INTERAGENCY AGREEMENT
BETWEEN
STATE OF WASHINGTON
DEPARTMENT OF ENTERPRISE SERVICES
AND
CITY OF MERCER ISLAND

THIS AGREEMENT is made and entered into by and between the Department of Enterprise Services, Business Resources Division, Surplus Operations, hereinafter referred to as "DES", and the City of Mercer Island, hereinafter referred to as "Mercer Island" pursuant to the authority granted by chapter 39.34 RCW.

IT IS THE PURPOSE OF THIS AGREEMENT to provide Surplus Operations services for Mercer Island.

NOW, THEREFORE, in consideration of the terms and conditions contained herein, or attached and incorporated by reference and made a part hereof, the above named parties mutually agree as follows:

1. STATEMENT OF WORK

   DES, under its authority in RCW 43.19.1919, acting on behalf of Mercer Island shall furnish the necessary personnel and services and otherwise do all things necessary for or incidental to the performance of the work set forth in this Agreement.

   DES agrees to sell vehicles, equipment and other personal property, except for hazardous materials, that are declared surplus and turned over to DES for disposal ("Property"). DES further agrees to include the following clause in its Terms and Conditions of sale with any purchase of Mercer Island Property in substantially the same form: “All available information about the item has been reported in this listing. The item may have defects of which the Washington State Surplus Operations Program is unaware. You are bidding on these item(s) ‘as is, where is.’ All sales are final. Personal inspection is strongly advised. Failure to inspect the item shall not be grounds for any claim or property abandonment.” All surplus property turned over to DES is publicly advertised via the DES website (www.ga.wa.gov/surplus). Methods for selling surplus property will include, but are not limited to:
   1. Priority Sales (See WAC 200-360-025)
   2. Public Sales
   3. Internet Sales

   A. DES agrees to provide the following services:
      1. Properly store and assume responsibility for the safekeeping of all vehicles, equipment and other personal property.
      2. Endeavor to obtain resale prices equal to the industry standard trade-in or quick sale equipment values.
      3. Sell surplus property turned over to DES in a timely manner, collect payment from buyer, and reimburse Mercer Island the proceeds of sales, less DES’s authorized fees per fee schedule as shown on Exhibit "A" – Surplus Operations Fee Schedule.
      4. Take all necessary administrative actions to ensure surplus property turned over to DES ownership is legally and fully transferred from the Mercer Island to the buyer.
      5. Take responsibility for resolving any ownership issues that may arise after surplus property is purchased.
      6. Set up Login ID and Password to the Surplus Request Management System (SRMS) for Mercer Island staff authorized to submit surplus property.
      7. Review SRMS disposal documents submitted within 24 hours and assign a DES Authority Number for approved property.
Mercer Island agrees that it will:

1. Submit SRMS disposal documents for all surplus property using DES's online SRMS, along with signed vehicle and equipment titles.

2. Contact DES at (360) 407-1917, to schedule delivery of surplus property.
   a. Transportation/Hauling Services are available through DES's Transportation Services. Please contact transportservices@des.wa.gov for a quote to haul your surplus property.

3. Dispose of the following hazardous materials themselves:
   a. Asbestos – Any product containing more than 1 percent asbestos, including wrapped piping, fireproofing materials, fireproof safes, fire retardant clothing, floor tiles, ceiling tiles, etc.
   b. Polychlorinated biphenyls (PCB's) – Including transformers, capacitors, electrical equipment containing capacitors or transformers, fluorescent fixtures, liquid filled electrical devices, etc.
   c. Liquids, Flammable or toxic liquids and powders, including paints, solvents, cleaners, copier fluids, etc.
   d. Radioactive Materials – Including smoke detectors, x-ray equipment, etc.
   e. Pesticides/Herbicides – Including insecticides, fungicides, herbicides, wood preservative, disinfectants, and any other substances intended to control pests.

2. PERIOD OF PERFORMANCE

   Subject to its other provisions, the period of performance of this Agreement shall commence when this Agreement is properly signed, and continue until terminated by either party, as provided herein.

   This Agreement cancels and supersedes all previous agreements between DES and Mercer Island for surplus property services.

3. CONSIDERATION

   After deducting its fee, DES shall reimburse Mercer Island for the sale of surplus property.
   Compensation shall be based on Exhibit “A” - Surplus Operations Fee Schedule. DES reserves the right to amend their Fee Schedule when DES receives authorization to do so. DES will notify Mercer Island, in writing within thirty (30) days prior to Office of Financial Management approved rate changes.

4. PAYMENT PROCEDURE

   DES shall submit surplus property proceeds to Mercer Island within thirty (30) days of sale of surplus property.

   The surplus property proceeds shall be forwarded to the following:
   City of Mercer Island
   Attn: LaJuan Tuttle
   9611 SE 36th S:
   Mercer Island, WA 98040

5. AGREEMENT CHANGES, MODIFICATIONS AND AMENDMENTS

   This Agreement may be changed, modified or amended by written agreement executed by both parties.

6. 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 Agreement.
A. The DES representative on this Agreement shall be: Program Manager, Surplus Operations, 7511 New Market Street, Olympia, WA 98504-1030, (360) 407-1900, SurplusMail@des.wa.gov

B. The Mercer Island representative on this Agreement shall be: Andrea Larson, Administrative Assistant, Mercer Island Community & Event Center, City of Mercer Island, 8236 SE 24 Street, Mercer Island, WA 98040, (206) 275-7838, andrea.larson@mercergov.org

7. INDEMNIFICATION

To the fullest extent permitted by law, Mercer Island shall indemnify, defend, and hold harmless State, agencies of State and all officials, agents and employees of State, from and against all claims arising from the sale or transaction before, during, or after the sale. "Claim," as used in this Agreement, means any financial loss, claim, suit, action, damage, or expense, including but not limited to attorney’s fees, attributable for bodily injury, sickness, disease, or death, or injury to or destruction of tangible property including loss of use resulting therefrom.

Mercer Island expressly agrees to indemnify, defend, and hold harmless State for any claim arising out of or incidental to Mercer Island performance or failure to perform its rights, duties and obligations under this Agreement. Mercer Island shall be required to indemnify, defend, and hold harmless State only to the extent claim is caused in whole or in part by negligent acts or omissions of Mercer Island.

8. TERMINATION

Either party may terminate this Agreement upon 30-days' prior written notification to the other party. If this Agreement is so terminated, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

9. TERMINATION FOR NON-USE

If services in Statement of Work have not been used in 5 years, this agreement is automatically terminated without further notice. To commence services, Mercer Island must sign a new service agreement.

Execution

We, the undersigned, agree to the terms of the foregoing Agreement.

Department of Enterprise Services

[Signature]

PHIL GRIFF
NAME

ASSISTANT DIRECTOR
TITLE

DATE 5/18/16

City of Mercer Island

[Signature]

STEVE LANCASTER
NAME

INTERIM CITY MANAGER
TITLE

DATE MAR 3, 2016
## Surplus Operations Fee Schedule

<table>
<thead>
<tr>
<th>Gross Proceeds</th>
<th>Surplus Rate</th>
<th>Political Subdivision Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Items sold at warehouse under $200</td>
<td>9%</td>
<td>No Reimbursement</td>
</tr>
<tr>
<td>Items sold at warehouse $200 or more</td>
<td>9%</td>
<td>91%</td>
</tr>
<tr>
<td>Items sold at Political Subdivision location under $200</td>
<td>9%</td>
<td>No Reimbursement</td>
</tr>
<tr>
<td>Items sold at Political Subdivision location $200 or more*</td>
<td>9%</td>
<td>91%</td>
</tr>
<tr>
<td>Vehicles and heavy equipment under $200</td>
<td>9%</td>
<td>No Reimbursement</td>
</tr>
<tr>
<td>Vehicles and heavy equipment over $200*</td>
<td>9%</td>
<td>91%</td>
</tr>
</tbody>
</table>

*Minimum fee $200, Maximum fee $900

## Other Fees for Vehicle and Heavy Equipment Sales

<table>
<thead>
<tr>
<th>Service</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cleaning and vacuuming</td>
<td>$25.00 per unit</td>
</tr>
<tr>
<td>Decal removal</td>
<td>Actual $25.00 minimum, call for quote</td>
</tr>
<tr>
<td></td>
<td></td>
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</tbody>
</table>