



Water Smart Technology Program Participation - Agreement to Recommend Reimbursement

The City of Olympia ("City") hereby offers to recommend to LOTT the reimbursement to the undersigned owner, developer, contract purchaser, or lawful tenant known as The Evergreen State College ("Participant") up to 50% of the installed costs for the Participant's purchase and installation of an approved water-efficient device(s) at the Evergreen State College at 2700 Evergreen Parkway, NW, Olympia WA 98505 ("the Premises").

Terms and Conditions of Recommendation

1. **OWNERSHIP.** Participant warrants and affirms that it has the lawful authority to initiate and authorize the installation of water conservation measures on the Premises.
2. **TERM OF AGREEMENT.** This Agreement shall be in force from the date of execution of the Agreement through December 31, 2012.
3. **CONSERVATION MEASURES.** Participant agrees to purchase and install on the Premises the water-efficient device(s) as indicated on the Project Proposal attached hereto as Exhibit "A".
4. **INSTALLATION.** The purchase and installation of water conservation and wastewater flow reduction measures shall be completed by the Participant. The Participant agrees to complete installation prior to December 31, 2007. Any extensions to this date must be requested in writing by the Participant and granted in advance in writing by the City.

The purchase and installation of the water conservation measures by a third party are to be provided under a separate contract between Participant and such third party. The City shall not be, and shall not be deemed to be, a party to any such contract.

The Participant acknowledges that the City in no way influenced the choice of brand, model, or sales dealer, therefore, the owner is solely responsible for the quality and durability of the installation.

5. **COMPLIANCE WITH CODES.** The Participant agrees to comply with all applicable federal, state, and local codes and requirements in the design and installation of the conservation measures and agrees to obtain all necessary permits. Where permits are required, appropriate building code officials must approve the installation. The Participant agrees to maintain and furnish compliance documents to the City upon request.

6. **INSPECTION.** Participant agrees to allow authorized representatives of the City, which may include LOTT Alliance staff, to verify that conservation measures are installed and functioning. The Participant and/or Participant's representative and any installation contractors requested by the City shall be present during the inspections. It is the responsibility of the Participant to ensure that installation contractors are present during any such inspections. Payment by LOTT to Participant shall be conditioned on successful completion of any noted deficiencies.
7. **EVALUATION.** Participant agrees to cooperate in any program follow-up activities or program evaluation. Access of authorized City and LOTT staff to the Premises shall be granted by the Participant upon reasonable notice. This may include, but is not limited to, follow-up surveys and the release of utility bills or other information pertinent to water consumption.
8. **COMPENSATION/REBATE AMOUNT.** The amount of rebate provided to the Participant for the satisfactory installation on the Premises of the water conservation measure(s) will be up to 50% of Participant's total cost of the conservation facilities. In no event will the amount exceed 50% of the Participant's total cost. A preliminary estimate of amount of the rebate is attached hereto as Exhibit "B". The final rebate amount will be determined using actual costs and estimates of water savings provided by the Participant and criteria contained in 2001 LOTT Water Conservation Coordination Plan and the Project Agreement 01-01 Flow Reduction Retrofits: Industrial, Commercial and Institutional Customers.

Participant understands that this agreement to recommend does not entitle the Participant to any pre-determined rebate compensation and that the amount of rebate recommended pursuant to this agreement is at the discretion of the City. Any rebate approved is at the discretion of LOTT and is contingent upon current rebate funding capacity, as well as Participant's compliance with all criteria outlined in this agreement. Participant recognizes that any estimates provided to Participant as to the level of rebate compensation are estimates only and the exact amount of the rebate shall be determined through the approval process for WaterSmart Technology rebates outlined in the LOTT Water Conservation Coordination Plan for 2006.

8. **METHOD OF COMPENSATION.** Prior to inspection by the City or its designated representative and in any event no later than January 31, 2008, the participant must submit to the City originals of all itemized receipts or invoices supporting the costs for the purchase and installation of those measures. After inspection and approval by the City, the City will submit a Rebate Payment Recommendation to LOTT. If a rebate is approved, it will be issued to the Participant by the LOTT Alliance.
9. **RELEASE.** The Participant releases and agrees to indemnify, defend and hold harmless the City and LOTT from any and all claims, losses, harm, costs, liabilities, damages and expenses directly or indirectly resulting from or in connection with: a) the water conservation measures, b) any materials and labor required for the installation and/or repair of the water conservation measures, c) installation or repair of the water conservation measures, and d) any other actions arising out of the performance of this Agreement.

Neither the City nor LOTT has made and does make (and Participant acknowledges that the City and LOTT have not made) any implied or express warranty or promise that installation of the water conservation measures at any particular location will, in fact, produce the estimated savings in water consumption or wastewater flow reduction at the Premises.

10. **MAINTENANCE AND OPERATION.** Participant agrees to train its staff on proper maintenance and operations over the useful life of the water conservation facilities installed. Participant agrees to operate and perform routine maintenance on the facilities installed in accordance with the manufacturer's recommendations.
11. **AMENDMENTS.** If either party to the Agreement desires a change in the items specified in this Agreement, this Agreement must be amended through written request and mutual written agreement.
12. **TERMINATION OF AGREEMENT.** If through any cause the Participant shall fail to comply with the obligations under the Agreement, the City will have the right to terminate the Application and recommendation process by giving written notice to the Participant of such termination. Upon giving notice, the Participant will have thirty (30) calendar days to remedy the noncompliance or produce substantial evidence of the Participant's efforts to remedy.

City of Olympia,
Public Works Department

By: _____


Tikva Glantz

Title: Water Resources, Planning and
Implementation Section Supervisor

Date: 8/24/07

The Evergreen State College

By: _____


John Hurley, D.Ed.

Title: Vice President of Finance and
Administration

Date: 9/4/07

Participant's Legal Status:

- Corporation Sole Proprietorship Partnership
 Government Agency Non-profit Organization
 Other (please specify) State College

Federal Tax Identification Number (IRS): 91-08265

EXHIBIT "A" - Evergreen State College Kitchen Upgrade Project Proposal



Water Smart Technology Project Proposal
(For assistance in filling out this form, please call 438-2687)

BUSINESS INFORMATION

Business Name: The Evergreen State College, Housing and Food Service

Business Address: Olympia, WA 98505

Contact Person: Rich Davis

(can not be a plumber, contractor or vendor)

Owner Lessee Managing Agent

Daytime Phone Number: (360) 867-6146

Mailing Address: The Evergreen State College
2700 Evergreen Parkway NW
Olympia WA 98505

Type of Business: College

PROJECT INFORMATION

Total Estimated Project Cost: Fixtures: \$100,000

Replace Existing Cleveland 3 compartment pressure steamer with Cleveland Steam Chef 3 Convection Steamer model (2)22CET3A.

Replace existing Stero SCT94SM dishwasher with Stero SCT94S.

Retrofit existing scrapping station and disposal system with Salvajor Model S419 Toughveyor disposal system.

Installation: \$35,000

Total Cost: \$135,000

Please return the completed form to:

Mr. Jim Rioux
City of Olympia, Water Resources Program
P.O. Box 1967
Olympia WA 98507-1967

EXHIBIT "B" - Evergreen State College Kitchen Upgrade Preliminary Rebate Estimate.

Step 1: Determine daily water savings

Daily water usage of current equipment:	7,500.0 gallons per day (gpd)
Daily water usage of new equipment:	2,556.0 gpd
Water savings that will result from the project:	4,944.0 gpd

Step 2 : Determine annual utility bill savings

Convert gallons to hundred cubic feet (ccf) per year:
(4,944.0 gpd x 363 days/year*)/ 748 gallons/ccf = **2,399.3 ccf per year**
*TESC engineers confirmed the kitchen operates 365 day/year.

Water bill cost savings: (Multiply ccf by water rate)
2,399.3 ccf per year X \$1.83 per ccf* = **\$4,390.71**
*\$1.83 is the annual average rate based on \$2.55/ccf Summer Rate and \$1.46/ccf Winter Rate

Sewer bill cost savings:
2,399.3 ccf per year X (\$1.96 + \$ 2.83)/ccf = **\$11,492.62**

Total Annual Water and Sewer Utility Bill Savings **\$15,883.33**

Step 3: Estimate rebate amount based on the following criteria

1) Rebate amount will not exceed 50% of installed costs.

$$\$116,242.45 \times 0.5 = \mathbf{\$58,121.24}$$

2) The payback period resulting from the customer's share of the costs must not be less than six months:

$$\frac{\$58,121.23^{**}}{\$15,883.33} = \mathbf{3.66 \text{ years}}$$

**Customer's share of installed costs

3) The Project Cost-effectiveness must be equal or less than LOTT's \$13.25, the cost of one gallon of new treatment capacity.

Project cost-effectiveness is the cost of the rebate to LOTT divided by water savings in gallons per day

$$\$58,121.23 / 4944 \text{ gpd} = \mathbf{\$11.76}$$

Based on the above calculations, the preliminary estimate of the rebate amount is **\$58,121.23**