

**SEVENTH AMENDED AGREEMENT
BETWEEN THE PORT OF SEATTLE AND THE PUGET SOUND CLEAN AIR AGENCY TO
REDUCE DIESEL EMISSIONS**

This amended Contract is entered into by and between the **Puget Sound Clean Air Agency**, (hereinafter referred to as the “Agency”), a municipal corporation of the laws of the State of Washington, and **Port of Seattle** (hereinafter referred to as “Port”), a Washington municipal corporation, located at Pier 69, 2711 Alaskan Way, Seattle, WA 98111.

WHEREAS, the Port has adopted the Northwest Ports Clean Air Strategy, the goal of which is to reduce air emissions from current and future maritime port operations in the Pacific Northwest; and

WHEREAS, the Board of Directors of the Puget Sound Clean Air Agency deems it desirable to amend the original Contract No. 200900046-0-CON dated July 9, 2009, and amended November 9, 2009, April 12, 2010, August 13, 2010, February 3, 2011, June 22, 2012, and June 27, 2013 to extend the contract termination date to June 30, 2014, for the completion of the two currently active diesel emissions reduction projects and to allow for the completion of a proposed new agreement between the parties; and

WHEREAS, the Agency has completed several diesel emissions reduction projects under this Agreement, including the first POS Drayage Truck Scrappage and Retrofits for Air in Puget Sound (ScRAPS), the Cargo-Handling Equipment (CHE) Retrofit and Replacement Project, and the At-Berth Clean Fuels low-sulfur fuel reimbursement program; and

WHEREAS, the Agency is currently working on two diesel emission reduction programs under this Agreement including the Feasibility Analysis for Upgrading Drayage Truck Engines and the CHE Idle-Reduction Technology Retrofit Program; and

WHEREAS, the Agency and the Port will identify and implement one or more additional diesel emission reduction programs under this agreement if funds will remain after the existing projects are implemented; and

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

I. Contract No. 200900046-0-CON is hereby amended as follows:

A. Section B “Term” shall be replaced with the following:

This agreement shall terminate on June 30, 2014. Either party may terminate this agreement upon 30 days’ prior written notice.

B. The entire contents of Section C, “Port Obligations” are deleted and replaced with the following:

1. Monetary

a. The Port will provide up to five million, two hundred sixteen thousand, two hundred fifty dollars (\$5,216,250.00) to the Agency with the first payment being made on July 1, 2009.

- b. The Port will allow the Agency to charge up to 25% of the total Agreement value towards administrative costs, provided that the total amount invoiced for this Agreement does not exceed five million, two hundred sixteen thousand, two hundred fifty dollars (\$5,216,250.00).
- c. The Port will send its payments to the Agency, attention Finance Department.

2. Services

- a. The Port will publicize the programs funded by the Agency as part of this Agreement.
- b. The Port may provide recognition incentives for program participants
- c. When requested by the Agency in connection with Agency programs under this Agreement, the Port will assist the Agency in working with the program participants in furthering the program objectives.

C. The entire contents of Section D, "Agency Obligations," are deleted and replaced with the following:

- 1. Having previously completed Port-funded projects to replace drayage trucks, retrofit cargo-handling equipment (CHE), and incentivize the use of cleaner fuels by ocean-going vessels, the Agency will focus its efforts on the following ongoing projects:
 - a. *Feasibility Analysis for Upgrading Drayage Truck Engines.* The Agency will support the Port's ongoing Clean Truck Program by assessing the feasibility of upgrading pre-2007 engines in drayage trucks to meet or surpass U.S. Environmental Protection Agency 2007 emission standards for particulate matter. The budget for this project is defined in Attachment A, hereby incorporated by reference. Attachment A may be revised upon written approval from both the Agency and the Port. The Agency will complete the following tasks:
 - i. Issue a competitive request for proposals to solicit solutions for upgrading pre-2007 engines to 2007 engine standards.
 - ii. Review proposals with representatives from the Port.
 - iii. Enter into a contract with the selected third-party contractor(s).
 - iv. Administer the program.
 - v. Review, approve, and pay for invoices from the third-party contractor(s) as agreed upon in the third-party contractor's contract(s).
 - b. *Idle-Reduction Retrofits on CHE.* The Agency will administer an ongoing program to install idle-reduction technology on CHE at the Port. The budget for this project is defined in Attachment A. Attachment A may be revised upon written approval from both the Agency and the Port. The Agency will complete the following tasks:
 - i. Implement Port of Seattle Idle-Reduction Program, Grant No. G1200412 awarded to the Agency by the Washington State Department of Ecology by working with Port of Seattle terminals to install idle-reduction retrofit technologies on cargo-handling equipment using State grant funds.
 - ii. Identify which CHE at each participating port terminal would be a candidate for a 50% match from the POS for additional idle-reduction retrofits.
 - iii. Reimburse the port terminal after receiving proof the additional idle-reduction retrofits have been installed.

c. *To-Be-Determined Emission Reduction Project(s)*.

- i. The Agency may identify potential port-related diesel emission reduction projects by June 30, 2014. The cost of additional projects shall not cause total dollars provided by the Port under this Agreement to exceed five million, two hundred sixteen thousand, two hundred fifty dollars (\$5,216,250.00).
 - ii. If an appropriate project is identified, the Agency will propose the project and associated budget to the Port.
 - iii. If the Port agrees to the proposed project, the Agency will document the proposed project and the associated roles and responsibilities of the Agency and the Port in a letter to the Port.
2. The Agency will submit invoices to the Port monthly and at the end of term of this Agreement for reimbursement for services provided as described in Section D.1. Charges should be broken down by the hour identifying: the task and/or subtask performed; the name of the person(s) who performed the work; the actual wages and benefits per hour for the persons(s) who provided the services; and the specific number of hours spent within a given billing period (monthly). Indirect charges included in any invoice shall utilize the Agency's current federally approved indirect rate, which shall be applied to direct wages and benefits. The Agency shall submit invoices to the Port's Project Manager.
 3. The Agency will provide the Port a written report every three months, with the first report being submitted on October 31, 2009, describing in detail to the Port the progress made on each active project that the Agency is administering under Section D. 1 of this Agreement.

D. The entire contents of Section F. "Notices" are deleted and replaced with the following:

All notices hereunder may be delivered or mailed. If mailed, they shall be sent to the following respective addresses:

The Agency Project Manager is:

Beth Carper
Air Resources Specialist
Puget Sound Clean Air Agency
1904 3rd Ave., Suite 105
Seattle, WA 98101
206-689-4057
bethc@pscleanair.org

The Port of Seattle Project Manager is:

Janice Gedlund
Air Quality Program Manager
Seaport Environmental Programs, Pier 69
P.O. Box 1209
Seattle, WA 98111-1209
206-787-7924
Gedlund.j@portseattle.org

All other terms and conditions of original Contract No. 200900046 as amended remain in full force and effect.

IN WITNESS HEREOF, the Agency and the Port have executed this amended Agreement as to the date first above written.

**PUGET SOUND CLEAN
AIR AGENCY**

PORT OF SEATTLE

By: Paul Roberts
Paul Roberts
Board of Directors, Chair
Date: 10/24/13

By: Tay Yoshitani
Tay Yoshitani
Chief Executive Officer
Date: 10/29/13

Attest:

By: Craig T. Kenworthy
Craig T. Kenworthy
Executive Director
Date: 10/23/13

Approved as to Form:

By: Laurie Halvorson
Laurie Halvorson
Director of Compliance and Legal
Date: 10/23/13

By: Tom Tanaka
Tom Tanaka
Senior Port Counsel
Date: 10/28/13

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