure proper accounting of all funds paid pursuant to this contract. All Agency records related in any way to this contract are subject, at all reasonable times, to inspection, review, copying or audit by the City, its authorized representative, the State Auditor, or other governmental officials authorized by law to monitor this contract. At the City's request, Agency shall conduct an audit of the records relating to this contract at Agency's own expense.

B. A record owned, used, or retained by the City is a "public record" pursuant to RCW 42.56.010 and is subject to disclosure upon request under Washington's Public Records Act, even if such record is in Agency's sole possession. Should the City request that Agency provide the City with a record that the City, in its sole discretion, deems to be a public record, so that it may be produced in response to a public records request, and should Agency fail to provide such record to the City within 10 days of the City's request for such record, Agency shall indemnify, defend, and hold the City harmless for any public records judgment, including costs and attorney's fees, against the City involving such withheld record.

**7. Special Safeguards.**

Agency, at all times, shall take reasonable measures to anticipate any special problems which might arise in relation to Agency's activities which involve a degree of risk to any participant in Agency's programming. Agency will assure reasonable safeguards with respect to equipment, procedures, and specially trained staff.

**8. Assignment/Subcontracting.**

A. Agency may not assign any portion of this contract, except with the express written permission of City.

B. City may inspect any subcontract document prior to execution. Subcontracts must contain the same insurance and indemnification requirements to protect City from liability.

**9. Future Support.**

City makes no commitment to future support and assumes no obligations for future support of the activity contracted in this contract, except as expressly set forth in this contract.

**10. Compliance with Laws.**

Agency, in performance of this contract, shall comply with all applicable federal, state, and local laws and ordinances, including standards for licensing, certification, and operation of facilities, program and accreditation, and licensing of individuals, and any other standards or criteria as described in this contract to assure quality of service.

**11. Changes and Modifications.**

Any amendment to this contract must be in writing and signed by both parties.

**12. Non-Discrimination in Employment.**

Agency shall not unlawfully discriminate against any employee, volunteer, applicant, or client based on any legally protected class status including, but not limited to: race, color, creed, religion, national origin, age, sex, marital status, veteran status, gender identity, sexual orientation, or the presence of any disability; provided that the prohibition against discrimination in employment because of disability does not apply if the particular disability prevents the performance of the essential functions required of the position.

**13. Compliance with Nondiscrimination Requirement.**

In the event of Agency's noncompliance or refusal to comply with the above discrimination prohibition, this contract may be rescinded, canceled, or terminated in whole or in part, and Agency may be declared ineligible for further contracts with City. City will, however, give Agency a reasonable time in which to correct this noncompliance.

To assist City in determining compliance, Agency shall complete and return the *Statement of Compliance with Non-Discrimination Requirement* attached as **Exhibit E**. If the contract is \$50,000 or more, Agency shall execute the attached Equal Benefits Declaration – **Exhibit F**.

**14. Relationship of the Parties.**

The parties intend that an independent contractor relationship is created by this contract. City is interested primarily in the results to be achieved; the implementation of services lies solely with Agency. No agent, employee, volunteer, or representative of Agency may be deemed to be an employee, agent, servant, or representative of City for any purpose, and the employees of Agency are not entitled to any of the benefits City provides for City employees.

Agency is solely and entirely responsible for its acts and for the acts of its agents, employees, servants, representatives, subcontractors, or otherwise during the performance of this contract.

**15. Political Activity Prohibited.**

None of the funds, materials, property, or services provided directly or indirectly under this contract may be used for any partisan political activity, or to further the election or defeat of any candidate for public office or ballot measure.

**16. Hold Harmless/Indemnification.**

Agency shall defend, indemnify, and hold City, its officers, officials, employees, and volunteers harmless from any and all claims, injuries, damages, losses, or suits, including attorney fees, arising out of or resulting from the acts, errors, or omissions of Agency in performance of this contract, except for injuries and damages caused by the sole negligence of City.

However, should a court of competent jurisdiction determine that this contract is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of Agency and

City, its officers, officials, employees, and volunteers, Agency's liability, including the duty and cost to defend, hereunder is only to the extent of Agency's negligence.

It is further specifically and expressly understood that the indemnification provided herein constitutes Agency's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section survive the expiration or termination of this contract.

**17. Insurance.**

**A. Insurance Term**

Agency shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damage to property, which may arise from or in connection with the performance of the services under this contract by Agency, its agents, representatives, volunteers, or employees.

**B. No Limitation**

Agency's maintenance of insurance as required by the contract may not be construed to limit the liability of Agency to the coverage provided by such insurance, or otherwise limit City's recourse to any remedy available at law or in equity.

**C. Minimum Scope of Insurance**

Agency shall obtain insurance of the types and coverage described below:

1. Automobile Liability insurance covering all owned, non-owned, hired, and leased vehicles. Coverage must be at least as broad as Insurance Services Office (ISO) form CA 00 01.
2. Commercial General Liability insurance must be at least as broad as ISO occurrence form CG 00 01 and must cover liability arising from premises, operations, stop-gap, independent contractors, personal injury, and advertising injury. City must be named as an additional insured under Agency's Commercial General Liability insurance policy with respect to the work performed for City using an additional insured endorsement at least as broad as ISO endorsement form CG 20 26.
3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
4. Professional Liability insurance appropriate to Agency's profession.

**D. Minimum Amounts of Insurance**

Agency shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
2. Commercial General Liability insurance must be written with limits no less than \$2,000,000 each occurrence, \$2,000,000 general aggregate.
3. Professional Liability insurance must be written with limits no less than \$2,000,000 per claim and \$2,000,000 policy aggregate limit.
4. Other Insurance Provision

Agency's Automobile Liability and Commercial General Liability insurance policies are to contain or be endorsed to contain that they are primary insurance as respects City. Any insurance, self-insurance, or self-insured pool coverage maintained by City is excess of Agency's insurance and does not contribute with it.

E. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

F. Verification of Coverage

The Agency shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not limited to the additional insured endorsement, evidencing the insurance requirements of the contract before commencement of the work.

G. Notice of Cancellation

Agency shall provide City with written notice of any policy cancellation within two business days of their receipt of such notice.

H. Failure to Maintain Insurance

Failure on the part of Agency to maintain the insurance as required constitutes a material breach of contract, upon which City may, after giving five business days' notice to Agency to correct the breach, immediately terminate this contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to City on demand, or at the sole discretion of City, offset against funds due Agency from City.

I. City Full Availability of Agency Limits

If Agency maintains higher insurance limits than the minimums shown above, City is insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by Agency, irrespective of whether such limits maintained by Agency are greater than those required by this contract or whether any certificate of insurance furnished to City evidences limits of liability lower than those maintained by Agency.

**18. Failure to Comply with Contract Requirements: Suspension, Termination, and Close Out.**

Failure to comply with any of the provisions of this contract constitutes material breach of contract and cause for termination. Time is of the essence in the performance of this contract.

If Agency fails to comply with the terms and conditions of this contract, City may pursue such remedies as are legally available including, but not limited to, hold back of payment and the suspension or termination of this contract.

A. Termination for Cause. If Agency fails to comply with the terms of this contract and any of the following conditions exist:

1. The lack of compliance with the provisions of this contract are of such scope and nature that City deems continuation of this contract to be substantially detrimental to the interest of City;
2. Agency has failed to take satisfactory action as directed by City or its authorized representative within the time specified;
3. Agency has failed within the time specified by City or its authorized representative to satisfactorily substantiate its compliance with the terms and conditions of this contract;

then City may terminate this contract in whole or in part, and shall notify Agency of the termination, the reasons for the termination, and the effective date of the termination, but the effective date may not be prior to notification to Agency. After the effective date of the termination, no charges incurred under any terminated portions are allowable.

B. Termination for Other Grounds. This contract may also be terminated in whole or in part:

1. By the mutual agreement of the parties, in which case the termination must be in writing, signed by both parties, and must include the conditions for termination, the effective date, and in the case of termination in part, that portion of the contract to be terminated. After the effective date of the termination, no charges incurred under any terminated portions are allowable.
2. If the funds allocated by City under this contract are from anticipated sources of revenue, and if the anticipated sources of revenue do not become available for use in purchasing said services, City may summarily terminate this contract as to the funds withdrawn, reduced, or limited, notwithstanding any other termination provision of this contract. Termination under this paragraph is effective on the date specified in the written notice of termination sent by City to Agency. After the effective date of the termination, no charges incurred under this contract are allowable.

**19. Jurisdiction.**

- A. This contract is made in and governed by laws of the State of Washington, both as to interpretation and performance.
- B. Any action related to this contract must be instituted and maintained only in Thurston County, Washington, State Superior Court.

**20. Severability.**

- A. If any part, term, or provision of this contract is held by a court to be illegal, the validity of the remaining provisions is not affected, and the rights and obligations of the parties must be construed and enforced as if the contract did not contain the particular provision held to be invalid.
- B. If any provision of this contract is in conflict with any Washington statute, the conflicting provision must be deemed inoperative and null and void insofar as it may be in conflict, and must be deemed modified to conform to such statute.

**21. Entire Contract.**

This contract is the complete expression of the terms related to the Services and any oral representations or understandings not contained in this contract are excluded.

**22. Counterparts.**

This Agreement may be executed in a number of identical counterparts which, taken together, constitute collectively one Agreement; but in making proof of this Agreement, it is not necessary to produce or account for more than one such counterpart. Additionally, (i) the signature pages taken from separate individually executed counterparts of this Agreement may be combined to form multiple fully executed counterparts; and (ii) a facsimile signature or an electronically scanned signature, or an electronic or digital signature where permitted by law, must be deemed to be an original signature for all purposes. All executed counterparts of this Agreement are originals, but all such counterparts, when taken together, constitute one and the same Agreement.

**23. Waiver of Contract Terms.**

The forgiveness of the nonperformance of any provision of this contract does not constitute a waiver of the provisions of this contract.

**24. Contract Manager**

Each party to this contract shall have a contract manager. Each party may change its representative upon providing written notice to the other party. The parties' representatives are as follows:

**South Puget Sound Habitat for Humanity:**

Amanda Schuyler, Contract Manager  
910 5th Ave  
Olympia WA 98501  
360.956.3456  
amanda@spshabitat.org

**City of Olympia:**

Dominic Jones, Program Manager  
PO Box 1967  
Olympia WA 98507-1967  
360.753.8347  
djones@ci.olympia.wa.us

**25. Ratification.**

Any work performed prior to the effective date that falls within the scope of this contract and is consistent with its terms is hereby ratified and confirmed.

**26. Debarment.** Agency certifies, by signing this contract that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

I hereby certify that I am authorized to bind the entity for which I am signing below.

**SOUTH PUGET SOUND HABITAT FOR HUMANITY**

**CITY OF OLYMPIA**

Elizabeth Walker  
Elizabeth Walker, CEO

\_\_\_\_\_  
Steven J. Burney, City Manager

01/07/2025  
Date signed

\_\_\_\_\_  
Date Signed

**Approved as to Form by:**

Michael M. Young  
Deputy City Attorney



## **EXHIBIT “A”**

### **SCOPE OF WORK**

#### **Background**

Energize Thurston 2025 is a regional heat pump group purchase program that aims to make it faster, easier, and more affordable for Thurston County residents to purchase and install efficient, all-electric heat pump space conditioning and heat pump water heaters (HPWH). Energize Thurston will reduce upfront costs through a group purchase discount provided by competitively selected Installers and application of all available rebates as a time-of-sale discount. The campaign will offer two participant pathways:

- Low- and Moderate-Income (LMI) Pathway: will provide fully subsidized equipment installations for low-income households (<80% area median income; AMI) and partially subsidized installations for moderate-income households (≥80% but <120% AMI).
- Self-Funded Pathway: will provide a group purchase discount, free educational workshops, guidance on relevant incentives and financing, streamlined installation, and customer support available to all households in Thurston County, including the City of Olympia.

Thurston County and the cities of Olympia, Lacey, Tumwater, and Tenino (“partner jurisdictions”) are entering into an Interlocal Agreement for regionally coordinated implementation of the campaign, and Thurston County is leading a competitive Request for Proposals (RFP) process to select the Energize Thurston 2025 Installers. Each of the five partner jurisdictions have been awarded funds through the Washington State Home Electrification and Appliance Rebate (HEAR) Program to subsidize installations of eligible equipment for low- and moderate-income (LMI) households. Thurston County, Olympia, and Lacey have also applied for formula grants through the U.S. Department of Energy’s (DOE) Energy Efficiency and Conservation Block Grant (EECBG) program, which will be used to subsidize installations of heat pump water heaters (HPWH) for LMI households. More details on the Energize Thurston structure and processes are provided in the Thurston Climate Mitigation Collaborative “Energize Thurston” Launch & Implementation Plan (**Exhibit 1**).

The City of Olympia has been awarded \$481,483 in HEAR funding for the provision of rebates for heat pumps and other high-efficiency electric equipment for low- and moderate-income households per the Interagency Agreement executed between the City of Olympia and Washington State Department of Commerce HEAR Program Contract, (**Exhibit 2**). Additionally, the City has applied for \$122,030 in EECBG funding for the provision of subsidized HPWH retrofits for LMI household’s contingent on DOE approval. The budget for Olympia’s portion of subsidized installations through the Energize Thurston 2025 Campaign is included in Exhibit “B”. This budget is anticipated to fund approximately 25-40 subsidized heat pump retrofits, as well as approximately 20-40 HPWH retrofits (contingent on successful award and acceptance of EECBG funds) for LMI households within Olympia city limits.

Energize Thurston builds upon the foundation of the City’s Energize Olympia ductless heat pump campaign (2023-2024), expanding its scope to serve residents throughout Thurston County and to offer more equipment types (ducted and ductless heat pumps plus HPWH). South Puget Sound Habitat for Humanity (SPSHFH) has been a key partner in the program design and implementation of Energize Olympia and has leveraged their own grant funds to augment the program. Serving as the Energize

Thurston LMI Pathway Administrator, SPSHFH's scope of services will consist of the following five tasks during the term of this contract.

### **Task 1: Campaign Planning and Ongoing Coordination**

Campaign administration will begin upon contract execution in January 2025 and continue for the duration of the Energize Thurston campaign (estimated to run from March to June 2025). After selecting Energize Thurston 2025 Installers through a competitive RFP process, staff from Thurston County and partner jurisdictions ("Campaign Staff") will host a project kick-off meeting for SPSHFH and all selected Installers to finalize the campaign plan and timeline, review partner roles and expectations, and provide training on the "Monday.com" software for participant management.

SPSHFH will:

- Attend Energize Thurston project kick-off meeting and weekly check-in meetings.
- Review and provide feedback on the Energize Thurston Project Management and Participant Tracking boards in Monday.com, including partner roles and responsibilities.
- Review and provide feedback on Energize Thurston marketing and outreach materials.

Campaign Staff will:

- Organize, schedule, and lead a project kick-off and weekly check-in meetings.
- Recruit and contract with Installer(s) to provide discounted heat pump installations for the 2025 Energize Thurston campaign.
- Host and maintain participant management software on Monday.com. Provide training on Monday.com software as required.
- Develop and update the Project Management and Participant Tracking boards in Monday.com, including campaign tasks and status, timelines, and partner responsibilities.
- Finalize and print all campaign marketing and outreach materials.

### **Task 2: Income Verification and Customer Support**

Between January 2025 and June 2025, low- and moderate-income (LMI) Olympia residents who attend an Energize Thurston workshop may apply for a fully or partially subsidized installation of electric heat pumps, heat pump hot water heaters, and enabling electrical upgrades. Installations will be provided on a first-come, first-served basis, with at least 60% of available funding reserved for low-income (<80% AMI) applicants, as follows:

- Full Cost Coverage for Low-Income Households: Households under 80% AMI will be eligible for 100% cost coverage of equipment and services. The campaign will reserve at least 60% of available funding for this pool of applicants on a first-come first-served basis.
- Partial Cost Coverage for Moderate-Income Households: Households with annual incomes of at least 80% AMI but less than 120% AMI will be eligible for partial cost coverage of eligible equipment and services. Moderate-income households will contribute 20% of the total installation cost up to a maximum contribution of \$2,500 per household.

SPSHFH will:

- Within 3 business days of receiving applicant contact information from Campaign Staff, follow up with applicants to provide information about next steps and request documentation for income verification.
- Within 3 business days of receiving the required documentation, conduct income verification and notify the applicant of income verification results. Document all income verification results such as eligibility for the LMI pathway, low- or moderate-income status, and installation funding source within the participant management software.
  - If the applicant's income verification is approved, and sufficient grant funding remains for equipment installation, proceed with lead distribution and site assessment, as outlined in Task 3.
  - If the applicant's income verification is approved, but grant funding for equipment installation has been exhausted within their jurisdiction and/or other grant funding made available through SPSHFH, place the applicant on the program waitlist. Notify the applicant of their position on the waitlist and options to proceed with a self-funded installation. If the applicant chooses to proceed with a self-funded installation site assessment, notify the jurisdiction partner for follow-up. Update the participant management software to indicate the applicant's position on the waitlist.
  - If the applicant's income verification is not approved, notify the applicant and jurisdiction partners, and inform the applicant about options to proceed with a self-funded installation. If the applicant chooses to proceed with a self-funded installation site assessment, notify the jurisdiction partner for follow-up.
- Provide case management and customer support for all LMI applicants unless the applicant chooses to proceed with a self-funded installation, or it is determined that the applicant does not meet the income qualification program requirements.

City/Jurisdiction Partners will:

- Conduct initial applicant intake for all program applicants, verify their address and assign them to their appropriate jurisdiction in the participant management software.
- Provide SPSHFH with participant names, addresses, and contact information for all eligible applicants (i.e., City of Olympia homeowners) who have requested a fully or partially subsidized installation.
- Manage Self-Funded Energize Thurston 2025 applications, including providing participant information to Installers, and verification of installation pricing and equipment per the 2025 Installer contracts.
- Provide case management for all program applicants proceeding with a self-funded installation, which may include some LMI participants.

### **Task 3: Equipment Installation and Quality Assurance**

Between January 2025 – June 2025, SPSHFH will coordinate the installation of heat pumps, heat pump hot water heaters, enabling electrical upgrades and duct sealing if applicable for Olympia residents who have qualified for a fully or partially subsidized heat pump installation through the Energize Olympia

2024 waitlist or Energize Thurston 2025. All installations must use approved program equipment and installers unless otherwise authorized by the City.

Installed equipment must meet the following requirements:

- Remove all fossil fuel equipment where technically and economically feasible.
- Air-source heat pumps must be listed on the Northeast Energy Efficiency Partnership's (NEEP) Cold Climate Air Source Heat Pump (ccASHP) Product List, or meet the most recent ENERGY STAR Cold Climate product criteria.
- Heat pump hot water heaters must be listed as a Northwest Energy Efficiency Alliance (NEEA) Tier 3 or 4 heat pump water heater. See **Exhibit 3 PSE HPWH QPL**.
- Existing water heating equipment must meet a minimum age requirement (e.g., 5 or 10 years) to be determined by campaign staff prior to the campaign launch, to be eligible for replacement.
- All equipment must be ENERGY STAR Certified or CEE North Region Certified.
- All equipment that uses refrigerants must follow the statutory global warming potential (GWP) limits from the Washington State Department of Ecology and the U.S. Environmental Protection Agency (EPA), and where technically and economically feasible, must use low GWP refrigerants listed by the EPA's Significant New Alternatives Policy (SNAP) Program, or the California Air Resources Board (CARB).

Installed equipment may include:

- Mechanical, electrical, and plumbing (MEP) equipment, when necessary for the installation of eligible air source heat pumps and electric heat pump water heaters, including duct sealing.

SPSHFH will:

- Distribute LMI participant leads to Energize Thurston Installers (TBD), in a manner to be determined by Campaign Staff and SPSHFH before the launch of the campaign.
- For installations completed between January 1, 2025, and February 28, 2025:
  - Schedule and facilitate site assessments for eligible equipment installations with Installers for all City of Olympia LMI participants per the 2024 Installer Contracts, See **Exhibit 4 – CSM Service Agreements and Exhibit 5 – Sunset Air Service Agreements**.
  - Review Installer bids, final invoices, and installations to verify that:
    - Installations meet all Energize Thurston program requirements as described above, including the provision of all applicable rebates as a time-of-sale discount.
    - Installer quotes are consistent with all equipment and prevailing wage labor pricing as described in the 2024 Installation Partner Contracts (EXHIBITS).
    - A generally visible Climate Commitment Act (CCA) logo has been placed on all equipment purchased with State HEAR Funding by Installers.
- For installations completed on or after March 1, 2025:
  - Schedule and facilitate site assessments for eligible equipment installations with Installers for all City of Olympia LMI participants per the 2025 Installer Contracts (TBD)
  - Review Installer bids, final invoices, and installations to verify that:

- Installations meet all Energize Thurston program requirements as described above, including the provision of all applicable rebates as a time-of-sale discount.
- Installer quotes are consistent with all equipment and prevailing wage labor pricing as described in the 2025 Installer Contracts (TBD).
- A generally visible Climate Commitment Act (CCA) logo has been placed on all equipment purchased with State HEAR Funding by Installers.
- Contract with LMI participants and assigned Installer(s) to facilitate installation of program-eligible equipment.
- Review completion of work with the program participants.
- Submit Puget Sound Energy (PSE) Efficiency Boost Rebate Qualification Form attesting participant income as required for PSE Efficiency Boost Rebates (Exhibit 6).

Campaign Staff will:

- Determine participant lead distribution process.
- Determine age requirement for existing water heaters eligible to be replaced by an Energize Thurston HPWH installation.
- Provide Installer contracts and price schedules to SPSHFH once the contracts are awarded.
- Provide PSE Efficiency Boost Rebate Qualification Form.
- Provide CCA logo decals for Installers to place on HEAR-funded equipment.

#### **Task 4: Progress Reports**

Between January 2025 and June 2025, the City and SPSHFH will verify Installers have provided weekly participant progress reports and installation data through Monday.com for all Energize Thurston installations to provide accurate case management, and track program progress and metrics. Additionally, SPSHFH will provide monthly grant expenditure progress reports to the City for all HEAR-funded installations in Olympia, with the following information:

- Number of households that were provided rebates and incentives to purchase or install high-efficiency electric equipment and appliances
- Site information for households that received rebates and incentives:
  - Address, city, and zip code
  - Date rebate or incentive claimed or issued
  - Household income
  - Pre-rebate fuel type of the household or small business
  - Technical specifications of the equipment and appliances purchased or installed through the program, including, but not limited to the equipment brand, certifications, efficiency (SEER/HSPF/EER/COP), and cost
  - Amount of the rebate or incentive claimed or issued
  - Applicable building and electrical permit numbers

SPSHFH will:

- Verify Installer submission of weekly participant progress reports and installation data on Monday.com for all LMI-pathway installations per 2024 and 2025 Installer contracts including final participant invoice and all applicable permit documents to City of Olympia.
- Provide Campaign Staff monthly grant expenditure progress reports per HEAR Contract requirements for reimbursement.

Campaign Staff will:

- Provide access to Monday.com software to SPSHFH and Installers to upload participant progress reports and installation data.
- Verify Installer submission of weekly participant progress reports and installation data for all self-funded participants per 2025 Installer contracts.

### **Task 5: Community Outreach and Education**

Between February and June 2025, the campaign partners and installers will promote Energize Thurston and deliver educational workshops virtually and/or at easily accessible public locations throughout Thurston County. SPSHFH is expected to play a supporting role in Energize Thurston outreach and education.

SPSHFH will:

- Participate in all Energize Thurston educational workshops including up to five in-person workshops at locations throughout Thurston County, and one recorded on-demand workshop.
- Participate in tabling for at least 5 community events and support additional neighborhood outreach as needed.
- Conduct additional marketing and outreach to promote Energize Thurston, including but not limited to social media posts, email blasts, and the distribution of physical materials at Habitat for Humanity ReStore locations.

Campaign Staff will:

- Coordinate community events and workshops.
- Provide marketing and outreach materials for use by SPSHFH.



# **Thurston Climate Mitigation Collaborative**

## **“Energize Thurston”**

### **Launch and Implementation Plan**

**2024 TCMC Regional Initiative: Energy Efficiency & Electrification Campaign**

**Phase 1 - Campaign Design and Planning**

**Deliverable #3**

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## Introduction

The [Thurston Climate Mitigation Collaborative \(TCMC\)](#) prioritized development of a Residential Energy Efficiency and Electrification Campaign as one of its 2024 regional initiatives. The TCMC Staff Team presented a Phase I Project Plan to the Executive Committee and Community Advisory Workgroup (CAW) in January – February 2024. The Staff Team has now completed key tasks in the Phase I plan including [Market Assessment and Incentive Program Research](#), Stakeholder Interviews, and a Resident Survey.

We have named the forthcoming campaign “Energize Thurston” and are moving toward launch and implementation in the first quarter of 2025. Energize Thurston will provide outreach and financial incentives to accelerate residential building decarbonization and reduce energy costs for households throughout the county. The campaign will provide turnkey, subsidized installations of heat pumps and heat pump water heaters (HPWH) for income-qualified participants. It will also provide access to equipment discounts, streamlined installations, guidance, and customer support for all participants regardless of income.

Energize Thurston builds on the foundation of existing local and regional campaigns:

- City of Olympia’s [Energize Olympia](#) campaign, which has provided discounted and subsidized ductless heat pumps to City residents in 2023-2024
- [The Switch Is On](#) web platform, which provides education about electric home appliances and location-based tools to find incentives and vetted contractors.

The Staff Team applied recommendations from the Phase I research to make programmatic decisions about elements of the Energize Thurston campaign. This Launch and Implementation Plan describes the structure and processes for Energize Thurston including Partnerships and Funding, Participant Pathways, Types of Equipment and Services, Campaign Structure and Processes, and Outreach and Marketing Strategy. This plan provides a timeline and a detailed list of tasks and deliverables to guide the launch, implementation, evaluation, and continuation of Energize Thurston.

## Campaign Goals

The Phase I project plan defined the following overarching goals for the energy efficiency and electrification campaign:

- Deliver a compelling and accessible educational campaign to raise awareness of the climate, health, and economic benefits of building electrification and energy efficiency among broad segments of the Thurston community.
- Support energy equity by prioritizing program benefits to low- to moderate-income (LMI) households and members of overburdened communities.
- Connect a quantifiable number of residents with information about technologies, incentives, and advisory support services.
- Implement a quantifiable number of home electrification and efficiency improvements across the participating jurisdictions during the campaign period.
- Maintain program flexibility to respond and adapt to regional, state, and national clean energy programs and investments, with the aim of ensuring ongoing benefits to Thurston residents.

Based on prior outputs of Energize Olympia and considering the currently available funding and geographic scale of Energize Thurston, approximate numeric goals for the campaign are listed below.

- Engage at least 600 residents via community workshops, online and in-person.
- Complete a total of 60-70 subsidized HPWH installations for LMI participants.
- Complete a total of 70-95 subsidized heat pump installations (combination of ducted and ductless) for LMI participants.<sup>1</sup>
- Enable approximately 150 total discounted and streamlined equipment installations for self-funded participants (i.e., we anticipate approximately the same number of LMI and self-funded installations).

## Partnerships and Funding

**Partner Jurisdictions:** The Thurston Climate Mitigation Collaborative (TCMC) is an ongoing partnership among Thurston County and the cities of Lacey, Olympia, and Tumwater to identify and implement regional climate mitigation initiatives including the 2024 initiative Energize Thurston. These jurisdictions along with the city of Tenino each received funding from the State Home Electrification and Appliance Rebates (HEAR) program to support the campaign. Thurston County, Olympia, and Lacey also expect to receive federal Energy Efficiency & Conservation Block Grant (EECBG) funding to support the campaign. The partner jurisdictions expect to enter into an interlocal agreement for joint implementation of Energize Thurston.

**Lead Jurisdiction:** As Lead Jurisdiction, Thurston County will hold contract(s) with the selected Campaign Installers and a Customer Support Consultant. Staff from the Lead Jurisdiction will lead the campaign's execution and administration with support from TCMC Staff Team members and the Customer Support Consultant.

**Customer Support Consultant.** The Lead Jurisdiction may also contract with a Customer Support Consultant (TBD) to augment staff capacity by assisting with customer support, case management, and/or outreach and education.

**LMI Pathway Administrator:** Each of the Parties will contract with a partner organization that will contract with the selected Campaign Installers to provide installations of qualifying equipment for qualified LMI participants. The project team expects that this role will be served by **South Puget Sound Habitat for Humanity (SPSHFH)** because they have been an integral partner in the design and implementation of Energize Olympia (2023 and 2024). The LMI Pathway Administrator will verify participant income eligibility, coordinate installer site assessments and installations, review completion of work with LMI participants as well as provide installer oversight. They will also support campaign promotion, administration of grant funding for subsidized installations, participant recruitment, marketing, and outreach efforts.

**Installation Partners:** Installers will be selected through a competitive Request for Proposals (RFP) process evaluating qualifications, experience, pricing, alignment with campaign goals and commitment

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<sup>1</sup> Potential supplemental grant funding from partner SPSHFH may add at least 20 more subsidized heat pump installations, for a campaign total of approximately 90-115.

to customer support. Installation partners will provide information at the educational workshops, conduct free site assessments, offer streamlined access to incentives and rebates, and execute installations for the campaign. Energize Thurston expects to contract with up to five installation partners.

**Puget Sound Energy (PSE):** PSE is the local electric and natural gas utility and provides rebates for energy efficiency retrofits including heat pump and heat pump water heater installations. This includes increased rebates amounts for households up to 90% AMI through the Efficiency Boost Rebate Program. This incentive helps reduce the cost of installations and will allow Energize Thurston to provide subsidized installations to a greater quantity of households. Note: While the TCMC is coordinating with PSE on the design and implementation of Energize Thurston, PSE is not an official campaign partner.

### Project Team Roles and Responsibilities

Name	Organization/Work Group	Role
Julia Downing	DOE Community Energy Fellow (Thurston County)	<ul style="list-style-type: none"> <li>• Campaign Co-Lead</li> <li>• Primary participant contact</li> <li>• Case management and outreach lead</li> </ul>
Dominic Jones	City of Olympia, Building Decarbonization Manager	<ul style="list-style-type: none"> <li>• Campaign Co-Lead (TBD)</li> <li>• Marketing materials lead</li> <li>• Participant management software lead</li> <li>• Case management and outreach support for Olympia participants</li> </ul>
Rebecca Harvey	Thurston County, Climate Mitigation Senior Program Manager	<ul style="list-style-type: none"> <li>• Contracting lead</li> <li>• Installer and campaign administration oversight</li> <li>• Case management and outreach support for Thurston County participants</li> </ul>
Pamela Braff	City of Olympia, Director of Climate Programs	<ul style="list-style-type: none"> <li>• Campaign advisor</li> <li>• Outreach support</li> </ul>
Linsey Fields	City of Lacey, Climate and Sustainability Coordinator	<ul style="list-style-type: none"> <li>• Case management and outreach support for City of Lacey participants</li> </ul>
Alyssa Jones Wood	City of Tumwater, Sustainability Coordinator	<ul style="list-style-type: none"> <li>• Case management and outreach support City of Tumwater participants</li> </ul>
Amanda Schuyler	South Puget Sound Habitat for Humanity	<ul style="list-style-type: none"> <li>• Installer selection support</li> <li>• LMI intake and case management</li> <li>• Outreach support</li> </ul>
Amit Singh	Puget Sound Energy, Program Manager	<ul style="list-style-type: none"> <li>• PSE Point of Contact</li> </ul>
TBD	TBD Customer Support Consultant	<ul style="list-style-type: none"> <li>• Support of case management, customer support, and/or outreach and education</li> </ul>

## Campaign Funding

Thurston County and the cities of Olympia, Lacey, Tumwater and Tenino have each been awarded funds through the Washington State Home Electrification and Appliance Rebate (HEAR) Program<sup>2</sup>. The jurisdictions will utilize these funds to subsidize installations of eligible equipment for low- and moderate-income (LMI) households. Since the EECBG funding (described below) is allocated to subsidize heat pump water heater (HPWH) installations, the partners expect that the HEAR funding will be used primarily to subsidize heat pump space conditioning systems. The HEAR program allows up to 15% of the grant funding to be used for administrative costs. This portion of the funding will help to cover the cost of administering the Energize Thurston LMI Pathway.

Thurston County, Olympia, and Lacey have also applied for formula grants through the U.S. Department of Energy's Energy Efficiency and Conservation Block Grant (EECBG) program. This grant funding will be used to subsidize installations of HPWH for qualifying LMI households. The cities of Tumwater and Tenino do not meet the population threshold to qualify for this EECBG formula funding, but the County's allocation can support residents in small cities and unincorporated Thurston County.

Table 1 summarizes the jurisdictions' grant funding sources that directly support the Energize Thurston campaign. Across all five jurisdictions, total funding available to subsidize equipment installations is approximately \$1.7 million. This is anticipated to fund 60-70 subsidized HPWH installations, and 70-95 subsidized heat pump installations (ducted and ductless) for qualifying LMI participants.

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<sup>2</sup> The Home Electrification and Appliance Rebates Program is supported with funding from Washington's Climate Commitment Act. The CCA supports Washington's climate action efforts by putting cap-and-invest dollars to work reducing climate pollution, creating jobs, and improving public health. Information about the CCA is available at [www.climate.wa.gov](http://www.climate.wa.gov).

**Table 1: Jurisdictions' Grants for Energize Thurston 2025.**

Jurisdiction	Total Grant Funds	HEAR Grants			EECBG Grants
		Total HEAR Grants	Administration Costs	Heat Pump Subsidies	HPWH Subsidies
Thurston County	\$553,303	\$472,263	\$70,839	\$401,424	\$81,040
Olympia <sup>3</sup>	\$603,513	\$481,483	\$72,222	\$409,261	\$122,030
Lacey <sup>4</sup>	\$593,015	\$477,555	\$71,633	\$350,000	\$115,460
Tumwater	\$477,540	\$477,540	\$71,631	\$405,909	\$0
Tenino	\$95,009	\$95,009	\$14,251	\$80,758	\$0
<b>Total</b>	<b>\$2,322,380</b>	<b>\$2,003,850</b>	<b>\$300,578</b>	<b>\$1,647,351</b>	<b>\$318,530</b>

In addition to the grants provided by the jurisdictions, partner SPSHFH may supplement the campaign by leveraging approximately \$360,000 of their own grant funding from the WA State Department of Commerce HEAR Program to supplement the quantity of heat pump and heat pump water heater retrofits provided to LMI households. These funds will be used to provide integrated weatherization services in coordination with the energy upgrades for LMI participants.

The City of Olympia also expects to allocate approximately \$96,000 in Federal Community Development Block Grant (CDBG) funding for additional heat pump and heat pump water heater installations, as well as weatherization upgrades for low-income participants in Olympia.

## Participant Pathways

### Income Qualifications

Energize Thurston participant pathways are defined based on household gross annual income compared to Thurston County's area median income (AMI). This is the same metric used by the U.S. Department of Housing and Urban Development (HUD) to determine eligibility for affordable housing. A table of specific income levels for the 80% and 120% AMI thresholds in Thurston County can be [found here](#).

**Table 2: Energize Thurston Income Qualification Levels.**

Pathway	Qualifying Income Levels
Low and Moderate Income (LMI) Pathway	
Fully Subsidized	Less than 80% AMI
Partially Subsidized	At least 80% but less than 120% AMI
Self-funded (Market Rate) Pathway	120% AMI or higher

<sup>3</sup> City of Olympia may allocate a some of its HEAR grant towards ductless heat pump installations during the 2024 Energize Olympia program dependent on program demand.

<sup>4</sup> City of Lacey plans to allocate about 12% of its HEAR grant to the City's existing matching rebate program, and the rest to Energize Thurston.

## LMI Pathway

The Energize Thurston LMI Pathway will provide subsidized equipment and services for low-to moderate income (LMI) households as defined in Table 2. It is expected that campaign partner SPSHFH will administer this pathway by contracting directly with installer(s) and subcontractors to coordinate subsidized installations for LMI participants along with site assessments, integrated critical home repair, and limited weatherization services.

Energize Thurston will subsidize the cost of home energy equipment and services for LMI participants at two different levels based on household income qualification:

- Full Cost Coverage for Low-Income: Households under 80% AMI will be eligible for 100% cost coverage of equipment and services. The campaign will reserve at least 60% of available funding for this pool of applicants on a first-come first-served basis.
- Partial Cost Coverage for Moderate-Income: Households with annual incomes of at least 80% AMI but less than 120% AMI will be eligible for partial cost coverage of eligible equipment and services. The exact portion of required household contribution is to be determined but is expected to be capped at \$2,500.

## Self-Funded Pathway

The Energize Thurston Self-Funded Pathway (aka “Market Rate”) will provide a group purchase discount<sup>5</sup> to participants with household incomes of 120% AMI or higher. The exact discount rate will be negotiated with installers during the contracting process. Installers will also be required to include all applicable rebates (from Puget Sound Energy, manufacturers, jurisdiction partners, etc.) as a time-of-sale discount to participants.

In addition to the financial incentives noted above, self-funded participants will have access to further benefits of Energize Thurston:

- Free educational workshops;
- Guidance on additional incentives (e.g., tax credits) and financing;
- Streamlined installation; and
- Customer support.

Jurisdictional staff will administer the self-funded pathway and provide case management and installer oversight.

The Energize Thurston project team may identify local financing providers (e.g., banks, credit unions) with favorable rates/terms that participants may choose to use to finance their projects. Installation partners may also recommend financing products if approved by Thurston County per the terms of their contract.

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<sup>5</sup> Group Purchase discount in Energize Olympia 2024 was 10% discount up to a maximum of \$1,200 off total equipment + labor cost.

## Types of Equipment and Services

After attending an Energize Thurston workshop, participants in both the LMI and Self-Funded pathways will be asked to state on their applications if they request a site assessment for a heat pump space conditioning system, heat pump water heater, or both. They will then be connected to a campaign installer who will provide a free site assessment and recommend the appropriate equipment for their home. The installer will also assess and inform participants of relevant aspects of the building envelope, such as air sealing and insulation, that may affect customer satisfaction and savings from the equipment.

Specific requirements for all Energize Thurston equipment and services will be defined in the contracts between Thurston County and the selected installers. These requirements have been defined to align with Puget Sound Energy's planned 2025 rebates for heat pumps and HPWH.

### Heat Pumps

Energize Thurston will focus on space conditioning heat pumps because our background research found space heating to be the largest overall consumer of energy for households across all fuel types. Eligible heat pump equipment will include ducted as well as ductless electric heat pumps. For both LMI and Self-Funded participants, the installer will assess the needs of the home and recommend the appropriate heating and cooling equipment for the customer. Installed equipment may replace any type of heating fuel.

Energize Thurston minimum requirements for heat pumps must meet the following criteria:

- Consortium for Energy Efficiency (CEE) highest efficiency tier for 2025:

2025 CEE Split ASHP Specification (DUCTLESS Heat Pumps)					
CEE Level	SEER2	EER2	HSPF2	COP at 5°F*	Capacity Ratio~
CEE Tier 1					
Path A	≥ 16.0	≥ 9.8	≥ 8.5	≥ 1.75	≥ 60% at 5°F/47°F
Path B	≥ 16.0	≥ 11.0	≥ 8.0	≥ 1.75	≥ 45% at 5°F/47°F
CEE Advanced Tier					
Refer to the <a href="#">DOE Cold Climate Heat Pump Challenge Specification</a>					

2025 CEE Packaged ASHP Specification (DUCTED Heat Pumps)					
CEE Level	SEER2	EER2	HSPF2	COP at 5°F*	Capacity Ratio~
CEE Tier 1	≥ 15.2	≥ 10.0	≥ 7.2	≥ 1.75	≥ 45% at 5°F/47°F

- System must be AHRI Certified as a variable speed heat pump, mini-split or multi-split heat pump and use inverter technology and be a minimum of ¾ ton in heating mode.
- For ductless heat pump only installations, at least one indoor head must be installed in the main living (high-flow) area of the home; bedroom only installations do not qualify for the campaign.

### **Additional Heat Pump Requirements for LMI Pathway**

For participants in the LMI Pathway, Energize Thurston will cover costs of the recommended heat pump equipment plus the following upgrades, which are eligible uses of HEAR grant funding:

- Electric panel upgrades necessary to enable heat pump upgrades
- Duct sealing as needed for installations of ducted heat pump systems

For ductless heat pump systems, the LMI Pathway will cover the cost of up to two ductless heads. At least one indoor head must be installed in the main living (high-flow) area of the home; bedroom only installations are not eligible for Energize Thurston subsidies.

For ducted systems, the campaign will cover the cost of duct repair as required. Installation of new ductwork where existing ductwork was not present is not eligible for Energize Thurston subsidies.

All heat pump installations that are funded with HEAR grants must meet the following HEAR program requirements:

- Remove all fossil fuel equipment where technically and economically feasible.
- All air-source heat pumps must be listed on the Northeast Energy Efficiency Partnership's (NEEP) Cold Climate Air Source Heat Pump (ccASHP) Product List, or meet the most recent ENERGY STAR Cold Climate product criteria.
- All equipment must be ENERGY STAR Certified or CEE North Region Certified.
- All equipment that uses refrigerants must follow the statutory global warming potential (GWP) limits from the Washington State Department of Ecology and the U.S. Environmental Protection Agency (EPA), and where technically and economically feasible, must use low GWP refrigerants listed by the EPA's Significant New Alternatives Policy (SNAP) Program, or the California Air Resources Board (CARB).

### **Heat Pump Water Heaters**

The campaign will also incentivize heat pump water heaters (HPWH) because our background research found water heating to be the second largest natural gas end use for residential homes in Washington State. HPWH have also been shown to be more cost effective for homeowners when replacing an existing electric water heater.

For both LMI and Self-Funded participants, the installer will assess the needs of the home (in coordination with SPSHFH for the LMI Pathway) and recommend the appropriate water heating equipment for the customer, which may or may not be a HPWH. As for heat pump space heaters, the installed equipment may replace any type of heating fuel.

Energize Thurston's requirements for heat pump water heaters:



- Must be Northwest Energy Efficiency Alliance (NEEA) Tier 3 or 4<sup>6</sup> heat pump water heater

### **Additional HPWH Requirements for LMI Pathway**

For participants in the LMI Pathway, Energize Thurston will cover costs of a HPWH if it is recommended by the selected installer as appropriate water heating equipment for the site. The campaign may include an age requirement for water heater replacement (e.g., equipment is 10 or more years old; TBD). In addition to the equipment costs, Energize Thurston will cover costs of electrical upgrades to accommodate HPWH installation when needed in LMI households.

All LMI installations that are funded with HEAR grants must meet the following HEAR program requirements:

- Remove all fossil fuel equipment where technically and economically feasible.
- All equipment must be ENERGY STAR Certified or CEE North Region Certified.
- All equipment that uses refrigerants must follow the statutory global warming potential (GWP) limits from the Washington State Department of Ecology and the U.S. Environmental Protection Agency (EPA), and where technically and economically feasible, must use low GWP refrigerants listed by the EPA's Significant New Alternatives Policy (SNAP) Program, or the California Air Resources Board (CARB).

## **Campaign Structure and Processes**

### **Contracting Structure**

Energize Thurston will follow the “installer model” used by Energize Olympia, in which program installers are selected by evaluating price and qualifications through a competitive bidding process. The lead jurisdiction will issue a Request for Proposals (RFP) to select qualified contractors to provide installation of ducted and ductless heat pumps, heat pump water heaters, and associated electrical work. The partners anticipate needing approximately four to five contracted installers to serve Energize Thurston. Selected installers will be required to provide a fixed group-purchase discount for all installations, and to apply all applicable rebates as a time-of-sale discount to participants. Thurston County will hold a contract with each selected installer to set the group purchase rate. Self-funded participants will contract directly with an installer as described in the “Applicant Process” section below.

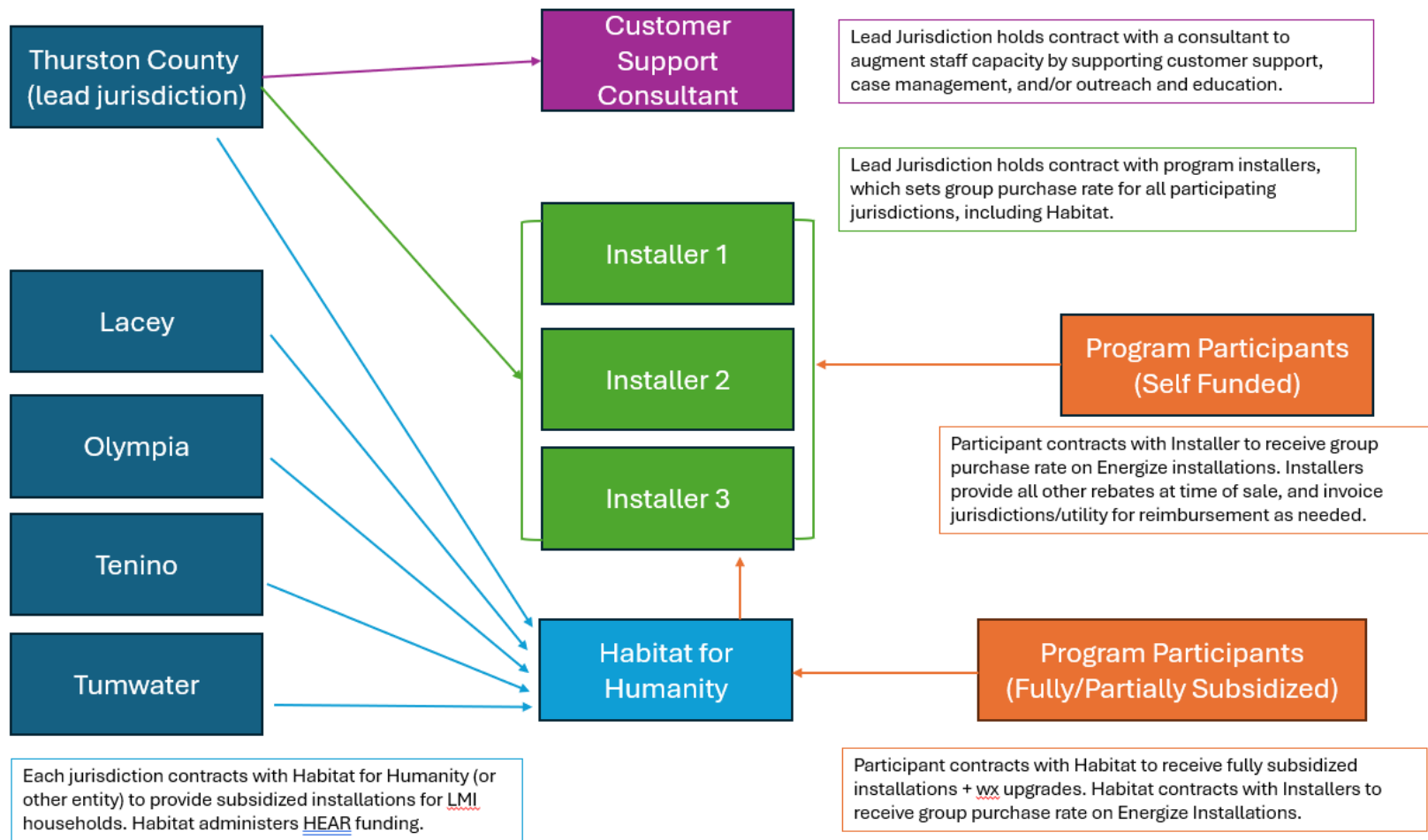
SPSHFH will contract with the same suite of selected installers, who will be required to apply the same discounts for the LMI installations as for the self-funded installations. Each of the partner jurisdictions will enter into a contract with the administrative partner to allow them to administer the LMI installations using funding provided by the jurisdiction.

The County will also issue an RFP to select a Customer Support Consultant (TBD), who will support case management, installer oversight, outreach, and/or campaign evaluation.

The contracting structure for Energize Thurston is illustrated in Figure 1 below.

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<sup>6</sup> Refer to NEEA Advanced Water Heating Specification 8.1 for information on HPWH Product Tiers



**Figure 1. Energize Thurston Proposed Contracting Structure.**

## Applicant Process

All participants will progress through the Energize Thurston campaign as follows:

- Sign up for and attend a campaign workshop (either in-person or virtual).
- Submit a campaign application that includes their general information and the following:
  - Whether they are applying for the LMI Pathway or the Self-Funded Pathway; and
  - If they request a site assessment for a heat pump space conditioning system, heat pump water heater, or both.
- Campaign staff will verify site eligibility and request income eligibility information from LMI Pathway applicants.
- Campaign staff will provide the participant with a status update and notify the installer that the participant is ready to schedule a site assessment.
- LMI Pathway:
  - The installer will work with the LMI Pathway Administrator and the participant to schedule a site assessment, recommend the appropriate equipment, and provide a quote. If the participant chooses to move forward, the installer will contract with Habitat for Humanity to complete the installation. The installer will provide all available rebates and incentives at the time of sale, including the Energize Thurston campaign pricing.
  - Moderate-income households (80%-120% AMI) will pay their household cost share to SPSHFH. Payment plans are available.
- Self-Funded Pathway:
  - The installer will contact the participant to schedule a site assessment, recommend the appropriate equipment, and provide a quote. If the participant chooses to move forward, the installer will contract directly with the participant to complete the installation. The installer will provide all available rebates and incentives at the time of sale, including the Energize Thurston campaign pricing, as well as direct participants to program-approved financing options. The campaign staff team will support self-funded participants by offering customer support throughout the installation process.

## Participant Management System

The partners will follow the model used by Energize Olympia for participant tracking and case management. “Monday.com” software will serve as a platform for project and task management, providing a streamlined system to track participant applications and partner tasks all in one place. The Staff Team will modify this system as needed to accommodate the expanded multijurisdictional campaign. We will refine and document the participant intake process for the LMI and self-funded pathways; train all campaign partners and installation partners on the use of the tracking software; and assign roles and responsibilities for case management, customer support, and installer oversight. We will host regular meetings with all campaign partners to ensure installers are meeting all contract deliverables and installation timelines, and address case management issues as they arise.

## Outreach and Marketing Strategy

Energize Thurston will build upon the existing “Energize Olympia” brand and will expand outreach and marketing efforts countywide through a variety of methods as described below. Following the recommendations from background research, outreach will target both rural and urban areas with messages emphasizing environmental, health and safety benefits of electrification, as well as concerns about electric appliances cost and performance.

Energize Thurston will focus on reaching underserved and disadvantaged communities via targeted outreach and supportive program implementation. Target communities will include low-income households, communities of color, immigrants, seniors, first-time homeowners, and people on utility support programs, among others. Campaign staff will aim to develop partnerships with community-based organizations to leverage trusted networks that support these communities. A list of Community Outreach Partners will be included in the Energize Thurston Communications Plan.

**Educational Workshop Series:** Campaign staff, SPSHFH, and campaign installers will educate residents of Thurston County on the benefits of electrification appliances and services through a free series of educational workshops. The workshops provide information on the benefits of heat pump technology, residential energy efficiency, an overview of the program pathways and installation process, as well as information on the many available financial incentives including federal tax credits, and local utility incentives from Puget Sound Energy. The partners will host multiple in-person workshops across the county as well as an on-demand workshop to expand the accessibility of events.

**TCMC Website:** The TCMC website ([Thurstonclimatecollaborative.org](https://Thurstonclimatecollaborative.org)) will serve as the primary hub for interested residents to access Energize Thurston campaign information. The site will include information about in-person and on-demand workshops, participant eligibility criteria, FAQs, and contact information for the campaign’s point of contact.

**Switch Is On (SIO) Website:** The Energize Thurston Campaign will build on an existing outreach and marketing campaign that was launched regionally in 2024 via the [wa.SwitchIsOn.org](https://wa.SwitchIsOn.org) web platform. The Switch Is On (SIO) website serves as a central information hub for residential home electrification. It educates residents about home electrification benefits and technologies and provides tools to find vetted contractors and available incentives.

**Outreach at Community Events:** Campaign staff and SPSHFH staff will provide targeted outreach to community groups throughout Thurston County. This will include informational presentations for cultural organizations, faith-based organizations, and neighborhood associations, as well as tabling at local businesses, trade shows or community events.

**Distribution of Marketing Materials:** Physical marketing materials will be distributed around the County including post cards, flyers and street banners at central hubs in the community. Campaign staff will also regularly post online updates on the status of the campaign through partner jurisdictions’ e-newsletters and via social media platforms such as Facebook, Instagram, Threads, X, Nextdoor, and/or Reddit.

**Outreach Partnerships and Volunteers:** Energize Thurston will leverage trusted community partners to engage members of target communities. Staff will maintain a list of Community Outreach Partners and track engagements before and during campaign launch. Campaign staff will work with partners to recruit community volunteers (“Energize Ambassadors”) to assist with distribution of marketing materials throughout the County. Early recruitment of volunteers can build greater awareness of the program, natural engagement of community partners, and opportunities for press coverage.

**Translation and Interpretation services:** The partners will set aside marketing budget to translate outreach materials and the on-demand workshop into Spanish; and to provide interpretation services as needed throughout the campaign.

**Post-Installation Education:** All participants will receive an educational packet providing information on how to use and maintain their newly installed equipment as well as a reference to the sources of funding that helped subsidize their installation.

## Campaign Timeline, Tasks and Deliverables

To launch the Energize Thurston campaign in Q1 2025, the Staff Team will aim to complete the following project tasks by the end of 2024.

### Step 1: Contract with Energize Thurston Partners (October – December 2024)

*This step includes executing an interlocal agreement among the jurisdiction partners for joint implementation of Energize Thurston, conducting a competitive solicitation for installation partners, and contracting with Habitat for Humanity. The jurisdictions may also contract with a Customer Support Consultant to augment staff capacity (TBD).*

#### Tasks:

- 1.1 Execute Energize Thurston 2025 Interlocal Agreement (ILA)
  - Define roles and responsibilities of each jurisdiction partner
  - Develop collaborative budget for campaign launch and implementation
- 1.2 Lead Jurisdiction: Issue Request for Proposal (RFP) for installation partners
  - Develop scope of work and scoring rubric for Energize Thurston installation partners
  - Publish and promote RFP
  - Establish Installer Selection Committee and review proposals
  - Contract individually with up to 5 installers that are selected through the RFP process
  - Negotiate Energize Thurston group purchase discount with selected installers
- 1.3 All jurisdictions: Contract with LMI Pathway Administrator
  - Confirm that South Puget Sound Habitat for Humanity (SPSHFH) will serve as the LMI Pathway Administrator based on their foundational role in the design and implementation of Energize Olympia (2023-2024).
  - Each jurisdiction executes contract(s) with SPSHFH to provide grant funding for subsidized installations for LMI households.

1.4 (TBD) Lead Jurisdiction: Contract with Customer Support Consultant

- Refine scope of work for Customer Support Consultant
- Issue RFP and select consultant
- Contract with consultant

*Step 1 Deliverables:*

- ☐ Energize Thurston 2025 ILA
- ☐ Contracts with up to 5 installation partners
- ☐ Contracts between SPSHFH and each jurisdiction
- ☐ (TBD) Lead jurisdiction contract with Customer Support Consultant

**Step 2: Develop Communications Plan and Outreach Materials (October – December 2024)**

*Energize Thurston will leverage existing Energize Olympia outreach materials and communication strategies and modify them as needed for the expanded program. This step includes producing the new marketing assets, developing a communications plan and tracking system, establishing outreach partnerships, and developing a framework for the educational workshops.*

*Tasks:*

2.1 Design Energize Thurston marketing materials

- Work with Energize Olympia designer to revise materials for Energize Thurston
- Develop content for campaign website
- Compile weatherization information packet to provide participants (TBD if staff capacity allows)

2.2 Develop Communications Plan

- Build the Outreach & Marketing Strategy into a detailed campaign Communications Plan
- Determine number and locations of in-person workshops

2.3 Establish outreach partnerships

- Develop list of CBOs and outreach partners
- Contact outreach partners to initiate relationships and engage potential volunteers

2.3 Design Energize Thurston workshops

- Build off existing Energize Olympia workshops to add new technologies, application processes, and information about the multijurisdictional campaign
- Provide Spanish translation of workshop subtitles; and explore other options for translation/interpretation of on-demand workshop

*Step 2 Deliverables:*

- ☐ Energize Thurston brand and marketing materials
- ☐ Energize Thurston webpage
- ☐ Energize Thurston Communications Plan
- ☐ Tracking system for outreach activities and partner engagement

**Step 3 – Develop Participant Application and Tracking System (November 2024 – January 2025)**

*This step involves modifying Energize Olympia’s participant application and tracking system for the expanded multijurisdictional campaign.*

*Tasks:*

- 3.1 Develop application materials and process
  - Revise Energize Olympia’s application as needed for expanded campaign
  - Develop participant intake/tracking process for LMI and self-funded pathways
- 3.2 Set up participant tracking system in Monday.com software
  - Expand existing system to track participants across multiple jurisdictions
  - Establish project and task management boards in Monday.com
- 3.2 Train campaign partners on tracking system
  - Host kickoff meeting with campaign partners, SPSHFH, and installation partners
  - Assign roles and responsibilities for case management, customer support, and installer oversight
  - Establish weekly check-in schedule with all campaign partners

*Step 3 Deliverables:*

- ☐ Final participant application
- ☐ Guidance document on Participant Tracking Process
- ☐ Complete project, task management system in Monday.com

**Step 4 – Implement Campaign (est. March – June 2025)**

*Tasks:*

- 4.1 Implement communications and outreach plan
- 4.2 Conduct in-person workshops
- 4.3 Record virtual “on-demand” workshop and post online
- 4.4 Implement participant intake and management process
- 4.5 Provide customer support and case management
- 4.6 Conduct oversight of installers and partners
- 4.7 Track and report on progress toward goals

*Step 4 Deliverables:*

- ☐ Campaign Outcomes
  - Workshop registrations
  - Workshop attendances
  - Participant applications
  - Completed installations for LMI Pathway
  - Completed installations for Self-Funded Pathway

**Step 5 – Develop Campaign Continuation Plan (est. July - September 2025)**

*Tasks:*

- 5.1 Document and evaluate processes and partnerships developed in the pilot campaign
- 5.2 Develop a plan for continuation of the campaign in alignment with related federal, state, and regional initiatives.
- 5.3 Develop recommendations for expanding the program to further enhance benefits to disadvantaged communities.

*Step 5 Deliverables:*

- ☐ Energize Thurston Evaluation Report
- ☐ Energize Thurston Continuation Plan





**Interagency Agreement with**

**City of Olympia**

**through**

**State Home Electrification and Appliance Rebates Program**

**Contract Number:**

**24-92701-022**

**For**

**City of Olympia - Electrification and Appliance Rebates Program**

**Dated:** Wednesday, May 1, 2024



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## Face Sheet

Contract Number: 24-92701-022

### Energy Division Clean Buildings Unit Home Electrification and Appliance Rebates Program

<b>1. Contractor</b> City of Olympia PO Box 1967 Olympia, WA 98507 601 4 <sup>th</sup> Avenue East, Olympia, WA 98501		<b>2. Contractor Doing Business As (as applicable)</b>  	
<b>3. Contractor Representative</b> Dominic Jones Building Decarbonization Program Manager (360)753-8347 djones@ci.olympia.wa.us		<b>4. COMMERCE Representative</b> Aaron Dumas Program Manager (564) 999-1414 Aaron.dumas@commerce.wa.gov	
<b>5. Contract Amount</b> \$481,483	<b>6. Funding Source</b> Federal: <input type="checkbox"/> State: <input checked="" type="checkbox"/> Other: <input type="checkbox"/> N/A: <input type="checkbox"/>		<b>7. Start Date</b> 5/1/2024
<b>8. End Date</b> 6/30/2025			
<b>9. Federal Funds (as applicable)</b> N/A		<b>Federal Agency:</b> N/A	
<b>ALN:</b> N/A			
<b>10. Tax ID #</b> 91-6001261	<b>11. SWV #</b> SWV0008653-00	<b>12. UBI #</b> 342-000-433	<b>13. UEI #</b> YGAHKBHB8B43
<b>14. Contract Purpose</b> To administer a program that provides rebates and incentives to low- and moderate-income households and small businesses to purchase and install high-efficiency electric equipment and appliances.			
COMMERCE, defined as the Department of Commerce, and the Contractor, as defined above, acknowledge and accept the terms of this Contract and Attachments and have executed this Contract on the date below and warrant they are authorized to bind their respective agencies. The rights and obligations of both parties to this Contract are governed by this Contract and the following documents incorporated by reference: Contractor Terms and Conditions including Attachment "A" – Scope of Work, Attachment "B" – Budget, Attachment "C" – Program Work Plan.			
<b>FOR CONTRACTOR</b> DocuSigned by:  BEF065DD5C7B4A7... Steven J. Burney, City Manager 9/26/2024   7:47 AM PDT Date Approved as to Form   Deputy City Attorney		<b>FOR COMMERCE</b> DocuSigned by:  10B18292855448A... Michael Furze, Assistant Director Energy Division 9/26/2024   9:02 AM PDT Date  <b>APPROVED AS TO FORM ONLY BY ASSISTANT ATTORNEY GENERAL APPROVAL ON FILE</b>	



## **Special Terms and Conditions**

### **1. AUTHORITY**

COMMERCE and Contractor enter into this Contract pursuant to the authority granted by Chapter 39.34 RCW.

### **2. ACKNOWLEDGEMENT OF CLIMATE COMMITMENT ACT FUNDING**

If this Agreement is funded in whole or in part by the Climate Commitment Act, Grantee agrees that any website, announcement, press release, and/or publication (written, visual, or sound) used for media-related activities, publicity, and public outreach issued by or on behalf of Grantee which reference programs or projects funded in whole or in part with Washington's Climate Commitment Act (CCA) funds under this Grant, shall contain the following statement:

“The Home Electrification and Appliance Rebates Program is supported with funding from Washington's Climate Commitment Act. The CCA supports Washington's climate action efforts by putting cap-and-invest dollars to work reducing climate pollution, creating jobs, and improving public health. Information about the CCA is available at [www.climate.wa.gov](http://www.climate.wa.gov).”

The Grantee agrees to ensure coordinated Climate Commitment Act branding on work completed by or on behalf of the Grantee. The CCA logo must be used in the following circumstances, consistent with the branding guidelines posted at [CCA brand toolkit](#), including:

- A. Any project related website or webpage that includes logos from other funding partners;
- B. Any publication materials that include logos from other funding partners;
- C. Any on-site signage including pre-during Construction signage and permanent signage at completed project sites; and
- D. Any equipment purchased with CAA funding through a generally visible decal.

### **3. CONTRACT MANAGEMENT**

The Representative for each of the parties shall be responsible for and shall be the contact person for all communications and billings regarding the performance of this Contract.

The Representative for COMMERCE and their contact information are identified on the Face Sheet of this Contract.

The Representative for the Contractor and their contact information are identified on the Face Sheet of this Contract.

### **4. COMPENSATION**

COMMERCE shall pay an amount not to exceed \$481,483, for the performance of all things necessary for or incidental to the performance of work under this Contract as set forth in the Scope of Work.

### **5. BILLING PROCEDURES AND PAYMENT**

COMMERCE will pay Contractor upon acceptance of services provided and receipt of properly completed invoices, which shall be submitted to the Representative for COMMERCE not more often than monthly nor less than quarterly.

The invoices shall describe and document, to COMMERCE's satisfaction, a description of the work performed, the progress of the project, and fees. The invoice shall include the Contract Number 24-92701-022. If expenses are invoiced, provide a detailed breakdown of each type. A receipt must accompany any single expenses in the amount of \$50.00 or more in order to receive reimbursement. Payment shall be considered timely if made by COMMERCE within thirty (30) calendar days after receipt of properly completed invoices. Payment shall be sent to the address designated by the



Contractor.

COMMERCE may, in its sole discretion, terminate the Contract or withhold payments claimed by the Contractor for services rendered if the Contractor fails to satisfactorily comply with any term or condition of this Contract.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by COMMERCE.

#### Invoices and End of Fiscal Year

Invoices are due on the 20th of the month following the provision of services.

Final invoices for a state fiscal year may be due sooner than the 20th and Commerce will provide notification of the end of fiscal year due date.

The Contractor must invoice for all expenses from the beginning of the contract through June 30, regardless of the contract start and end date.

#### Duplication of Billed Costs

The Contractor shall not bill COMMERCE for services performed under this Agreement, and COMMERCE shall not pay the Contractor, if the Contractor is entitled to payment or has been or will be paid by any other source, including grants, for that service.

#### Disallowed Costs

The Contractor is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

COMMERCE may, in its sole discretion, withhold ten percent (10%) from each payment until acceptance by COMMERCE of the final report (or completion of the project, etc.).

### **6. SUBCONTRACTOR DATA COLLECTION**

Contractor will submit reports, in a form and format to be provided by Commerce and at intervals as agreed by the parties, regarding work under this Contract performed by subcontractors and the portion of Contract funds expended for work performed by subcontractors, including but not necessarily limited to minority-owned, woman-owned, and veteran-owned business subcontractors. "Subcontractors" shall mean subcontractors of any tier.

### **7. INSURANCE**

Each party certifies that it is self-insured under the State's or local government self-insurance liability program, and shall be responsible for losses for which it is found liable.

### **8. FRAUD AND OTHER LOSS REPORTING**

Contractor shall report in writing all known or suspected fraud or other loss of any funds or other property furnished under this Contract immediately or as soon as practicable to the Commerce Representative identified on the Face Sheet.

### **9. ORDER OF PRECEDENCE**

In the event of an inconsistency in this Contract, the inconsistency shall be resolved by giving precedence in the following order:

- Applicable federal and state of Washington statutes and regulations
- Special Terms and Conditions
- General Terms and Conditions



- Attachment A – Scope of Work
- Attachment B – Budget
- Attachment C – Program Work Plan



## **General Terms and Conditions**

### **1. DEFINITIONS**

As used throughout this Contract, the following terms shall have the meaning set forth below:

- A. "Authorized Representative" shall mean the Director and/or the designee authorized in writing to act on the Director's behalf.
- B. "COMMERCE" shall mean the Washington Department of Commerce.
- C. "Contract" or "Agreement" or "Grant" means the entire written agreement between COMMERCE and the Contractor, including any Attachments, documents, or materials incorporated by reference. E-mail or Facsimile transmission of a signed copy of this contract shall be the same as delivery of an original.
- D. "Contractor" or "Grantee" shall mean the entity identified on the face sheet performing service(s) under this Contract, and shall include all employees and agents of the Contractor.
- E. "Personal Information" shall mean information identifiable to any person, including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver license numbers, other identifying numbers, and any financial identifiers, and "Protected Health Information" under the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA).
- F. "State" shall mean the state of Washington.
- G. "Subcontractor" shall mean one not in the employment of the Contractor, who is performing all or part of those services under this Contract under a separate contract with the Contractor. The terms "subcontractor" and "subcontractors" mean subcontractor(s) in any tier.

### **2. ALL WRITINGS CONTAINED HEREIN**

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

### **3. AMENDMENTS**

This Contract may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

### **4. ASSIGNMENT**

Neither this Contract, work thereunder, nor any claim arising under this Contract, shall be transferred or assigned by the Contractor without prior written consent of COMMERCE.

### **5. CONFIDENTIALITY AND SAFEGUARDING OF INFORMATION**

- A. "Confidential Information" as used in this section includes:
  - i. All material provided to the Contractor by COMMERCE that is designated as "confidential" by COMMERCE;
  - ii. All material produced by the Contractor that is designated as "confidential" by COMMERCE; and



iii. All Personal Information in the possession of the Contractor that may not be disclosed under state or federal law.

- B.** The Contractor shall comply with all state and federal laws related to the use, sharing, transfer, sale, or disclosure of Confidential Information. The Contractor shall use Confidential Information solely for the purposes of this Contract and shall not use, share, transfer, sell or disclose any Confidential Information to any third party except with the prior written consent of COMMERCE or as may be required by law. The Contractor shall take all necessary steps to assure that Confidential Information is safeguarded to prevent unauthorized use, sharing, transfer, sale or disclosure of Confidential Information or violation of any state or federal laws related thereto. Upon request, the Contractor shall provide COMMERCE with its policies and procedures on confidentiality. COMMERCE may require changes to such policies and procedures as they apply to this Contract whenever COMMERCE reasonably determines that changes are necessary to prevent unauthorized disclosures. The Contractor shall make the changes within the time period specified by COMMERCE. Upon request, the Contractor shall immediately return to COMMERCE any Confidential Information that COMMERCE reasonably determines has not been adequately protected by the Contractor against unauthorized disclosure.
- C.** Unauthorized Use or Disclosure. The Contractor shall notify COMMERCE within five (5) working days of any unauthorized use or disclosure of any confidential information, and shall take necessary steps to mitigate the harmful effects of such use or disclosure.

## **6. COPYRIGHT**

Unless otherwise provided, all Materials produced under this Contract shall be considered "works for hire" as defined by the U.S. Copyright Act and shall be owned by COMMERCE. COMMERCE shall be considered the author of such Materials. In the event the Materials are not considered "works for hire" under the U.S. Copyright laws, the Contractor hereby irrevocably assigns all right, title, and interest in all Materials, including all intellectual property rights, moral rights, and rights of publicity to COMMERCE effective from the moment of creation of such Materials.

"Materials" means all items in any format and includes, but is not limited to, data, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. "Ownership" includes the right to copyright, patent, register and the ability to transfer these rights.

For Materials that are delivered under the Contract, but that incorporate pre-existing materials not produced under the Contract, the Contractor hereby grants to COMMERCE a nonexclusive, royalty-free, irrevocable license (with rights to sublicense to others) in such Materials to translate, reproduce, distribute, prepare derivative works, publicly perform, and publicly display. The Contractor warrants and represents that the Contractor has all rights and permissions, including intellectual property rights, moral rights and rights of publicity, necessary to grant such a license to COMMERCE.

The Contractor shall exert all reasonable effort to advise COMMERCE, at the time of delivery of Materials furnished under this Contract, of all known or potential invasions of privacy contained therein and of any portion of such document which was not produced in the performance of this Contract. The Contractor shall provide COMMERCE with prompt written notice of each notice or claim of infringement received by the Contractor with respect to any Materials delivered under this Contract. COMMERCE shall have the right to modify or remove any restrictive markings placed upon the Materials by the Contractor.

## **7. DISPUTES**

In the event that a dispute arises under this Agreement, it shall be determined by a Dispute Board in the following manner: Each party to this Agreement shall appoint one member to the Dispute Board. The members so appointed shall jointly appoint an additional member to the Dispute Board. The Dispute Board shall review the facts, Agreement terms and applicable statutes and rules and make a determination of the dispute. The Dispute Board shall thereafter decide the dispute with the majority





prevailing. The determination of the Dispute Board shall be final and binding on the parties hereto. As an alternative to this process, either of the parties may request intervention by the Governor, as provided by RCW 43.17.330, in which event the Governor's process will control.

## **8. GOVERNING LAW AND VENUE**

This Contract shall be construed and interpreted in accordance with the laws of the state of Washington, and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.

## **9. INDEMNIFICATION**

Each party shall be solely responsible for the acts of its employees, officers, and agents.

## **10. LICENSING, ACCREDITATION AND REGISTRATION**

The Contractor shall comply with all applicable local, state, and federal licensing, accreditation and registration requirements or standards necessary for the performance of this Contract.

## **11. RECAPTURE**

In the event that the Contractor fails to perform this Contract in accordance with state laws, federal laws, and/or the provisions of this Contract, COMMERCE reserves the right to recapture funds in an amount to compensate COMMERCE for the noncompliance in addition to any other remedies available at law or in equity.

Repayment by the Contractor of funds under this recapture provision shall occur within the time period specified by COMMERCE. In the alternative, COMMERCE may recapture such funds from payments due under this Contract.

## **12. RECORDS MAINTENANCE**

The Contractor shall maintain books, records, documents, data and other evidence relating to this contract and performance of the services described herein, including but not limited to accounting procedures and practices that sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this contract.

The Contractor shall retain such records for a period of six years following the date of final payment. At no additional cost, these records, including materials generated under the contract, shall be subject at all reasonable times to inspection, review or audit by COMMERCE, personnel duly authorized by COMMERCE, the Office of the State Auditor, and federal and state officials so authorized by law, regulation or agreement.

If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

## **13. SAVINGS**

In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Contract and prior to normal completion, COMMERCE may suspend or terminate the Contract under the "Termination for Convenience" clause, without the ten calendar day notice requirement. In lieu of termination, the Contract may be amended to reflect the new funding limitations and conditions.

## **14. SEVERABILITY**

The provisions of this contract are intended to be severable. If any term or provision is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the contract.



## **15. SUBCONTRACTING**

The Contractor may only subcontract work contemplated under this Contract if it obtains the prior written approval of COMMERCE.

If COMMERCE approves subcontracting, the Contractor shall maintain written procedures related to subcontracting, as well as copies of all subcontracts and records related to subcontracts. For cause, COMMERCE in writing may: (a) require the Contractor to amend its subcontracting procedures as they relate to this Contract; (b) prohibit the Contractor from subcontracting with a particular person or entity; or (c) require the Contractor to rescind or amend a subcontract.

Every subcontract shall bind the Subcontractor to follow all applicable terms of this Contract. The Contractor is responsible to COMMERCE if the Subcontractor fails to comply with any applicable term or condition of this Contract. The Contractor shall appropriately monitor the activities of the Subcontractor to assure fiscal conditions of this Contract. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to COMMERCE for any breach in the performance of the Contractor's duties.

Every subcontract shall include a term that COMMERCE and the State of Washington are not liable for claims or damages arising from a Subcontractor's performance of the subcontract.

## **16. SURVIVAL**

The terms, conditions, and warranties contained in this Contract that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Contract shall so survive.

## **17. TERMINATION FOR CAUSE**

In the event COMMERCE determines the Contractor has failed to comply with the conditions of this contract in a timely manner, COMMERCE has the right to suspend or terminate this contract. Before suspending or terminating the contract, COMMERCE shall notify the Contractor in writing of the need to take corrective action. If corrective action is not taken within 30 calendar days, the contract may be terminated or suspended.

In the event of termination or suspension, the Contractor shall be liable for damages as authorized by law including, but not limited to, any cost difference between the original contract and the replacement or cover contract and all administrative costs directly related to the replacement contract, e.g., cost of the competitive bidding, mailing, advertising and staff time.

COMMERCE reserves the right to suspend all or part of the contract, withhold further payments, or prohibit the Contractor from incurring additional obligations of funds during investigation of the alleged compliance breach and pending corrective action by the Contractor or a decision by COMMERCE to terminate the contract. A termination shall be deemed a "Termination for Convenience" if it is determined that the Contractor: (1) was not in default; or (2) failure to perform was outside of his or her control, fault or negligence.

The rights and remedies of COMMERCE provided in this contract are not exclusive and are, in addition to any other rights and remedies, provided by law.

## **18. TERMINATION FOR CONVENIENCE**

Except as otherwise provided in this Contract, COMMERCE may, by ten (10) business days' written notice, beginning on the second day after the mailing, terminate this Contract, in whole or in part. If this Contract is so terminated, COMMERCE shall be liable only for payment required under the terms of this Contract for services rendered or goods delivered prior to the effective date of termination.

## **19. TERMINATION PROCEDURES**

Upon termination of this contract, COMMERCE, in addition to any other rights provided in this contract, may require the Contractor to deliver to COMMERCE any property specifically produced or acquired for the performance of such part of this contract as has been terminated. The provisions of the "Treatment of Assets" clause shall apply in such property transfer.



COMMERCE shall pay to the Contractor the agreed upon price, if separately stated, for completed work and services accepted by COMMERCE, and the amount agreed upon by the Contractor and COMMERCE for (i) completed work and services for which no separate price is stated, (ii) partially completed work and services, (iii) other property or services that are accepted by COMMERCE, and (iv) the protection and preservation of property, unless the termination is for default, in which case the Authorized Representative shall determine the extent of the liability of COMMERCE. Failure to agree with such determination shall be a dispute within the meaning of the "Disputes" clause of this contract. COMMERCE may withhold from any amounts due the Contractor such sum as the Authorized Representative determines to be necessary to protect COMMERCE against potential loss or liability.

The rights and remedies of COMMERCE provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

After receipt of a notice of termination, and except as otherwise directed by the Authorized Representative, the Contractor shall:

- A. Stop work under the contract on the date, and to the extent specified, in the notice;
- B. Place no further orders or subcontracts for materials, services, or facilities except as may be necessary for completion of such portion of the work under the contract that is not terminated;
- C. Assign to COMMERCE, in the manner, at the times, and to the extent directed by the Authorized Representative, all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case COMMERCE has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
- D. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the Authorized Representative to the extent the Authorized Representative may require, which approval or ratification shall be final for all the purposes of this clause;
- E. Transfer title to COMMERCE and deliver in the manner, at the times, and to the extent directed by the Authorized Representative any property which, if the contract had been completed, would have been required to be furnished to COMMERCE;
- F. Complete performance of such part of the work as shall not have been terminated by the Authorized Representative; and
- G. Take such action as may be necessary, or as the Authorized Representative may direct, for the protection and preservation of the property related to this contract, which is in the possession of the Contractor and in which COMMERCE has or may acquire an interest.

## **20. TREATMENT OF ASSETS**

Title to all property furnished by COMMERCE shall remain in COMMERCE. Title to all property furnished by the Contractor, for the cost of which the Contractor is entitled to be reimbursed as a direct item of cost under this contract, shall pass to and vest in COMMERCE upon delivery of such property by the Contractor. Title to other property, the cost of which is reimbursable to the Contractor under this contract, shall pass to and vest in COMMERCE upon (i) issuance for use of such property in the performance of this contract, or (ii) commencement of use of such property in the performance of this contract, or (iii) reimbursement of the cost thereof by COMMERCE in whole or in part, whichever first occurs.

- A. Any property of COMMERCE furnished to the Contractor shall, unless otherwise provided herein or approved by COMMERCE, be used only for the performance of this contract.
- B. The Contractor shall be responsible for any loss or damage to property of COMMERCE that results from the negligence of the Contractor or which results from the failure on the part of the Contractor to maintain and administer that property in accordance with sound management



practices.

- C.** If any COMMERCE property is lost, destroyed or damaged, the Contractor shall immediately notify COMMERCE and shall take all reasonable steps to protect the property from further damage.
- D.** The Contractor shall surrender to COMMERCE all property of COMMERCE prior to settlement upon completion, termination or cancellation of this contract.
- E.** All reference to the Contractor under this clause shall also include Contractor's employees, agents or Subcontractors.

**21. WAIVER**

Waiver of any default or breach shall not be deemed to be a waiver of any subsequent default or breach. Any waiver shall not be construed to be a modification of the terms of this Contract unless stated to be such in writing and signed by Authorized Representative of COMMERCE.



Attachment A: Scope of Work

Purpose

Engrossed Substitute Senate Bill 5200 Section 1008 Subsection 1 states:

Home Electrification and Appliance Rebates (HEAR) Program

For the department (Commerce) to administer grants to eligible third-party administrators for heat pump and other high-efficiency electric equipment rebates, with a focus on low/moderate income households and small businesses. State incentives and rebates for installation of high efficiency electric equipment, including electrical panel upgrades, provide a benefit to the public consistent with the state's energy strategy and climate mandates by reducing greenhouse gas emissions from the built environment.

- (a) \$75,000,000 of the climate commitment account-state appropriation is provided solely for the department to administer ESSB 5200.PL grants to low/moderate income households and small businesses.

Commerce shall implement a statewide high efficiency electric equipment program consistent with the following:

- (a) Aid the transition of residential and commercial buildings away from fossil fuels by providing education and outreach resources for the installation of high efficiency electric heat pumps and other high efficiency electric equipment;
- (b) Provide grants, coordination, and technical assistance to eligible third-party administrators to promote the adoption of high efficiency electric heat pump equipment for space and water heating; and
- (c) Develop strategies to ensure that the program serves low income households, vulnerable populations, and overburdened communities, including dedicating a portion of the program funding for this purpose.

Tasks and Deliverables

Task 1: Funding Priorities

Third-party administrators that receive funding through HEAR, must meet the following funding priorities:

- 1. Provide rebates and incentives that serve the following populations:
  - a. Low-income single- and multifamily households with household income of 80% or less of Area Median Income.
  - b. Moderate-income single- and multifamily households with household income between 80% and 150% of Area Median Income.
  - c. Small businesses with fifty (50) employees or less, or otherwise meet the definition in RCW 39.26.010(22)
- 2. Rebates and incentives must be for the purchase or installation of high-efficiency electric equipment, including, but not limited to:

Table 1: Eligible High-Efficiency Electric Equipment

Upgrade Type	Eligible Equipment
Appliance	Electric Heat Pump Water Heater
	Electric Air-source or Ground source Heat Pump for Space Conditioning
	Commercial or Residential Induction Kitchen Equipment
	Electric Heat Pump Clothes Dryer



Electric Service necessary for the installation of high-efficiency electric equipment	Electrical Service and Panel Upgrade
	Electric Wiring

- (a) All equipment must meet the following requirements:
  - Remove all fossil fuel equipment where technically and economically feasible.
  - All air-source heat pumps must be listed on the Northeast Energy Efficiency Partnership's (NEEP) Cold Climate Air Source Heat Pump (ccASHP) Product List, or meet the most recent ENERGY STAR Cold Climate product criteria.
  - All equipment must be ENERGY STAR Certified or CEE North Region Certified.
  - All equipment that uses refrigerants must follow the statutory global warming potential (GWP) limits from the Washington State Department of Ecology and the U.S. Environmental Protection Agency (EPA), and where technically and economically feasible, must use low GWP refrigerants listed by the EPA's Significant New Alternatives Policy (SNAP) Program, or the California Air Resources Board (CARB).
- (b) Mechanical, electrical, and plumbing (MEP) equipment may be eligible if necessary for the installation of eligible high-efficiency electric equipment listed in Table 1.
- (c) Education and outreach resources to promote the adoption of high-efficiency electric equipment and build workforce capacity.
- (d) Program administration costs not to exceed 15 percent of grant funds.

## **Task 2: Program Work Plan and Outcomes**

Grantees must provide a work plan to COMMERCE. Work plans must address the following:

1. High-level description of the program, including goals and outcomes.
2. Description of the jurisdiction that the program will serve. This may include information on rural status, median income, and population demographics.
3. Total funding for the program – Commerce grant funds plus matching funds – and an anticipated budget that must include at a minimum:
  - a. Costs for rebates and incentives for eligible high-efficiency electric equipment
    - i. Costs should be categorized into the funding allocated to household and small business rebates and incentives, and subsequently by the eligible equipment rebates and incentives the program is providing (as described in Task 1).
  - b. Costs for outreach and education, if applicable.
  - c. Administrative costs.
4. Grantees must ensure that their program only provides rebates and incentives to the eligible rebate recipients listed in Task 1.
  - a. What populations or subsets of the listed eligible rebate recipients, does this program primarily serve? How will your jurisdiction prioritize the populations that will receive rebates and incentives?
  - b. How will the program qualify eligible households and small businesses to receive rebates or incentives? Possible methods for verifying eligibility of households may include participation in other income-qualified benefits programs (LIHEAP, SNAP, etc), tenancy in income-qualified housing units, or other methods, which verify income against the thresholds described in Task 1.
5. Describe how your jurisdiction, and any partners or subcontractors will, provide outreach and education about the program, and resources for the installation of high efficiency electric equipment.
  - a. What strategies will this program use to reach low-income households, vulnerable populations, and overburdened communities?
6. Describe the process for distributing rebates and incentives, including any application process that rebate recipients or contractors must follow.



7. Describe partnerships or subcontracts that the Grantee will use to complete the proposed scope of work of the program.

### **Task 3: Expenditure Reporting**

1. All Grantees are required to submit Project and Expenditure Reports
  - a. Grantees must provide COMMERCE quarterly reports with an official expenditure report/ledger from their general ledger for all expenses claimed for COMMERCE funding from the program and any backup invoice documentation requested from COMMERCE. The expenditure report/ledger must include:
    - i. Number of households and small businesses that were provided rebates and incentives to purchase or install high-efficiency electric equipment and appliances
    - ii. Site information for households and small businesses that received rebates and incentives:
      1. Address, city, and zip code
      2. Date rebate or incentive claimed or issued
      3. Household income or small business size verification
      4. Pre-rebate fuel type of the household or small business
      5. Technical specifications of the equipment and appliances purchased or installed through the program, including, but not limited to the equipment brand, certifications, efficiency (SEER/HSPF/EER/COP), and cost
      6. Amount of the rebate or incentive claimed or issued
      7. Applicable building and electrical permit numbers
2. Grantees must provide COMMERCE an official final/close out expenditure report/ledger from their general ledger for all expenses claimed for COMMERCE funding from the program.
3. Grantees shall also provide information for any subawards, contracts, transfers, and direct payments made using funding from the program.
4. COMMERCE will withhold 2% of the total reimbursable amount for each item listed in Attachment B: Budget until the Grantee provides the official report/ledger from their general ledger for all expenses claimed for COMMERCE funding from the program.



**Attachment B: Budget**

Item	Description	Amount
1	Grant to administer a rebates and incentives program for high-efficiency electric equipment and appliances	\$481,483.00
	Total Grant Amount	\$481,483.00





## **Attachment C: Program Work Plan**

### **1. Program Description**

The Energize Olympia Program (Program) provides electrification rebates and direct installation services for low- and moderate-income<sup>1</sup> and above moderate-income households in the City of Olympia. The Program will focus on heat pump installations, though installations and rebates for additional appliances or enabling upgrades are proposed. All proposed rebates and installations include the following HEAR-eligible appliances and services:

- Heat pump water heaters
- Heat pump space conditioning
- Induction kitchen equipment
- Heat pump clothes dryers
- Heat- or energy-recovery ventilators (HRVs/ERVs)
- Electrical service and panel upgrades, when necessary for the installation of the above equipment.
- Electric wiring, when necessary for the installation of the above equipment.

The Energize Olympia Program provides 100% cost coverage installations for low- and moderate-income households (up to 120% area median income; AMI). Electrification rebates are provided at the time-of-sale through direct installation services by approved Installation Partners.

The goal of the Energize Program is to support comprehensive, equitable electrification retrofits throughout the City of Olympia, with an anticipated outcome of supporting approximately **25-30** HEAR-funded electrification installations.

### **2. Jurisdiction Service Area**

The Energize Olympia Program serves City of Olympia residents, with an emphasis on low- and moderate-income households. According to US Census data, the City of Olympia has a total population of approximately 55,000 residents as of 2023 consisting of:

- 19.2 % of persons 65 years of age and older,
- 2.8% of persons identifying as Black or African American alone,
- 1.1% of persons identifying as American Indian and Alaska Native alone,
- 7.0% of persons identifying as Asian alone,

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<sup>1</sup> While Energize Olympia serves all residents of the City of Olympia, HEAR funded rebates will be restricted to low- and moderate-income households only. For renter-occupied units, income qualification is based on the property owner's income, unless the owner agrees to an affordability covenant ensuring long-term rental affordability for an income-qualified tenant.



- 1.3% Native Hawaiian and other Pacific Islander alone,
- 11.2% Hispanic or Latino,
- 9.7% Two or more races
- 13.3% persons in poverty
- A median household income of \$73,851 per year.

### 3. Program Funding

Total projected Program funding for low- and moderate-income household installations is approximately \$649,786 proposing an additional 35% match to the allocated HEAR funds of \$481,483. As Commerce funding will add to, and combine with, an existing program that could be supported with other pending grant applications, additional match funds may be claimed depending on the outcome of future grant awards. The anticipated budget for HEAR funds is shown in Table 1 below:

Table 1. Anticipated Energize Olympia Budget: HEAR Funds	
Category	Households
Rebates and Incentives	\$409,261
Administration, including outreach and education (15%)	\$72,222
<b>Total</b>	<b>\$481,483</b>

Table 2 demonstrates the anticipated match funding for low- and moderate-income installations:

Funding Source		Funding Amount	Income/Qualifiers
HEAR Funding		\$481,483	Household income below 120% AMI
Leveraged Funds	City of Olympia Community Development Block Grant	\$46,273	Household income below 80% AMI
	Energy Efficiency and Conservation Block Grant	\$122,030	Household income between 80%-120% AMI

### 4. Populations Served and Income Qualification

**Populations Served:** Energize Olympia provides 100% cost coverage installation for low- (below 80% AMI) and moderate-income (below 120% AMI) residents. HEAR-funded rebates will be distributed on a first-come, first-served basis, to all eligible participants, in the order that program applications are received.

**Income Qualification:** Participant income eligibility will be verified through requesting the participant's most recent Form 1040 tax form or Social Security benefit letter, as well as self-attestation.

### 5. Outreach and Education Strategies

The existing Energize Olympia outreach strategy will be continued in the HEAR-funded program, with an emphasis on targeted outreach to support low-income households, vulnerable populations, and overburdened communities. The outreach strategy includes the following components:



- **Educational Workshop Series:** City of Olympia staff, South Puget Sound Habitat for Humanity (SPSHFH) and TBD Installers educate residents of Olympia on the benefits of HEAR-eligible appliances through its free series of educational workshops. The workshops provide information on the benefits of heat pump technology, residential energy efficiency, an overview of the program pathways and installation process, as well as information on the many available financial incentives including federal tax credits, the Energize Olympia discounts, and local utility incentives from Puget Sound Energy. The city intends to host an on-demand workshop available online as well as two in-person workshops at various locations throughout Olympia. The project team has committed to providing additional outreach to Spanish-speaking residents, which is the second-most common language spoken in the Olympia area. The on-demand workshop will be provided with Spanish translations, and there is marketing budget set aside for providing interpretation services as required throughout the duration of the program.
- **Outreach at Community Events:** City of Olympia and SPSHFH staff will provide targeted outreach at community events throughout the duration of the program. This includes informational presentations for cultural organizations, faith-based organizations, and neighborhood associations, as well as tabling at local businesses, trade shows or community events such as Earth Day.
- **Radio and Streaming Advertising:** Starting 7/29/2024 – 8/26/2024, the Energize Olympia program is placing radio and streaming advertisements to promote the launch of the Energize Olympia program. This will consist of two weeks of radio ad placement, and two weeks of Spotify advertisement.
- **Distribution of Marketing Materials:** Energize Olympia staff will distribute physical marketing materials including post cards, flyers and a street banner at various businesses and hubs throughout the City of Olympia, as well as provide yard signs for participants who receive an installation. Additionally, program staff will regularly post online updates on the status of the program through the City of Olympia's Climate Actions e-newsletter and promote the program the program through social media posts on Facebook, Instagram, Threads, and X.
- **Customer support:** Throughout the duration of the program, Energize Olympia staff will be providing ongoing customer support, and case management regarding the installation of their HEAR-eligible appliances.
- **Post-Installation Education:** After receiving a HEAR-eligible equipment installation, Energize Olympia participants will receive an educational packet providing information on how to use and maintain their newly installed equipment as well as a reference to the sources of funding that helped subsidize their installation. This reference will include a note mentioning the Washington State HEAR Program funded by the Climate Commitment Act (CCA). Additionally, TBD Installation partners will place a decal showing subsidized equipment was purchased with Washington State CCA funding in a visible location when applicable.

## 6. Distribution Process for HEAR-funded Rebates

To receive Energize Olympia rebates and incentives, participants must progress through the program via the following steps:



1. Participants attend a program workshop to learn about heat pumps, additional electrification options, and the Energize Olympia program. Workshops are offered in-person, online, and on-demand.
2. Participants submit a program application and provide documentation for income verification.
3. Program staff verify household eligibility. If participants are approved for the program, staff contact an Energize Olympia Installation Partner to schedule a site assessment.
4. Installation partner(s) conduct a site assessment and provide a quote to program staff and the participant.
  - a. Staff review quotes to ensure all program requirements are met, including consistency with program pricing, minimum efficiency requirements, maximum decibel levels, fossil fuel system removal, and refrigerant GWP requirements.
  - b. Participants review quotes to ensure that proposed equipment meets their needs and preferences.
5. Following approval by program staff and participants, program staff execute contract with the Installation Partner to complete proposed installation.

Installation Partners are vetted with a competitive Request for Proposals process consistent with City of Olympia procurement policies that evaluates the installer's qualifications and experience, community benefits, and proposed pricing.

## 7. Partnerships and Subcontracts

- **South Puget Sound Habitat for Humanity:** The City of Olympia will contract with South Puget Sound Habitat for Humanity (and other potential partners TBD) for program administration of LMI installations including income verification. Habitat for Humanity will provide integrated critical home repair and weatherization services in coordination with HEAR-eligible appliance installations for LMI participants, including site assessments and management of subcontracts. Additionally, Habitat for Humanity will support program promotion, participant recruitment, marketing, and outreach efforts in addition to leveraging additional grant funding available to nonprofit organizations such as the Washington State University Community Energy Efficiency Program.
- **Installation Partners:** The City of Olympia will contract with TBD Installation Partner(s) to provide information for educational workshops, market the Energize Olympia program, conduct free site assessments, and offer access to financial incentives and rebates for HEAR-eligible appliances as well as streamlined execution of all installations for the program. Additionally, the City of Olympia negotiates a group purchase discount during installer procurement, which allows program dollars to fund more fully subsidized installations. As part of participation in Energize Olympia, selected installers are required to provide all applicable local utility rebates to maximize program funds.
- **Puget Sound Energy:** Puget Sound Energy (PSE) is the local electric and gas utility for the City of Olympia area. Puget Sound Energy provides a variety of incentives for ductless heat pump installations and will provide training to Energize Olympia's Installation Partners to ensure all applicable utility incentives are provided to Energize Olympia participants as a time-of-sale discount.



**Local Government Partners:** The 2025 Energize Olympia Program will be implemented at a regional scale in coordination with Thurston County, the City of Lacey, and the City of Tumwater as part of the Thurston Climate Mitigation Collaborative’s Energy Efficiency and Electrification Campaign (“E3 Campaign”). The E3 Campaign will build on the Energize Olympia model to increase community awareness of the benefits of heat pump technology and increase local installations of electric appliances for all residents of Thurston County.

# EXHIBIT 3

Northwest Energy Efficiency Alliance  
Advanced Water Heating Specification  
Qualified Products List (Residential)  
Updated: 9/30/24  
© 2024 NEEA. Do not distribute. Public version of QPI <https://neea.org/resources/residential-hpwh-qualified-products-list>

Brand	Model	StorageVolume	Tier-Indoor	CCE	Tier-Outdoor	SCOP	Configuration	FlexLoad	FlexLoad-Certs	Plugin	QualifiedDate	QualifiedVersion	EnergyStarUniquelid	AhrReference
A. O. Smith	HP1050H45DV ***	50	3	2.9			Integrated	No	na	No	3/14/17	6.0	2408891	206428785
A. O. Smith	HP1050H45DVCTA-130	50	3	2.9			Integrated	Yes	OEM	No	1/18/21	7.0	2408857	206851899
A. O. Smith	HP1080H45DV ***	80	3	2.9			Integrated	No	na	No	3/14/17	6.0	2408871	206428808
A. O. Smith	HP1080H45DVCTA-130	80	3	2.9			Integrated	Yes	OEM	No	1/18/21	7.0	2408857	206851902
A. O. Smith	HPA10-40H45DV 2**	40	4	3.1			Integrated	Yes	OEM	No	3/8/24	8.0	3417483	214091851
A. O. Smith	HPA10-50H45DV 2**	50	4	3.2			Integrated	Yes	OEM	No	3/8/24	8.0	3417490	214091856
A. O. Smith	HPA10-66H45DV 2**	66	4	3.3			Integrated	Yes	OEM	No	3/8/24	8.0	3417704	214091862
A. O. Smith	HPA10-80H45DV 2**	80	4	3.3			Integrated	Yes	OEM	No	3/8/24	8.0	3417595	214091868
A. O. Smith	HPS10-50H45DV 2**	50	4	3.4			Integrated	Yes	OEM	No	6/16/22	8.0	2408844	208531076
A. O. Smith	HPS10-66H45DV 2**	66	3	3.2			Integrated	Yes	OEM	No	9/6/23	8.0	2408845	210605782
A. O. Smith	HPS10-80H45DV 2**	80	4	3.4			Integrated	Yes	OEM	No	6/16/22	8.0	2408840	208531263
A. O. Smith	HPTA-40 2**	40	4	3.1			Integrated	Yes	OEM	No	3/8/24	8.0	3417480	214091846
A. O. Smith	HPTA-50 2**	50	4	3.2			Integrated	Yes	OEM	No	3/8/24	8.0	3417485	214091847
A. O. Smith	HPTA-66 2**	66	4	3.3			Integrated	Yes	OEM	No	3/8/24	8.0	3417561	214091858
A. O. Smith	HPTA-80 2**	80	4	3.3			Integrated	Yes	OEM	No	3/8/24	8.0	3417562	214091864
A. O. Smith	HPTS-50 2**	50	4	3.4			Integrated	Yes	OEM	No	6/16/22	8.0	2408851	208531033
A. O. Smith	HPTS-66 2**	66	3	3.2			Integrated	Yes	OEM	No	9/6/23	8.0	2408852	208531171
A. O. Smith	HPTS-80 2**	80	4	3.4			Integrated	Yes	OEM	No	6/16/22	8.0	2408847	208531220
A. O. Smith	HPTU-50CTA 130	50	3	2.9			Integrated	Yes	OEM	No	1/18/21	7.0	2408890	206428787
A. O. Smith	HPTU-50DR 130	50	3	2.9			Integrated	Yes	OEM	No	10/14/20	7.0	2408896	206428786
A. O. Smith	HPTU-50N ***	50	3	2.9			Integrated	No	na	No	6/24/16	6.0	2408895	206428789
A. O. Smith	HPTU-66CTA 130	66	3	3.1			Integrated	Yes	OEM	No	1/18/21	7.0	2408890	206428798
A. O. Smith	HPTU-66DR 130	66	3	3.1			Integrated	Yes	OEM	No	10/14/20	7.0	2408881	206428797
A. O. Smith	HPTU-66N ***	66	3	3.1			Integrated	No	na	No	6/24/16	6.0	2408882	206428770
A. O. Smith	HPTU-80CTA 130	80	3	2.9			Integrated	Yes	OEM	No	1/18/21	7.0	2408869	206428810
A. O. Smith	HPTU-80DR 130	80	3	2.9			Integrated	Yes	OEM	No	10/14/20	7.0	2408862	206428809
A. O. Smith	HPTU-80N ***	80	3	2.9			Integrated	No	na	No	6/24/16	6.0	2408861	206428771
A. O. Smith	HPTV-50 2**	50	3	2.5			Integrated	Yes	OEM	Yes	8/23/23	8.0	2871545	213826277
A. O. Smith	HPTV-66 2**	66	3	2.7			Integrated	Yes	OEM	Yes	7/14/23	8.0	2546252	212920689
A. O. Smith	HPTV-80 2**	80	3	2.6			Integrated	Yes	OEM	Yes	7/14/23	8.0	2546244	212920690
A. O. Smith	HPV10-50H01DV 2**	50	3	2.5			Integrated	Yes	OEM	Yes	8/23/23	8.0	2862509	213826283
A. O. Smith	HPV10-66H01DV 2**	66	3	2.7			Integrated	Yes	OEM	Yes	7/14/23	8.0	2546248	212920693
A. O. Smith	HPV10-80H01DV 2**	80	3	2.6			Integrated	Yes	OEM	Yes	7/14/23	8.0	2546243	212920698
American	HPA10240H045DV 2**	40	4	3.1			Integrated	Yes	OEM	No	3/8/24	8.0	3417479	214091849
American	HPA10250H045DV 2**	50	4	3.2			Integrated	Yes	OEM	No	3/8/24	8.0	3417488	214091854
American	HPA10266H045DV 2**	66	4	3.3			Integrated	Yes	OEM	No	3/8/24	8.0	3417702	214091860
American	HPA10280H045DV 2**	80	4	3.3			Integrated	Yes	OEM	No	3/8/24	8.0	3417563	214091866
American	HPHE10250H045DVCTA-130	50	3	2.9			Integrated	Yes	OEM	No	1/18/21	7.0	2408889	206851900
American	HPHE10250H045DVDR 130	50	3	2.9			Integrated	Yes	OEM	No	10/14/20	7.0	2408892	206428789
American	HPHE10250H045DVN ***	50	3	2.9			Integrated	No	na	No	6/24/16	6.0	2408897	206428788
American	HPHE10266H045DVCTA-130	66	3	3.1			Integrated	Yes	OEM	No	1/18/21	7.0	2408863	206851901
American	HPHE10266H045DVDR 130	66	3	3.1			Integrated	Yes	OEM	No	10/14/20	7.0	2408873	206428800
American	HPHE10266H045DVN ***	66	3	3.1			Integrated	No	na	No	6/24/16	6.0	2408879	206428799
American	HPHE10280H045DVCTA-130	80	3	2.9			Integrated	Yes	OEM	No	1/18/21	7.0	2408858	206851903
American	HPHE10280H045DVDR 130	80	3	2.9			Integrated	Yes	OEM	No	10/14/20	7.0	2408859	206428812
American	HPHE10280H045DVN ***	80	3	2.9			Integrated	No	na	No	6/24/16	6.0	2408868	206428811
American	HPS10250H045DV 2**	50	4	3.4			Integrated	Yes	OEM	No	6/16/22	8.0	2408849	208531074
American	HPS10266H045DV 2**	66	3	3.2			Integrated	Yes	OEM	No	9/6/23	8.0	2408850	208531196
American	HPS10280H045DV 2**	80	4	3.4			Integrated	Yes	OEM	No	6/16/22	8.0	2408846	208531261
American	HPV10250H009DV 2**	50	3	2.5			Integrated	Yes	OEM	Yes	8/23/23	8.0	2862507	213826285
American	HPV10266H009DV 2**	66	3	2.7			Integrated	Yes	OEM	Yes	7/14/23	8.0	2546247	212920692
American	HPV10280H009DV 2**	80	3	2.6			Integrated	Yes	OEM	Yes	7/14/23	8.0	2546246	212920696
American Standard	ASHPWH-40	40	4	3.2			Integrated	Yes	OEM	No	9/8/23	8.0	2853327	213499881
American Standard	ASHPWH-40-B	40	3	2.9			Integrated	Yes	OEM	No	4/8/24	8.0	3436053	214384726
American Standard	ASHPWH-40-JA13	40	4	3.2			Integrated	Yes	OEM	No	9/8/23	8.0	2853327	213499881
American Standard	ASHPWH-50	50	4	3.2			Integrated	Yes	EcoPort	No	1/1/23	8.0	2408487	210324691
American Standard	ASHPWH-50-B	50	3	2.9			Integrated	Yes	OEM	No	4/8/24	8.0	3425980	214275886
American Standard	ASHPWH-50-JA13	50	4	3.2			Integrated	Yes	EcoPort	No	1/1/23	8.0	2408487	210324691
American Standard	ASHPWH-65	65	4	3.0			Integrated	Yes	EcoPort	No	9/8/23	8.0	2683732	213246055
American Standard	ASHPWH-65-B	65	3	2.9			Integrated	Yes	OEM	No	4/8/24	8.0	3425979	214219671
American Standard	ASHPWH-65-JA13	65	4	3.0			Integrated	Yes	EcoPort	No	9/8/23	8.0	2683732	213246055
American Standard	ASHPWH-80	80	4	3.1			Integrated	Yes	EcoPort	No	1/1/23	8.0	2408486	210586230
American Standard	ASHPWH-80-B	80	3	2.9			Integrated	Yes	OEM	No	4/8/24	8.0	3425978	214078220
American Standard	ASHPWH-80-JA13	80	4	3.1			Integrated	Yes	EcoPort	No	1/1/23	8.0	2408486	210586230
Aqua ThermAire	CHT2021-36A	54				2	2.7 Split System	No	na	No	11/9/22	8.0	2470893	n/a
Aqua ThermAire	CHT2021-36C	54				2	2.7 Split System	No	na	No	11/9/22	8.0	2470893	n/a
Aqua ThermAire	CHT2021-48A	54				2	2.7 Split System	No	na	No	11/9/22	8.0	2470893	n/a
Aqua ThermAire	CHT2021-48C	54				2	2.7 Split System	No	na	No	11/9/22	8.0	2470893	n/a
Bosch	TR7000T-50CA	50	4	3.3			Integrated	Yes	OEM	No	6/25/24	8.0	3477990	214669918
Bosch	TR7000T-50US	80	4	3.6			Integrated	Yes	OEM	No	6/25/24	8.0	3477989	214669906
Bosch	TR7000T-80CA	50	4	3.3			Integrated	Yes	OEM	No	6/25/24	8.0	3478048	214669919
Bosch	TR7000T-80US	80	4	3.6			Integrated	Yes	OEM	No	6/25/24	8.0	3478047	214669907
Bradford White	RE2H50S10-1NCTT	50	2	3.0			Integrated	No	na	No	1/13/23	8.0	2408472	200094643
Bradford White	RE2H50S10-1NCTT-CON	50	4	3.0			Integrated	Yes	OEM	No	1/13/23	8.0	2408472	200094643
Bradford White	RE2H50S6-*****	50	1	3.0			Integrated	No	na	No	1/13/23	8.0	2408472	200094643
Bradford White	RE2H65T10-1NCTT	65	2	3.2			Integrated	No	na	No	1/13/23	8.0	2408601	204835481
Bradford White	RE2H65T10-1NCTT-CON	65	4	3.2			Integrated	Yes	OEM	No	1/13/23	8.0	2408601	204835481
Bradford White	RE2H65T6-*****	65	1	3.2			Integrated	No	na	No	1/13/23	8.0	2408601	204835481
Bradford White	RE2H80T10-1NCTT	80	2	3.2			Integrated	No	na	No	1/13/23	8.0	2408603	200094645
Bradford White	RE2H80T10-1NCTT-CON	80	4	3.2			Integrated	Yes	OEM	No	1/13/23	8.0	2408603	200094645
Bradford White	RE2H80T6-*****	80	1	3.2			Integrated	No	na	No	1/13/23	8.0	2408603	200094645
Friedrich	PROH40 T2 FD400-30	40	4	3.1			Integrated	Yes	OEM	No	7/12/24	8.0	3554259	214810794
Friedrich	PROH40 T2 FD400-SO	40	4	3.1			Integrated	Yes	OEM	No	7/12/24	8.0	3554258	214810795
Friedrich	PROH50 T2 FD400-30	50	4	3.2			Integrated	Yes	OEM	No	7/12/24	8.0	3554282	214810797
Friedrich	PROH50 T2 FD400-SO	50	4	3.2			Integrated	Yes	OEM	No	7/12/24	8.0	3554261	214810798
Friedrich	PROH65 T2 FD400-15	65	4	3.2			Integrated	Yes	OEM	No	7/12/24	8.0	3554214	214800544
Friedrich	PROH65 T2 FD400-30	65	4	3.2			Integrated	Yes	OEM	No	7/12/24	8.0	3554225	214801860
Friedrich	PROH65 T2 FD400-SO	65	4	3.2			Integrated	Yes	OEM	No	7/12/24	8.0	3554228	214801861
Friedrich	PROH80 T2 FD400-15	80	4	3.2			Integrated	Yes	OEM	No	7/12/24	8.0	3554237	214802122
Friedrich	PROH80 T2 FD400-30	80	4	3.2			Integrated	Yes	OEM	No	7/12/24	8.0	3554250	214802134
Friedrich	PROH80 T2 FD400-SO	80	4	3.2			Integrated	Yes	OEM	No	7/12/24	8.0	3554249	214802135
Friedrich	PROPH40 T2 FD400-15	40	4	3.1			Integrated	Yes	OEM	No	7/12/24	8.0	3554257	214810793
Friedrich	PROPH50 T2 FD400-15	50	4	3.2			Integrated	Yes	OEM	No	7/12/24	8.0	3554169	214810793
Harvest Thermal	PD2A-10-119	119				3	2.9 Split System	No	na	No	12/22/21	7.0	n/a	n/a
Harvest Thermal	PD2A-10-43	43				3	2.9 Split System	No	na	No	12/22/21	7.0	n/a	n/a
Harvest Thermal	PD2A-10-83	83				3	2.9 Split System	No						

Lochinvar	HPA068KD ***	66	3	3.1	Integrated	No	na	No	6/24/16	6.0	2408875	206428801
Lochinvar	HPA082KD ***	80	3	2.9	Integrated	No	na	No	6/24/16	6.0	2408866	206428813
Lochinvar	HPPA040KD 2**	40	4	3.1	Integrated	Yes	OEM	No	3/8/24	8.0	3417478	214091850
Lochinvar	HPPA050KD 2**	50	4	3.2	Integrated	Yes	OEM	No	3/8/24	8.0	3417487	214091855
Lochinvar	HPPA065KD 2**	66	4	3.3	Integrated	Yes	OEM	No	3/8/24	8.0	3417703	214091861
Lochinvar	HPPA080KD 2**	80	4	3.3	Integrated	Yes	OEM	No	3/8/24	8.0	3417564	214091867
Lochinvar	HPSA050KD 2**	50	4	3.4	Integrated	Yes	OEM	No	6/16/22	8.0	2408839	210605780
Lochinvar	HPSA065KD 2**	66	3	3.2	Integrated	Yes	OEM	No	9/8/23	8.0	2408836	210605783
Lochinvar	HPSA080KD 2**	80	4	3.4	Integrated	Yes	OEM	No	6/16/22	8.0	2408841	210605785
Lochinvar	HPV050KD 2**	50	3	2.5	Integrated	Yes	OEM	Yes	8/23/23	8.0	2862506	213826286
Lochinvar	HPV065KD 2**	66	3	2.7	Integrated	Yes	OEM	Yes	7/14/23	8.0	2546250	212920694
Lochinvar	HPV080KD 2**	80	3	2.6	Integrated	Yes	OEM	Yes	7/14/23	8.0	2546253	212920697
Midea	MAHW-50VN3A	50	4	3.1	Integrated	Yes	OEM	No	6/17/24	8.0	3543523	214728309
Midea	MAHW-80VN3A	80	4	3.3	Integrated	Yes	OEM	No	6/17/24	8.0	3543847	214728310
Midea	US3-RSJ-15/190RDVN3-L3	50	4	3.1	Integrated	Yes	OEM	No	6/17/24	8.0	3543521	213828573
Midea	US3-RSJ-15/300RDVN3-L3	80	4	3.3	Integrated	Yes	OEM	No	6/17/24	8.0	3543522	213828574
Reliance	10-40-DHPTA 2**	40	4	3.1	Integrated	Yes	OEM	No	3/8/24	8.0	3417482	214091852
Reliance	10-50-DHPHTCTA 130	50	3	2.9	Integrated	Yes	OEM	No	1/18/21	7.0	2408894	206428792
Reliance	10-50-DHPHTNE ***	50	3	2.9	Integrated	No	na	No	6/24/16	6.0	2408898	206428791
Reliance	10-50-DHPTA 2**	40	4	2.9	Integrated	Yes	OEM	No	3/8/24	8.0	3417489	214091857
Reliance	10-50-DHPTS 2**	50	4	3.4	Integrated	Yes	OEM	No	6/16/22	8.0	2408838	210611389
Reliance	10-50-DHPTV 2**	50	3	2.5	Integrated	Yes	OEM	Yes	8/23/23	8.0	2862505	213826287
Reliance	10-66-DHPHTCTA 130	66	3	3.1	Integrated	Yes	OEM	No	1/18/21	7.0	2408876	206428803
Reliance	10-66-DHPHTNE ***	66	3	3.1	Integrated	No	na	No	6/24/16	6.0	2408872	206428802
Reliance	10-66-DHPTA 2**	66	4	3.3	Integrated	Yes	OEM	No	3/8/24	8.0	3417705	214091863
Reliance	10-66-DHPTS 2**	66	4	3.6	Integrated	Yes	OEM	No	6/16/22	8.0	2408837	210605784
Reliance	10-66-DHPTV 2**	66	3	2.7	Integrated	Yes	OEM	Yes	12/18/23	8.0	2670091	213255770
Reliance	10-80-DHPHTCTA 130	80	3	2.9	Integrated	Yes	OEM	No	1/18/21	7.0	2408856	206428815
Reliance	10-80-DHPHTNE ***	80	3	2.9	Integrated	No	na	No	6/24/16	6.0	2408867	206428814
Reliance	10-80-DHPTA 2**	80	4	3.3	Integrated	Yes	OEM	No	3/8/24	8.0	3417566	214091869
Reliance	10-80-DHPTS 2**	80	4	3.4	Integrated	Yes	OEM	No	6/16/22	8.0	2408834	210605786
Reliance	10-80-DHPTV 2**	80	3	2.6	Integrated	Yes	OEM	Yes	7/14/23	8.0	2546251	212920699
Rheem	CPRO H40 T2 RH310BM	40	3	2.9	Integrated	No	na	No	10/23/20	7.0	2408557	206186501
Rheem	CPRO H50 T2 RH310BM	50	3	2.9	Integrated	No	na	No	10/23/20	7.0	2408550	206186496
Rheem	CPRO H65 T2 RH310BM	65	3	2.9	Integrated	No	na	No	10/23/20	7.0	2408594	206186479
Rheem	CPRO H80 T2 RH310BM	80	3	2.9	Integrated	No	na	No	10/23/20	7.0	2408522	206186512
Rheem	CPROPH40 T2 RH375-15	40	4	3.1	Integrated	Yes	OEM	No	10/23/20	7.0	2408514	206186504
Rheem	CPROPH40 T2 RH375-30	40	4	3.1	Integrated	Yes	OEM	No	10/23/20	7.0	2408919	206186510
Rheem	CPROPH40 T2 RH375-SO	40	4	3.1	Integrated	Yes	OEM	No	10/23/20	7.0	2408924	206186507
Rheem	CPROPH40 T2 RH400-15	40	4	3.1	Integrated	Yes	OEM	No	7/12/24	8.0	3554172	214781513
Rheem	CPROPH40 T2 RH400-30	40	4	3.1	Integrated	Yes	OEM	No	7/12/24	8.0	3554183	214784810
Rheem	CPROPH40 T2 RH400-SO	40	4	3.1	Integrated	Yes	OEM	No	7/12/24	8.0	3554184	214784811
Rheem	CPROPH50 T2 RH375-15	50	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408528	206186493
Rheem	CPROPH50 T2 RH375-30	50	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408581	206186499
Rheem	CPROPH50 T2 RH375-SO	50	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408582	206186498
Rheem	CPROPH50 T2 RH400-15	50	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554193	214784821
Rheem	CPROPH50 T2 RH400-30	50	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554203	214784832
Rheem	CPROPH50 T2 RH400-SO	50	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554206	214784833
Rheem	CPROPH65 T2 RH375-15	65	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408938	206186482
Rheem	CPROPH65 T2 RH375-30	65	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408566	206186488
Rheem	CPROPH65 T2 RH375-SO	65	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408567	206186485
Rheem	CPROPH65 T2 RH400-15	65	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554216	214800545
Rheem	CPROPH65 T2 RH400-30	65	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554229	214801862
Rheem	CPROPH65 T2 RH400-SO	65	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554226	214801863
Rheem	CPROPH80 T2 RH375-15	80	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408911	206186515
Rheem	CPROPH80 T2 RH375-30	80	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408538	206186477
Rheem	CPROPH80 T2 RH375-SO	80	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408540	206186474
Rheem	CPROPH80 T2 RH400-15	80	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554238	214802123
Rheem	CPROPH80 T2 RH400-30	80	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554251	214802136
Rheem	CPROPH80 T2 RH400-SO	80	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554252	214802137
Rheem	CXE40T10H22U1	40	4	3.1	Integrated	Yes	OEM	No	7/12/24	8.0	3554173	214781514
Rheem	CXE40T10H22U0	40	4	3.1	Integrated	Yes	OEM	No	10/23/20	7.0	2408515	206186503
Rheem	CXE40T10H45U1	40	4	3.1	Integrated	Yes	OEM	No	7/12/24	8.0	3554185	214784812
Rheem	CXE40T10H45U0	40	4	3.1	Integrated	Yes	OEM	No	10/23/20	7.0	2408920	206186509
Rheem	CXE40T10H54SU1	40	4	3.1	Integrated	Yes	OEM	No	7/12/24	8.0	3554186	214784813
Rheem	CXE40T10H54SU0	40	4	3.1	Integrated	Yes	OEM	No	10/23/20	7.0	2408923	206186506
Rheem	CXE50T10H22U1	50	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554194	214784822
Rheem	CXE50T10H22U0	50	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408529	206186492
Rheem	CXE50T10H45U1	50	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554205	214784834
Rheem	CXE50T10H45U0	50	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408582	206186498
Rheem	CXE50T10H54SU1	50	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554208	214784835
Rheem	CXE50T10H54SU0	50	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408585	206186495
Rheem	CXE65T10H22U1	65	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554215	214800546
Rheem	CXE65T10H22U0	65	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408513	206186481
Rheem	CXE65T10H45U1	65	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554227	214801864
Rheem	CXE65T10H45U0	65	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408565	206186487
Rheem	CXE65T10H54SU1	65	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554230	214801865
Rheem	CXE65T10H54SU0	65	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408569	206186484
Rheem	CXE80T10H22U1	80	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554239	214802124
Rheem	CXE80T10H22U0	80	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408914	206186514
Rheem	CXE80T10H45U1	80	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554253	214802138
Rheem	CXE80T10H45U0	80	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408534	206235633
Rheem	CXE80T10H54SU1	80	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554255	214802140
Rheem	CXE80T10H54SU0	80	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408542	206186473
Rheem	ECE H40 T2 RH310BM	40	3	2.9	Integrated	No	na	No	10/23/20	7.0	2408552	206186502
Rheem	ECE H50 T2 RH310BM	50	3	2.9	Integrated	No	na	No	10/23/20	7.0	2408546	206186491
Rheem	ECE H65 T2 RH310BM	65	3	2.9	Integrated	No	na	No	10/23/20	7.0	2408595	206186480
Rheem	ECE H80 T2 RH310BM	80	3	2.9	Integrated	No	na	No	10/23/20	7.0	2408520	206186513
Rheem	ECEPH40 T2 RH375-15	40	4	3.1	Integrated	Yes	OEM	No	10/23/20	7.0	2408518	206186505
Rheem	ECEPH40 T2 RH375-30	40	4	3.1	Integrated	Yes	OEM	No	10/23/20	7.0	2408921	206186511
Rheem	ECEPH40 T2 RH375-SO	40	4	3.1	Integrated	Yes	OEM	No	10/23/20	7.0	2408922	206186508
Rheem	ECEPH40 T2 RH400-15	40	4	3.1	Integrated	Yes	OEM	No	7/12/24	8.0	3554174	214781515
Rheem	ECEPH40 T2 RH400-30	40	4	3.1	Integrated	Yes	OEM	No	7/12/24	8.0	3554187	214784814
Rheem	ECEPH40 T2 RH400-SO	40	4	3.1	Integrated	Yes	OEM	No	7/12/24	8.0	3554188	214784815
Rheem	ECEPH50 T2 RH375-15	50	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408527	206186494
Rheem	ECEPH50 T2 RH375-30	50	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408590	206186500
Rheem	ECEPH50 T2 RH375-SO	50	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408583	206186497
Rheem	ECEPH50 T2 RH400-15	50	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554195	214784823
Rheem	ECEPH50 T2 RH400-30	50	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554207	214784836
Rheem	ECEPH50 T2 RH400-SO	50	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554209	214784837
Rheem	ECEPH65 T2 RH375-15	65	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408929	206186483
Rheem	ECEPH65 T2 RH375-30	65	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408563	206186489
Rheem	ECEPH65 T2 RH375-SO	65	4	3.2	Integrated	Yes	OEM	No	10/23/20	7.0	2408568	206186486
Rheem	ECEPH65 T2 RH400-15	65	4	3.2	Integrated	Yes	OEM	No	7/12/24	8		

Rheem	PROPH40 T2 RH375-15	40	4	3.1	Integrated	Yes	OEM	No	5/17/23	8.0	2408521	205566397
Rheem	PROPH40 T2 RH375-30	40	4	3.1	Integrated	Yes	OEM	No	5/17/23	8.0	2408925	205574637
Rheem	PROPH40 T2 RH375-SO	40	4	3.1	Integrated	Yes	OEM	No	5/17/23	8.0	2408935	205566395
Rheem	PROPH40 T2 RH400-15	40	4	3.1	Integrated	Yes	OEM	No	7/12/24	8.0	3554169	214780694
Rheem	PROPH40 T2 RH400-30	40	4	3.1	Integrated	Yes	OEM	No	7/12/24	8.0	3554177	214784802
Rheem	PROPH40 T2 RH400-SO	40	4	3.1	Integrated	Yes	OEM	No	7/12/24	8.0	3554178	214784803
Rheem	PROPH50 T0 RH120	50	3	2.7	Integrated	Yes	OEM	Yes	7/18/22	8.0	2408499	208676263
Rheem	PROPH50 T0 RH120-M	50	3	2.9	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555170	214717245
Rheem	PROPH50 T0 RH120-MSO	50	3	2.9	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555171	214717246
Rheem	PROPH50 T2 RH375-15	50	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408533	205566398
Rheem	PROPH50 T2 RH375-30	50	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408590	205574640
Rheem	PROPH50 T2 RH375-SO	50	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408593	205566390
Rheem	PROPH50 T2 RH400-15	50	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554190	214784817
Rheem	PROPH50 T2 RH400-30	50	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554198	214784826
Rheem	PROPH50 T2 RH400-SO	50	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554199	214784827
Rheem	PROPH65 T0 RH120-M	65	3	2.9	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555344	214717255
Rheem	PROPH65 T0 RH120-MSO	65	3	2.9	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555345	214717256
Rheem	PROPH65 T2 RH375-15	65	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408937	205566399
Rheem	PROPH65 T2 RH375-30	65	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408574	205574643
Rheem	PROPH65 T2 RH375-SO	65	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408577	205566391
Rheem	PROPH65 T2 RH400-15	65	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554212	214800541
Rheem	PROPH65 T2 RH400-30	65	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554220	214801854
Rheem	PROPH65 T2 RH400-SO	65	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554219	214801855
Rheem	PROPH80 T0 RH120-M	80	3	3.0	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555363	214717265
Rheem	PROPH80 T0 RH120-MSO	80	3	3.0	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555353	214717266
Rheem	PROPH80 T2 RH375-15	80	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408917	205566400
Rheem	PROPH80 T2 RH375-30	80	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408548	205574646
Rheem	PROPH80 T2 RH375-SO	80	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408547	205566396
Rheem	PROPH80 T2 RH400-15	80	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554234	214802119
Rheem	PROPH80 T2 RH400-30	80	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554241	214802128
Rheem	PROPH80 T2 RH400-SO	80	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554244	214802129
Rheem	XE40T10H15U0	40	3	2.7	Integrated	Yes	OEM	Yes	7/18/22	8.0	2408497	208629405
Rheem	XE40T10H22U0	40	4	3.1	Integrated	Yes	OEM	No	5/17/23	8.0	2408519	205574647
Rheem	XE40T10H22U1	40	4	3.1	Integrated	Yes	OEM	No	7/12/24	8.0	3554171	214780696
Rheem	XE40T10H45U0	40	4	3.1	Integrated	Yes	OEM	No	5/17/23	8.0	2408928	205574636
Rheem	XE40T10H45U1	40	4	3.1	Integrated	Yes	OEM	No	7/12/24	8.0	3554180	214784806
Rheem	XE40T10HMS00U0	40	3	2.6	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555260	214717237
Rheem	XE40T10HMS00U0	40	3	2.6	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555262	214717238
Rheem	XE40T10HS45U0	40	4	3.1	Integrated	Yes	OEM	No	5/17/23	8.0	2408932	205574635
Rheem	XE40T10HS45U1	40	4	3.1	Integrated	Yes	OEM	No	7/12/24	8.0	3554182	214784807
Rheem	XE50T10H15U0	50	3	2.7	Integrated	Yes	OEM	Yes	7/18/22	8.0	2408495	208676265
Rheem	XE50T10H22U0	50	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408532	205574648
Rheem	XE50T10H22U1	50	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554192	214784819
Rheem	XE50T10H45U0	50	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408592	205574639
Rheem	XE50T10H45U1	40	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554202	214784830
Rheem	XE50T10HMS00U0	50	3	2.9	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555172	214717247
Rheem	XE50T10HMS00U0	50	3	2.9	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555173	214717248
Rheem	XE50T10HS45U0	50	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408591	205574638
Rheem	XE50T10HS45U1	50	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554204	214784831
Rheem	XE65T10H22U0	65	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408934	205574649
Rheem	XE65T10H22U1	65	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554213	214800543
Rheem	XE65T10H45U0	65	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408575	205574642
Rheem	XE65T10H45U1	65	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554223	214801858
Rheem	XE65T10HMS00U0	65	3	2.9	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555346	214717257
Rheem	XE65T10HMS00U0	65	3	2.9	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555347	214717258
Rheem	XE65T10HS45U0	65	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408576	205574641
Rheem	XE65T10HS45U1	65	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554224	214801859
Rheem	XE80T10H22U0	80	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408913	205574650
Rheem	XE80T10H22U1	80	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554236	214802121
Rheem	XE80T10H45U0	80	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408551	205574645
Rheem	XE80T10H45U1	80	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554247	214802132
Rheem	XE80T10HMS00U0	80	3	3.0	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555356	214717267
Rheem	XE80T10HMS00U0	80	3	3.0	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555355	214717268
Rheem	XE80T10HS45U0	80	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408549	205574644
Rheem	XE80T10HS45U1	80	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554248	214802133
Richmond	10E40-HP120	40	3	2.7	Integrated	Yes	OEM	Yes	7/18/22	8.0	2408496	208629407
Richmond	10E40-HP120M	40	3	2.6	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555264	214717241
Richmond	10E40-HP120MS	40	3	2.6	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555265	214717242
Richmond	10E40-HP1515	40	4	3.1	Integrated	Yes	OEM	No	5/17/23	8.0	2408517	205574686
Richmond	10E40-HP1530	40	4	3.1	Integrated	Yes	OEM	No	5/17/23	8.0	2408927	205574672
Richmond	10E40-HP15S30	40	4	3.1	Integrated	Yes	OEM	No	5/17/23	8.0	2408930	205574671
Richmond	10E40-HP15U15	40	4	3.1	Integrated	Yes	OEM	No	7/12/24	8.0	3554168	214780693
Richmond	10E40-HP15U30	40	4	3.1	Integrated	Yes	OEM	No	7/12/24	8.0	3554175	214784800
Richmond	10E40-HP15US30	40	4	3.1	Integrated	Yes	OEM	No	7/12/24	8.0	3554176	214784801
Richmond	10E50-HP120	50	3	2.7	Integrated	Yes	OEM	Yes	7/18/22	8.0	2408488	208676267
Richmond	10E50-HP120M	50	3	2.9	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555176	214717251
Richmond	10E50-HP120MS	50	3	2.9	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555179	214717252
Richmond	10E50-HP1515	50	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408530	205574688
Richmond	10E50-HP1530	50	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408586	205574676
Richmond	10E50-HP15S30	50	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408588	205574675
Richmond	10E50-HP15U15	50	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554189	214784816
Richmond	10E50-HP15U30	50	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554196	214784824
Richmond	10E50-HP15US30	40	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554197	214784825
Richmond	10E65-HP120M	65	3	2.9	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555349	214717261
Richmond	10E65-HP120MS	65	3	2.9	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555352	214717262
Richmond	10E65-HP1515	65	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408936	205574690
Richmond	10E65-HP1530	65	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408570	205574680
Richmond	10E65-HP15S30	65	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408571	205574679
Richmond	10E65-HP15U15	65	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554211	214800540
Richmond	10E65-HP15U30	65	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554217	214801852
Richmond	10E65-HP15US30	65	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554221	214801853
Richmond	10E80-HP120M	80	3	3.0	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555359	214717271
Richmond	10E80-HP120MS	80	3	3.0	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555361	214717272
Richmond	10E80-HP1515	80	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408915	205574692
Richmond	10E80-HP1530	80	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408541	205574684
Richmond	10E80-HP15S30	80	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408543	205574683
Richmond	10E80-HP15U15	80	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554233	214802118
Richmond	10E80-HP15U30	80	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554240	214802126
Richmond	10E80-HP15US30	80	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554243	214802127
Rinnai	REHP50	50	4	3.1	Integrated	Yes	OEM	No	8/21/24	8.0	3531243	214681300
Rinnai	REHP50BM	50	4	3.1	Integrated	Yes	OEM	No	4/23/24	8.0	3462860	214389851
Rinnai	REHP50C	50	4	3.1	Integrated	Yes	OEM	No	8/21/24	8.0	3531245	214681303
Rinnai	REHP80	80	4	3.4	Integrated	Yes	OEM	No	8/21/24	8.0	3531242	214681298
Rinnai	REHP80BM	80	4	3.4	Integrated	Yes	OEM	No	4/23/24	8.0	3462859	214389850
Rinnai	REHP80C	8										



Ruud	PROUH50 T0 RU120-M	50	3	2.9	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555175	214717249
Ruud	PROUH50 T0 RU120-MSO	50	3	2.9	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555174	214717250
Ruud	PROUH50 T2 RU375-15	50	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408531	205574687
Ruud	PROUH50 T2 RU375-30	50	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408587	205574674
Ruud	PROUH50 T2 RU375-SO	50	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408589	205574673
Ruud	PROUH50 T2 RU400-15	50	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554191	214784818
Ruud	PROUH50 T2 RU400-30	50	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554200	214784828
Ruud	PROUH50 T2 RU400-SO	50	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554201	214784829
Ruud	PROUH65 T0 RU120-M	65	3	2.9	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555348	214717259
Ruud	PROUH65 T0 RU120-MSO	65	3	2.9	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555350	214717260
Ruud	PROUH65 T2 RU375-15	65	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408933	205574689
Ruud	PROUH65 T2 RU375-30	65	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408572	205574678
Ruud	PROUH65 T2 RU375-SO	65	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408573	205574677
Ruud	PROUH65 T2 RU400-15	65	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554210	214800542
Ruud	PROUH65 T2 RU400-30	65	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554218	214801856
Ruud	PROUH65 T2 RU400-SO	65	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554222	214801857
Ruud	PROUH80 T0 RU120-M	80	3	3.0	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555358	214717269
Ruud	PROUH80 T0 RU120-MSO	80	3	3.0	Integrated	Yes	OEM	Yes	7/18/22	8.0	3555357	214717270
Ruud	PROUH80 T2 RU375-15	80	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408912	205574691
Ruud	PROUH80 T2 RU375-30	80	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408544	205574682
Ruud	PROUH80 T2 RU375-SO	80	4	3.2	Integrated	Yes	OEM	No	5/17/23	8.0	2408545	205574681
Ruud	PROUH80 T2 RU400-15	80	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554235	214802120
Ruud	PROUH80 T2 RU400-30	80	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554245	214802130
Ruud	PROUH80 T2 RU400-SO	80	4	3.2	Integrated	Yes	OEM	No	7/12/24	8.0	3554246	214802131
SanCO2	GS4-45HPC & SAN-119GLBK	119			2	2.9	Split System	No	na	2/6/24	8.0	2508329 n/a
SanCO2	GS4-45HPC & SAN-43SSAQA	43			2	2.9	Split System	No	na	2/6/24	8.0	2508325 n/a
SanCO2	GS4-45HPC & SAN-83SSAQA	83			2	2.9	Split System	No	na	2/6/24	8.0	2508328 n/a
State	HPAX-40-DHPT 2**	40	4	3.1	Integrated	Yes	OEM	No	3/8/24	8.0	3417481	214091848
State	HPAX-50-DHPT 2**	50	4	3.2	Integrated	Yes	OEM	No	3/8/24	8.0	3417486	214091853
State	HPAX-66-DHPT 2**	66	4	3.3	Integrated	Yes	OEM	No	3/8/24	8.0	3417701	214091859
State	HPAX-80-DHPT 2**	80	4	3.3	Integrated	Yes	OEM	No	3/8/24	8.0	3417589	214091865
State	HPX-50-DHPT 2**	50	4	3.4	Integrated	Yes	OEM	No	6/16/22	8.0	2408848	208531071
State	HPX-66-DHPT 2**	66	3	3.2	Integrated	Yes	OEM	No	9/6/23	8.0	2408843	208531194
State	HPX-80-DHPT 2**	80	4	3.4	Integrated	Yes	OEM	No	6/16/22	8.0	2408842	208531257
State	HPVX-50-DHPT 2**	50	3	2.5	Integrated	Yes	OEM	Yes	8/23/23	8.0	2862508	213826284
State	HPVX-66-DHPT 2**	66	3	2.7	Integrated	Yes	OEM	Yes	7/14/23	8.0	2546249	212920691
State	HPVX-80-DHPT 2**	80	3	2.6	Integrated	Yes	OEM	Yes	7/14/23	8.0	2546245	212920695
State	HPX-50-DHPTCTA 130	50	3	2.9	Integrated	Yes	OEM	No	1/18/21	7.0	2408888	206428795
State	HPX-50-DHPTNE ***	50	3	2.9	Integrated	No	na	No	6/24/16	6.0	2408895	206428793
State	HPX-66-DHPTCTA 130	66	3	3.1	Integrated	Yes	OEM	No	1/18/21	7.0	2408870	206428806
State	HPX-66-DHPTDR 130	66	3	3.1	Integrated	Yes	OEM	No	10/14/20	7.0	2408864	206428805
State	HPX-66-DHPTNE ***	66	3	3.1	Integrated	No	na	No	6/24/16	6.0	2408874	206428804
State	HPX-80-DHPTCTA 130	80	3	2.9	Integrated	Yes	OEM	No	1/18/21	7.0	2408853	206428818
State	HPX-80-DHPTDR 130	80	3	2.9	Integrated	Yes	OEM	No	10/14/20	7.0	2408854	206428817
State	HPX-80-DHPTNE ***	80	3	2.9	Integrated	No	na	No	6/24/16	6.0	2408855	206428816
US Craftmaster	HPHE2K50HD045VUN ***	50	3	2.9	Integrated	No	na	No	6/24/16	6.0	2408895	206428796
US Craftmaster	HPHE2K66HD045VUN ***	66	3	3.1	Integrated	No	na	No	6/24/16	6.0	2408865	206428807
US Craftmaster	HPHE2K80HD045VUN ***	80	3	2.9	Integrated	No	na	No	6/24/16	6.0	2408860	206428819
Vaughn Thermal Corp.	ME120HPT-CN	120	3	3.1	Integrated	Yes	OEM	No	4/16/24	8.0	3478043	214606386
Vaughn Thermal Corp.	ME50HPT-CN	50	3	2.8	Integrated	Yes	OEM	No	4/16/24	8.0	3478044	214606383
Vaughn Thermal Corp.	ME65HPT-CN	65	3	3.1	Integrated	Yes	OEM	No	4/16/24	8.0	3478046	214606384
Vaughn Thermal Corp.	ME80HPT-CN	80	3	3.1	Integrated	Yes	OEM	No	4/16/24	8.0	3478045	214606385

**SERVICE AGREEMENT  
FOR  
ENERGIZE OLYMPIA 2024 HEAT PUMP INSTALLATION SERVICES**

This Service Agreement ("Agreement") is effective as of the date of the last authorizing signature affixed hereto. The parties ("Parties") to this Agreement are the City of Olympia, a Washington municipal corporation ("City"), and Chehalis Sheet Metal Heating, Cooling & Roofing, ("Installation Partner").

A. The City seeks the temporary services of a skilled independent Installation Partner capable of working without direct supervision, in the capacity of a heat pump installation partner; and

B. The Installation Partner has the requisite skill and experience necessary to provide such services.

NOW, THEREFORE, the Parties agree as follows:

1. Services.

Installation Partner shall provide the services more specifically described in Exhibits "A", "B" and "C" attached hereto and incorporated by this reference ("Services"), in a manner consistent with the accepted practices for other similar services, and when and as specified by the City's representative.

2. Term.

The term of this Agreement shall commence upon the effective date of this Agreement and shall continue until the completion of the Services, but in any event no later than March 31, 2025 ("Term"). This Agreement may be extended for additional periods of time upon the mutual written agreement of the City and the Installation Partner.

3. Termination.

Prior to the expiration of the Term, this Agreement may be terminated immediately, with or without cause by the City.

4. Compensation.

A. Total Compensation. In consideration of the Installation Partner performing the Services, the City agrees to pay the Installation Partner an amount not to exceed Twenty Thousand and No/100 Dollars (\$20,000.00) calculated as follows:

- (i) Reimbursable Expenses. The actual expenses incurred by Installation Partner to provide up to 25 time-of-sale discounts for installation of ductless heat pumps as a part of the Energize Olympia Campaign; provided, however, that to be reimbursable, such costs must be deemed reasonable in the City's sole discretion, must be provided

12.11.23

in accordance with the Program Requirements set forth in the Scope of Work (Exhibit A), and may not exceed Eight Hundred and No/100 Dollars (\$800.00) per installation.

B. Method of Payment. Payment by the City for the Services will only be made after the Services have been performed, a voucher or invoice is submitted in the form specified by the City, and the same is approved by the appropriate City representative. Payment shall be made on a monthly basis, thirty (30) days after receipt of such voucher or invoice.

C. Installation Partner Responsible for Taxes. The Installation Partner shall be solely responsible for the payment of any taxes imposed by any lawful jurisdiction as a result of the performance and payment of this Agreement.

5. Contract Managers.

The Parties agree that all formal communications about this Agreement, contract deliverables, accomplishments, regulatory oversight, invoicing and requests for amendment must be coordinated directly between the Consultant and City's Contract Manager unless otherwise approved in writing by the City. The contract managers are identified as follows:

**Installation Partner**

Sharon Tisler  
Branch Manager  
6135 Capital Blvd S  
Tumwater WA 98501  
[csmmarketing@comcast.net](mailto:csmmarketing@comcast.net)  
360.352.1996

**City of Olympia**

Dominic Jones  
Building Decarbonization Program Manager  
PO Box 1967  
Olympia, WA 98507  
Email: [djones@ci.olympia.wa.us](mailto:djones@ci.olympia.wa.us)  
Phone: 360.753.8347

6. Compliance with Laws.

Installation Partner shall comply with and perform the Services in accordance with all applicable federal, state, and City laws including, without limitation, all City codes, ordinances, resolutions, standards and policies, as now existing or hereafter adopted or amended.

7. Assurances.

The Installation Partner affirms that it has the requisite training, skill and experience necessary to provide the Services and is appropriately accredited and licensed by all applicable agencies and

governmental entities, including but not limited to being registered to do business in the City of Olympia by obtaining a City of Olympia business registration.

8. Independent Installation Partner/Conflict of Interest.

It is the intention and understanding of the Parties that the Installation Partner is an independent contractor and that the City shall be neither liable nor obligated to pay Installation Partner sick leave, vacation pay or any other benefit of employment, nor to pay any social security or other tax which may arise as an incident of employment. The Installation Partner shall pay all income and other taxes due. Industrial or any other insurance that is purchased for the benefit of the City, regardless of whether such may provide a secondary or incidental benefit to the Installation Partner, shall not be deemed to convert this Agreement to an employment contract. It is recognized that Installation Partner may be performing services during the Term for other parties; provided, however, that such performance of other services shall not conflict with or interfere with Installation Partner's ability to perform the Services. Installation Partner agrees to resolve any such conflicts of interest in favor of the City.

9. Equal Opportunity Employer.

A. In all Installation Partner services, programs or activities, and all Installation Partner hiring and employment made possible by or resulting from this Agreement, there shall be no unlawful discrimination by Installation Partner or by Installation Partner's employees, agents, subcontractor Partners or representatives against any person based on any legally protected class status including but not limited to: sex, age (except minimum age and retirement provisions), race, color, religion, creed, national origin, marital status, veteran status, sexual orientation, gender identity, genetic information or the presence of any disability, including sensory, mental or physical handicaps; provided, however, that the prohibition against discrimination in employment because of disability shall not apply if the particular disability prevents the performance of the essential functions required of the position.

This requirement shall apply, but not be limited to the following: employment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Installation Partner shall not violate any of the terms of Chapter 49.60 RCW, Title VII of the Civil Rights Act of 1964, the Americans With Disabilities Act, Section 504 of the Rehabilitation Act of 1973 or any other applicable federal, state or local law or regulation regarding non-discrimination. Any material violation of this provision shall be grounds for termination of this Agreement by the City and, in the case of the Installation Partner's breach, may result in ineligibility for further City agreements.

B. In the event of Installation Partner's noncompliance or refusal to comply with the above nondiscrimination plan, this Contract may be rescinded, canceled, or terminated in whole or in part, and the Installation Partner may be declared ineligible for further contracts with the City. The Installation Partner, shall, however, be given a reasonable time in which to correct this noncompliance.

C. To assist the City in determining compliance with the foregoing nondiscrimination requirements, Installation Partner must complete and return the *Statement of Compliance with Non-Discrimination* attached as Exhibit D.

10. Confidentiality.

Installation Partner agrees not to disclose any information and/or documentation obtained by Installation Partner in performance of this Agreement that has been expressly declared confidential by the City. Breach of confidentiality by the Installation Partner will be grounds for immediate termination.

11. Indemnification/Insurance.

A. Indemnification / Hold Harmless. Installation Partner shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or resulting from the acts, errors or omissions of the Installation Partner in performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Installation Partner and the City, its officers, officials, employees, and volunteers, the Installation Partner's liability hereunder shall be only to the extent of the Installation Partner's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Installation Partner's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

B. Insurance Term. The Installation Partner shall procure and maintain insurance for the duration of the Agreement as required in this Section, without interruption from commencement of the Installation Partner's work through the term of the Agreement, and for thirty (30) days after the Physical Completion date, unless otherwise indicated herein.

-C. No Limitation. Installation Partner's maintenance of insurance, its scope of coverage and limits as required herein shall not be construed to limit the liability of the Installation Partner to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

D. Minimum Scope of Insurance. Installation Partner shall obtain insurance of the types described below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be at least as broad as ISO occurrence form (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.

2. Commercial General Liability insurance shall be at least as broad as ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors, products-completed operations, stop gap liability, personal injury and advertising injury, and liability assumed under an insured contract. The Commercial General Liability insurance shall be endorsed to provide a per project general aggregate limit using ISO form CG 25 03 05 09 or an equivalent endorsement. There shall be no exclusion for liability

arising from explosion, collapse or underground property damage. The City shall be named as an additional insured under the Installation Partner's Commercial General Liability insurance policy with respect to the work performed for the City using ISO Additional Insured endorsement CG 20 10 10 01 and Additional Insured Completed Operations endorsement CG 20 37 10 01 or substitute endorsements providing at least as broad coverage.

3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

E. Minimum Amounts of Insurance. Installation Partner shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.

2. Commercial General Liability insurance shall be written with limits no less than \$2,000,000 each occurrence, \$2,000,000 general aggregate and \$2,000,000 products-completed operations aggregate limit.

F. Other Insurance Provisions. The Installation Partner's Automobile Liability and Commercial General Liability insurance policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the City. Any Insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Installation Partner's insurance and shall not contribute with it.

G. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

H. Verification of Coverage. Installation Partner shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsements, evidencing the insurance requirements of the Installation Partner before commencement of the work. Upon request of the City, the Installation Partner shall provide certified copies of all required insurance policies, including endorsements, required in this Agreement and evidence of all subcontractors' coverage.

I. Subcontractors' Insurance. The Installation Partner shall cause each and every Subcontractor to provide insurance coverage that complies with all applicable requirements of the Installation Partner-provided insurance as set forth herein, except the Installation Partner shall have sole responsibility for determining the limits of coverage required to be obtained by Subcontractors. The Installation Partner shall ensure that the City is an additional insured on each and every Subcontractor's Commercial General liability insurance policy using an endorsement at least as broad as ISO CG 20 10 10 01 for ongoing operations and CG 20 37 10 01 for completed operations.

J. Notice of Cancellation. The Installation Partner shall provide the City and all Additional Insureds for this work with written notice of any policy cancellation, within two (2) business days of their receipt of such notice.

K. Failure to Maintain Insurance. Failure on the part of the Installation Partner to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five (5) business days notice to the Installation Partner to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Installation Partner from the City.

L. City's Full Access to Installation Partner Limits. If the Installation Partner maintains higher insurance limits than the minimums shown above, the City shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Installation Partner, irrespective of whether such limits maintained by the Installation Partner are greater than those required by this contract or any certificate of insurance furnished to the City evidences limits of liability lower than those maintained by the Installation Partner.

12. Work Product.

Any deliverables identified in the Scope of Work or otherwise identified in writing by the City that are produced by Installation Partner in performing the Services under this Agreement and which are delivered to the City shall belong to the City. Any such work product shall be delivered to the City by Installation Partner at the termination or cancellation date of this Agreement, or as soon thereafter as possible. All other documents are owned by the Installation Partner.

13. Treatment of Assets.

A. Title to all property furnished by the City shall remain in the name of the City.

B. Title to all nonexpendable personal property and all real property purchased by the Installation Partner, the cost of which the Installation Partner is entitled to be reimbursed as a direct item of cost under this Contract, shall pass to and vest in the City, or if appropriate, the state or federal department supplying funds therefor, upon delivery of such property by the vendor. If the Installation Partner elects to capitalize and depreciate such nonexpendable personal property in lieu of claiming the acquisition cost as a direct item of cost, title to such property shall remain with the Installation Partner. An election to capitalize and depreciate or claim acquisition cost as a direct item of cost shall be irrevocable.

C. Nonexpendable personal property purchased by the Installation Partner under the terms of this Contract in which title is vested in the City shall not be rented, loaned or otherwise passed to any person, partnership, corporation/association or organization without the prior expressed written approval of the City or its authorized representative, and such property shall, unless otherwise provided herein or approved by the City or its authorized representative, be used only for the performance of this Contract.

D. As a condition precedent to reimbursement for the purchase of nonexpendable personal property, title to which shall vest in the City, the Installation Partner agrees to execute such security agreements and other documents as shall be necessary for the City to perfect its interest in such property in accordance with the "Uniform Commercial Code--Secured Transactions" as codified in Article 9 of Title 62A, the Revised Code of Washington.

E. The Installation Partner shall be responsible for any loss or damage to the property of the City including expenses entered thereunto which results from negligence, willful misconduct, or lack of good faith on the part of the Installation Partner, or which results from the failure on the part of the Installation Partner to maintain and administer in accordance with sound management practices that property, to ensure that the property will be returned to the City in like condition to that in which it was furnished or purchased, fair wear and tear excepted.

F. Upon the happening of loss or destruction of, or damage to, any City property, the Installation Partner shall notify the City or its authorized representative and shall take all reasonable steps to protect that property from further damage.

G. The Installation Partner shall surrender to the City all property of the City within thirty (30) days after rescission, termination or completion of this Contract unless otherwise mutually agreed upon by the parties.

14. Books and Records.

The Installation Partner agrees to maintain books, records, and documents which sufficiently and properly reflect all direct and indirect costs related to the performance of the Services and maintain such accounting procedures and practices as may be deemed necessary by the City to assure proper accounting of all funds paid pursuant to this Agreement. These records shall be subject, at all reasonable times, to inspection, review or audit by the City, its authorized representative, the State Auditor, or other governmental officials authorized by law to monitor this Agreement.

Records owned, used, or retained by the City that meet the definition of a "public record" pursuant to RCW 42.56.010 are subject to disclosure under Washington's Public Records Act. Should the Installation Partner fail to provide records created or used by Installation Partner in its work for the City within ten (10) days of the City's request for such records, Installation Partner shall indemnify, defend, and hold the City harmless for any public records judgment, including costs and attorney's fees, against the City involving such withheld records.

15. Non-Appropriation of Funds.

If sufficient funds are not appropriated or allocated for payment under this Agreement for any future fiscal period, the City will not be obligated to continue the Agreement after the end of the current fiscal period, and this Agreement will automatically terminate upon the completion of all remaining Services for which funds are allocated. No penalty or expense shall accrue to the City in the event this provision applies.

16. General Provisions.

A. Entire Agreement. This Agreement contains all of the agreements of the Parties with respect to any matter covered or mentioned in this Agreement and no prior agreements shall be effective for any purpose.



B. Modification. No provision of this Agreement, including this provision, may be amended or modified except by written agreement signed by the Parties.

C. Full Force and Effect; Severability. Any provision of this Agreement that is declared invalid or illegal shall in no way affect or invalidate any other provision hereof and such other provisions shall remain in full force and effect. Further, if it should appear that any provision hereof is in conflict with any statutory provision of the State of Washington, the provision appears to conflict therewith shall be deemed inoperative and null and void insofar as it may be in conflict therewith, and shall be deemed modified to conform to such statutory provision.

D. Assignment. Neither the Contractor nor the City shall have the right to transfer or assign, in whole or in part, any or all of its obligations and rights hereunder without the prior written consent of the other Party.

1. If the Installation Partner desires to assign this Contract or subcontract any of its work hereunder, the Installation Partner shall submit a written request to the City for approval not less than fifteen (15) days prior to the commencement date of any proposed assignment or subcontract.

2. Any work or services assigned or subcontracted for hereunder shall be subject to each provision of this Contract.

3. Any subcontractor Partner not listed in this Contract, which is to be charged to the Contract, must have prior written approval by the City.

4. The City reserves the right to inspect any assignment or subcontract document.

E. Successors in Interest. Subject to the foregoing Subsection, the rights and obligations of the Parties shall inure to the benefit of and be binding upon their respective successors in interest, heirs and assigns.

F. Attorney Fees. In the event either of the Parties defaults on the performance of any term of this Agreement or either Party places the enforcement of this Agreement in the hands of an attorney, or files a lawsuit, the prevailing party shall be entitled to its reasonable attorneys' fees, costs and expenses to be paid by the other Party.

G. No Waiver. Failure or delay of the City to declare any breach or default immediately upon occurrence shall not waive such breach or default. Failure of the City to declare one breach or default does not act as a waiver of the City's right to declare another breach or default.

H. Governing Law. This Agreement shall be made in and shall be governed by and interpreted in accordance with the laws of the State of Washington.

I. Authority. Each individual executing this Agreement on behalf of the City and Installation Partner represents and warrants that such individuals are duly authorized to execute and deliver this Agreement on behalf of the Installation Partner or the City.

J. Notices. Any notices required to be given by the Parties shall be delivered at the addresses set forth below. Any notices may be delivered personally to the addressee of the notice or may be deposited in the United States mail, postage prepaid, to the address set forth below. Any notice so posted in the United States mail shall be deemed received three (3) days after the date of mailing.

K. Captions. The respective captions of the Sections of this Agreement are inserted for convenience of reference only and shall not be deemed to modify or otherwise affect any of the provisions of this Agreement.

L. Performance. Time is of the essence in performance of this Agreement and each and all of its provisions in which performance is a factor. Adherence to completion dates set forth in the description of the Services is essential to the Installation Partner's performance of this Agreement.

M. Remedies Cumulative. Any remedies provided for under the terms of this Agreement are not intended to be exclusive, but shall be cumulative with all other remedies available to the City at law, in equity or by statute.

N. Counterparts. This Agreement may be executed in a number of identical counterparts which, taken together, constitute collectively one Agreement; but in making proof of this Agreement, it is not necessary to produce or account for more than one such counterpart. Additionally, (i) the signature pages taken from separate individually executed counterparts of this Agreement may be combined to form multiple fully executed counterparts; and (ii) a facsimile signature or an electronically scanned signature, or an electronic or digital signature where permitted by law, must be deemed to be an original signature for all purposes. All executed counterparts of this Agreement are originals, but all such counterparts, when taken together, constitute one and the same Agreement.

O. Equal Opportunity to Draft. The parties have participated and had an equal opportunity to participate in the drafting of this Agreement, and the Exhibits, if any, attached. No ambiguity shall be construed against any party upon a claim that that party drafted the ambiguous language.

P. Venue. All lawsuits or other legal actions whatsoever with regard to this agreement shall be brought in Thurston County, Washington, Superior Court.

Q. Ratification. Any work performed prior to the effective date that falls within the scope of this Agreement and is consistent with its terms is hereby ratified and confirmed.

R. Certification Regarding Debarment, Suspension, and Other Responsibility Matters.

1. By signing the agreement below, the Installation Partner certifies to the best of its knowledge and belief, that it and its principles:

a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;

b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission or fraud or a criminal

offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph 1.b. of this certification; and

d. Have not within a three (3) year period preceding this application/proposal had one or more public transactions (federal, state, or local) terminated for cause or default.

2. Where the Installation Partner is unable to certify to any of the statements in this certification, such Installation Partner shall attach an explanation to this proposal.

5. Early Retirement from the State of Washington- Certification. By signing this form, you certify that no one being directly compensated for their services pursuant to this Agreement has retired from the Washington State Retirement System using the 2008 Early Retirement Factors with restrictions on returning to work.

**CITY OF OLYMPIA**

By: Pamela Braff  
Pamela Braff, PhD  
Director of Climate Programs  
PO Box 1967  
Olympia WA 98507-1967  
Date of Signature: 08/06/2024

APPROVED AS TO FORM:

Sean Krier  
City Clerk

**I certify that I am authorized to execute this contract on behalf of the Installation Partner.**

**CHEHALIS SHEET METAL HEATING, COOLING & ROOFING**

By: Sharon Tisler  
Sharon Tisler  
Branch Manager  
6135 Capital Blvd S  
Tumwater WA 98501  
Date of Signature: 08/05/2024

***Exhibit "A"***  
**SCOPE OF WORK**

**Background**

The purpose of this project is to enable the installation of ductless heat pumps (DHP) for residences in Olympia, Washington at a lower total installation cost than that typically offered by the installer. Through Energize, the Installation Partner will access cost efficiencies by combining lowered customer acquisition costs with group procurement and installations. The City of Olympia (City) and South Puget Sound Habitat for Humanity (SPSHFH) will work with the Installation Partner and other community partners to ensure community members are aware of the program through customized marketing, outreach, and education.

The 2024 Energize Olympia program goals include:

- Engaging at least 550 residents via community workshops, online and in-person.
- Installing at least 150 ductless heat pump systems, including 75 fully subsidized installations for low- to moderate-income households.

**Tasks**

**Task 1: Project Kick-off and Ongoing Coordination**

The City of Olympia will host a project kick-off meeting for all project partners to finalize the program plan and timeline, review partner roles and expectations, and provide training on the program software for lead management and tracking (e.g., progress reports).

Installation Partner will:

- Attend project kick-off and weekly check-in meetings.

City will:

- Organize, schedule, and lead a project kick-off meeting.
- Organize, schedule, and lead weekly project check-in meetings.

**Task 2: Community Outreach and Education**

Between the months of August and October 2024 the program partners and the Installation Partner will promote the Energize Program and deliver educational workshops virtually and/or at easily accessible public locations in Olympia.

Installation Partner will:

- Participate in at least 3 community workshops and support additional neighborhood outreach as needed.
- Conduct additional marketing and outreach to promote Energize Olympia, as described in the Installer's proposal including updates to the Installation Partner's website promoting the program, social media posts, email blasts, distribution of yard signs, radio advertisements, newspaper advertisements, and physical displays for the workshop series.

City will:

- Coordinate community events and workshops.
- Provide marketing and outreach materials for use by the Installation Partner and project partners.

### **Task 3: Site Assessments and Lead Management**

Between the months of July and October 2024, the Installation Partner will provide free site assessments and quotes for Energize Olympia participants who have attended an Energize Olympia workshop and are eligible to receive a fully subsidized and/or market-rate DHP installation through the Energize Olympia program. As prospective participants are identified, their names and contact information will be provided to the Installation Partner.

Installation Partner will:

- Contact all eligible Energize leads to schedule a site assessment within 3 business days of receiving their contact information.
- Provide free quotes and site assessments for all participants. Provided quotes must be consistent with all equipment and labor pricing, as described in the Pricing and Equipment Terms, "Exhibit B". Quotes must also include all eligible rebates and incentives, including any City, Installation Partner, and Utility rebates and incentives.

City will:

- Manage program applications and verify the eligibility of all prospective Energize Leads.
- Provide participant names, addresses, and contact information to the Installation Partner for follow-up.
- Distribute leads to Energize Olympia Installation Partners. The City will alternate the distribution of leads across all Installation Partners.

### **Task 4: Incentives for Market-Rate Participants**

The Installation Partner will provide a fixed group-purchase discount for all installations and coordinate all other eligible discounts and incentives. The City anticipates approximately 25-40 market-rate heat pump installations by the installation deadline November 30, 2024.

Installation Partner will:

- Provide a fixed group-purchase discount for all installations consistent with Pricing and Equipment Terms, "Exhibit B".
- Apply all applicable Puget Sound Energy (PSE) rebates as a time-of-sale discount to participants.
- Complete and submit all applicable PSE incentive applications.
- Provide an \$800 time-of-sale discount (reimbursable by the City of Olympia) to the first 25 market rate participants to execute a contract with the Installation Partner.
- Direct participants to program-approved financing as requested and include a QR code for Puget Sound Cooperative Credit Union's Energy Smart Loan provided on quotes for Energize Olympia participants.

City will:

- Reimburse the Installation Partner for the City of Olympia installation incentive (\$800 for the first 25 market-rate participants to sign a contract with the Installation Partner).

#### **Task 5: Incentives for Low- and Moderate-Income Participants**

Low- and moderate-income households are eligible to receive fully subsidized installations through Energize Olympia. Funding for subsidized installations is provided by the City of Olympia's Community Development Block Grant Program (CDBG), State of Washington Community Energy Efficiency Program (administered by Washington State University), and the Washington State Department of Commerce Home Electrification and Appliances Rebate (HEAR) Program (anticipated). The City estimates approximately 33 fully-subsidized heat pump installations by the installation deadline November 30, 2024.

To provide services for subsidized installations, the Installation Partner must meet federal requirements for grant management, including an active registration on SAM.gov. The Installation Partner must provide prevailing wage quotes and file intent to pay prevailing wage with Washington State Labor and Industries for each project they win under this program. The Installation Partner will contract directly with South Puget Sound Habitat for Humanity (SPSHFH) for all fully subsidized installations.

All equipment installed through the low- and moderate-income pathway must meet the following requirements:

- Remove all fossil fuel equipment where technically and economically feasible.
- All air-source heat pumps must be listed on the Northeast Energy Efficiency Partnership's (NEEP) Cold Climate Air Source Heat Pump (ccASHP) Product List, or meet the most recent ENERGY STAR Cold Climate product criteria.
- All equipment must be ENERGY STAR Certified or CEE North Region Certified.
- All equipment that uses refrigerants must follow the statutory global warming potential (GWP) limits from the Washington State Department of Ecology and the U.S. Environmental Protection Agency (EPA), and where technically and economically feasible, must use low GWP refrigerants listed by the EPA's Significant New Alternatives Policy (SNAP) Program, or the California Air Resources Board (CARB).

Installation Partner will:

- Provide a fixed group-purchase discount for all installations consistent with Pricing and Equipment Terms, "Exhibit B".
- Apply all applicable PSE rebates as a time-of-sale discount to participants.
- Complete and submit all applicable PSE incentive applications.
- Take pictures of installation as required for CDBG-funded installations.
- Place a decal showing subsidized equipment was purchased with Washington State Climate Commitment Act (CCA) Funding in a visible location when applicable.

SPSHFH will:

- Coordinate income verification for all installations.
- Provide weatherization and critical home repair services as required.
- Verify placement of decals showing subsidized equipment was purchased with CCA funding.

City will:

- Provide the Installation Partner decals showing subsidized equipment was purchased with CCA funding.

#### **Task 6: Progress Reports**

The Installation Partner will provide weekly participant progress reports through Monday.com. Software access and a reporting template will be provided by the City of Olympia. Weekly reporting must be submitted by Monday at 12:00 pm PST for the previous week's work. All discrepancies must be resolved prior to the next reporting period. Progress reports should include the following:

- Contact status/Lead follow-up
- Date of scheduled/completed site assessment
- Date of contract signing
- Date of scheduled installation
- Date of completion

Upon submission of an invoice for a completed installation, the Installation Partner must also provide the following data to the City of Olympia:

- Year home was built
- Type of home
- Primary heating fuel type prior to installation
- Heating equipment prior to installation
- Presence of AC before upgrade
- Square footage served by system
- Room location
- Total heads installed
- AHRI certification # of installed equipment
- Total cost of installation
- Utility rebates provided as a time-of-sale discount
- City of Olympia permit numbers



### **Task 7: Heat Pump Installations**

Individual installations should be installed in a workmanlike manner, taking into consideration the preferences of the owner while minimizing project costs and maximizing effectiveness. System proposals should also take into consideration each owner's self-identified financial limitations including, if applicable, any owner-arranged financing with a bank, credit union or other financing entity. The Installation Partner should recommend the appropriate heating and cooling equipment for the customer, which may not be a DHP, and should also address other considerations, such as air sealing and insulation, that may affect customer satisfaction and savings from the equipment.

Installed equipment must meet the following requirements:

- System must be AHRI Certified as a variable speed mini-split or multi-split heat pump and use inverter technology and be a minimum of ¾ ton in heating mode.
- Installed equipment must have an HSPF of at least 9.0, or an HSPF2 of at least 8.1. For units that have both HSPF and HSPF2, the HSPF rating will be used to determine eligibility.
- At least one indoor head must be installed in the main living (high-flow) area of the home; bedroom only installations do not qualify for the program.
- Installed equipment may replace any type of heating fuel.
- Installed equipment funded through the Energize Olympia Program must be consistent with Pricing and Equipment Terms, "Exhibit B". Any proposed changes to the Pricing and Equipment Terms due to supply chain issues, or equipment being discontinued by a distributor must be resolved via a contract amendment and brought to the City of Olympia as soon as possible.

The installations will be carried out by the Installation Partner in conformance with all applicable laws, codes, and jurisdictional requirements.

For each installation, Installation Partner will be responsible for securing all required permits, completing, submitting all incentive applications, and scheduling and passing all jurisdictional inspections. The Installation Partner will provide introductions and supporting materials to banks, credit unions, and other interested financing entities as needed, however any financing product offered by the Installation Partner must be pre-approved by the City of Olympia.

### **Task 8: Maintain Required Certifications**

Installation Partner is required to maintain the following licenses and certifications throughout the duration of service:

- Installation Partner must maintain an HVAC contractor license in good standing with the State of Washington throughout the duration of this agreement.
- Installation Partner must maintain Puget Sound Energy Trade Ally or Recommended Energy Professional status throughout the duration of this agreement.
- Installation Partner must maintain Mitsubishi Diamond Dealer status throughout the duration of this agreement.

**Exhibit "B"**  
**PRICING AND EQUIPMENT TERMS**

Size of system	Manufacturer	AHRI Number	Standard Price	Energize Price (-10% rounded, Max \$1,200)	Series	Efficiency: SEER2 (Cooling)	Efficiency: HSPF2 (Heating)	Tax Credit 25C qualifying	Cold Climate Certified/HEAR Certified	
12K BTU, One Head	Mitsubishi	207679243	\$6,725	\$6,050	GS	25.6	10.7	Yes	Yes	
15K BTU, One Head	Mitsubishi	207679244	\$7,165	\$6,450	GS	21	11	Yes	Yes	
18K BTU, One Head	Mitsubishi	207679245	\$8,225	\$7,405	GS	21.5	10.3	Yes	Yes	
24K BTU, One Head	Mitsubishi	207679246	\$8,925	\$8,030	GS	21.5	10.3	Yes	Yes	
The Following Multiport options are sized with a 9K BTU and 15K BTU head, standard sizes for a living room + Master bedroom set up. This includes 2 installers and 1 electrician										
20K BTU, Two Head	Mitsubishi	212927578	\$10,130	\$9,120	NA4	20	9.7	Yes	No	
24K BTU, Two Head	Mitsubishi	212925534	\$11,500	\$10,350	NA3	20	9.5	Yes	No	
24K BTU, Two Head	Mitsubishi	212925880	\$11,500	\$10,350	NA4	20	10	Yes	No	
30K BTU, Two Head	Mitsubishi	212925522	\$12,050	\$10,850	NA4	19	10	Yes	No	
36K BTU, Two Head	Mitsubishi	212925464	\$12,625	\$11,425	NA4	19.2	9.8	Yes	No	
20K BTU, Two Head	Mitsubishi	212925867	\$12,050	\$10,850	NAHZ	17	10	Yes	Yes	
24K BTU, Two Head	Mitsubishi	212925537	\$13,985	\$12,785	NAHZ	19	10	Yes	Yes	
30K BTU, Two Head	Mitsubishi	212925868	\$14,370	\$13,170	NAHZ	18	10	Yes	Yes	
36K BTU, Two Head	Mitsubishi	213248831	\$17,030	\$15,830	Smart-Multi	23	12	Yes	Yes	
*Note: For 24K BTU Multi-head systems, the equipment price is the same between the models. *										

The cost of the City of Olympia Permits is built into the prices (\$360)

**Includes 10 Feet of line set, line hide covering for a standard run of 10', a pad for the outdoor unit, electrical available within 40 feet, and prevailing wages.**

The systems with two heads include 30 Feet of Line Set, a matched length of Line hide covering 30', and a second installer for a full day.

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The Mitsubishi Hyperheat series meets the criteria of a cold climate heat pump in a multi-port application. It is more expensive; however, the performance is phenomenal with 100% heating at 5°F.

The Smart-Multi system also includes a 3 port branch box, an additional 20' of refrigerant lines, and an enclosure for the branch box for external applications.

**Additional Cost Factors:**

<b>Description: Material</b>	<b>Price</b>
Additional Line Hide Covering	\$50 per 5'
Additional Line set	\$80 per 10'
Additional Electrical	\$50 per 10'
Condensation Pump	\$250
<b>Description: Labor</b>	<b>Price</b>
Additional hours needed for a particularly difficult install/old home	\$100 per hour capped at 3 hours max
Additional installer for installs with greater than 2 heads (rule of thumb is generally an installer per interior head)	\$550 per additional installer for a full-day
<b>Description: Extended Warranty</b>	<b>Price</b>
1 Head system: 5-year Labor + Refrigerant	\$300

+ Each additional head	+\$125
1 Head system: 12-year Labor + Refrigerant	\$500
+ Each additional head	+\$215
I want SMART rebate application for a \$200 rebate, the rebate is mailed to the customer after installation, and the customer must purchase the system. Fully subsidized installs do not qualify	+\$35

#### Ductless Heads

6K BTU Head	\$890
9K BTU Head	\$960
12K BTU Head	\$1,010
15K BTU Head	\$1,190
18K BTU Head	\$1,345
24K BTU Head	\$1,480
*If a system needs to add or swap out ductless heads this is the cost. Example: 20K BTU system needs two 9K heads-> \$9,120 - \$1,190 (cost of 15K head) + \$960 (cost of 9K head) = \$8,890 *	

***Exhibit "C"***  
**PROGRAM TIMELINE**

Energize Olympia Campaign Timeline	DATE
City of Olympia Professional Services Agreement Contract signing deadline [estimated date]	7/12/2024-7/29/2024
Project Kick-off meeting [estimated date]	7/29/2024-8/09/2024
Week of first community workshop	8/12/2024
First participant list available to Installation Partner, bids to customers and installations ongoing [estimated date]	8/12/2024
Anticipated customer contract signing deadline	10/31/2024
Installations Completed	11/30/2024

**Exhibit "D"**  
**STATEMENT OF COMPLIANCE WITH NONDISCRIMINATION REQUIREMENT**

The Olympia City Council has made compliance with the City's *Nondiscrimination in Delivery of City Services or Resources* ordinance (OMC 1.24) a high priority, whether services are provided by City employees or through contract with other entities. It is important that all contract agencies or vendors and their employees understand and carry out the City's nondiscrimination policy. Accordingly, each City agreement or contract for services contains language that requires an agency or vendor to agree that it shall not unlawfully discriminate against an employee or client based on any legally protected status, which includes but is not limited to: race, creed, religion, color, national origin, age, sex, marital status, veteran status, sexual orientation, gender identity, genetic information, or the presence of any disability. Unlawful discrimination includes transphobic discrimination or harassment, including transgender exclusion policies or practices in health benefits.

Listed below are methods to ensure that this policy is communicated to your employees, if applicable.

- Nondiscrimination provisions are posted on printed material with broad distribution (newsletters, brochures, etc.).
- Nondiscrimination provisions are posted on applications for service.
- Nondiscrimination provisions are posted on the agency's web site.
- Nondiscrimination provisions are included in human resource materials provided to job applicants and new employees.
- Nondiscrimination provisions are shared during meetings.

**Failure to implement at least two of the measures specified above or to comply with the City of Olympia's nondiscrimination ordinance constitutes a breach of contract.**

By signing this statement, I acknowledge compliance with the City of Olympia's nondiscrimination ordinance by the use of at least two of the measures specified above.

Sharon Tisler  
(Signature)

08/05/2024  
(Date)

Sharon Tisler  
Print Name of Person Signing

**Alternative Section for Sole Proprietor:** I am a sole proprietor and have reviewed the statement above. I agree not to discriminate against any client, or any future employees, based on any legally protected status.

\_\_\_\_\_  
(Sole Proprietor Signature)

\_\_\_\_\_  
(Date)

**AMENDMENT NO. 1**  
**SERVICE AGREEMENT FOR**  
**ENERGIZE OLYMPIA 2024 HEAT PUMP INSTALLATION SERVICES**

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**THIS AMENDMENT** is effective as of the date of the last authorizing signature affixed hereto by and between the **CITY OF OLYMPIA**, a Washington municipal corporation (the "City"), and **CHEHALIS SHEET METAL HEATING, COOLING & ROOFING**, ("Installation Partner").

**RECITALS**

1. On August 6, 2024, the City and the Installation Partner entered into a Service Agreement ("Agreement").
2. The term of the Agreement was to run until March 31, 2025, with compensation not to exceed Twenty Thousand Dollars and No/100 Dollars (\$20,000.00).
3. The Agreement also provided that its terms could be "extended for additional periods of time upon the mutual written agreement" of the City and the Installation Partner, and that modification of its terms need to be in writing and signed by both parties.
4. The City and the Installation Partner desire to extend the term and replace the Program Timeline.

**NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**

Section 2 of the Agreement, TERM, is hereby amended to read as follows:

1. The term of this Agreement shall commence upon the effective date of this Agreement and shall continue until the completion of the Services, but in any event no later than ~~March 31, 2025~~ **December 31, 2025** ("Term"). This Agreement may be extended for additional periods of time upon the mutual written agreement of the City and the Installation Partner.
2. Exhibit "C" of the Agreement, PROGRAM TIMELINE, is hereby replaced with Exhibit "C-1" attached to this Amendment.
3. All remaining provisions of the Agreement dated August 6, 2024, and not here amended or supplemented shall remain as written in said Agreement, and shall continue in full force and effect.

IN WITNESS WHEREOF, the City and the Installation Partner have executed this **Amendment No. 1** of the Agreement as of the date of the last authoring signature affixed hereto.

**CITY OF OLYMPIA**

By: Pamela Braff

Pamela Braff, PhD

Director of Climate Programs

PO Box 1967

Olympia WA 98507-1967

Date of Signature: 10/10/2024

APPROVED AS TO FORM:

Sean Krier

City Clerk

I certify that I am authorized to execute this contract on behalf of the Installation Partner.

**CHEHALIS SHEET METAL HEATING, COOLING & ROOFING**

By: Sharon Tisler

Sharon Tisler

Branch Manager

6135 Capital Blvd S

Tumwater WA 98501

Date of Signature: 10/07/2024



***Exhibit "C-1"***  
**PROGRAM TIMELINE**

Energize Olympia Campaign Timeline	DATE
City of Olympia Professional Services Agreement Contract signing deadline [estimated date]	7/12/2024-7/29/2024
Project Kick-off meeting [estimated date]	7/29/2024-8/09/2024
Week of first community workshop	8/12/2024
First participant list available to Installation Partner, bids to customers and installations ongoing [estimated date]	8/12/2024
Anticipated customer contract signing deadline	<b>11/22/2024</b>
Installations Completed	<b>12/20/2024</b>
<b>Revolving Loan Fund Installations Completed</b>	<b>12/31/2025</b>

**SERVICE AGREEMENT  
FOR  
ENERGIZE OLYMPIA 2024 HEAT PUMP INSTALLATION SERVICES**

This Service Agreement ("Agreement") is effective as of the date of the last authorizing signature affixed hereto. The parties ("Parties") to this Agreement are the City of Olympia, a Washington municipal corporation ("City"), and Sunset Air Incorporated, ("Installation Partner").

A. The City seeks the temporary services of a skilled independent Installation Partner capable of working without direct supervision, in the capacity of a heat pump installation partner; and

B. The Installation Partner has the requisite skill and experience necessary to provide such services.

NOW, THEREFORE, the Parties agree as follows:

1. Services.

Installation Partner shall provide the services more specifically described in Exhibits "A", "B" and "C" attached hereto and incorporated by this reference ("Services"), in a manner consistent with the accepted practices for other similar services, and when and as specified by the City's representative.

2. Term.

The term of this Agreement shall commence upon the effective date of this Agreement and shall continue until the completion of the Services, but in any event no later than March 31, 2025 ("Term"). This Agreement may be extended for additional periods of time upon the mutual written agreement of the City and the Installation Partner.

3. Termination.

Prior to the expiration of the Term, this Agreement may be terminated immediately, with or without cause by the City.

4. Compensation.

A. Total Compensation. In consideration of the Installation Partner performing the Services, the City agrees to pay the Installation Partner an amount not to exceed Twenty Thousand and No/100 Dollars (\$20,000.00) calculated as follows:

- (i) **Reimbursable Expenses.** The actual expenses incurred by Installation Partner to provide up to 25 time-of-sale discounts for installation of ductless heat pumps as a part of the Energize Olympia Campaign; provided, however, that to be reimbursable, such costs must be deemed reasonable in the City's sole discretion, must be provided in accordance with the Program Requirements set forth in the Scope of Work (Exhibit A), and may not exceed Eight Hundred and No/100 Dollars (\$800.00) per installation.

2 MB

B. Method of Payment. Payment by the City for the Services will only be made after the Services have been performed, a voucher or invoice is submitted in the form specified by the City, and the same is approved by the appropriate City representative. Payment shall be made on a monthly basis, thirty (30) days after receipt of such voucher or invoice.

C. Installation Partner Responsible for Taxes. The Installation Partner shall be solely responsible for the payment of any taxes imposed by any lawful jurisdiction as a result of the performance and payment of this Agreement.

5. Contract Managers.

The Parties agree that all formal communications about this Agreement, contract deliverables, accomplishments, regulatory oversight, invoicing and requests for amendment must be coordinated directly between the Consultant and City's Contract Manager unless otherwise approved in writing by the City. The contract managers are identified as follows:

**Installation Partner**

Matt Jones  
Residential Division Manager  
5210 Lacey Blvd SE  
Lacey WA 98503  
[MLJ@sunsetair.com](mailto:MLJ@sunsetair.com)  
360.456.4956

**City of Olympia**

Dominic Jones  
Building Decarbonization Program Manager  
PO Box 1967  
Olympia WA 98507  
Email: [djones@ci.olympia.wa.us](mailto:djones@ci.olympia.wa.us)  
Phone: 360.753.8347

6. Compliance with Laws.

Installation Partner shall comply with and perform the Services in accordance with all applicable federal, state, and City laws including, without limitation, all City codes, ordinances, resolutions, standards and policies, as now existing or hereafter adopted or amended.

7. Assurances.

The Installation Partner affirms that it has the requisite training, skill and experience necessary to provide the Services and is appropriately accredited and licensed by all applicable agencies and governmental entities, including but not limited to being registered to do business in the City of Olympia by obtaining a City of Olympia business registration.

8. Independent Installation Partner/Conflict of Interest.

It is the intention and understanding of the Parties that the Installation Partner is an independent contractor and that the City shall be neither liable nor obligated to pay Installation Partner sick leave, vacation pay or any other benefit of employment, nor to pay any social security or other tax which may arise as an incident of employment. The Installation Partner shall pay all income and other taxes due. Industrial or any other insurance that is purchased for the benefit of the City, regardless of whether such may provide a secondary or incidental benefit to the Installation Partner, shall not be deemed to convert this Agreement to an employment contract. It is recognized that Installation Partner may be performing services during the Term for other parties; provided, however, that such performance of other services shall not conflict with or interfere with Installation Partner's ability to perform the Services. Installation Partner agrees to resolve any such conflicts of interest in favor of the City.

9. Equal Opportunity Employer.

A. In all Installation Partner services, programs or activities, and all Installation Partner hiring and employment made possible by or resulting from this Agreement, there shall be no unlawful discrimination by Installation Partner or by Installation Partner's employees, agents, subcontractor Partners or representatives against any person based on any legally protected class status including but not limited to: sex, age (except minimum age and retirement provisions), race, color, religion, creed, national origin, marital status, veteran status, sexual orientation, gender identity, genetic information or the presence of any disability, including sensory, mental or physical handicaps; provided, however, that the prohibition against discrimination in employment because of disability shall not apply if the particular disability prevents the performance of the essential functions required of the position.

This requirement shall apply, but not be limited to the following: employment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Installation Partner shall not violate any of the terms of Chapter 49.60 RCW, Title VII of the Civil Rights Act of 1964, the Americans With Disabilities Act, Section 504 of the Rehabilitation Act of 1973 or any other applicable federal, state or local law or regulation regarding non-discrimination. Any material violation of this provision shall be grounds for termination of this Agreement by the City and, in the case of the Installation Partner's breach, may result in ineligibility for further City agreements.

B. In the event of Installation Partner's noncompliance or refusal to comply with the above nondiscrimination plan, this Contract may be rescinded, canceled, or terminated in whole or in part, and the Installation Partner may be declared ineligible for further contracts with the City. The Installation Partner, shall, however, be given a reasonable time in which to correct this noncompliance.

C. To assist the City in determining compliance with the foregoing nondiscrimination requirements, Installation Partner must complete and return the *Statement of Compliance with Non-Discrimination* attached as Exhibit D.

10. Confidentiality.

Installation Partner agrees not to disclose any information and/or documentation obtained by Installation Partner in performance of this Agreement that has been expressly declared confidential by the City. Breach of confidentiality by the Installation Partner will be grounds for immediate termination.

11. Indemnification/Insurance.

A. Indemnification / Hold Harmless. Installation Partner shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or resulting from the acts, errors or omissions of the Installation Partner in performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Installation Partner and the City, its officers, officials, employees, and volunteers, the Installation Partner's liability hereunder shall be only to the extent of the Installation Partner's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Installation Partner's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

B. Insurance Term. The Installation Partner shall procure and maintain insurance for the duration of the Agreement as required in this Section, without interruption from commencement of the Installation Partner's work through the term of the Agreement, and for thirty (30) days after the Physical Completion date, unless otherwise indicated herein.

C. No Limitation. Installation Partner's maintenance of insurance, its scope of coverage and limits as required herein shall not be construed to limit the liability of the Installation Partner to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

D. Minimum Scope of Insurance. Installation Partner shall obtain insurance of the types described below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be at least as broad as ISO occurrence form (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.

2. Commercial General Liability insurance shall be at least as broad as ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors, products-completed operations, stop gap liability, personal injury and advertising injury, and liability assumed under an insured contract. The Commercial General Liability insurance shall be endorsed to provide a per project general aggregate limit using ISO form CG 25 03 05 09 or an equivalent endorsement. There shall be no exclusion for liability arising from explosion, collapse or underground property damage. The City shall be named as an additional insured under the Installation Partner's Commercial General Liability insurance policy with respect to the work performed for the City using ISO Additional Insured

endorsement CG 20 10 10 01 and Additional Insured Completed Operations endorsement CG 20 37 10 01 or substitute endorsements providing at least as broad coverage.

3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

E. Minimum Amounts of Insurance. Installation Partner shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.

2. Commercial General Liability insurance shall be written with limits no less than \$2,000,000 each occurrence, \$2,000,000 general aggregate and \$2,000,000 products-completed operations aggregate limit.

F. Other Insurance Provisions. The Installation Partner's Automobile Liability and Commercial General Liability insurance policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the City. Any Insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Installation Partner's insurance and shall not contribute with it.

G. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

H. Verification of Coverage. Installation Partner shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsements, evidencing the insurance requirements of the Installation Partner before commencement of the work. Upon request of the City, the Installation Partner shall provide certified copies of all required insurance policies, including endorsements, required in this Agreement and evidence of all subcontractors' coverage.

I. Subcontractors' Insurance. The Installation Partner shall cause each and every Subcontractor to provide insurance coverage that complies with all applicable requirements of the Installation Partner-provided insurance as set forth herein, except the Installation Partner shall have sole responsibility for determining the limits of coverage required to be obtained by Subcontractors. The Installation Partner shall ensure that the City is an additional insured on each and every Subcontractor's Commercial General liability insurance policy using an endorsement at least as broad as ISO CG 20 10 10 01 for ongoing operations and CG 20 37 10 01 for completed operations.

J. Notice of Cancellation. The Installation Partner shall provide the City and all Additional Insureds for this work with written notice of any policy cancellation, within two (2) business days of their receipt of such notice.

K. Failure to Maintain Insurance. Failure on the part of the Installation Partner to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five (5) business days notice to the Installation Partner to correct the breach, immediately

terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Installation Partner from the City.

L. City's Full Access to Installation Partner Limits. If the Installation Partner maintains higher insurance limits than the minimums shown above, the City shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Installation Partner, irrespective of whether such limits maintained by the Installation Partner are greater than those required by this contract or any certificate of insurance furnished to the City evidences limits of liability lower than those maintained by the Installation Partner.

12. Work Product.

Any deliverables identified in the Scope of Work or otherwise identified in writing by the City that are produced by Installation Partner in performing the Services under this Agreement and which are delivered to the City shall belong to the City. Any such work product shall be delivered to the City by Installation Partner at the termination or cancellation date of this Agreement, or as soon thereafter as possible. All other documents are owned by the Installation Partner.

13. Treatment of Assets.

A. Title to all property furnished by the City shall remain in the name of the City.

B. Title to all nonexpendable personal property and all real property purchased by the Installation Partner, the cost of which the Installation Partner is entitled to be reimbursed as a direct item of cost under this Contract, shall pass to and vest in the City, or if appropriate, the state or federal department supplying funds therefor, upon delivery of such property by the vendor. If the Installation Partner elects to capitalize and depreciate such nonexpendable personal property in lieu of claiming the acquisition cost as a direct item of cost, title to such property shall remain with the Installation Partner. An election to capitalize and depreciate or claim acquisition cost as a direct item of cost shall be irrevocable.

C. Nonexpendable personal property purchased by the Installation Partner under the terms of this Contract in which title is vested in the City shall not be rented, loaned or otherwise passed to any person, partnership, corporation/association or organization without the prior expressed written approval of the City or its authorized representative, and such property shall, unless otherwise provided herein or approved by the City or its authorized representative, be used only for the performance of this Contract.

D. As a condition precedent to reimbursement for the purchase of nonexpendable personal property, title to which shall vest in the City, the Installation Partner agrees to execute such security agreements and other documents as shall be necessary for the City to perfect its interest in such property in accordance with the "Uniform Commercial Code--Secured Transactions" as codified in Article 9 of Title 62A, the Revised Code of Washington.

E. The Installation Partner shall be responsible for any loss or damage to the property of the City including expenses entered thereunto which results from negligence, willful misconduct, or lack

of good faith on the part of the Installation Partner, or which results from the failure on the part of the Installation Partner to maintain and administer in accordance with sound management practices that property, to ensure that the property will be returned to the City in like condition to that in which it was furnished or purchased, fair wear and tear excepted.

F. Upon the happening of loss or destruction of, or damage to, any City property, the Installation Partner shall notify the City or its authorized representative and shall take all reasonable steps to protect that property from further damage.

G. The Installation Partner shall surrender to the City all property of the City within thirty (30) days after rescission, termination or completion of this Contract unless otherwise mutually agreed upon by the parties.

14. Books and Records.

The Installation Partner agrees to maintain books, records, and documents which sufficiently and properly reflect all direct and indirect costs related to the performance of the Services and maintain such accounting procedures and practices as may be deemed necessary by the City to assure proper accounting of all funds paid pursuant to this Agreement. These records shall be subject, at all reasonable times, to inspection, review or audit by the City, its authorized representative, the State Auditor, or other governmental officials authorized by law to monitor this Agreement.

Records owned, used, or retained by the City that meet the definition of a "public record" pursuant to RCW 42.56.010 are subject to disclosure under Washington's Public Records Act. Should the Installation Partner fail to provide records created or used by Installation Partner in its work for the City within ten (10) days of the City's request for such records, Installation Partner shall indemnify, defend, and hold the City harmless for any public records judgment, including costs and attorney's fees, against the City involving such withheld records.

15. Non-Appropriation of Funds.

If sufficient funds are not appropriated or allocated for payment under this Agreement for any future fiscal period, the City will not be obligated to continue the Agreement after the end of the current fiscal period, and this Agreement will automatically terminate upon the completion of all remaining Services for which funds are allocated. No penalty or expense shall accrue to the City in the event this provision applies.

16. General Provisions.

A. Entire Agreement. This Agreement contains all of the agreements of the Parties with respect to any matter covered or mentioned in this Agreement and no prior agreements shall be effective for any purpose.

B. Modification. No provision of this Agreement, including this provision, may be amended or modified except by written agreement signed by the Parties.



C. Full Force and Effect; Severability. Any provision of this Agreement that is declared invalid or illegal shall in no way affect or invalidate any other provision hereof and such other provisions shall remain in full force and effect. Further, if it should appear that any provision hereof is in conflict with any statutory provision of the State of Washington, the provision appears to conflict therewith shall be deemed inoperative and null and void insofar as it may be in conflict therewith, and shall be deemed modified to conform to such statutory provision.

D. Assignment. Neither the Installation Partner nor the City shall have the right to transfer or assign, in whole or in part, any or all of its obligations and rights hereunder without the prior written consent of the other Party.

1. If the Installation Partner desires to assign this Contract or subcontract any of its work hereunder, the Installation Partner shall submit a written request to the City for approval not less than fifteen (15) days prior to the commencement date of any proposed assignment or subcontract.

2. Any work or services assigned or subcontracted for hereunder shall be subject to each provision of this Contract.

3. Any subcontractor Partner not listed in this Contract, which is to be charged to the Contract, must have prior written approval by the City.

4. The City reserves the right to inspect any assignment or subcontract document.

E. Successors in Interest. Subject to the foregoing Subsection, the rights and obligations of the Parties shall inure to the benefit of and be binding upon their respective successors in interest, heirs and assigns.

F. Attorney Fees. In the event either of the Parties defaults on the performance of any term of this Agreement or either Party places the enforcement of this Agreement in the hands of an attorney, or files a lawsuit, the prevailing party shall be entitled to its reasonable attorneys' fees, costs and expenses to be paid by the other Party.

G. No Waiver. Failure or delay of the City to declare any breach or default immediately upon occurrence shall not waive such breach or default. Failure of the City to declare one breach or default does not act as a waiver of the City's right to declare another breach or default.

H. Governing Law. This Agreement shall be made in and shall be governed by and interpreted in accordance with the laws of the State of Washington.

I. Authority. Each individual executing this Agreement on behalf of the City and Installation Partner represents and warrants that such individuals are duly authorized to execute and deliver this Agreement on behalf of the Installation Partner or the City.

J. Notices. Any notices required to be given by the Parties shall be delivered at the addresses set forth below. Any notices may be delivered personally to the addressee of the notice or

may be deposited in the United States mail, postage prepaid, to the address set forth below. Any notice so posted in the United States mail shall be deemed received three (3) days after the date of mailing.

K. Captions. The respective captions of the Sections of this Agreement are inserted for convenience of reference only and shall not be deemed to modify or otherwise affect any of the provisions of this Agreement.

L. Performance. Time is of the essence in performance of this Agreement and each and all of its provisions in which performance is a factor. Adherence to completion dates set forth in the description of the Services is essential to the Installation Partner's performance of this Agreement.

M. Remedies Cumulative. Any remedies provided for under the terms of this Agreement are not intended to be exclusive, but shall be cumulative with all other remedies available to the City at law, in equity or by statute.

N. Counterparts. This Agreement may be executed in a number of identical counterparts which, taken together, constitute collectively one Agreement; but in making proof of this Agreement, it is not necessary to produce or account for more than one such counterpart. Additionally, (i) the signature pages taken from separate individually executed counterparts of this Agreement may be combined to form multiple fully executed counterparts; and (ii) a facsimile signature or an electronically scanned signature, or an electronic or digital signature where permitted by law, must be deemed to be an original signature for all purposes. All executed counterparts of this Agreement are originals, but all such counterparts, when taken together, constitute one and the same Agreement.

O. Equal Opportunity to Draft. The parties have participated and had an equal opportunity to participate in the drafting of this Agreement, and the Exhibits, if any, attached. No ambiguity shall be construed against any party upon a claim that that party drafted the ambiguous language.

P. Venue. All lawsuits or other legal actions whatsoever with regard to this agreement shall be brought in Thurston County, Washington, Superior Court.

Q. Ratification. Any work performed prior to the effective date that falls within the scope of this Agreement and is consistent with its terms is hereby ratified and confirmed.

R. Certification Regarding Debarment, Suspension, and Other Responsibility Matters.

1. By signing the agreement below, the Installation Partner certifies to the best of its knowledge and belief, that it and its principles:

a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;

b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission or fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of

federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph 1.b. of this certification; and

d. Have not within a three (3) year period preceding this application/proposal had one or more public transactions (federal, state, or local) terminated for cause or default.

2. Where the Installation Partner is unable to certify to any of the statements in this certification, such Installation Partner shall attach an explanation to this proposal.

S. Early Retirement from the State of Washington- Certification. By signing this form, you certify that no one being directly compensated for their services pursuant to this Agreement has retired from the Washington State Retirement System using the 2008 Early Retirement Factors with restrictions on returning to work.

**CITY OF OLYMPIA**

By: Pamela Braff  
Pamela Braff, PhD  
Director of Climate Programs  
PO Box 1967  
Olympia WA 98507-1967  
Date of Signature: 08/06/2024

APPROVED AS TO FORM:

Sean Krier  
City Clerk

**I certify that I am authorized to execute this contract on behalf of the Installation Partner.**

**SUNSET AIR, INC**

By: Trenton Fleutsch  
Trenton Fleutsch  
President  
PO Box 8208  
Lacey WA 98509  
Date of Signature: 07/30/2024

***Exhibit "A"***  
**SCOPE OF WORK**

**Background**

The purpose of this project is to enable the installation of ductless heat pumps (DHP) for residences in Olympia, Washington at a lower total installation cost than that typically offered by the installer. Through Energize, the Installation Partner will access cost efficiencies by combining lowered customer acquisition costs with group procurement and installations. The City of Olympia (City) and South Puget Sound Habitat for Humanity (SPSHFH) will work with the Installation Partner and other community partners to ensure community members are aware of the program through customized marketing, outreach, and education.

The 2024 Energize Olympia program goals include:

- Engaging at least 550 residents via community workshops, online and in-person.
- Installing at least 150 ductless heat pump systems, including 75 fully subsidized installations for low- to moderate-income households.

**Tasks**

**Task 1: Project Kick-off and Ongoing Coordination**

The City of Olympia will host a project kick-off meeting for all project partners to finalize the program plan and timeline, review partner roles and expectations, and provide training on the program software for lead management and tracking (e.g., progress reports).

Installation Partner will:

- Attend project kick-off and weekly check-in meetings.

City will:

- Organize, schedule, and lead a project kick-off meeting.
- Organize, schedule, and lead weekly project check-in meetings.

**Task 2: Community Outreach and Education**

Between the months of August and October 2024 the program partners and the Installation Partner will promote the Energize Program and deliver educational workshops virtually and/or at easily accessible public locations in Olympia.

Installation Partner will:

- Participate in at least 3 community workshops and support additional neighborhood outreach as needed.
- Conduct additional marketing and outreach to promote Energize Olympia, as described in the Installer's proposal including updates to the Installation Partner's website promoting the program, social media posts, email blasts, distribution of yard signs, and postcards mailed to targeted zip codes.

City will:

- Coordinate community events and workshops.
- Provide marketing and outreach materials for use by the Installation Partner and project partners.

### **Task 3: Site Assessments and Lead Management**

Between the months of August and October 2024, the Installation Partner will provide free site assessments and quotes for Energize Olympia participants who have attended an Energize Olympia workshop and are eligible to receive a fully subsidized and/or market-rate DHP installation through the Energize Olympia program. As prospective participants are identified, their names and contact information will be provided to the Installation Partner.

Installation Partner will:

- Contact all eligible Energize leads to schedule a site assessment within 3 business days of receiving their contact information.
- Provide free quotes and site assessments for all participants. Provided quotes must be consistent with all equipment and labor pricing, as described in the Pricing and Equipment Terms, "Exhibit B". Quotes must also include all eligible rebates and incentives, including any City, Installation Partner, and Utility rebates and incentives.

City will:

- Manage program applications and verify the eligibility of all prospective Energize Leads.
- Provide participant names, addresses, and contact information to the Installation Partner for follow-up.
- Distribute leads to Energize Olympia Installation Partners. The City will alternate the distribution of leads across all Installation Partners.

### **Task 4: Incentives for Market-Rate Participants**

The Installation Partner will provide a fixed group-purchase discount for all installations and coordinate all other eligible discounts and incentives. The City anticipates approximately 25-40 market-rate heat pump installations by the installation deadline November 30, 2024.

Installation Partner will:

- Provide a fixed group-purchase discount for all installations consistent with Pricing and Equipment Terms, "Exhibit B".
- Apply all applicable Puget Sound Energy (PSE) rebates as a time-of-sale discount to participants.
- Complete and submit all applicable PSE incentive applications.
- Provide an \$800 time-of-sale discount (reimbursable by the City of Olympia) to the first 25 market rate participants to execute a contract with the Installation Partner.
- Direct participants to program-approved financing as requested and include a QR code for Puget Sound Cooperative Credit Union's Energy Smart Loan provided on quotes for Energize Olympia participants.

City will:

- Reimburse the Installation Partner for the City of Olympia installation incentive (\$800 for the first 25 market-rate participants to sign a contract with the Installation Partner).

#### **Task 5: Incentives for Low- and Moderate-Income Participants**

Low- and moderate-income households are eligible to receive fully subsidized installations through Energize Olympia. Funding for subsidized installations is provided by the City of Olympia's Community Development Block Grant Program (CDBG), State of Washington Community Energy Efficiency Program (administered by Washington State University), and the Washington State Department of Commerce Home Electrification and Appliances Rebate (HEAR) Program (anticipated). The City estimates approximately 33 fully-subsidized heat pump installations by the installation deadline November 30, 2024.

To provide services for subsidized installations, the Installation Partner must meet federal requirements for grant management, including an active registration on SAM.gov. The Installation Partner must provide prevailing wage quotes and file intent to pay prevailing wage with Washington State Labor and Industries for each project they win under this program. The Installation Partner will contract directly with South Puget Sound Habitat for Humanity (SPSHFH) for all fully subsidized installations.

All equipment installed through the low- and moderate-income pathway must meet the following requirements:

- Remove all fossil fuel equipment where technically and economically feasible.
- All air-source heat pumps must be listed on the Northeast Energy Efficiency Partnership's (NEEP) Cold Climate Air Source Heat Pump (ccASHP) Product List, or meet the most recent ENERGY STAR Cold Climate product criteria.
- All equipment must be ENERGY STAR Certified or CEE North Region Certified.
- All equipment that uses refrigerants must follow the statutory global warming potential (GWP) limits from the Washington State Department of Ecology and the U.S. Environmental Protection Agency (EPA), and where technically and economically feasible, must use low GWP refrigerants listed by the EPA's Significant New Alternatives Policy (SNAP) Program, or the California Air Resources Board (CARB).

Installation Partner will:

- Provide a fixed group-purchase discount for all installations consistent with Pricing and Equipment Terms, "Exhibit B".
- Apply all applicable PSE rebates as a time-of-sale discount.
- Complete and submit all applicable PSE incentive applications.
- Take pictures of installation as required for CDBG-funded installations.
- Place a decal showing subsidized equipment was purchased with Washington State Climate Commitment Act (CCA) Funding in a visible location when applicable.

SPSHFH will:

- Coordinate income verification for all installations.
- Provide weatherization and critical home repair services as required.
- Verify placement of decals showing subsidized equipment was purchased with CCA funding.

City will:

- Provide the Installation Partner decals showing subsidized equipment was purchased with CCA funding.

#### **Task 6: Progress Reports**

The Installation Partner will provide weekly participant progress reports through Monday.com. Software access and a reporting template will be provided by the City of Olympia. Weekly reporting must be submitted by Monday at 12:00 p.m. PST for the previous week's work. All discrepancies must be resolved prior to the next reporting period. Progress reports should include the following:

- Contact status/Lead follow-up
- Date of scheduled/completed site assessment
- Date of contract signing
- Date of scheduled installation
- Date of completion

Upon submission of an invoice for a completed installation, the Installation Partner must also provide the following data to the City of Olympia:

- Year home was built
- Type of home
- Primary heating fuel type prior to installation
- Heating equipment prior to installation
- Presence of AC before upgrade
- Square footage served by system
- Room location
- Total heads installed
- AHRI certification # of installed equipment
- Total cost of installation
- Utility rebates provided as a time-of-sale discount
- City of Olympia permit numbers

#### **Task 7: Heat Pump Installations**



Individual installations should be installed in a workmanlike manner, taking into consideration the preferences of the owner while minimizing project costs and maximizing effectiveness. System proposals should also take into consideration each owner's self-identified financial limitations including, if applicable, any owner-arranged financing with a bank, credit union or other financing entity. The Installation Partner should recommend the appropriate heating and cooling equipment for the customer, which may not be a DHP, and should also address other considerations, such as air sealing and insulation, that may affect customer satisfaction and savings from the equipment.

Installed equipment must meet the following requirements:

- System must be AHRI Certified as a variable speed mini-split or multi-split heat pump and use inverter technology and be a minimum of ¾ ton in heating mode.
- Installed equipment must have an HSPF of at least 9.0, or an HSPF2 of at least 8.1. For units that have both HSPF and HSPF2, the HSPF rating will be used to determine eligibility.
- At least one indoor head must be installed in the main living (high-flow) area of the home; bedroom only installations do not qualify for the program.
- Installed equipment may replace any type of heating fuel.
- Installed equipment funded through the Energize Olympia Program must be consistent with Pricing and Equipment Terms, "Exhibit B". Any proposed changes to the Pricing and Equipment Terms due to supply chain issues, or equipment being discontinued by a distributor must be resolved via a contract amendment and brought to the City of Olympia as soon as possible.

The installations will be carried out by the Installation Partner in conformance with all applicable laws, codes, and jurisdictional requirements.

For each installation, Installation Partner will be responsible for securing all required permits, completing, submitting all incentive applications, and scheduling and passing all jurisdictional inspections. The Installation Partner will provide introductions and supporting materials to banks, credit unions, and other interested financing entities as needed, however any financing product offered by the Installation Partner must be pre-approved by the City of Olympia.

#### **Task 8: Maintain Required Certifications**

Installation Partner is required to maintain the following licenses and certifications throughout the duration of service:

- Installation Partner must maintain an HVAC contractor license in good standing with the State of Washington throughout the duration of this agreement.
- Installation Partner must maintain Puget Sound Energy Trade Ally or Recommended Energy Professional status throughout the duration of this agreement.
- Installation Partner must maintain Mitsubishi Diamond Dealer status throughout the duration of this agreement.

**Exhibit "B"**  
**PRICING AND EQUIPMENT TERMS**

**10% Energize Olympia Discount not to exceed \$1,200.00**

Size of System	# of Heads	Manufacturer	AHRI #	Standard Price	Energize Price	Series	SEER	HSPF	SEER 2	HSPF 2
9K btu's	1	Mitsubishi	207679252	\$7,262.00	\$6,535.80	GS Hyper	NA	NA	28.4	9.6
12K btu's	1	Mitsubishi	207679253	\$7,380.00	\$6,642.00	GS Hyper	NA	NA	21.7	9.6
15k btu's	1	Mitsubishi	207679254	\$7,731.00	\$6,957.90	GS Hyper	NA	NA	21	9.4
18k btu's	1	Mitsubishi	207679255	\$8,216.00	\$7,394.40	GS Hyper	NA	NA	21.5	9.6
9K btu's	1	Mitsubishi	207679242	\$6,678.00	\$6,010.20	GS	27	12.8	28.4	10.9
12K btu's	1	Mitsubishi	207679243	\$6,886.00	\$6,197.40	GS	23.1	13.2	25.6	10.7
15k btu's	1	Mitsubishi	207679244	\$7,264.00	\$6,537.60	GS	21.6	11.7	21	11
18K btu's	1	Mitsubishi	207679245	\$7,996.00	\$7,196.40	GS	20.5	12	21.5	10.3
09K btu's	1	Mitsubishi	202680600	\$5,860.00	\$5,272.00	HM	18	10	20	10
12k btu's	1	Mitsubishi	202680601	\$6,010.00	\$5,409.00	HM	18	9.9	20	10
15K btu's	1	Mitsubishi	202680602	\$6,578.00	\$5,920.20	HM	18	10	20	10
18k btu's	1	Mitsubishi	202680603	\$7,102.00	\$6,391.80	HM	18	10	19	9.5
20k btu's	2	Mitsubishi	212927578	\$10,377.00	\$9,339.30	M Series	NA	NA	20	9.7
24k btu's	2	Mitsubishi	212925880	\$11,265.00	\$10,138.50	M Series	NA	NA	20	10
		Add Third Zone with 6k or 09k Indoor Unit		\$2,070.00						
		Add Third Zone with 12k or 15k Indoor Unit		\$2,092.50						
30k btu's	2	Mitsubishi	212925522	\$12,142.00	\$10,942.00	M Series	NA	NA	20	10
		Add Third Zone with 6k, 9k Indoor Unit		\$2,070.00						

		Add Third Zone with 12k, 15k or 18K Indoor Unit		\$2,340.00						
36k btu's	2	Mitsubishi	212925464	\$13,262.00	\$12,062.00	M Series	NA	NA	19.2	9.8
		Add Third or Fourth Zone with 6k, 9k Indoor Unit		\$2,070.00						
		Add Third or Fourth Zone with 12k, 15k or 18K Indoor Unit		\$2,340.00						
20k btu's	2	Mitsubishi	212925867	\$12,664.00	\$11,464.00	M Series Hyper	NA	NA	17	10
24k btu's	2	Mitsubishi	212925537	\$13,883.00	\$12,683.00	M Series Hyper	NA	NA	19	10
		Add Third Zone with 6k, 09k, 12k Indoor Unit		\$2,070.00						
		Add Third Zone with 12k or 15k Indoor Unit		\$2,340.00						
30k btu's	2	Mitsubishi	212925868	\$14,568.00	\$13,368.00	M Series Hyper	NA	NA	18	10
		Add Third Zone with 6k or 9k Indoor Unit		\$2,070.00						
		Add Third Zone with 12k, 15k or 18K Indoor Unit		\$2,340.00						
36k btu's	2	Mitsubishi	213248831	\$18,837.00	\$17,637.00	M Series Hyper	NA	NA	23	12
		Add Third or Fourth Zone with 6k or 9k Indoor Unit		\$2,070.00						

		Add Third or Fourth Zone with 12k, 15k or 18K Indoor Unit	
			\$2,340.00

\*Indoor Units are Mitsubishi GS Indoor Units

\*\* 36K Hyper Heat Includes Branch Box

#### Additional Cost Factors

DESCRIPTION	PRICE
Long Lineset Lengths. Any Lineset longer than 50' combine of refrigeration and Electrical line ADD	\$15 a Ft over the combined length
Add Whole House Surge Protector	\$395
Electrical Panel is Full. Peanut Breakers required.	\$200
Upgrade Indoors Units to Designer Series ADD Per Indoor Head	\$230

***Exhibit "C"***  
**PROGRAM TIMELINE**

Energize Olympia Campaign Timeline	DATE
City of Olympia Services Agreement Contract signing deadline [estimated date]	7/12/2024-7/29/2024
Project Kick-off meeting [estimated date]	7/29/2024-8/09/2024
Week of first community workshop	8/12/2024
First participant list available to Installation Partner, bids to customers and installations ongoing [estimated date]	8/12/2024
Anticipated customer contract signing deadline	10/31/2024
Installations Completed	11/30/2024

**Exhibit "D"**

**STATEMENT OF COMPLIANCE WITH NONDISCRIMINATION REQUIREMENT**

The Olympia City Council has made compliance with the City's *Nondiscrimination in Delivery of City Services or Resources* ordinance (OMC 1.24) a high priority, whether services are provided by City employees or through contract with other entities. It is important that all contract agencies or vendors and their employees understand and carry out the City's nondiscrimination policy. Accordingly, each City agreement or contract for services contains language that requires an agency or vendor to agree that it shall not unlawfully discriminate against an employee or client based on any legally protected status, which includes but is not limited to: race, creed, religion, color, national origin, age, sex, marital status, veteran status, sexual orientation, gender identity, genetic information, or the presence of any disability. Unlawful discrimination includes transphobic discrimination or harassment, including transgender exclusion policies or practices in health benefits.

Listed below are methods to ensure that this policy is communicated to your employees, if applicable.

- Nondiscrimination provisions are posted on printed material with broad distribution (newsletters, brochures, etc.).
- Nondiscrimination provisions are posted on applications for service.
- Nondiscrimination provisions are posted on the agency's web site.
- Nondiscrimination provisions are included in human resource materials provided to job applicants and new employees.
- Nondiscrimination provisions are shared during meetings.

**Failure to implement at least two of the measures specified above or to comply with the City of Olympia's nondiscrimination ordinance constitutes a breach of contract.**

By signing this statement, I acknowledge compliance with the City of Olympia's nondiscrimination ordinance by the use of at least two of the measures specified above.

Trenton Fleutsch  
(Signature)

07/30/2024  
(Date)

Trenton Fleutsch

Print Name of Person Signing

**Alternative Section for Sole Proprietor:** I am a sole proprietor and have reviewed the statement above. I agree not to discriminate against any client, or any future employees, based on any legally protected status.

\_\_\_\_\_  
(Sole Proprietor Signature)

\_\_\_\_\_  
(Date)



**AMENDMENT NO. 1**  
**SERVICE AGREEMENT FOR**  
**ENERGIZE OLYMPIA 2024 HEAT PUMP INSTALLATION SERVICES**

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**THIS AMENDMENT** is effective as of the date of the last authorizing signature affixed hereto by and between the **CITY OF OLYMPIA**, a Washington municipal corporation (the “City”), and **SUNSET AIR INCORPORATED**, (“Installation Partner”).

**RECITALS**

1. On August 6, 2024, the City and the Installation Partner entered into a Service Agreement (“Agreement”).
2. The term of the Agreement was to run until March 31, 2025, with compensation not to exceed Twenty Thousand Dollars and No/100 Dollars (\$20,000.00).
3. The Agreement also provided that its terms could be “extended for additional periods of time upon the mutual written agreement” of the City and the Installation Partner, and that modification of its terms need to be in writing and signed by both parties.
4. The City and the Installation Partner desire to extend the term and replace the Program Timeline.

**NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**

Section 2 of the Agreement, TERM, is hereby amended to read as follows:

1. The term of this Agreement shall commence upon the effective date of this Agreement and shall continue until the completion of the Services, but in any event no later than ~~March 31, 2025~~ **December 31, 2025** (“Term”). This Agreement may be extended for additional periods of time upon the mutual written agreement of the City and the Installation Partner.
2. Exhibit “C” of the Agreement, PROGRAM TIMELINE, is hereby replaced with Exhibit “C-1” attached to this Amendment.
3. All remaining provisions of the Agreement dated August 6, 2024, and not here amended or supplemented shall remain as written in said Agreement, and shall continue in full force and effect.



IN WITNESS WHEREOF, the City and the Installation Partner have executed this **Amendment No. 1** of the Agreement as of the date of the last authoring signature affixed hereto.

**CITY OF OLYMPIA**

By: Pamela Braff  
Pamela Braff, PhD  
Director of Climate Programs  
PO Box 1967  
Olympia WA 98507-1967  
Date of Signature: 10/11/2024

APPROVED AS TO FORM:

Sean Krizer  
City Clerk

I certify that I am authorized to execute this contract on behalf of the Installation Partner.

**SUNSET AIR, INC**

By: Trenton Fleutsch  
Trenton Fleutsch  
President  
PO Box 8208  
Lacey WA 98509  
Date of Signature: 10/11/2024

***Exhibit "C-1"***  
**PROGRAM TIMELINE**

Energize Olympia Campaign Timeline	DATE
City of Olympia Professional Services Agreement Contract signing deadline [estimated date]	7/12/2024-7/29/2024
Project Kick-off meeting [estimated date]	7/29/2024-8/09/2024
Week of first community workshop	8/12/2024
First participant list available to Installation Partner, bids to customers and installations ongoing [estimated date]	8/12/2024
Anticipated customer contract signing deadline	<b>11/22/2024</b>
Installations Completed	<b>12/20/2024</b>
<b>Revolving Loan Fund Installations Completed</b>	<b>12/31/2025</b>

# Puget Sound Energy (PSE) Efficiency Boost Rebate Qualification Form - Energize Olympia



## Qualifications

To qualify for the PSE Efficiency Boost Rebate through the Energize Olympia Program, households must: (1) reside within the city limits of Olympia, and (2) have an adjusted gross income (AGI), adjusted for family size below 120% of Thurston County area median income (AMI). Household income will be verified by South Puget Sound Habitat for Humanity (SPSHFH) through Adjusted Gross Income from their 1040 Tax Form or Social Security Benefit Letter.

FY 2024 Income Limit Area	Median Household Income	FY 2024 Income Limit Category*	Persons in Household**							
			1	2	3	4	5	6	7	8
Olympia- Tumwater, WA MSA	\$116,700	80%	\$63,100	\$72,150	\$81,150	\$90,150	\$97,400	\$104,600	\$111,800	\$119,000
		120%	\$94,650	\$108,200	\$121,700	\$135,250	\$146,050	\$156,900	\$167,700	\$178,500

\* Household income means the combined income of all household members ages 18 or older. Income includes all gross wages, tips, rental income, public assistance, social security or pensions, income from self-employment, alimony, interest, or any other source of income defined by the IRS income tax return.

\*\* All persons count towards the household size regardless of their age or whether they currently have an income.

## PLEASE COMPLETE THE INFORMATION BELOW AND CHECK THE BOX THAT BEST APPLIES TO THE PARTICIPANT

### HOUSEHOLD SIZE



The gross annual household income is below the maximum listed above, for the Energize Olympia participant's household size.

## Sign the Terms and Conditions

SPSHFH REPRESENTATIVE SIGNATURE

DATE

## PSE CUSTOMER INFORMATION

CUSTOMER NAME		PSE ACCOUNT #	
ADDRESS (WHERE EQUIPMENT IS INSTALLED)	CITY	STATE	ZIP

By my signature above, I hereby certify that South Puget Sound Habitat for Humanity has confirmed that the customer listed above qualifies for PSE's Efficiency Boost rebates because the total gross monthly household income does not exceed the maximum income for the household size based on the income table above.

I also acknowledge that the customer is receiving a subsidized installation as a participant of the Energize Olympia Program.

I certify that the information presented is true and accurate. I further understand that providing false representations herein constitutes an act of fraud. False, misleading, or incomplete information may render the customer ineligible to participate in PSE's Efficiency Boost rebates. If any information provided in connection with Efficiency Boost is found to be false, PSE reserves the right to require reimbursement of any incentives PSE provided. PSE reserves the right to request additional documentation or proof of income to verify income qualification.

**Exhibit "B"**  
**BUDGET**

<b>Budget for Subsidized Installations for Low and Moderate- Income Households</b>			
<b>Funding Source</b>	<b>Activity</b>	<b>Income Qualification</b>	<b>Amount</b>
HEAR	HEAR-eligible appliance/service installation	0-80% AMI	\$254,223.03
	HEAR-eligible appliance/service installation	80-120% AMI	\$169,482.01
	Operations / Staff Time for HEAR-funded installations		\$57,777.96
Climate Program General Fund	HEAR-eligible appliance/service installation	0-80% AMI	\$52,800.00
	HEAR-eligible appliance/service installation	80-120% AMI	\$35,200.00
	Operations / Staff Time for Climate Program General Funding-funded installations		\$12,000.00
<b>TOTAL</b>			<b>\$581,483.00</b>

## Exhibit “C”

### TIMELINE

Activity	Date
Coordination of waitlisted Energize Olympia 2024 installations	1/1/2025-2/28/2025
Training on participant management and application software [estimated date]	1/27/2025 – 2/14/2025
Energize Thurston outreach and marketing	1/1/2025 – 6/30/2025
Project Kickoff Meeting [estimated date]	3/3/2025 – 3/7/2025
Week of first community workshop [estimated date]	3/17/2025 – 3/21/2025
Applications closed to new participants [estimated date]	5/1/2025
Participant contract signing deadline [estimated date]	5/30/2025
Installations completed [estimated date]	6/30/2025

EXHIBIT "D"

# INVOICE

**E-MAIL INVOICE TO:**  
Dominic Jones  
Building Decarbonization  
Program Manager  
[djones@ci.olympia.wa.us](mailto:djones@ci.olympia.wa.us)

BILLING PERIOD: \_\_\_\_\_ INVOICE AMOUNT: \$ \_\_\_\_\_

AGENCY NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

SUBSCRIBED this \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_

Signed \_\_\_\_\_ for \_\_\_\_\_  
(Agency Name)

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

**Services Rendered:**

Invoice Requirements

Please provide an itemization of services provided. If the invoice includes staff time, list hours per project, hourly rate, and amount billed. Attach to this invoice copies of invoices/statements and cancelled checks (or other payment documentation acceptable to the City) for services purchased by the Agency for which reimbursement is being requested.

**EXHIBIT "E"**  
**STATEMENT OF COMPLIANCE WITH NONDISCRIMINATION REQUIREMENT**

The Olympia City Council has made compliance with the City's *Nondiscrimination in Delivery of City Services or Resources* ordinance (OMC 1.24) a high priority, whether services are provided by City employees or through contract with other entities. It is important that all contract agencies or vendors and their employees understand and carry out the City's nondiscrimination policy. Accordingly, each City agreement or contract for services contains language that requires an agency or vendor to agree that it shall not unlawfully discriminate against an employee or client based on any legally protected status, which includes but is not limited to: race, creed, religion, color, national origin, age, sex, marital status, veteran status, sexual orientation, gender identity, genetic information, or the presence of any disability. Unlawful discrimination includes transphobic discrimination or harassment, including transgender exclusion policies or practices in health benefits.

Listed below are methods to ensure that this policy is communicated to your employees, if applicable.

- Nondiscrimination provisions are posted on printed material with broad distribution (newsletters, brochures, etc.).
- Nondiscrimination provisions are posted on applications for service.
- Nondiscrimination provisions are posted on the agency's web site.
- Nondiscrimination provisions are included in human resource materials provided to job applicants and new employees.
- Nondiscrimination provisions are shared during meetings.

**Failure to implement at least two of the measures specified above or to comply with the City of Olympia's nondiscrimination ordinance constitutes a breach of contract.**

By signing this statement, I acknowledge compliance with the City of Olympia's nondiscrimination ordinance by the use of at least two of the measures specified above.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
Print Name of Person Signing

**Alternative Section for Sole Proprietor:** I am a sole proprietor and have reviewed the statement above. I agree not to discriminate against any client, or any future employees, based on any legally protected status.

\_\_\_\_\_  
(Sole Proprietor Signature)

\_\_\_\_\_  
(Date)

**EXHIBIT "F"**  
**EQUAL BENEFITS COMPLIANCE DECLARATION**

**Contractors or consultants on City agreements or contracts estimated to cost \$50,000 or more** shall comply with Olympia Municipal Code, Chapter 3.18. This provision requires that if contractors or consultants provide benefits, they do so without discrimination based on age, sex, race, creed, color, sexual orientation, national origin, or the presence of any physical, mental or sensory disability, or because of any other status protected from discrimination by law. Contractors or consultants must have policies in place prohibiting such discrimination, prior to contracting with the City.

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I declare that the Consultant listed below complies with the City of Olympia Equal Benefits Ordinance, that the information provided on this form is true and correct, and that I am legally authorized to bind the Consultant.

\_\_\_\_\_  
Consultant Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title





## City Council

### Approval of an Ordinance Amending Olympia Municipal Code Chapter 18.70 Related to Project Permitting Timelines to Ensure Compliance with Updates to State Law

**Agenda Date:** 1/14/2025  
**Agenda Item Number:** 6.A  
**File Number:** 25-0036

---

**Type:** ordinance **Version:** 1 **Status:** Other Business

---

#### Title

Approval of an Ordinance Amending Olympia Municipal Code Chapter 18.70 Related to Project Permitting Timelines to Ensure Compliance with Updates to State Law

#### Recommended Action

##### Committee Recommendation:

The Planning Commission recommends approval an Ordinance amending Olympia Municipal Code Chapter 18.70 related to project permitting timelines to ensure compliance with updates to State law.

##### City Manager Recommendation:

Move to approve on first reading, and forward to second reading, an Ordinance amending Olympia Municipal Code Chapter 18.70 related to project permitting timelines to ensure compliance with updates to State law.

#### Report

##### Issue:

Whether to approve on first reading, and forward to second reading, an Ordinance amending Olympia Municipal Code Chapter 18.70 related to project permitting timelines to ensure compliance with updates to State law.

##### Staff Contact / Presenter:

Nicole Floyd, Principal Planner, Community Planning and Development, 360.570.3768

##### Background and Analysis:

In 1995, the State of Washington underwent regulatory reform which resulted in a consistent approach to permit processing statewide. This included a standardized 120-day timeline for most permits and annual reporting requirements. Many jurisdictions, including Olympia, have struggled meeting the standardized timeline, especially as the technical challenges of developing the remaining vacant sites has increased.

Senate Bill 5290 attempts to update the Local Project Review Act to reflect a more modern approach.

Some of the bill focuses on ways to help jurisdictions create a digital permitting system, update permitting structures, and assistance with reporting; all of which Olympia has already implemented. Applicable to Olympia are requirements for:

1. Increased clarity regarding permit completeness.
2. Establishing a range of timelines from 65-170 days depending on permit type, rather than a static 120 day clock for all permit types.
3. Creating a framework for refund potential of 10%-20% when timelines are not met. Exemptions and incentives apply when the jurisdiction implements best management practices for efficient project review practices.

Olympia has a long-standing commitment to tracking, measuring, reporting, and consistently improve permit processing timelines including a move to an entirely online permit system in 2018. This significantly advanced the City's ability to accurately track permit data allowing us to further refine our understanding of the time-consuming parts within a permit life cycle. In 2023, the City adopted code amendments that consolidated and updated permit processing chapters to improve readability. Olympia staff have a solid understanding of how long permits take, and why. The City's long-standing commitment to quality permit review and tracking has resulted in a need for only limited amendments to achieve compliance with new State guidelines. In this way, Olympia is further ahead of most Washington jurisdictions.

Proposed amendments modify the existing 120-day clock by breaking them into "buckets" based on public involvement as follows:

- Type I: no public process: 65 days
- Type II: public comment: 120 days
- Type III: public comment and hearing: 170 days

Proposed amendments were unanimously recommended by the Olympia Planning Commission following a public hearing. The recommendation letter is attached.

These amendments are consistent with the timelines established in State law, however the Planning Commission unanimously recommends the City adopt two specific provisions to:

1. Accommodate for complicated sites such as those with critical areas and stormwater design issues. These sites typically take longer to review because of interjurisdictional regulations and increased code complexity. The proposal allows an additional 70 days for Type III permits, which will provide time for coordination and an additional round of review.
2. Retaining 120 days for Type II permits rather than reducing the timeline to 100 days. Additional time is warranted for Type II permits because of the City's commitment to increased public engagement in its permit review process. A modification to the City's land use review process would be recommended if the City were to adopt the State recommended timeline of 100 days.

### **Climate Analysis:**

This proposal addresses procedural aspects of the City's development code and will not likely result in physical changes to actual construction that would create or reduce climate impacts.

**Equity Analysis:**

Access to information about permits is most conveniently available through the City's on-line permit portal. This generally provides advantages to those who have phones and computers, however those without can still access information in person at City Hall. Processing permits faster is intended to help address the housing crisis by adding to the housing supply as quickly as possible. There is a balance between timely permit review, quality of the review, and opportunity for public input that factors into what is equitable and for whom.

**Financial Impact:**

None, processing of these amendments is covered by the department's annual budget.

**Neighborhood/Community Interests (if known):**

Community members typically want a robust public process and opportunity to make comments on projects. Careful balance between speed and public engagement opportunities is critical to government transparency.

**Options:**

1. Move to approve on first reading, and forward to second reading, an Ordinance amending Olympia Municipal Code Chapter 18.70 related to project permitting timelines to ensure compliance with updates to State law.
2. Move to approve on first reading, and forward to second reading, an Ordinance amending Olympia Municipal Code Chapter 18.70 related to project permitting timelines to ensure compliance with updates to State law with revisions.
3. Do not approve an Ordinance amending Olympia Municipal Code Chapter 18.70 related to project permitting timelines to ensure compliance with updates to State law.

**Attachments:**

Ordinance  
Olympia Planning Commission Recommendation

Ordinance No. \_\_\_\_\_

**AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, AMENDING  
CHAPTER 18.70, OF THE OLYMPIA MUNICIPAL CODE RELATED TO PERMIT  
PROCESSING TIMELINES AS PROMPTED BY RECENT CHANGES IN STATE LAW**

**WHEREAS**, Washington State Legislature enacted Second Substitute Senate Bill 5290 in 2023 related to project permits and local project review which set's new statewide permit processing timelines that will go into effect on January 1, 2025, unless specific modifications are made to local regulations related to permit processing; and

**WHEREAS**, the City of Olympia has determined that special circumstances warrant permit time periods that are slightly different than what is recommended in state law (RCW 36.70(B)) such as excluding construction permits and providing additional time as outlined in the ordinance below; and

**WHEREAS**, the permit fee refund provisions of RCW 36.70B.080(1)(l)(i) are not applicable to the City of Olympia because the City has already implemented three or more of the options outlined in RCW 36.70.B.160(1)(a) through (j); and

**WHEREAS**, RCW 58.17.140.4 allows jurisdictions to adopt an ordinance that modifies / extends timelines for subdivisions, such as this ordinance which confirms that land division timelines will be guided by permit type (I, II, III, IV) rather than those established in the RCW; and

**WHEREAS**, RCW 36.70B.080(1)(e) allows a jurisdiction to modify the timeframes provided in RCW 36.70B.080(1)(d), including where project review is afforded a longer timeframe when the project can be differentiated based on its size or type; pursuant to this authority, this ordinance empowers the Director of Community Planning and Development to differentiate complex projects, for which an additional 70 days for review are provided; and

**WHEREAS**, on October 21, 2024, the City of Olympia Community Planning and Development Department presented the proposed amendments to OMC 18.70 to the Planning Commission as a briefing, and

**WHEREAS**, on October 29, 2024, the Proposed Amendments were sent to the Washington State Department of Commerce Growth Management Services with the Notice of Intent to Adopt Development Regulation amendments as required by RCW 36.70A.106, and comments received from state agencies during the 60-day comment period were considered; and

**WHEREAS**, on November 6, 2024, the City of Olympia Community Planning and Development Department routed notice of the public hearing on the Proposed Amendments to all Recognized Neighborhood Associations, the Council of Neighborhoods Association, adjacent jurisdictions, other agencies, and city departments; and

**WHEREAS**, on November 8, 2024, a legal notice was published in *The Olympian* newspaper regarding the date of the Olympia Planning Commission's public hearing on the Proposed Amendments; and

**WHEREAS**, on November 18, 2024, the Olympia Planning Commission held a public hearing on the Proposed Amendments directly followed by deliberations where the Planning Commission unanimously recommended the amendments to OMC 18.70; and

**WHEREAS**, on November 18, 2024, The Olympia Planning Commission prepared a memorandum intended for the City Council to further explain their thought process on this topic, which is attachment 1 to this ordinance; and

**WHEREAS**, the Proposed Amendments are consistent with the Olympia Comprehensive Plan and other chapters of the OMC; and

**WHEREAS**, the Proposed Amendments have been reviewed pursuant to the Text Amendments process outlined in chapter 18.58 OMC; and

**WHEREAS**, the Proposed Amendments have been reviewed for conformance with the State of Washington Attorney General's Advisory Memorandum and Recommended Process for Evaluating Proposed Regulatory or Administrative Actions to Avoid Unconstitutional Takings of Private Property; and

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:**

**Section 1. Amendment of OMC 18.70.030.** Olympia Municipal Code **Section 18.70.030** is hereby amended to read as follows:

**18.70.030 General provisions**

- A. Time Period Calculations. Time calculation is based on calendar days (including weekends days and City holidays). Regardless of whether any period is a minimum or maximum, when any permit review, notice, or decision time limit of this Title terminates on a weekend or City holiday, such time limit automatically extends to the first following non-holiday weekday.
- B. General Notice Requirements. When providing required notice, City staff shall use the available records of the Thurston County Assessor's Office to determine the property owner of record. All notices are deemed to have been provided or received on the date the notice is deposited in the mail, sent electronically, or personally delivered, whichever occurs first. Failure to provide the public notice as described in this chapter is not grounds for invalidation of a decision on a permit.
- D. Optional Public Notice. In addition to required public notice, the City may provide notice to other individuals or organizations interested or possibly affected by the proposal. Failure to provide optional public notice is not grounds for invalidation of a decision on a permit.
- E. Dedication, improvements, and performance bond. As a condition of land use approval, the City may require an applicant to dedicate property, construct public improvements, or furnish a performance bond to the City to secure an obligation to complete the provisions and conditions of the project as approved.
- F. Licenses and building permits. The City shall not issue business and occupational licenses unless the applicant has a valid certificate of occupancy as defined in OMC 18.02.180(C). The City shall not issue any building permit for the construction, alteration, or relocation of any building, structure, or part thereof unless the plans, specifications, and intended use of such building or structure conforms in all respects with the provisions of this Title.
- G. The Director may waive appropriate land use application fees.

**Section 2. Amendment of OMC 18.70.040.** Olympia Municipal Code **Section 18.70.040** is hereby amended to read as follows:

#### **18.70.040 Permit application procedures and types**

An applicant seeking land use approval shall apply ~~on forms provided by the Director~~ via the City's online portal. Application fee(s) as established by the City are due upon presentation of an application for land use approval. Land use permit applications are categorized as Type I, Type II, Type III, or Type IV. Applicable procedures for the review and decision on land use permit applications are pursuant to the following provisions:

- A. Application Types. The Director shall determine the proper application type for the processing of each permit application pursuant to the provisions of this chapter. Table 18.70-1 identifies examples of the types of applications included in each Application Type.
  - 1. Type I. Administrative decisions by the Director who may approve, conditionally approve, or deny the application.
  - 2. Type II. Administrative decisions by the Director with specified public notice. The Director may approve, conditionally approve, or deny the application.
  - 3. Type III. Hearing Examiner decisions following a public hearing. The Hearing Examiner may approve, conditionally approve, or deny the application.
  - 4. Type IV. Legislative decisions by the City Council after a public hearing. The City Council may approve, conditionally approve, modify and approve, or deny the application. Type IV applications are not subject to review timeline limitations unless specified elsewhere in this Title.
- B. Permit applications proposed in areas having adopted design guidelines are subject to design review. Refer to OMC [18.100](#) for applicability and procedures for design review. Notice requirements are as follows (see also OMC [18.100.110](#)):
  - 1. Notice of Design Review Board meeting for conceptual design review may be combined with a Notice of Application and must be sent electronically, or by first class or higher mail, to property owners within 300 feet of the site, parties of record, and the recognized neighborhood association in which the site is located.
  - 2. Notice of Design Review Board meeting for detailed design review must be sent electronically, or by first class or higher mail, to parties of record, and the recognized neighborhood association in which the site is located.
- C. An applicant seeking approval of a townhouse development shall submit an application for preliminary plat or short plat approval and any design review and land use approval simultaneously.
- D. Application Submittals. The City's online portal acts as the application for a project permit. Required application content is provided in the City's handouts/forms which are used to supplement the Municipal Code and identify the types of reports, documents, and information necessary for a complete submittal.

**Table 18.70-1  
Application Types<sup>1</sup>**

<b>Application Type</b>	<b>Examples</b>
Type I	Administrative Design Review, Administrative Parking Modification, Boundary Line Adjustments, Critical Area Review Letter, Development Regulation Interpretation, Fence Variance, Fence/Wall Height Modification, Final Plat, Shoreline Exemption, Short-Term Rental, Sign Permit, Temporary Use Permit, Tree Removal, Zoning Letter
Type II	Administrative Conditional Use, Administrative Variance/Reasonable Use Exception, Binding Site Plan, Land Use Review, Preliminary Short Plat, Shoreline Substantial Development Permit
Type III	Preliminary Subdivision/Plat, Conditional Use Permit (including essential public facilities), Master Plan Amendment, Preliminary Planned Residential Development, Rezone not requiring Comprehensive Plan Amendment, Shoreline Conditional Use Permit or Shoreline Variance, Variance/Reasonable Use Exception
Type IV	Code Amendment to Titles <a href="#">17</a> and <a href="#">18</a> OMC, Comprehensive Plan Amendment, Development Agreement, Rezone requiring Comprehensive Plan Amendment, Shoreline Master Plan Amendment, Plat Vacation

<sup>1</sup> This table is not an exhaustive list of all application types. For any application not listed in the table, the application type will be determined by the Director.

**Section 3. Amendment of OMC 18.70.050.** Olympia Municipal Code Section 18.70.050 is hereby amended to read as follows:

**18.70.050 Decision and appeal authorities**

- A. Table 18.70-2 describes the final decision and appeal authorities for each land use application type. Table 18.70-3 provides public notice requirements for each land use application type. When separate applications are consolidated at the applicant's request, the final decision must be rendered by the highest authority designated for any part of the consolidated application. A land use approval may be amended at the applicant's request by the same procedures provided under this Chapter for original application approval.
- B. The Site Plan Review Committee consists of the Building Official, Planner, City Engineer, SEPA Official, and the Fire Chief or their designees. The Community Planning and Development Director, or designee, shall chair the Committee. The Committee serves in an advisory capacity to the Director, who is responsible for all land use related decisions. The Committee shall adopt rules of procedure for the purpose of ensuring fair, lawful, and timely recommendations.
- C. Referral to Hearing Examiner. If in the Director's opinion a project is extraordinarily complex or presents significant environmental, design, or compatibility issues, the Director may refer the project for a public hearing before the Hearing Examiner. The Director may decide at any time to refer a project to the Examiner, in which case the application will be processed as a Type III application, and the Type III application timelines will apply.
- D. Design Review Board. The Design Review Board shall review and provide recommendations regarding Design Review applications decisions pursuant to chapter [18.100](#) OMC, Design Review. With respect to design review criteria, the decision-maker shall accord substantial weight to the Board's recommendation.

**Table 18.70-2  
Decision and Appeal Authority**

<b>Application Type</b>	<b>Recommendation</b>	<b>Hearing Body</b>	<b>Decision Authority</b>	<b>Appeal To (open or closed record appeal)</b>
Type I	N/A	N/A	Director (Shoreline Administrator for shoreline permits)	HEX (open record)
Type II	SPRC	N/A	Director <sup>2</sup> (Shoreline Administrator for shoreline permits)	HEX
Type III	Director (Shoreline Administrator for shoreline permits; HEX for Rezones, Master Plan Amendments and Preliminary Planned Residential Developments) <sup>3</sup>	HEX	HEX (City Council for Rezones, Master Plan Amendments and Preliminary Planned Residential Developments)	Superior Court, or WA State ELUHO for shoreline permits (closed record)
Type IV	Director (HEX for Development Agreements) <sup>4</sup>	OPC (HEX for Development Agreements)	City Council	Superior Court or WA State ELUHO (closed record)

HEX = Hearing Examiner; SPRC = Site Plan Review Committee; OPC = Olympia Planning Commission; ELUHO = Environmental and Land Use Hearings Office

<sup>2</sup> As described in OMC [18.70.050\(C\)](#), the Director may refer to Hearing Examiner for decision.

<sup>3</sup> See OMC [18.56](#) and [18.82](#)

<sup>4</sup> See OMC [18.82](#)

**Table 18.70-3  
Public Notice Requirements**

<b>Application Type</b>	<b>Determination of Completeness</b>	<b>Notice of Application</b>	<b>Notice of Hearing</b>	<b>Notice of Decision</b>
Type I	No	No	N/A	No
Type II	Yes	Yes	N/A	Yes
Type III	Yes	Yes	Yes	Yes
Type IV	Yes	Yes	Yes	Yes

**Section 4. Amendment of OMC 18.70.060.** Olympia Municipal Code Section 18.70.060 is hereby amended to read as follows:

**18.70.060 Permit review time periods**

- A. Review Period. The decision-maker (Director or Hearing Examiner, depending on land use Application Type) shall render a final decision on a land use application within time limits set forth



below, except as provided in OMC [18.70.060](#)(D). The City shall review and process a land use application to allow for a final decision by the decision-maker within these time limits.

Application Type	Time in Review
Type I	90-65 days • <del>Includes</del> Final Plat: 30 days
Type II	120 days • <del>Includes</del> Preliminary Short Plat: 90 days
Type III	120-170 days • <del>Includes</del> Preliminary Subdivision: 90 days
Type IV	N/A

~~B. — Notice of Delayed Decision. If the City is unable to issue its final decision within the time limits listed below, the City shall provide written notice of this fact to the applicant. The notice must include a statement of reasons why the time limits have not been met and an estimated date for issuance of a final decision.~~

~~CB. Liability; permit fee refund. The City is not liable for damages due to the City's failure to make a final decision within the time limits established in this chapter. The permit fee refund provisions of RCW 36.70.B.080(1)(l)(i) are inapplicable because the City has implemented three or more of the options listed in RCW 1036.70B.160(1) (a) through (j).~~

~~DC. Request for Timeline. Where no time limit is specified, upon written request, the City will provide an estimated time of review. (Also see Olympia City Council Resolution No. M-1419 regarding exceptions.)~~

~~ED. Time Limit Exceptions. The time limits set forth above do not include:~~

- ~~1. Building, engineering construction, and other actions/permits/licenses not defined as a land use action.~~
- ~~2. Up to the first 28 days after receipt of an application during which the City determines whether the application is complete.~~
- ~~23. Any period during which the applicant has been requested by the City to correct plans, perform studies, or provide additional information requested by the City. If the City determines that the additional information submitted to the City by the applicant is insufficient, the City shall notify the applicant of the deficiencies, and this subsection (2) applies as if a new request for information has been made. If the applicant does not provide the requested corrections, studies, or information within six months, the application will be null and void. Each time such notice is provided in writing to the applicant and the applicant does not respond within 60 consecutive days, the City may add an additional 30 days to the overall project review time for the project. The notice from the City must indicate that non-responsiveness may result in additional time added to the project clock.~~
- ~~4. For projects differentiated by the Director based on their complexity, due to site constraints such as environmental site constraints, more than one type of critical area, or stormwater design complexities (i.e. required to meet all 10 core requirements), the review period is extended an additional 70 days.~~
- ~~35. Any appeal period. See OMC [18.70.170](#) for appeal procedures.~~

- 56. Any extension of time mutually agreed upon by the applicant and the City.
- 57. The time required to prepare and issue a final Environmental Impact Statement in accordance with the State Environmental Policy Act.

**Section 5. Amendment of OMC 18.70.070.** Olympia Municipal Code Section 18.70.070 is hereby amended to read as follows:

**18.70.070 Expiration of approvals**

An applicant is responsible for knowing the expiration date of any approval. The City is not responsible for notifying an applicant of expirations.

- A. Land Use Approval. Unless exercised by complete application for necessary construction permits, any land use approval expires and is null and void two years from the date the final approval was issued. Land use approval may be extended two additional years if a complete building or other construction permit application for the project is submitted prior to expiration of the land use approval. Even absent such application, upon finding that there has been no substantial change in relevant circumstances and standards, land use approval may be extended up to two additional years by the Director pursuant to a written request submitted prior to expiration of land use approval. The Director may grant, limit, or deny the extension and may impose such conditions of extension to ensure compliance with any subsequently revised standards. If such written request for extension is not received by the Department prior to expiration, the Director shall deny such extension. Land Use Approvals are defined in OMC 18.02.180.L and include conditional use permits, variances, and reasonable use exceptions, long and short subdivisions, etc.
- ~~B. Conditional Use Permit. Unless exercised or otherwise specified, a conditional use permit approval is void two years from the date a notice of final decision was issued and can be granted an extension for an additional two years as provided in OMC 18.70.070(A). If exercised, a conditional use permit is valid for the amount of time specified by the approval authority. If the use allowed by the permit is inactive, discontinued, or abandoned for 12 consecutive months, the permit is void and a new permit must be obtained in accordance with the provisions of this title prior to resuming operations.~~
- ~~CB. Design Review approval expires simultaneously with expiration of any associated land use, building, or other construction permit or approval.~~
- ~~D. Variance/Reasonable Use Exception. Unless exercised, a variance or reasonable use exception expires one year from the date a final decision is issued. If timely exercised, a variance or reasonable use exception is valid indefinitely.~~

**Section 6. Corrections.** The City Clerk and codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including the correction of scrivener/clerical errors, references, ordinance numbering, section/subsection numbers, and any references thereto.

**Section 7. Severability.** If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of the Ordinance or application of the provisions to other persons or circumstances is unaffected.

**Section 8. Ratification.** Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

**Section 9. Effective Date.** This Ordinance takes effect on January 28, 2025, after passage and publication, as provided by law.

\_\_\_\_\_  
MAYOR

**ATTEST:**

\_\_\_\_\_  
CITY CLERK

**APPROVED AS TO FORM:**

*Michael M. Young*  
\_\_\_\_\_  
DEPUTY CITY ATTORNEY

**PASSED:**

**APPROVED:**

**PUBLISHED:**

## Olympia Planning Commission

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November 18, 2024

Olympia City Council  
PO Box 1967 Olympia  
WA 98507-1967

SUBJECT: Amendments to the Municipal Code Related to Project Permitting Timelines

Dear Councilmembers:

In response to a code amendment required following passage of Washington State Senate Bill 5290, the Olympia Planning Commission (OPC) received a briefing from city staff on October 21, 2024, followed by a public hearing on November 18, 2024. The OPC voted unanimously, with two members absent, to **recommend** adoption of the draft amendment as proposed by staff.

During deliberations the OPC discussed at length ways to better engage the community in the planning process and meet the review timelines in the draft amendment. As a result of these discussions, the OPC offers three suggestions below for Olympia City Council consideration.

1. Revisit internal policies related to project information meetings and comment timelines to align with state law.
2. Explore opportunities to work with the community on the most effective way to provide development related public comments. This could include annual meetings or workshops to provide planning process overviews or providing information about the Comprehensive Plan and update process at project information meetings.
3. Create a centralized database to collect comments received on project applications which would require Comprehensive Plan updates so that they can be reviewed and considered during the appropriate future update process.

The OPC believes that implementing the suggestions could help avoid confusion and frustration when the public provides comments on project applications but does not see changes made to

address those comments. Frequently, the comments provided on project applications would require Comprehensive Plan amendments, or changes to City standards, and even if those changes were made, they would not affect the specific project the community member is commenting on.<sup>1</sup> Implementing the above recommendation could better inform community members about when and how to make comments or submit a Comprehensive Plan or municipal code text amendment which could address their concerns on future developments.

Thank you for your consideration,

A handwritten signature in dark ink, appearing to read "Zainab Nejati", written in a cursive style.

**Zainab Nejati, Chair**  
**Olympia Planning Commission**

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<sup>1</sup> Project applications are subject to the codes and requirements in effect at the time the application is considered complete.



## City Council

### Approval of the 2025 City Council Retreat Agenda

**Agenda Date:** 1/14/2025  
**Agenda Item Number:** 6.B  
**File Number:** 25-0045

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**Type:** decision **Version:** 1 **Status:** Other Business

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**Title**

Approval of the 2025 City Council Retreat Agenda

**Recommended Action**

**Committee Recommendation:**

Not referred to a committee.

**City Manager Recommendation:**

Move to approve the 2025 City Council Retreat agenda.

**Report**

**Issue:**

Whether to approve the 2025 City Council Retreat agenda.

**Staff Contact:**

Jay Burney, City Manager, 360.753.8740

**Presenter(s):**

Jay Burney, City Manager

**Background and Analysis:**

Annually the City Council holds a retreat to consider priorities for the upcoming year and discuss other issues or topics of importance to the Council and the community. This year's retreat will be held Friday and Saturday, January 24 and 25, 2025 in the Council Chambers at City Hall, facilitated by Amy Leneker.

**Neighborhood/Community Interests (if known):**

There are no known specific concerns regarding approval of the draft retreat agenda.

**Climate Analysis:**

Approval of the draft retreat agenda does not affect concerns regarding the climate.

**Equity Analysis:**

Approval of the draft retreat agenda does not affect concerns regarding equity.

**Financial Impact:**

There is no financial impact related to approval of the agenda.

**Options:**

1. Approve the draft agenda.
2. Do not approve the draft agenda.
3. Approve the draft agenda with amendments.

**Attachments:**

Draft 2025 Retreat Agenda



**2025 Olympia City Council Retreat**  
**January 24-25, 2025 | City Hall - Council Chambers**

**Friday, January 24 | 12:00 – 4:30 PM**

Time	Item	Presenter	Purpose
12:00	Arrive and Lunch		Connection
12:00 – 12:15	Welcome	Mayor Payne Jay Burney, City Manager	
12:45 – 1:15	Agenda Review and Check-In	Amy Leneker, Facilitator	Connection
1:15 – 1:45	Council Schedule	Jay Burney, City Manager	Decision
1:45 – 2:00	Council Agreements	Amy Leneker, Facilitator	Decision
2:00 – 2:15	Break		
2:15 – 3:00	Values	Amy Leneker, Facilitator	Connection
3:00 – 4:15	Committee Assignments	Mayor Payne Amy Leneker, Facilitator	Decision
4:15 – 4:30	Closing Remarks	Mayor Payne Jay Burney, City Manager	
4:30	Adjourn		

**Equity Statement**

The Olympia City Council is committed to making Olympia a safe and equitable place for all. We cannot make meaningful progress unless we include those most impacted by institutional and structural racism in decision making. As leaders in our community, it is our responsibility to champion and defend policies and practices that reduce inequities and provide the transparency and accountability that earns trust. Our road ahead is long, but we wholeheartedly embrace the work to eliminate racism and create a just and equitable Olympia for all people.

**Council Guidebook**





**2025 Olympia City Council Retreat**  
**January 24-25, 2025 | City Hall - Council Chambers**

**Saturday, January 25 | 9:00 AM – 4:30 PM**

Time	Item	Presenter	Purpose
9:00 – 9:15	Welcome		Connection
9:15 – 12:00	Budget <ul style="list-style-type: none"><li>• Introduction</li><li>• Comparable Cities Research &amp; Findings</li><li>• Revenue Options</li><li>• Priority Based Budgeting</li></ul> <i>Will include a morning break</i>	Jay Burney, City Manager Amy Leneker, Facilitator Consultants	Decision
12:00 – 1:00	Lunch		
1:00 – 4:00	Work Plan <i>Will include an afternoon break</i>	Amy Leneker, Facilitator	Decision
4:00 – 4:15	Recap of Decisions made, parking lot and action items	Amy Leneker, Facilitator	Shared Understanding
4:15 – 4:30	Closing Remarks	Mayor Payne Jay Burney, City Manager	
4:30	Adjourn		

**Equity Statement**

The Olympia City Council is committed to making Olympia a safe and equitable place for all. We cannot make meaningful progress unless we include those most impacted by institutional and structural racism in decision making. As leaders in our community, it is our responsibility to champion and defend policies and practices that reduce inequities and provide the transparency and accountability that earns trust. Our road ahead is long, but we wholeheartedly embrace the work to eliminate racism and create a just and equitable Olympia for all people.

**Council Guidebook**



City Hall  
601 4th Avenue E.  
Olympia, WA 98501  
360-753-8244

## City Council

### Executive Session Pursuant to RCW 42.30.110 (1)(i); Litigation and Potential Litigation

**Agenda Date:** 1/14/2025  
**Agenda Item Number:** 10.A  
**File Number:**25-0044

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**Type:** executive session   **Version:** 1   **Status:** Executive Session

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#### **Title**

Executive Session Pursuant to RCW 42.30.110(1)(i); Litigation and Potential Litigation