

Extension Agreement to

Interlocal Agreement between City of Missoula, Missoula County, and City of Bozeman

This Extension Agreement is made by and between the City of Missoula, Missoula County, and the City of Bozeman, all jointly referenced in this Extension Agreement as "the Parties."

WHEREAS, the Parties signed an Interlocal Agreement (Agreement) dated February 10th, 2021 with the stated purpose of mutually securing and paying for a professional, qualified consultant to inform the development of a green tariff that will meaningfully advance the Parties' clean energy goals; and

WHEREAS, the original agreement among the parties expires after two years unless extended for six (6) month increments, and thus expires on February 10th, 2023; and

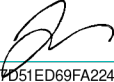
WHEREAS, the collaborative work among the Parties and the consultant will continue beyond the expiration of the Agreement; and

WHEREAS, the Parties have remaining funds allocated as part of the Agreement that are committed to the consultant for work that is scheduled to be conducted after the expiration of the Agreement.

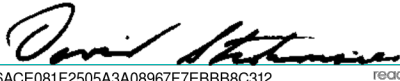
Based on the foregoing, it is hereby agreed that the Agreement is extended for a term of six months, commencing on the expiration of the original term and shall now expire on August 10th, 2023. This extension shall be on all other terms and conditions as stated in the Agreement. This Extensions Agreement shall be binding upon and inure to the benefit of the parties and their successors.

Dated this 24th day of January 2023

BY:


13FD51ED69FA2244FFA409545EBDD56F readysign

Josh Slotnick
Chair, Missoula Board of County
Commissioners

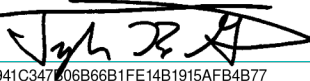

A6ACE081F2505A3A08967F7EBBB8C312 readysign

David Strohmaier, Commissioner

____ Not Available _____

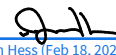
Juanita Vero, Commissioner

ATTESTED:


F941C347006B66B1FE14B1915AFB4B77 readysign


Tyler Gernant
Clerk and Recorder/Treasurer
Missoula County

BY:


Jordan Hess (Feb 18, 2023 09:28 MST)

Jordan Hess
Mayor City of Missoula

ATTESTED:


Claire Turbelle (Feb 21, 2023 09:51 MST)

Marty Rehbein, City Clerk



CITY OF BOZELMAN

BY:


Jeff Mihelich (Jan 31, 2023 15:08 MST)

Jeff Mihelich, City Manager

ATTESTED:


Mike Maas (Jan 31, 2023 16:43 MST)

Mike Maas, City Clerk Bozeman



Request for Commission Action

Administrative Public Meeting

Meeting Date: January 24, 2023

Item No.: 1.

Action Information

Meeting Date: 1/19/2023

Action/Motion Requested: Request board approve a 6-month extension to the interlocal agreement among Missoula County, City of Missoula and City of Bozeman for development of a green tariff.

Parties Involved: Missoula County, City of Missoula, City of Bozeman

Fiscal Impact: N/A - already budgeted

Budget Action Required:

Submitter: Caroline Bean

Department: CAPS - Sustainability

Submitted: 01/10/2023

E-mail: cbean@missoulacounty.us

Presenter: Andrew Valainis, Caroline Bean

Project/Item: Green tariff interlocal agreement extension

Project Location: Montana

Project/Contract Begin: 2/11/2023

Project/Contract End: 8/10/2023

Action Request Summary

In 2019, Missoula County and the City of Missoula jointly adopted a goal of 100% clean electricity for the Missoula urban area by 2030. The city of Bozeman has adopted a similar goal for their community. The local governments have identified green tariffs as an important component of their efforts to achieve 100% clean electricity. Green tariffs are an increasingly common mechanism by which customers of regulated utilities have the option to buy power from newly developed renewable energy sources through a special rate (or "tariff") on their utility bills.

In 2019, the Montana Public Service Commission approved a settlement agreement between NorthWestern Energy, the Montana Department of Environmental Quality, the Montana Consumer Counsel, and Walmart, in which NorthWestern Energy agreed to initiate a stakeholder process to explore the development of a green tariff. This stakeholder process is currently underway, and Missoula County, the City of Missoula, and the City of Bozeman are participating in it. The local governments' goals with regard to the green tariff include (1) that it results in the development of new utility-scale renewable energy in the state of Montana, (2) that the green tariff rates, contract terms, and eligibility requirements make it accessible and attractive to as many NorthWestern Energy customers as possible, and (3) that it does not negatively impact non-participating customers.

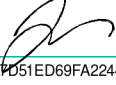

In 2021, Missoula County and the cities of Missoula and Bozeman entered into an Interlocal Agreement to contract with a consultant with technical expertise in green tariffs and utility rate design. The communities jointly hired Energy Strategies LLC, to inform the development of a green tariff that most effectively advances the communities' 100% clean electricity goals. The communities and Energy Strategies have been working closely with NorthWestern Energy to design a green tariff. Progress is being made, and the collaborative work among the Communities and Energy Strategies will continue beyond the expiration of the original interlocal agreement on 2/10/23. This extension allows this work to continue, including enabling use of the remaining funds allocated as part of the original agreement that are already committed to Energy Strategies for tasks that are scheduled to be conducted after the expiration of the original agreement.

Action Request Approvals

CAPS - Sustainability
CAPS - Current Planning
CAPS - Current Planning
CAPS - Planning & Implementation
Attorney
Risk & Benefits
BCC Admin Staff

Created/Initiated - 1/10/2023
Approved - 1/10/2023
Approved - 1/10/2023
Approved - 1/11/2023
Approved - 1/11/2023
Approved - 1/11/2023
Final Approval - 1/11/2023

Commission Actions

Chair	 <hr/> 137D51ED69FA2244FFA409545EBDD56F ready sign	Chair Authorized to Sign: No
Commissioner	 <hr/> A6ACE081F2505A3A08967F7EBBB8C312 ready sign	
Commissioner	Not Available	
Action Date	<hr/> 1/24/2023 <hr/>	

**INTERLOCAL AGREEMENT BETWEEN
CITY OF MISSOULA, MISSOULA COUNTY, CITY OF BOZEMAN AND CITY OF
HELENA**

This Interlocal Agreement (Agreement) is made and entered into between the City of Missoula (“Missoula”), Missoula County (“Missoula County”), the City of Bozeman (“Bozeman”) and the City of Helena (“Helena”), all political subdivisions of the State of Montana, and jointly referenced in this agreement as “the Parties,” for the purpose of advancing the Parties’ clean energy goals.

WHEREAS, the Parties have a responsibility to protect and enhance the public health, safety, general welfare, and quality of life of their residents, and to that end they have each established a number of climate action goals and commitments, including a goal of 100% clean electricity by 2030; and

WHEREAS, a green tariff is an increasingly common mechanism by which customers of regulated utilities have the option to buy power from newly developed renewable energy sources through a special rate (or “tariff”) on their utility bills; and

WHEREAS, the Parties recognize that a well-designed green tariff has the potential to meaningfully advance their climate and clean energy goals; and

WHEREAS, in 2019 the Montana Public Service Commission approved a settlement agreement between NorthWestern Energy, the Montana Department of Environmental Quality, the Montana Consumer Counsel, and Walmart, in which NorthWestern Energy agreed to initiate a stakeholder process to explore the development of a green tariff; and

WHEREAS, the Parties are active participants in this stakeholder process; and

WHEREAS, the Parties have each appropriated funds in the FY2021 budget year to advance their clean energy goals through such efforts as hiring a consultant to inform the development of a well-designed green tariff; and

WHEREAS, Missoula County, on behalf of the Parties, has issued a competitive Request For Proposals (RFP) to engage qualified consultants with expertise in utility rate design to support the development of a green tariff by NorthWestern Energy in order to advance the Parties’ clean energy goals; and

WHEREAS, the Parties agree that the benefits of clean, renewable energy solutions and projects should be equitably available to all, and that such projects should cause no extraordinary burden on any particular group, especially low- and fixed-income households, Black, Indigenous and People of Color (BIPOC); and

WHEREAS, Montana Code Annotated Sections 7-11-101 *et seq.* authorizes the Parties to enter into this Agreement for the purpose of mutually securing and paying for a professional and qualified consultant to inform the development of a green tariff that will meaningfully advance the Parties’ clean energy goals.

Based on the foregoing, the Parties agree as follows:

1. **DURATION.** The duration or term of this Agreement shall be TWO (2) years unless extended for SIX (6) month increments by mutual agreement of the Parties in writing. The duration may end sooner than TWO (2) years if terminated pursuant to section 6 of this Agreement.
2. **ORGANIZATION, COMPOSITION AND NATURE OF ANY SEPARATE LEGAL ENTITY CREATED BY THE CONTRACT.** The Parties agree that a separate legal entity is not created by this Agreement. This Agreement does not void or supersede any other existing agreements involving the Parties. The Parties are independent units of local government with separate governance boards.
3. **PURPOSE OF INTERLOCAL CONTRACT.** The purpose of this Agreement is to mutually secure and pay for a professional, qualified consultant to inform the development of a green tariff that will meaningfully advance the Parties' clean energy goals.
4. **MANNER OF COOPERATIVE UNDERTAKING AND ESTABLISHMENT OF BUDGET.** The Parties are responsible for the following financial obligations:
 - 4.1. The Parties are responsible for their own expenses unless otherwise provided for in this Agreement or by operation of law.
 - 4.2. The contract with the consultant shall not exceed \$138,000 without consent of the Parties. The Parties agree to contribute the following toward the contract total:
 - Missoula County: up to \$20,000 plus any additional amount allocated in Fiscal Year 2022
 - City of Missoula: up to \$20,000 plus any additional amount allocated in Fiscal Year 2022
 - City of Bozeman: up to \$90,000 total between Fiscal Year 2021 and 2022
 - City of Helena: up to \$8,000 plus any additional amount allocated in Fiscal Year 2022
 - 4.3. Funding from the Parties shall be allocated from the respective adopted Fiscal Year 2021 and 2022 budgets of each of the Parties.
 - 4.4. Missoula County agrees to manage the contract with the consultant and their subcontractors, including receiving invoices and making payments.
 - 4.5. Following payment to the consultant, Missoula County agrees to provide invoices to Missoula, Bozeman and Helena for their portions of the payment.
 - 4.6. Upon receiving invoices from Missoula County, Missoula, Bozeman and Helena agree to reimburse the County for their portion of the payment to the consultant.
5. **MANAGEMENT AND ADMINISTRATION, ROLES.** The Parties are responsible for the following management and administrative activities:

- 5.1. Each party is respectively responsible for the management of its employees.
- 5.2. The Parties shall be jointly responsible for selecting the consultant.
- 5.3. Staff of the Parties shall review the contract with the consultant prior to contract execution. The contract shall require the consultant to consult jointly and regularly with staff of the Parties throughout the duration of the contract.
- 5.4. Missoula County shall enter into the contract with the consultant and shall be responsible for administering the contract.
- 5.5. Staff of the Parties will jointly manage and provide direction to the consultant.
- 5.6. In the course of the activities described in Sections 5.2, 5.3, and 5.5, the Parties shall strive for consensus. In the absence of consensus, the decision of a majority of the Parties shall prevail. Any party that disagrees with a decision of the majority may choose to withdraw from this Agreement per Section 6.
6. **WITHDRAWAL AND TERMINATION.** Any party may withdraw from this Agreement unilaterally, with or without cause, by giving notice of withdrawal in writing at least 30 days prior to date of withdrawal. The withdrawal of a party will not terminate the Agreement provided that at least two parties to the Agreement remain. The withdrawal of more than two parties will constitute termination of the Agreement. Withdrawing parties will be responsible for their portion of contract expenses incurred up to the point of withdrawal, but will not be responsible for any expenses incurred beyond that point.
7. **MANNER OF ACQUIRING, HOLDING AND DISPOSING OF REAL AND PERSONAL PROPERTY USED IN THE JOINT UNDERTAKING.** No personal or real property shall be acquired, held and disposed of by the Parties in fulfillment of this Agreement.
8. **RETIREMENT SYSTEM REPORTING.** Each party is respectively responsible for any reports or payments of retirement system contributions for its employees.
9. **INDEMNIFICATION.** Each Party respectively shall defend, indemnify and hold harmless its employees and agents, from all claims, liabilities, causes of action or judgments, including costs and attorney fees, asserted by or awarded to third parties as a result of any negligent action or omission or willful misconduct, its employees or agents in performance of work or services.
10. **FILING OF INTERLOCAL AGREEMENT.** This Agreement shall be filed with the Missoula County Clerk and Recorder, the Gallatin County Clerk and Recorder, the Lewis and Clark County Clerk and Recorder, and the Montana Secretary of State.
11. **AUTHORIZATION TO APPROPRIATE FUNDS.** In accordance with Montana Code Annotated Section 7-11-108 the Parties may appropriate funds for the purpose of performance of this Agreement and provide such personnel or services therefore as may be within their legal power to furnish.

Signed this 10th day of February, 2021

MISSOULA COUNTY

BY:

DocuSigned by:
David Strohmaier

David Strohmaier
Chair, Board of County Commissioners

DocuSigned by:
Josh Stomick

Josh Stomick
Commissioner

DocuSigned by:
Juanita Vero

Juanita Vero
Commissioner

ATTEST:

DocuSigned by:
Tyler Gerhart

Tyler Gerhart
Clerk and Recorder

CITY OF BOZEMAN

BY:

DocuSigned by:
Jeff Minnick

Jeff Minnick
City Manager

ATTEST

DocuSigned by:
Mike Maas

Mike Maas
City Clerk

CITY OF MISSOULA

BY:

DocuSigned by:
John Engen

John Engen
Mayor

ATTEST

DocuSigned by:
Kirsten Hands

Marty Robinson
Kirsten Hands
City Clerk Senior Deputy city Clerk

CITY OF HELENA

BY:

DocuSigned by:
Rachel Harlow Schalk

Rachel Harlow Schalk
City Manager

ATTEST

DocuSigned by:
Dannai Clayborn

Dannai Clayborn
City Clerk

