



City of Tacoma, WA

TACOMA POWER - CONSERVATION RESOURCES MANAGEMENT

REQUEST FOR QUALIFICATIONS

DUCTLESS HEAT PUMP PROGRAM

PE12-0164F



City of Tacoma

REQUEST FOR QUALIFICATIONS

Specification No. PE12-0164F
Tacoma Public Utilities Conservation Resources Management
Ductless Heat Pump Program

The City of Tacoma is accepting **SEALED PROPOSALS** for the above solicitation. Submittals will be received and time stamped only at the Purchasing Division, located in the Tacoma Public Utilities Administration Building North, Main Floor, 3628 South 35th Street, Tacoma, WA 98409.

This specification is for the establishment of an ongoing roster and not for a specific project or job, therefore submittals will be accepted on an ongoing basis and reviewed quarterly while this posting is active. However, to be evaluated before initial program launch, submittals must be received before **11:00 a.m., Pacific Time, Tuesday, May 22, 2012.** An electronic copy of the complete solicitation documents may be viewed and obtained by accessing the City of Tacoma Purchasing website at www.TacomaPurchasing.org. A list of vendors who registered for this solicitation is also available at the website.

A pre-proposal meeting will be held at 1:00 p.m. on Monday, May 14, 2012, in Conference Room M-1 on the main floor of the Tacoma Public Utilities Administrative Building North, 3628 South 35th Street, Tacoma WA. The purpose of the meeting is to answer questions about this solicitation and any special or technical requirements.

Project Scope: The intent of this Request for Qualifications is to establish a roster of qualified contractors eligible to participate in Tacoma Power's residential ductless heat pump program. The roster will be made available for publication on Tacoma Power's website, in printed program materials distributed to interested customers, and in program marketing.

For technical questions about the ductless heat pump program, please contact Mark Percy, 253-502-8414. For general questions about the roster process, please contact Christy Valdes, 253-502-8170. For general questions about responding to this RFQ contact Richelle Krienke at rkrienke@cityoftacoma.org.

CITY OF TACOMA

Kathy Katterhagen
Procurement and Payables Manager

Richelle Krienke
Senior Buyer

City of Tacoma protest policy, located at www.tacomapurchasing.org, specifies procedures for protests submitted prior to and after submittal deadline.



Meeting sites are accessible to persons with disabilities. Reasonable accommodations for persons with disabilities can be arranged with 48 hours advance notice by calling 253-502-8468.

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**CITY OF TACOMA
STANDARD TERMS AND CONDITIONS
SECTION 1 – SOLICITATION**

THE FOLLOWING TERMS AND CONDITIONS ARE PART OF THIS SPECIFICATION AND ARE BINDING ON ALL RESPONDENTS SUBMITTING RESPONSES TO REQUESTS FOR BIDS, PROPOSALS, QUALIFICATIONS AND INFORMATION.

1.01 DELIVERY OF SUBMITTALS TO THE CITY’S PURCHASING DIVISION

Submittal packages must be received by the City’s Purchasing Division, Tacoma Public Utilities Administration Building, Main Floor, 3628 South 35th Street, Tacoma, WA 98409-3115, prior to the scheduled time and date stated in the solicitation announcement. Each submittal, intact and bound, shall be completely sealed, with the name of the submitting party (hereinafter “Respondent”), the specification number and title clearly marked on the exterior of the package. City offices are not open for special mail or other deliveries on weekends and City holidays.

Submittals may be delivered to the City by mail or in person; however, **the Respondent is solely responsible for timely delivery of its submittal to the Purchasing Division.**

Facsimile (fax) copies of submittals for requests for sealed bids, requests for proposals, requests for qualifications and requests for information will not be accepted at any City fax machine.

Submittals received after the time stated in the solicitation announcement will not be accepted and will be returned, unopened, to the Respondent.

For purposes of determining whether a submittal has been timely received, the City's Purchasing Division may rely on Universal Coordinated Time from the National Bureau of Standards as reported by <http://www.greenwichmeantime.com/>

1.02 WITHDRAWAL OF SUBMITTALS

A. Prior to Submittal Deadline (Bid Opening)

Submittals may be withdrawn prior to the scheduled submittal deadline by providing written notice to the City’s Purchasing Division. The notice may be submitted in person or by mail; however, it must be received by the City’s Purchasing Division prior to the submittal deadline.

B. After Submittal Deadline

No submittal can be withdrawn after having been opened as set forth in the solicitation announcement, and before the actual award of the contract, unless the award is delayed more than 60 calendar days beyond the date of opening. If a delay of more than 60 calendar days does occur, the Respondent must submit written notice to the purchasing manager that Respondent is withdrawing its submittal.

1.03 SUBMITTAL IS NON-COLLUSIVE

The Respondent acknowledges that by its delivery of a submittal to the City in response to this solicitation it represents that the prices in such submittal are neither directly nor indirectly the result of any formal or informal agreement with another Respondent.

1.04 OPENING AND ACCEPTANCE OF SUBMITTALS

Submittals, unless previously withdrawn, will be read aloud, irrespective of any irregularities or informalities in such submittal, at the time and place specified in the solicitation announcement.

All submittals must remain open for acceptance by the City for a period of at least 60 calendar days from the date of opening.

1.05 RIGHT TO REJECT

The City of Tacoma reserves the right to reject any and all submittals, waive minor deviations or informalities, and if necessary, call for new submittals.

A. Requests for Proposals (RFP)

By submitting a proposal in response to a City RFP, the Respondent acknowledges and consents to the below City rights and conditions. With regard to this procurement process, the City reserves, holds

without limitation, and may exercise, at its sole discretion, the following rights and conditions:

1. To terminate the procurement process or decide not to award a contract as a result thereof by written notice to the Respondents for any reason whatsoever.
2. To waive any defect, technicality, or any other minor informality or irregularity in any submittal, or any other response from Respondents.
3. To make minor or major changes or alterations to the evaluation, selection and/or performance schedule(s) for any events associated with this procurement process upon notice to the Respondents.
4. To supplement, amend or otherwise modify the RFP specifications, at any time upon prior notice to Respondents, including but not limited to modifications to the description of services and/or products contained in the RFP, by omitting services/products and/or including services/products not currently contemplated therein.
5. To request clarifications, additional information, and/or revised submittals from one or more Respondents.
6. To conduct investigations with respect to the qualifications and experience information for each Respondent included in a submittal and to request additional evidence to support any such information.
7. To eliminate any Respondent that submits an incomplete or inadequate response, or is non-responsive to the requirements of the RFP specifications, or is otherwise deemed to be unqualified during any stage of the procurement process.
8. To select and interview a single finalist or multiple finalists for the purpose of promoting the City's evaluation of submittals provided in response to the RFP specifications. The City may, in its sole and exclusive discretion as to what is in the City's best interest, elect not to conduct interviews of any or all respondents in connection with this RFP process.
9. To discontinue contract negotiations with a selected Respondent and commence such negotiations with another respondent, except as otherwise provided in Chap. 39.80, RCW.
10. To select and enter into a contract with one or more Respondents whose submittal best satisfies the interests of the City and is most responsive, in the sole judgment of the City, to the requirements of the RFP specifications.
11. To take any other action affecting the RFP specifications or the procurement process that is determined to be in the City's best interests.
12. In the event the City receives questions concerning RFP specifications from one or more Respondents prior to the deadline for response, the City reserves the right to provide such questions, and the City's responses, if any, to all Respondents.
13. Neither the City, its officials, staff, agents, employees, representatives, nor consultants will be liable for any claims or damages resulting from any aspect of this procurement process.

1.06 EVALUATION OF SUBMITTALS

The City of Tacoma reserves the right to award to the lowest and best responsible Respondent(s) delivering a submittal in compliance with the specification documents, provided such submittals are reasonable and are in the best interest of the City to accept. The City may use a number of criteria for determining award, including evaluation factors set forth in Municipal Code Section 1.06.262. Respondents who are inexperienced or who fail to properly perform other contracts may have their submittal rejected for such cause.

A. Evaluation Factors

In addition to the factors set forth in Municipal Code Section 1.06.262, the following may be used by the City in determining the lowest and best responsible submittal:

1. Compliance with the Specification and with applicable City requirements, including by not limited to, the City's Ethics Code and its Historically Under-utilized Business and Local Employment and Apprenticeship programs.
2. Submittal prices, listed separately if requested, as well as a lump sum total (if the unit price does not compute to the extended total price, the unit price shall govern).
3. Time of delivery and/or completion of performance (delivery date(s) offered).
4. Warranty terms.
5. Quality of performance of previous contracts or services, including safety requirements and past compliance with the City's Ethics Code.
6. Previous and existing compliance with laws and ordinances relating to contracts or services.
7. Sufficiency of financial resources.
8. Quality, availability and adaptability of the supplies or services to the particular use required.
9. Ability to provide future maintenance and service on a timely basis.
10. Location of nearest factory authorized warranty repair facility or parts dealership.
11. Ability, capacity, experience, stability, reputation, integrity, character, judgment, technical qualifications and skill to perform the contract or provide the services required.

All other elements or factors, whether or not specifically provided for in this Specification, which would affect the final cost to, and the benefits to be derived by, the City, may be considered in determining the award of the contract. The final award decision will be based on the best interests of the City.

B. Cash Discount

Payment discount periods of 20 calendar days or more, if offered in the submittal, will be considered in determining the apparent lowest responsible submittal. Discounts will be analyzed in context of their overall cumulative effect.

1.07 COMPLETION OF CITY FORMS

All submittals must be completed in ink or typewritten using the forms included with this Specification, and submitted exactly as specified.

City forms requiring signature must be signed in ink by an authorized officer, employee or agent of the Respondent.

Prices must be stated in figures. Corrections shall be initialed in ink by the person signing the submittal. Prices having erasures or interlineations (cross outs) will not be accepted unless initialed in ink by the Respondent.

1.08 CORRECTION OF AMBIGUITIES AND OBVIOUS ERRORS

The City reserves the right to correct obvious errors in the Respondent's submittal. In this regard, if the unit price does not compute to the extended total price, the unit price shall govern.

1.09 CLARIFICATION OF SPECIFICATION

Questions regarding this Specification and/or any included terms, conditions, forms, plans or drawings are to be submitted in writing to the City staff person identified as the contact for this Specification. All requests for interpretation must be received by the City no later than five business days prior to the opening date. Any interpretation of this Specification will be made by addendum duly issued and posted to the Purchasing website at www.TacomaPurchasing.org. Such addendum must be acknowledged in the submittal. The City of Tacoma will not be responsible for any other explanation or interpretation of the specification documents.

1.10 ALTERATIONS NOT ALLOWED

Except as otherwise specifically provided in the specification documents, submittals that are incomplete or conditioned in any way, contain erasures, alternatives or items not called for, or not in conformity with law, may be rejected as being non-responsive. Any attempt to condition the submittal by inserting exceptions to the Specification or any conditions, qualifications or additions that vary its terms may result in rejection of the

submittal. The City cannot legally accept any submittal containing a material deviation from the Specifications.

1.11 INSERTION OF MATERIAL CONFLICTING WITH SPECIFICATIONS

Only material inserted by the Respondent to meet requirements of the specification documents will be considered. Any other material inserted by the Respondent will be disregarded by the City of Tacoma as being non-responsive and may be grounds for rejection of the submittal.

1.12 FIRM PRICES/ESCALATION

Except as specifically allowed elsewhere in the specification documents, only firm prices will be accepted.

1.13 SHIPPING

Prices must be quoted FOB destination (the place of destination as defined in RCW 62A.2-319, as that statute may hereafter be amended), with freight prepaid and allowed (shipping costs included in unit prices), and risk of loss remaining with Respondent until delivery is tendered.

1.14 LEGAL HOLIDAYS

The City of Tacoma observes the following holidays, which shall apply to performance of all contracts awarded from this solicitation:

New Year's Day	January 1
Martin Luther King's Birthday	3rd Monday in January
Washington's Birthday	3rd Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	1st Monday in September
Veteran's Day	November 11
Thanksgiving Day	4th Thursday of November
Day after Thanksgiving	4th Friday of November
Christmas Day	December 25

When any of these holidays occur on Saturday or Sunday, the preceding Friday or the following Monday, respectively, is a legal holiday for the City of Tacoma.

1.15 TAXES

Unless otherwise required in this Specification, applicable federal, state, city and local taxes shall be included in the submittal as indicated below. The total cost to the City, including all applicable taxes, may be the basis for contract award determination. As used herein, the term "taxes" shall include any and all taxes, assessments, fees, charges, interest, penalties, and/or fines imposed by applicable laws and regulations in connection with the procurement of goods and/or services hereunder.

A. Federal Excise Tax

The City of Tacoma is exempt from federal excise tax. The City will furnish a Federal Excise Tax Exemption certificate, if required. If the Respondent fails to include any applicable tax in its submittal, then Respondent shall be solely responsible for the payment of said tax.

B. State and Local Sales Tax

The City of Tacoma is subject to Washington state sales tax. It is the Respondent's obligation to state the correct sales tax percentage and include the applicable Washington state, city and local sales tax as a separate line item(s) in the submittal.

C. City of Tacoma Business and Occupation Tax

It is the Respondent's obligation to include City of Tacoma Business and Occupation tax in the unit and/or lump sum prices submitted; it shall not be shown separately on the submittal.

Per Sub-Title 6A of the City of Tacoma Municipal Code, transactions with the City of Tacoma may be subject to the City's Business and Occupation Tax.

It is the responsibility of the Respondent awarded the contract to register with the City of Tacoma's Tax and License Division, 733 South Market Street, Room 21, Tacoma, WA 98402-3768, telephone 253-591-5252, website <http://www.cityoftacoma.org/Page.aspx?nid=201>.

D. Any or All Other Taxes

Any or all other taxes are the responsibility of the Respondent unless otherwise required by law.

1.16 WASHINGTON BUSINESS LICENSE REQUIREMENT

All submittals should include a Washington State Business License number in the space provided on the Submittal Signature Page. If the recommended respondent does not have a Washington State Business License at the time of submittal, it must obtain such license and provide proof thereof to the City of Tacoma prior to contract award. Failure to include a Washington State Business License may be grounds for rejection of the submittal. Information regarding Washington State Business Licenses may be obtained at <http://www.dol.wa.gov/businesses.htm>.

1.17 PUBLIC DISCLOSURE

Washington State Public Disclosure Act (RCW 42.56 et seq.) requires public agencies in Washington to promptly make public records available for inspection and copying unless they fall within the specified exemptions contained in the Act, or are otherwise privileged. Documents submitted under this Specification shall be considered public records and, with limited exceptions, will be made available for inspection and copying by the public.

1.18 PROPRIETARY OR CONFIDENTIAL DESIGN INFORMATION

If the Respondent considers any submittal document to be protected from disclosure under the law, the Respondent shall clearly identify on the page(s) affected such words as "CONFIDENTIAL," "PROPRIETARY" or BUSINESS SECRET." The Respondent shall also submit an index with its submittal identifying the affected page number(s) and location(s) of all such identified material. **Marking the entire submittal as "confidential" or "proprietary" is not acceptable and is grounds to reject such submittal.**

If a request is made for disclosure of such identified documents or portions thereof, the City will determine whether the material is exempt from public disclosure. If, in the City's opinion, the material is subject to disclosure, the City will notify Respondent of the request and impending release and allow the Respondent 10 days to take whatever action it deems necessary to protect its interests. The City will cooperate with any legal action initiated by the Respondent to prevent release; provided that all expense of such action shall be borne solely by the Respondent, including any damages, attorney's fees or costs awarded by reason of having opposed disclosure and Respondent shall indemnify City against same. If the Respondent fails or neglects to take such action within said period, the City will release all materials deemed subject to disclosure. Submission of materials in response to this solicitation shall constitute assent by the Respondent to the foregoing procedure and the Respondent shall have no claim against the City on account of actions taken pursuant to such procedure.

1.19 TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

The City of Tacoma ensures full compliance with Title VI of the Civil Rights Act of 1964 by prohibiting discrimination against any person on the basis of race, color, national origin or sex in the provision of benefits and services resulting from its federally assisted programs and activities. Contact Tacoma's Title VI coordinator at 253-502-8072 for additional information.

1.20 LEGAL DISPUTES

Respondent agrees and stipulates that in the event any litigation should occur concerning or arising out of this solicitation or any submittal delivered in response hereto, the sole venue of any such legal action shall

be the Pierce County Superior Court of the state of Washington and the interpretation of the terms of the solicitation and submittal shall be governed by the laws of the state of Washington.

1.21 PURCHASE ORDER TERMS AND CONDITIONS

Terms and conditions of City of Tacoma purchase orders, if issued, shall apply to contracts and awards resulting from this solicitation.

1.22 RESPONDENT'S REFUSAL TO ENTER INTO CONTRACT

Any Respondent who refuses to enter into a contract after it has been awarded to the Respondent will be in breach of the agreement to enter the contract, and the Respondent's certified or cashiers check or bid bond, if any, shall be forfeited.

1.23 AWARD

The City reserves the right to award contracts for any or all items to one or more respondents in the best interests of the City.

1.24 FINAL AWARD DETERMINATION

The Tacoma City Council or Public Utility Board, for awards over \$200,000, shall be the final judge as to which submittal(s) is/are the lowest and best responsible, and best meets the interest of the City of Tacoma to accept. The purchasing manager makes the determination for awards of \$200,000 and less.

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**CITY OF TACOMA
STANDARD TERMS AND CONDITIONS
SECTION 2 – SERVICES**

UNLESS OTHERWISE REQUIRED BY THE SPECIFICATION OR AGREED TO IN WRITING, THE FOLLOWING TERMS AND CONDITIONS SHALL GOVERN THE RIGHTS, RESPONSIBILITIES AND OBLIGATIONS OF THE PARTIES TO THE CONTRACT.

2.01 CONTRACTOR

As used herein, the "Contractor" shall be the Respondent(s) awarded a contract pursuant to this Specification, whether designated as a Respondent, Vendor, Proposer, Bidder, Seller, Merchant, Service Provider or otherwise.

2.02 ENTIRE AGREEMENT

This Specification, purchase orders issued by the City pursuant hereto, and the Contractor's submittal, in that order of precedence, shall constitute the "Contract" between the parties. Said documents represent the entire agreement between the parties and supersede any prior oral statements, discussions or understandings between the parties, and/or subsequent contractor invoices. No modification of this Contract shall be effective unless mutually agreed in writing.

2.03 SERVICES

The services and/or work contracted for herein exclude public works and improvements as defined in RCW 39.04, as that statute may hereafter be amended.

2.04 SCOPE OF WORK

The Contractor agrees to diligently and completely perform the services required by this Contract.

The City shall have the right to make changes within the general scope of services and/or deliverables upon execution in writing of a change order or amendment hereto. If the changes will result in additional work effort by Contractor the City agrees to reasonably compensate the Contractor for such additional effort up to the maximum amount specified in the Contract or as otherwise provided by Tacoma Municipal Code. Delivery of incidental products will be as designated in this Contract.

2.05 TIME FOR PERFORMANCE

All services shall be satisfactorily completed by the termination date contemplated by this Contract, and this Contract shall expire on said date unless mutually extended in writing by the Parties.

2.06 EXTENSION OF CONTRACT

This Contract shall be subject to extension by mutual agreement per the same prices, terms and conditions.

2.07 COMPENSATION

The City shall compensate the Contractor in accordance with the Contract. Said compensation shall be the total compensation for Contractor's performance hereunder including, but not limited to, all work, services, deliverables, materials, supplies, equipment, subcontractor's fees and all reimbursable travel and miscellaneous or incidental expenses to be incurred by Contractor.

2.08 INVOICES

Each invoice shall show City of Tacoma purchase order number, release number if applicable, quantity, unit of measure, item description, unit price and extended price for each line. Line totals shall be summed to give a grand total to which sales tax shall be added, if applicable. Invoices shall be sent in duplicate to:

Accounts Payable
City of Tacoma
P. O. Box 1717
Tacoma Washington 98401-1717

Any terms, provisions or language in Contractor's invoice(s) that conflict with the terms of this Contract shall not apply to this Contract unless expressly accepted in writing by the City.

2.09 PAYMENT TERMS

Payment shall be made through the City's ordinary payment process, and shall be considered timely if made within 30 days of receipt of a properly completed invoice. Payment will not be considered late if mailed or electronically disbursed within the time specified. Payment(s) made in accordance with this Contract shall fully compensate the Contractor for all risk, loss, damages or expense of whatever nature, and acceptance of payment shall constitute a waiver of all claims submitted by Contractor. All payments shall be subject to adjustment for any amounts, upon audit or otherwise, determined to have been improperly invoiced.

Invoices will not be processed for payment, nor will the period of cash discount commence, until all invoiced items are received and satisfactory performance of the Contract has been attained, and a properly completed invoice is received by the City. If an adjustment in payment is necessary due to damage or dispute, the cash discount period shall commence on the date final approval for payment is authorized.

2.10 ADDITIONAL CITY CONTRACTS

During the term of this Contract, other City of Tacoma Departments/Divisions shall have the right to enter into additional service contracts or issue purchase orders based on the unit prices and/or service rates stated in this Contract. An exception taken specifically to this provision at time of submittal shall not constitute a material deviation in the bidding process.

2.11 COOPERATIVE PURCHASING

The Washington State Interlocal Cooperation Act RCW 39.34 provides that other governmental agencies may purchase goods and services based on this Contract in accordance with the terms and prices indicated herein if all parties are agreeable. Each public agency shall formulate a separate contract with the Contractor, incorporating the terms and conditions of this Contract with the City of Tacoma. The City shall incur no liability in connection with such contracts or purchases by other public agencies thereunder. It will be the Contractor's responsibility to inform such public agencies of this Contract. Contractor shall invoice such public agencies as separate entities.

2.12 WARRANTIES/REPRESENTATIONS

The Contractor warrants that all services performed pursuant to the Contract shall be generally suitable for the use to which the City intends to use said services as expressed in this Contract. The Contractor represents and warrants that it will diligently and completely perform all services and obligations consistent with customarily accepted good practices and standards of performance applicable to service providers rendering the same or similar type of service and that it will comply with all applicable federal, state and local laws, ordinances, rules and regulations including, but not limited to, the Occupational Safety and Health Administration (OSHA) and the Washington Industrial Safety and Health Act (WISHA). If the Contractor intends to rely on information or data supplied by the City, other City contractor's or other generally reputable sources without independent verification, such intent shall be brought to the attention of the City.

2.13 TAXES, LICENSES, PERMITS

Unless otherwise required by applicable law, the tax provisions in Section 1 - Solicitation apply to this Contract. Except for state sales tax, the Contractor acknowledges that it is responsible for the payment of all taxes applicable to this Contract and the Contractor agrees to comply with all applicable laws regarding the reporting of income, maintenance of records and all other requirements and obligations imposed pursuant to applicable law.

The Contractor, at its expense, shall obtain and keep in force any and all necessary licenses and permits. The Contractor shall obtain a business license as required by Tacoma Municipal Code Subtitle 6B.20 and shall pay business and occupation taxes as required by Tacoma Municipal Code Subtitle 6A.30.

If the City is assessed, made liable, or responsible in any manner for taxes contrary to the provisions of this Contract, the Contractor agrees to hold the City harmless from such costs, including attorney's fees. In the event the Contractor fails to pay any taxes, assessments, penalties, or fees imposed by any governmental body, including a court of law, other than those taxes the City is required to pay, then the Contractor authorizes the City to deduct and withhold or pay over to the appropriate governmental body those unpaid amounts upon demand by the governmental body. It is agreed that this provision shall apply to taxes and fees imposed by City ordinance. Any such payments shall be deducted from the Contractor's total compensation.

2.14 FEDERAL, STATE AND MUNICIPAL LAWS AND REGULATIONS

All federal, state, municipal and/or local laws and regulations shall be satisfied in the performance of all portions of this Contract. The Contractor shall be solely responsible for all violations of the law from any cause in connection with its performance of work under this Contract.

2.15 HISTORICALLY UNDER-UTILIZED BUSINESSES (HUB) PROGRAM AND EQUAL OPPORTUNITY

It is the policy of the City of Tacoma that all citizens be afforded an equal opportunity for full participation in our free enterprise system. In order to implement this policy, the City of Tacoma is committed to ensuring equitable participation of historically under-utilized business enterprises. Contact Tacoma's HUB coordinator at 253-502-8080 for additional information.

2.16 NON-DISCRIMINATION

The Contractor agrees to take all steps necessary to comply with all federal, state and City laws and policies regarding non-discrimination and equal employment opportunities. The Contractor shall not discriminate in any employment action because of race, religion, color, national origin or ancestry, sex, gender identity, sexual orientation, age, marital status, familial status, or the presence of any sensory, mental or physical handicap. In the event of non-compliance by the Contractor with any of the non-discrimination provisions of this Contract, the City shall be deemed to have cause to terminate this Contract, in whole or in part.

2.17 PREVAILING WAGES PAID – IF REQUIRED

If this Contract involves services for which state and/or local laws may require the Contractor to pay prevailing wages, and Contractor hereby agrees to pay such applicable prevailing wages. If applicable to this Contract, a Schedule of Prevailing Wage Rates for the locality or localities where this Contract will be performed is attached and made of part of this Contract by this reference. If prevailing wages do apply to this Contract, the Contractor and its subcontractors shall (a) be bound by the provisions of Chapter 39.12 RCW, as amended, relating to prevailing wages and usual fringe benefits, (b) ensure that no worker, laborer or mechanic employed in the performance of any part of this Contract shall be paid less than the prevailing rate of wage specified on that Schedule, and (c) immediately upon award of the Contract, contact the Department of Labor and Industries, Prevailing Wages section, Olympia, Washington, to obtain full information, forms and procedures relating to these matters. Per such procedures, a Statement of Intent to Pay Prevailing Wages must be submitted by the Contractor and its subcontractors to the City, in the manner requested by the City, prior to any payment by the City hereunder, and an Affidavit of Wages Paid must be received or verified by the City prior to final Contract payment.

2.18 CONFLICT OF INTEREST

No officer, employee or agent of the City, nor any member of the immediate family of any such officer, employee or agent as defined by City ordinance, shall have any personal financial interest, direct or indirect, in this Contract, either in fact or in appearance. The Contractor shall comply with all federal, state and City conflict of interest laws, statutes and regulations. The Contractor represents that the Contractor presently has no interest and shall not acquire any interest, direct or indirect, in the program to which this Contract pertains that would conflict in any manner or degree with the performance of the Contractor's services and obligations hereunder. The Contractor further covenants that, in performance of this Contract, no person having any such interest shall be employed. The Contractor also agrees that its violation of the City's Code of Ethics contained in Chapter 1.46 of the Tacoma Municipal Code shall constitute a breach of this Contract subjecting the Contract to termination.

2.19 REPORTS, RIGHT TO AUDIT, PERSONNEL

A. Reports

The Contractor shall, at such times and in such form as the City may reasonably require, furnish the City with periodic status reports pertaining to the services undertaken pursuant to this Contract.

B. Right to Audit

Upon City's request, the Contractor shall make available to City all accounts, records and documents related to the scope of work for City's inspection, auditing, or evaluation during normal business hours as reasonably needed by City to assess performance, compliance and/or quality assurance under this Contract.

C. Personnel

If before, during, or after the execution of this Contract, the Contractor has represented or represents to the City that certain personnel would or will be responsible for performing services pursuant to this Contract, then the Contractor is obligated to ensure that said personnel perform said Contract services to the maximum extent permitted by law. This Contract provision shall only be waived by written authorization by the City, and on a case by case basis.

2.20 TERMINATION AND SUSPENSION

The City may terminate this Contract at any time, with or without cause, by giving 10 business days written notice to Contractor. In the event of termination, all finished and unfinished work prepared by the Contractor pursuant to this Contract shall be provided to the City. In the event City terminates this Contract due to the City's own reasons and without cause due to the Contractor's actions or omissions, the City shall pay the Contractor the amount due for actual work and services necessarily performed under this Contract up to the effective date of termination, not to exceed the total compensation set forth herein.

The City may suspend this Contract, at its sole discretion, upon three business days written notice to the Contractor. Such notice shall indicate the anticipated period of suspension. Any reimbursement for expenses incurred due to the suspension shall be limited to the Contractor's actual expenses and shall be subject to verification. The Contractor shall resume performance of services under this Contract without delay when the suspension period ends.

Termination or suspension of this Contract by City shall not constitute a waiver of any claims or remaining rights the City may have against Contractor relative to performance hereunder.

2.21 INDEMNIFICATION – HOLD HARMLESS

The Contractor shall indemnify, defend and hold harmless the City, its officials, officers, agents, employees and volunteers, from any and all claims, demands, damages, lawsuits, liabilities, losses, liens, expenses and costs arising out of the subject matter of this Contract; provided that this provision shall not apply to the extent that damage or injury results from the fault of the City, or its officers, agents, or employees. The term "fault" as used herein shall have the same meaning as set forth in RCW 4.22.015, as that statute may hereafter be amended.

The Contractor specifically assumes potential liability for actions brought by the Contractor's own employees against the City and, solely for the purpose of this indemnification and defense, the Respondent specifically waives any immunity under the state industrial insurance law, Title 51 RCW.

These indemnifications shall survive the termination of this Contract.

A waiver or failure by either party to enforce any provision of this Contract shall not be construed as a continuing waiver of such provisions, nor shall the same constitute a waiver of any other provision of this Contract.

2.22 INSURANCE

The Contractor shall maintain all necessary insurance to protect Contractor and the City from losses and claims that may arise out of or result from performance of duties related to the Contract, including Worker's Compensation, automobile public liability and property damage, commercial general liability, professional liability, errors and omissions and others, as specified in the Insurance Requirements attachment.

2.23 INDEPENDENT CONTRACTOR STATUS

The Contractor is considered an independent contractor who shall at all times perform his/her duties and responsibilities and carry out all services as an independent contractor and shall never represent or construe his/her status to be that of an agent or employee of the City, nor shall the Contractor be eligible for any employee benefits. No payroll or employment taxes or contributions of any kind shall be withheld or paid by the City with respect to payments to Contractor. The Contractor shall be solely responsible for all said payroll or employment taxes and/or contributions including, but not limited to, FICA, FUTA, federal income tax, state personal income tax, state disability insurance tax and state unemployment insurance tax. If the City is assessed, made liable or responsible in any manner for such taxes or contributions, the Contractor agrees to indemnify and hold the City harmless from all costs incurred, including attorney fees.

Unless otherwise specified in writing, Contractor shall provide at its sole expense all materials, working space, and other necessities and instruments to perform its duties under this Contract. The Contractor, at

its sole expense, shall obtain and keep in force any and all applicable licenses, permits and tax certificates necessary to perform Contract services.

2.24 NOTICES

Except for routine operational communications, which may be delivered personally or transmitted by electronic mail or facsimile, all notices required hereunder shall be in writing and shall be deemed to have been duly given if delivered personally or mailed first-class mail, postage prepaid, to the Contractor's registered agent and to the applicable City department representative.

2.25 CITY OWNERSHIP OF WORK/RIGHTS IN DATA/PUBLICATIONS

To the extent that Contractor creates any work subject to the protections of the Copyright Act (Title 17 U.S.C) in its performance of this Contract, Contractor agrees to the following: The work has been specially ordered and commissioned by the City. Contractor agrees that the work is a "work made for hire" for copyright purposes, with all copyrights in the work owned by City. To the extent that the work does not qualify as a work made for hire under applicable law, and to the extent that the work includes material subject to copyright, Contractor hereby assigns to City, its successors and assigns, all right, title and interest in and to the work, including but not limited to, all copyrights, patent, trade secret and other proprietary rights, and all rights, title and interest in and to any inventions and designs embodied in the work or developed during the course of Contractor's creation of the work.

The Contractor shall be solely responsible for obtaining releases and/or licenses for the reproduction, distribution, creation of derivative works, performance, display, or other use of copyrighted materials. Should the Contractor fail to obtain said releases and/or licenses, the Contractor shall indemnify, defend and hold harmless the City for any claim resulting there from.

2.26 PUBLIC DISCLOSURE

This Contract and documents provided to the City by Contractor hereunder are deemed public records subject to disclosure under the Washington State Public Records Act, Chapter 42.56 RCW (Public Records Act). Thus, the City may be required, upon request, to disclose this Contract and documents related to it unless an exemption under the Public Records Act or other laws applies.

2.27 DUTY OF CONFIDENTIALITY

Contractor acknowledges that unauthorized disclosure of information or documentation concerning the Scope of Work hereunder may cause substantial economic loss or harm to the City. Except for disclosure of information and documents to Contractor's employees, agents, or subcontractors who have a substantial need to know such information in connection with Contractor's performance of obligations under this Contract, the Contractor shall not without prior written authorization by the City allow the release, dissemination, distribution, sharing, or other publication or disclosure of information or documentation obtained, discovered, shared or produced pursuant to this Contract.

2.28 DISPUTE RESOLUTION

In the event of a dispute pertaining to this Contract, the parties agree to attempt to negotiate in good faith an acceptable resolution. If a resolution cannot be negotiated, then the parties agree to submit the dispute to voluntary non-binding mediation before pursuing other remedies. This provision does not limit the City's right to terminate authorized by this Contract.

2.29 GOVERNING LAW AND VENUE

Washington law shall govern the interpretation of this Contract. The state or federal courts located in Pierce County shall be the venue of any mediation, arbitration or litigation arising out of this Contract.

2.30 ASSIGNMENT

The Contractor shall not assign, subcontract, delegate, or transfer any obligation, interest or claim to or under this Contract without the prior written consent of the City.

2.31 WAIVER

A waiver or failure by either party to enforce any provision of this Contract shall not be construed as a continuing waiver of such provisions, nor shall the same constitute a waiver of any other provision of this Contract.

2.32 SEVERABILITY AND SURVIVAL

If any term, condition or provision of this Contract is declared void or unenforceable or limited in its application or effect, such event shall not affect any other provisions hereof and all other provisions shall remain fully enforceable. The provisions of this Contract, which by their sense and context are reasonably intended to survive the completion, expiration or cancellation of this Contract, shall survive termination of this Contract.

2.33 CONFLICT WITH CONTRACT

In the event of any conflict between this document, Standard Terms and Conditions Section 2, Services, and the Professional Services Contract or other type of Contract (Contract) ultimately negotiated and entered into between Respondent and the City, the provisions of the Contract shall prevail. However, absent any such conflict the provisions of this document, Standard Terms and Conditions Section 2, Services, are fully incorporated into and considered part of the Contract.


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Submittal Checklist

This checklist identifies items to be included with your submittal. Any submittal received without these required items may be deemed non-responsive and not be considered for listing prior to program launch.

Respondents are encouraged to use recycled/recyclable products and both sides of paper for printed and photocopied materials, wherever possible.

Submittals should be limited to no more than 12 pages (six double-sided pages).

<p>The following items make up your submittal package:</p>	
<p>One original and one copy of your complete submittal package</p>	
<p>Signature Page – Appendix A</p>	
<p>Summary of Conservation Trade History / Training – Appendix A</p>	
<p>Reference / Completed Project Form – Appendix A</p>	
<p>Basic Installation Cost Form – Appendix A</p>	
<p>List of sub-contractors (if sub-contractors are used)</p>	
<p>After review, the following documents will be executed:</p>	
<p>Tacoma Power Conservation Contractor Agreement – Appendix E</p>	
<p>Certificate of Insurance – Appendix F</p>	

Request for Qualifications PE12-0164F

Contractor Roster for Residential Ductless Heat Pump Programs

Intent

The intent of this Request for Qualifications (RFQ) is to create a roster (list) of qualified contractors for Tacoma Power's residential ductless heat pump (DHP) program. The roster will be publicized on Tacoma Power's website, in printed program materials distributed to interested customers, and in program marketing. Tacoma Power establishes and maintains the roster for use by Tacoma Power customers desiring to independently contract with contractors familiar with Tacoma Power's program requirements.

Tacoma Power customers enter into a direct contract with a qualified contractor to install a single blower DHP. Incentives are paid to Tacoma Power customers for installing compliant DHP improvements to their private property. Participating contractors are not intended to be, nor shall they be deemed in any way to be, a contractor of Tacoma Power.

Qualified contractors will enter into an agreement with Tacoma Power Conservation Resources Management to participate in the ductless heat pump rebate and incentive program. New and updated submittals from qualified contractors will be accepted on a continual basis and reviewed quarterly. A firm will not be placed into the qualified Contractor Roster until all qualifications have been verified and submittal requirements met.

Inclusion on the Contractor Roster and the execution of the Conservation Contractor Agreement does not imply any exclusive commitment to the Contractor by Tacoma Power and Tacoma Power may sign similar agreements with other Contractors. Being listed on the roster does not constitute a commitment by Tacoma Power that any customer will request a bid from the Contractor or will enter into a contract with the Contractor. Listing and de-listing requirements are defined in the Tacoma Power Conservation Contractor Agreement Terms and Conditions (Appendix E).

Pre-Proposal Meeting

A pre-proposal meeting will be held at **1:00 p.m. on Monday, May 14, 2012**, in Conference Room M-1 on the main floor of the Tacoma Public Utilities Administrative Building North, 3628 South 35th Street, Tacoma WA. The purpose of the meeting is to answer questions about this solicitation and any special or technical requirements.

Background and Information

Tacoma Power's 2011-2012 Conservation Market Plan identifies ductless heat pumps as one of the cost effective programs to meet conservation targets established by Initiative 937. **To meet cost effective guidelines, a basic installation must be able to be completed for \$3,500 or**

less. Costs may exceed the \$3,500 threshold only in circumstances where installations are not considered basic or customers elect to specify more costly equipment or installation practices. Details on the basic installation are defined in Appendix D.

Tacoma Power has the following ductless heat pump targets:

- 2012 – 300 installations.
 - Two hundred low income.
 - One hundred non-low income.
- 2013 – 300 installations (pending Public Utility Board approval).
 - Two hundred low income.
 - One hundred non-low income.
- 2014 – 400 installations (pending Public Utility Board approval).
 - Two hundred low income.
 - Two hundred non-low income.

Tacoma Power reserves the right to modify the number of installations as needed.

Qualified installations are eligible for an \$800 incentive or \$3,300 zero interest loan. Additionally, qualified low-income customers are eligible for grant assistance to pay up to 100 percent of the cost for ductless heat pump equipment and installation.

Process

Tacoma Public Utilities/Tacoma Power conducts rebate and/or loan programs to motivate residential customers in Tacoma Power's service area to reduce electric use.

Customers contact Tacoma Power to inquire about conservation programs and determine if they qualify for participation. Tacoma Power provides program information at the customer's request, including but not limited to, Tacoma Power's Qualified Contractor Roster. Appendix C outlines proposed workflow.

Equipment installed by a listed Contractor must be in compliance with Tacoma Power's Program Specifications (Appendix B) and the Conservation Contractor Agreement (Appendix E). Upon completion and successful inspection by Tacoma Power staff, the utility pays the program incentive to the customer as defined in the Tacoma Power Conservation Contractor Agreement (Attachment A in Appendix E).

Qualifications

To participate in Tacoma Power's Ductless Heat Pump program, Contractors must:

- a. Be able to offer basic installations for \$3,500 or less. (See Appendix D for a definition of a basic installation.)

- b. Provide three customer references for DHP work from the previous six months or referrals from other agencies/utility companies for whom they have completed DHP work.
 1. Contractors submitting paperwork after **Tuesday, May 22, 2012**, will be required to satisfactorily complete three projects that qualify for the program, including successful Tacoma Power inspections, before being included on the roster.
- c. Show evidence of being in the conservation trade for a minimum of one year.
- d. Possess a current Washington state general contractor license or the appropriate Washington state specialty contractor license and provide a copy to Tacoma Power upon request.
- e. Possess proper EPA certifications where required by law (e.g., lead paint, liquid refrigerant).
- f. Carry Commercial General Liability Insurance in the amount of \$1,000,000 single limit combined for personal injury and property damage; \$2,000,000 aggregate and provide certificates of insurance to Tacoma Power.
- g. Agree to perform the work in compliance with Tacoma Power's Program Specifications (Appendix B).
- h. Enter into an Conservation Contractor Agreement with Tacoma Power to participate in residential programs (Appendix E).
- i. Attend a contractor orientation provided by Tacoma Power.
- j. Be listed by NW Ductless as an installer.

Contractors may perform ductless heat pump work through this program only after being notified by Tacoma Power that the Contractor has successfully completed all application requirements, including execution of the Conservation Contractor Agreement, and been added to the roster

Content to be Submitted

The City of Tacoma does not expect or require a large amount of preliminary work to be performed by firms responding to this RFQ. Submittals should be limited to no more than 12 pages (six double-sided pages) and include the following information:

1. Signature Page (Appendix A)
2. Summary of Conservation History and Training (Appendix A)
 - a. Number of years in the conservation business
 - b. History of working with other conservation programs, agencies, and/or utilities
 - c. Areas of specialty or expertise
 - d. Staff training and certifications, including years of ductless heat pump experience of field staff
3. Reference / Completed Project Form (Appendix A)
 - a. Contractors must submit three references from DHP customers or conservation agencies and/or utilities with DHP programs
4. Basic Installation Cost Form (Appendix A)

- a. Confirmation that your firm is able to offer customers a cost effective ductless heat pump option (assuming installation qualifies as “basic” as defined by Appendix G).
5. List of sub-contractors (if sub-contractors are to be used)

The information in Appendix B through Appendix F are for reference only. Do not include these with the required submittal documents.

Project Coordinator

The Residential Conservation Contractor Roster will be maintained by Tacoma Power’s Conservation Resources Management. All submittals will be received by the Purchasing Division, and forwarded to departmental staff for review and subsequent posting to the Roster upon verification that qualifications are met. For technical questions about the ductless heat pump program, please contact Mark Percy, 253-502-8414. For general questions about the roster process, please contact Christy Valdes, 253-502-8170.

Appendix A

Required Forms

Signature Page

Summary of Conservation Trade History and Training Form

References / Completed Projects Form

Basic Installation Cost Form

SIGNATURE PAGE

**CITY OF TACOMA
TACOMA POWER CONSERVATION RESOURCES MANAGEMENT**

All submittals must be in ink or typewritten and must be executed by a duly authorized officer or representative of the bidding/proposing entity. If the bidder/proposer is a subsidiary or doing business on behalf of another entity, so state, and provide the firm name under which business is hereby transacted.

Submittals will be received and time stamped only at the City of Tacoma Purchasing Division, located in the Tacoma Public Utilities Administration North Building, Main Floor, at 3628 South 35th Street, Tacoma, WA 98409. **See the Request for Proposals page near the beginning of the specification for additional details.**

**REQUEST FOR QUALIFICATIONS SPECIFICATION NO. PE12-0164F
DUCTLESS HEAT PUMP PROGRAM**

The undersigned bidder/proposer hereby agrees to execute the proposed contract and furnish all materials, labor, tools, equipment and all other facilities and services in accordance with these specifications.

The bidder/proposer agrees, by submitting a bid/proposal under these specifications, that in the event any litigation should arise concerning the submission of bids/proposals or the award of contract under this specification, Request for Bids, Request for Proposals or Request for Qualifications, the venue of such action or litigation shall be in the Superior Court of the State of Washington, in and for the County of Pierce.

Non-Collusion Declaration

The undersigned bidder/proposer hereby certifies under penalty of perjury that this bid/proposal is genuine and not a sham or collusive bid/proposal, or made in the interests or on behalf of any person or entity not herein named; and that said bidder/proposer has not directly or indirectly induced or solicited any contractor or supplier on the above work to put in a sham bid/proposal or any person or entity to refrain from submitting a bid/proposal; and that said bidder/proposer has not, in any manner, sought by collusion to secure to itself an advantage over any other contractor(s) or person(s).

Bidder/Proposer's Registered Name

Signature of Person Authorized to Enter into Contracts for Bidder/Proposer

Date

Address

Printed Name and Title

City, State, Zip

(Area Code) Telephone Number / Fax Number

E-Mail Address

State Business License Number
in WA, also known as UBI (Unified Business Identifier) Number

E.I.No. / Federal Social Security Number Used on Quarterly
Federal Tax Return, U.S. Treasury Dept. Form 941

State Contractor's License Number
(See Ch. 18.27, R.C.W.)

Addendum acknowledgement #1_____ #2_____ #3_____ #4_____ #5_____

THIS PAGE MUST BE SIGNED AND RETURNED WITH SUBMITTAL.

Summary of Conservation Trade History/Training

Include the following information:

Name of firm _____

1. Years in the conservation business _____
2. Describe your firm's history of working with other conservation programs, agencies, and or utility companies, particularly ductless heat pump installations and service.
3. Describe other areas of specialty or expertise.
4. Attach a separate list of field employees showing years of experience and any certifications using the format below:
 - a. Employee
 - b. Name
 - c. Years of experience in conservation business
 - d. Years of experience installing and servicing ductless heat pump systems
 - e. Training
 - i. Course name
 - ii. Date of training
 - iii. Certification information
 - Type of certification
 - Name of certifying agency
 - Date of certification
 - Certification number

Reference/Completed Project Form

Name of firm _____

In accordance with the Submittal Requirements of this RFQ contractors must provide a list of three references. For technical questions about the ductless heat pump program, please contact Mark Percy, 253-502-8414. For general questions about the roster process, please contact Christy Valdes, 253-502-8170

References must be from individuals or utilities that you have completed DHP work for in the last six months. Please provide the following information for your references:

Customer name:	
Address:	
Phone numbers:	
Date of work :	
Type of work:	

Customer name:	
Address:	
Phone numbers:	
Date of work :	
Type of work:	

Customer name:	
Address:	
Phone numbers:	
Date of work :	
Type of work:	

If additional room is needed, please copy this page and include with your submittal.

Basic Installation Cost Form

Vendor Name _____

Basic Installation – One Unit	
<p><u>Basic installations</u> are cost effective only at a total cost of \$3,500 or less. Tacoma Power will not review submittals with basic installation costs above this amount.</p>	
<i>Description</i>	<i>Cost</i>
Ductless heat pump <ul style="list-style-type: none"> • Inverter driven • Min 12,000 BTU 	
Contractor labor and overhead costs	
Permit costs <ul style="list-style-type: none"> • Mechanical Permit • Electrical Permit 	\$108.00 \$ 50.00
Total Cost, before sales tax*	

*Sales tax to be collected based on service location.

Tacoma Power, at its option, may authorize contractors to perform common upgrades or health and safety improvements on low-income qualified households. The cost of common upgrades would be in addition to the cost of a basic installation.

Common Upgrades	
Description	Cost (including parts, labor, delivery, etc.), before sales tax
Additional 25' of line set	
Additional 50' of line set	
Mount DHP blower unit on interior wall	
Wall mount thermostat	
Add condensate pump	
Upgrade to a 1.5 ton compressor	

Appendix B

Program Specifications

1. INTRODUCTION

- a. Definitions of “Should” and “Shall”
 - i. Where “shall” or “shall not” is used for a provision, that provision is mandatory if compliance with the standard is claimed.
 - ii. Where “should” is used it will indicate provisions that are not mandatory but which are desirable as good practice.
- b. Deviations from this Specification
 - i. Deviations from these standards shall be pre-approved by Tacoma Power on an individual basis.

2. NEW EQUIPMENT REQUIREMENTS

- a. Approved Type of Heat Pump
 - i. Split system Ductless Heat Pump (DHP) with an inverter-driven, variable speed compressor, a variable speed outdoor fan, and a multi-speed or variable speed indoor blower unit.
- b. Approved Manufacturer
 - i. Equipment shall be manufactured by a company appearing in the Air Conditioning, Heating and Refrigeration Institute (AHRI) Unitary Directory.
- c. Ratings
 - i. Heat pump equipment shall meet the performance, safety, and rating requirements as given in the latest revision of AHRI Standard 240. Units shall be listed by Underwriters’ Laboratories or equivalent and shall display the AHRI symbol of certification. The DHP equipment shall be listed by model number on the most current Bonneville Power Administration’s Qualified Products List.
- d. Warranty
 - i. Heat pump equipment shall be warranted by the manufacturer against defects in material and workmanship for a minimum of two years from the date of start-up of the equipment. In addition, the compressor shall be warranted by the manufacturer against defects in material and workmanship for a minimum of five years from the date of start-up. Participating Installers may offer to consumers the manufacturer’s extended warranty or service agreement to comply with the warranty requirements. The cost of an extended warranty will not be covered by Tacoma Power. This warranty should not be considered to cover equipment failure caused by failure to perform normal maintenance, abuse or external causes beyond the control of the installing Participating Installer.

3. PARTICIPATING INSTALLER REQUIREMENTS

- a. Training
 - i. Participating Installer shall be responsible for the technical competence and qualifications of their salespeople, installers, and service technicians. Technicians must attend the Northwest Ductless Program orientation and be listed on the Northwest Ductless website. At least one technician working on the job site must have received certified installation training from the manufacturer of the installed DHP equipment.
- b. Consumer Instruction
 - i. Participating Installer shall instruct the consumer in proper operation and maintenance of the DHP system. Participating Installer shall provide the consumer with the manufacturer's owner's manual, demonstrate filter replacement/cleaning and demonstrate the operation of indoor thermostat controls and indicator lights to the consumer. The Installer shall explain to the consumer the different operating modes of the heat pump system (e.g., heating, cooling, defrost, etc.).
 - ii. Participating Installer shall instruct consumer how to operate the DHP in coordination with the existing zonal systems in the home. Instructions shall include adjusting other zonal thermostats so the DHP is the primary heating system.
- c. Warranty Papers
 - i. Copies of all permits, warranties and instructions shall be given to the homeowner.

4. ELIGIBLE HOME REQUIREMENTS

- a. The home shall have permanently installed electric zonal resistance heating existing (e.g., baseboard, wall mount fan units, ceiling radiant cable).
- b. The DHP must be installed in a section of the home not served by ductwork.
- c. The home must be at least one year old.
- d. The consumer's electrical account shall show enough winter electric heating use to justify the conservation program investment. This will be confirmed during Tacoma Power pre-approval.
- e. Homes with supplemental heat that do not show significant winter electric heating use must be willing to surrender their supplemental heat source to qualify.
- f. The home must be occupied year round.
- g. The home must be insulated to the following levels:
 - i. R20 or greater ceiling insulation
 - ii. R11 or greater floor insulation
 - iii. Walls insulated (any amount)

Technically challenging retrofits are exempt with Tacoma Power approval. If the home does not currently meet the above requirements, the customer may use Tacoma Power's weatherization program to meet the insulation standards.

5. NEW EQUIPMENT SELECTION

- a. Heat Pump Sizing
 - i. The heat pump system shall be sized to displace the majority of the current zonal heating system in the home, at least 500 square feet of living space.
 - ii. Minimum sized system is one (1.0) ton heating capacity at 47 degrees Fahrenheit OD temperature.
 - iii. In cases where the home is to participate in the Tacoma Power Weatherization program and the recommended measures have not been completed, sizing the DHP shall take into consideration the planned thermal improvements to the home.
- b. DHP units must be single blower. No multiple blower units allowed.

6. NEW EQUIPMENT INSTALLATION

Follow manufacturer's installation instructions and specifications. The following specifications are not intended to replace manufacturer's specifications.

- a. Permits
 - i. The contractor and/or the customer shall be responsible for all permits required by State and local ordinances for the installation of the heat pump system. Electrical permits shall be obtained through Tacoma Power's Electrical Inspection department located at 3628 S. 35th St. in Tacoma, (253) 502-8277. Mechanical permits shall be obtained at the jurisdiction for the specific address in question.
- b. Access
 - i. Equipment shall be located to allow easy service access and adequate working space for servicing any component without removal of piping or other permanently installed fixtures. Components that require frequent attention, such as filters, shall be located in easily accessible areas. Installations located in attic or crawlspaces are not allowed.
- c. Location of Indoor Unit
 - i. Indoor unit shall be installed in the main living area, located for best air circulation. Unit shall be installed level and located high on the wall.
- d. Location and Support of Outdoor Units
 - i. Outdoor units shall be located to avoid restrictions in the outdoor airstream. Defrost melt or condensate shall not drain onto areas where ice formation may create a hazard (walkways, etc.).
 - ii. Outdoor units will be installed with either of the following methods:
 - 1. Units shall be anchored to risers which are secured to an adequate, solid pad which provides proper drainage and prevents a buildup of water, snow or ice. A minimum clearance shall be provided as per manufacturer's instructions and recommendations. In any installation there shall a minimum of 3" of free and clear area under the outdoor coil drainage area.
 - 2. Units shall be mounted on the building exterior wall, secured and supported according to the manufacturer's instructions following noise and vibration abatement requirements.

- e. Refrigerant Tubing
 - i. Factory tubing flares and fittings are NOT to be reused.
 - ii. Create new flares using appropriate R410a flaring tool and measurement gauge.
 - iii. Apply refrigerant oil to the end of each flare.
 - iv. Connect tubing with R410a nuts (supplied with indoor and outdoor units) using a torque wrench tightened to manufacturer's specifications.
- f. Refrigerant Charge
 - i. Technician shall follow manufacturer's installation manual when charging a new system and make any needed adjustments for non-standard line set lengths.
 - 1. Gauges are not needed to verify refrigerant levels. A scale should be used when adding or removing refrigerant.

7. FILTERS

- a. Indoor unit shall come with air filters installed from the factory.

8. NOISE AND VIBRATION ABATEMENT

- a. Outdoor Unit
 - i. Outdoor units should be located to avoid transmission of objectionable noise to adjacent properties, sleeping areas or other areas where noise control is critical. Outdoor units shall comply with all state and local noise control ordinances. The participating installer shall be responsible for any modifications necessary to reduce noise. Unit base shall not be connected to the foundation.

9. REFRIGERANT PIPING

This section applies to the copper refrigerant line sets

- a. Materials
 - i. Field-supplied refrigerant piping shall be clean, dehydrated, sealed and seamless copper tubing or the manufacturer's pre-charged tubing. Fittings shall be wrought copper. Field supplied tubing shall be evacuated to 500 microns and purged and pressure tested as per manufacturer's recommendation, soft solders shall not be permitted.
- b. Sizing
 - i. To maintain oil return to the compressor and avoid inefficiency and capacity loss, refrigeration piping or refrigeration line set shall be sized and installed in accordance with the manufacturer's instructions. Piping between the two units shall not exceed the manufacturer's maximum recommended length, horizontally or vertically, and shall be run parallel to building lines and in a straight and workmanlike manner to prevent oil traps.
- c. Support
 - i. Refrigerant piping shall be properly supported in accordance with manufacturer's specifications, AHRI and IMC (International Mechanical Code).

- d. Penetrations
 - i. Refrigerant piping passing through openings in the unit cabinet or the building structure shall be installed to prevent wear or sound generation due to contact with the cabinet or building structure. All penetrations in the envelope of the home shall be properly sealed with an insulative sealant.
- e. Electric Wiring
 - i. When attached to the exterior walls shall be in conduit to protect them from contact and exposure.
- f. Insulation
 - i. Refrigerant lines shall be insulated with a minimum of ½” thick continuous closed-cell foam rubber. Where refrigeration line sets run on the exterior of the home they shall have a rigid line hide weatherproof covering.
- g. Leak Testing, Evacuation and Charging
 - i. Factory as well as field-fabricated joints shall be checked, and any leaks found shall be repaired. Evacuation and charging shall be done in accordance with the manufacturer’s instructions and recommendations.

10. CONDENSATE SYSTEM

- a. Condensate Drain
 - i. Line shall slope downhill to allow for gravity flow of condensate to terminate outside of home.
- b. Piping Material
 - i. Condensate drain piping shall meet IMC and should be copper, plastic or other corrosion-resistant material.
- c. Drains
 - i. Condensate drain lines shall run to an open drain or location outside of the building foundation. Under no circumstances may condensate be drained into a crawl space or direct connected into a sewer line.
- d. Condensate Pump
 - i. Condensate pumps are not recommended unless there is no other alternative. If a condensation pump must be installed, follow the manufacturer’s installation requirements.

11. ELECTRICAL

- a. Field Wiring
 - i. All field wiring, line and low voltage, shall comply with the manufacturer’s recommendations, the National Electrical Code and all applicable local codes and ordinances.

12. INDOOR THERMOSTATS

- a. Wireless Remote Control
 - i. A wireless remote control is standard equipment for adjusting the indoor comfort.

b. Wall Mounted Wired or Wireless Controls

- i. May be installed at the customer's request.
- ii. Indoor thermostats should be located and installed according to the manufacturer's instructions and recommendations. Thermostats are generally installed five feet off the floor and located on an inside wall where they are not exposed at any time to direct sunlight or any other heat source.

Appendix C

Program Workflow

1. Tacoma Power will:

- a. Market and promote the ductless heat pump program.
- b. Recruit and prequalify eligible customers.
- c. Refer customers to the Qualified Contractor Roster.

2. Contractors will:

- a. Meet with customer and complete onsite review.
- b. Explain the installation process to the customer.
- c. Specify equipment and present customers with a bid and installation form.
 - i. If basic installation exceeds \$3,500 the contractor must explain the cost differential.

3. Customers will:

- a. Choose a contractor.
- b. Sign installation form to authorize the project.
 - i. Rebate – schedules installation with contractor
 - ii. Loan - submit proof of ownership documents
 - iii. Grant – complete and submit grant application and income documents
- c. Submit signed installation form and provide all program documents to Tacoma Power.

4. Contractors will:

- a. Submit signed installation form and provide all program documents to Tacoma Power.

5. Tacoma Power will:

- a. Review the program documents.
- b. Authorize the Grant and Loan projects
 - i. Grant
 1. Approve income eligibility
 2. Issue a notice to proceed.
 - ii. Loan
 1. Create a loan agreement.
 2. Acquire customer signature.
 3. Issue a notice to proceed.

6. Contractors will:

- a. Obtain permits and schedule installation.
- b. Supply and install equipment.
- c. Submit final program documents and customer's invoice to Tacoma Power.

7. Tacoma Power will:

- a. Review final program documents and customer invoice.
- b. Inspect per contract terms and conditions.
 - i. Issue corrective action notices as needed.
- c. Upon approval pay incentive to customer's contractor..

Appendix D

Definition of a Basic Installation

1. Ductless Heat Pump Equipment

- a. 12,000 BTU heating capacity inverter driven compressor
- b. Single indoor blower unit (not connected to any duct work)
- c. Installed according to Tacoma Power specifications

2. Mechanical installation

- a. Outdoor compressor unit located on the same wall as the indoor blower unit
- b. Standard line set (up to 25 feet) between the compressor and indoor blower unit
- c. Indoor blower unit installed on an exterior wall with no interference due to headers, existing electrical, or plumbing

3. Electrical installation

- a. Electric service panel (breaker box) has adequate capacity

Appendix E

Tacoma Power Conservation Contractor Agreement

THIS AGREEMENT is made and entered into this _____ day of _____, 2012 (“Effective Date”) by and between the City of Tacoma, Department of Public Utilities, Light Division, Tacoma Power (hereinafter referred to as Tacoma Power) and Company Name (hereinafter referred to as the Contractor).

RECITALS

WHEREAS, Tacoma Power operates and funds various energy conservation programs including a home weatherization program and a high-efficiency electric heating system program (“Program” or “Programs”);

WHEREAS, Tacoma Power may develop, implement, and fund additional energy conservation programs to meet energy conservation goals or other energy conservation mandates established by law;

WHEREAS, in order to realize the benefits of reduced energy consumption, Tacoma Power encourages its customers to improve the energy efficiency of their homes located in Tacoma Power’s service territory by encouraging customers to participate in these Programs and to purchase and install these Program measures;

WHEREAS, to receive Program benefits, Tacoma Power customers enter into direct contracts with participating contractors who install identified Program measures for the customer. Tacoma Power establishes and maintains list of participating contractor (“Qualified Contractor Roster”) for use by Tacoma Power customers desiring to independently contract with contractors that are familiar with the particular Program requirements and offer the services requested;

WHEREAS, Program payments made by Tacoma Power are in the form of rebates or incentives to a Tacoma Power customer for Program-compliant energy conservation improvements made to such customer’s private property pursuant to an independent contract directly between that customer and a participating contractor; therefore, participating contractors are not intended to be, nor shall they be deemed in any way to be, a contractor of Tacoma Power for purposes of performing work and/or furnishing materials in connection with Program funding;

WHEREAS, Contractor desires to participate in these Programs as identified herein and be listed as a participating Contractor on the Tacoma Power Qualified Contractor Roster per the terms and condition provided herein.

NOW, THEREFORE, in consideration of the mutual benefits to be derived hereunder, Tacoma Power and the Contractor agree to the following.

Terms and Conditions

The foregoing recitals shall be deemed to be material terms and conditions of this Agreement and not mere recitals of fact or intentions.

A. Term. This Agreement shall commence on the Effective Date stated above and shall continue until terminated by either party. Termination may be with or without cause and shall be accomplished as follows:

1. Termination for cause by Tacoma Power shall be in accordance with the procedures for deleting the Contractor from the Qualified Contractor Roster, as specified in Section I.
2. Tacoma Power may terminate without cause by giving Contractor seven (7) day written notice that it will be deleted from the Qualified Contractor Roster. Tacoma Power may terminate this Agreement without cause due to programmatic changes.
3. The Contractor may terminate with or without cause by giving written notice to Tacoma Power at least seven (7) days in advance of the effective date of termination that the Contractor no longer desires to be included on the Qualified Contractor Roster.
4. In the event of termination, all agreements for Contractor listing will be terminated at the same time.

B. Exhibits and Attachments

1. Attachment A.
 - a. Program descriptions, eligibility requirements, additional listing requirements, approved measures and incentives and Program procedures are listed in Attachment A. Tacoma Power may expand or reduce this list of measures or activities at its sole discretion.
2. Attachment B.
 - a. Attachment B shall list Contractor measures, sub contractors and required documentation.
 - b. Upon execution of this Agreement, the Contractor will indicate in writing on Attachment B each measure or activity for which the Contractor will submit bids to a Tacoma Power Customer.
 - c. The Contractor will also identify known subcontractors who may be providing sub-contracted services or work for the Contractor in relation to the Programs described herein.
 - d. Contractor shall provide to Tacoma Power copies of the documentation listed in Attachment B.
 - e. All Contractors and subcontractors identified in Attachment B are subject to review and rejection by Tacoma Power; in which event, different subcontractor selections will be required.
3. Attachment C.
 - a. "Program Specifications" are attached as Attachment C and are incorporated into the Agreement by this reference. Tacoma Power may adopt changes to the Program Specifications at any time and will notify participating contractors 30 days prior to enforcement of any revised or changed Program Specifications.
4. Contractor hereby agrees that in consideration of continued listing as a participating contractor, Tacoma Power may update, change, or modify Attachment A, Attachment B, and Attachment C at its sole discretion and Contractor hereby agrees to be bound thereby.

- C. Independent Contractor.** Under the contractual arrangement of this Agreement, the Contractor is provided only a right to participate in Tacoma Power's energy conservation Programs subject to the terms and conditions specified herein. It is expressly understood and agreed that Contractor shall not be deemed to be performing work for, or providing equipment or materials to, Tacoma Power. The Contractor is not an employee, agent, contractor, independent contractor, or in any manner a representative of Tacoma Power. In relation to work performed for Tacoma Power customers, the Contractor is, and shall act as, an independent contractor of the Tacoma Power customer with regard to the sale, installation, warranty and performance of the conservation measures installed. The Contractor shall not represent that it is, nor hold itself out as, an agent or representative of Tacoma Power. In no event shall the Contractor be authorized to enter into any agreements or undertakings for or on behalf of Tacoma Power or to act as or be an agent or representative of Tacoma Power. The Contractor shall be fully responsible for the acts, omissions, conduct, and performance of all of itself, its employees, agents, representatives, subcontractors and suppliers.
- D. Contractor Obligations.** The Contractor represents that it is, and at all times it shall be, fully experienced and properly qualified, licensed, bonded, equipped, organized, insured, and financed to be a contractor in Washington State. At Tacoma Power's request, the Contractor shall provide Tacoma Power with any information or records pertaining to the Contractor's qualifications, representations or performance under or in connection with this Agreement. The Contractor agrees to provide Tacoma Power customers with information on the requirements of the Program that is the subject of any contract between such customers and Contractor, including but not limited to any permits, inspections, and Program required measures or additional Program required testing.
- E. Non-Exclusive Agreement.** The Contractor understands and agrees that this is not an exclusive commitment to the Contractor by Tacoma Power and that Tacoma Power may, at its option, sign agreements similar to this one with any number of participating contractors. Nothing in this Agreement shall constitute a representation or a commitment by Tacoma Power that any Tacoma Power customer or any other third party will request a bid from the Contractor or will enter into a contract with the Contractor.
- F. No Warranty.** Tacoma Power makes no implied or express warranties or representations with regard to the conservation work described or listed in Attachment A and the Contractor will not represent to the purchaser that Tacoma Power makes any warranty, representation or promise regarding such work or resulting savings in terms of energy consumption.
- G. Indemnification.** To the fullest extent allowed by law, the Contractor agrees to indemnify, defend, and hold harmless Tacoma Power and its officers and employees, from all claims, loss, damages, or litigation including personal injury, death or property damage arising from or in connection with the performance of any contract between Contractor and a Tacoma Power customer and/or related to this Agreement, except to the extent caused by the sole negligence of Tacoma Power or its employees acting within the scope of their employment.

The Contractor is not an employee, agent, contractor, independent contractor, or in any manner a representative of or for Tacoma Power. Tacoma Power does not assume responsibility nor shall it be liable for any acts or omissions of the Contractor, nor for faulty or defective materials or workmanship furnished by Contractor. Tacoma Power is not responsible for any loss resulting from delisting or failure to list the Contractor on the

Qualified Contractor Roster.

H. Business Practices. The Contractor agrees to abide by all laws, ordinances, rules and permitting regulations applicable to work undertaken as a result of being included on the Qualified Contractor Roster and, in addition, agrees to the following:

1. Licensing and Bonding

Except for non-profit entities, all Contractors must possess a current, appropriate Washington State contractor's license or an appropriate specialty license. Except for non-profit entities, all Contractors must possess a current surety bond as required by applicable Washington State laws and regulations and may be required to provide a further performance bond. See Attachment A for requirements regarding performance bonding. A copy of the current license and surety bond must be provided to Tacoma Power initially and at each Renewal Period (prior to expiration) as specified by Tacoma Power. For purpose of this Agreement, "Renewal Period" means each 12 month anniversary following the Effective Date of this Agreement, at which point in time Tacoma Power will review Contractor's licensing, bonding, insurance and performance status. During the Term of this Agreement and any Renewal Period, the Contractor must notify Tacoma Power in writing of any changes to its license or bond status within 10 business days of such change.

2. Liability Insurance

Contractor agrees to carry Commercial General Liability Insurance, including coverage for completed operations and Blanket Contractual Coverage for damage to property or injury to persons which may result from work performed as a result of being included on the Qualified Contractor Roster. Limits of liability shall not be less than \$1,000,000 combined single limit and \$2,000,000 aggregate for personal injury and property damage. The insurance required of the Contractor hereunder must be satisfactory to Tacoma Power in all respects. The policy must contain a clause providing for thirty (30) or more days prior written notice to Tacoma Power of any change in coverage afforded by the policy or policies, including cancellation thereof. Certificates evidencing all such required insurance are to be submitted to Tacoma Power under the policy or policies prior to being listed as available to perform work. Copies of the certificates of insurance must be provided within 30 days following the Effective Date of this Agreement and at each Renewal Period (prior to expiration).

3. Program Specifications

Contractor agrees that they have received and read the Program Specifications and that they will install measures according to these specifications. Tacoma Power reserves the right to adopt changes to the Program Specifications at any time and will notify participating contractors 30 days prior to enforcement of any such change.

4. Warranty

- a. Contractor will comply with warranty requirements as outlined in Program Specifications (see Attachment C).
- b. The Contractor shall assign to the Tacoma Power customer any and all warranties furnished by manufacturers of all materials installed at such customer's premises as a result of Contractor's contract with the customer.
- c. The warranty requirements set forth in the Program Specifications and subsection b.

above are minimum requirements only and are not meant to restrict the Contractor from furnishing additional warranties to customers. All warranties must be provided in writing to the customer by the Contractor.

- d. Tacoma Power does not guarantee or warrant the workmanship of Contractors listed on the Qualified Contractors Roster or the materials supplied by such Contractors or material suppliers. Any representation by Contractor to the contrary shall be grounds for termination of this Agreement.
 - e. The Contractor agrees to repair or replace at its sole cost and expense any defects in workmanship or materials provided to a Tacoma Power Customer, which are discovered and reported to the Contractor. This promise to repair and replace is made for the express benefit of customers affected and is enforceable by them as well as by Tacoma Power.
 - f. Contractor agrees to participate in good faith, and at no cost to Tacoma Power or the customer, in any conciliatory conference that results from a customer grievance about work performed by the Contractor.
5. Assignment and Subcontractors
This Agreement and the performance of the work hereunder may only be assigned or delegated by the Contractor to a party or subcontractor who is at all material times either registered as a contractor or licensed as an electrical contractor by the State of Washington. Contractor will provide Tacoma Power written notification before using any subcontractor – see Attachment B.
 6. Kickbacks and Fraud Prohibited
The Contractor's bid(s) to Tacoma Power customers shall represent offers for work actually to be performed and there shall be no payment for work not performed. Kickbacks, rebates or other non-Program benefits from owners, suppliers, subcontractors or others are strictly prohibited except for manufacturer incentives and rebate programs or where a cooperative agreement exists between Tacoma Power and the manufacturer and/or contractor. Violation of this provision shall be grounds for Contractor deletion pursuant to Section I.
 7. Collusion Prohibited
The Contractor agrees and represents that the prices stated in bids for proposed work and/or materials submitted to a Tacoma customer in connection with any Program shall not be the result of collusion, by formal or informal agreement, with another bidder. It is further agreed that the Contractor shall not submit a bid on any program project on which a bid has been submitted by another business entity which is owned or controlled by the Contractor, or is a subcontractor of that Contractor.
 8. Accessibility
The Contractor must be accessible to Tacoma Power customers during standard business hours.
 9. Misrepresentation
The Contractor shall not provide information to Tacoma Power customers regarding the Program that is inaccurate or misleading.

10. Principles

At the annual anniversary date, or as may be requested by Tacoma Power, the Contractor shall provide a listing of all company owners.

11. Marketing

Tacoma Power agrees to provide marketing materials for distribution to Tacoma Power customers to include, but not be limited to, brochures. From time to time, Tacoma Power may advertise that conservation measures, including the approved contractor list or portions thereof, are available to the public. Contractors are not eligible to use Tacoma Power's logo without the express written consent of Tacoma Power. Contractor agrees to cooperate with advertising efforts offered by Tacoma Power.

I. **Contractor listing and deletion procedures.** To be listed on Tacoma Power Qualified Contractor Roster, prospective contractors must meet the following requirements:

1. Attend a Tacoma Power contractor orientation.
2. Meet all other requirements set forth in this Agreement.
3. Meet specific Program requirements listed in Attachment A under "Additional Contractor Listing Requirements."

To continue to be listed,

1. The Contractor agrees to pass inspection on six (6) Tacoma Power incentive qualified conservation projects every six months beginning at the time of execution of this Agreement.
2. The Contractor must attend the annual contractor meeting.

A Contractor may be deleted from the Qualified Contractor Roster for cause for any of the following occurrences:

- (a) Accepting kickbacks, rebates or other non-Program benefits from owners, suppliers, subcontractors or others associated with Tacoma Power, except for manufacturer incentive and rebate programs or where a cooperative agreement exists between Tacoma Power and the manufacturer and/or contractor.
- (b) A failure rate on the initial Tacoma Power inspection in excess of twenty five percent (25 %) of the jobs undertaken by the Contractor in a given 90 day period.
- (c) A complaint rate in excess of twenty percent (20%) of jobs undertaken within a given 90 day period, concerning Contractor workmanship, materials, or business practices, providing that said complaints are considered valid by Tacoma Power. Complaints considered valid include but are not limited to: missed appointments, abusive behavior or language, verified threatening behavior, bodily harm to the customer or customer's pet(s), damage to customer's property, failure to complete corrective work within thirty (30) days, failure to respond to request for bids, three or more failed inspections of any individual job.
- (d) Failing to comply with the terms and conditions of this Agreement within ten (10) working days of notification of said failure by Tacoma Power.

- (e) Providing false or misleading information concerning material or labor warrantees, Tacoma Power or its Programs.

Prior to deletion for cause from the Qualified Contractor Roster, Tacoma Power will notify the Contractor of the proposed action and afford the Contractor an opportunity to discuss and propose a resolution of the problem(s). If the proposal of the Contractor is acceptable to Tacoma Power, deletion action may be withdrawn or postponed pending completion of any promised action by the Contractor. Tacoma Power reserves the right to delay the providing of any rebates to customers of the Contractor during this period and any subsequent probationary period. If a Contractor fails to complete the promised action in the time agreed upon, the Contractor will be deleted from the Qualified Contractor Roster.

If a Contractor completes the promised action in the time agreed upon, the Contractor may remain on the Qualified Contractor Roster on a probationary basis. The terms and conditions of probationary listing shall be specified in writing and agreed upon by the Contractor and Tacoma Power.

An initial case of deletion shall be for one (1) year, after which time the Contractor may be reinstated to the Qualified Contractor Roster upon meeting all the requirements in effect at that time. A subsequent deletion is grounds for permanent delisting.

Contractors removed from the Qualified Contractor Roster will have 90 days to complete outstanding projects from the date the project's Notice to Proceed is issued to contractor. All terms and conditions still apply until outstanding projects are completed.

- J. Inspections.** Tacoma Power may inspect Contractor's work as part of the rebate payment approval process, but shall have no obligation to inspect the work of the Contractor. Any inspections by Tacoma Power are for the sole purpose of determining the Contractor's compliance with this Agreement and Program Specifications.
- K. Non-Discrimination.** The Contractor agrees to take all steps necessary to comply with all federal, state, and City laws and policies regarding non-discrimination and equal employment opportunities. The Contractor shall not discriminate in any employment action because of race, religion, color, national origin or ancestry, sex, gender identity, sexual orientation, age, marital status, familial status, or the presence of any sensory, mental or physical handicap. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, religion, color, national origin or ancestry, sex, gender identity, sexual orientation, age, marital status, and/or familial status. Such action shall include, but not be limited to the following areas: employment, upgrading, demotion, transfer, recruitment advertising, layoff, termination, rates of pay, other forms of compensation, and selection for training, including apprenticeship. These guidelines shall also be followed in regard to the use of subcontractors. In the event of non-compliance by the Contractor with any of the non-discrimination provisions of this Agreement, Tacoma Power shall be deemed to have cause to terminate this Agreement.
- L. Legal Disputes.** Contractor and Tacoma Power agree and stipulate that in the event any litigation should occur concerning or arising out of this Agreement, the sole venue of any such legal action shall be the Pierce County Superior Court of the State of Washington and

the interpretation of the terms of this Agreement shall be governed by the laws of the State of Washington.

M. Non-Waiver. Failure of Tacoma Power to insist upon strict performance of, or a waiver by Tacoma Power of any breach of any of the terms, conditions, or obligations of this Agreement shall not be deemed a waiver of any other term, condition, covenant or obligation, or of any subsequent default or breach of the same or any other term, condition, covenant or obligation herein contained.

N. Entire Agreement. This Agreement and its Attachments contain the entire Agreement between the parties as to the services to be rendered hereunder. All previous and contemporaneous agreements, representations, or promises and conditions relating to the subject matter of this Agreement are superseded hereby. If any term, condition or provision of this Agreement is declared void or unenforceable or limited in its application or effect, such event shall not affect any other provisions hereof and all other provisions shall remain fully enforceable.

O. Modification. Unless otherwise specified herein, no modification or amendment of this Agreement shall be effective unless set forth in writing and signed by all Parties.

SIGNATURE and ACCEPTANCE. Each Party hereto represents that it has the authority to enter into this Agreement and by his/her signature below accepts the terms and conditions hereof.

TACOMA POWER

CONTRACTOR

Stephen Bicker (Date)
Conservation Resources Manager

By: _____
(Signature) (Date)

(Print Name)

Title: _____

Business Name: _____

Mailing Address: _____

Telephone: _____

Federal Tax ID: _____

Approved as to form:

Deputy City Attorney (Date)

Approved:

Finance (Date)

ATTACHMENT A

High Efficiency Heating Program: Ductless Heat Pumps

PROGRAM DESCRIPTION

Tacoma Power provides an incentive to residential customers served by Tacoma Power for upgrading the efficiency of their heating system when they meet the Program Eligibility Requirements and the installation meets the program specifications. The following measures are offered:

- Installation of a single blower split system ductless heat pump (DHP) employing an inverter-driven, variable speed compressor, a variable speed outdoor fan and a multi-speed or variable speed indoor blower.
 - The DHP installations must be installed by a technician on the NW Ductless oriented contractor list, be manufacturer trained and meet the Tacoma Power Specifications. Tacoma Power verifies installation or completion of work and tenders rebate to customer, or if directed by customer, provides the rebate to the customer's contractor.

ADDITIONAL CONTRACTOR LISTING REQUIREMENTS

- After 90 days from establishing the first DHP Qualified Contractor Roster, any new Contractors applying to be listed on the Qualified Contractor Roster must pass inspection on three Tacoma Power DHP projects before Contractor may be listed on the Tacoma Power Qualified Contractor Roster.

BUILDING ELIGIBILITY REQUIREMENTS

- Building must be older than one year and served by Tacoma Power
- Primary heating system must be zonal electric (e.g., baseboard heaters)
- Home must meet the minimum insulation standards according to the program specifications
- Home must be occupied year round

INSTALLATION ELIGIBILITY REQUIREMENTS

- DHP limited to single blower installations
- DHP must be located to displace a minimum of 500 square feet of zonal electric heat
- DHP must be sized at 1.0 ton or greater heating capacity
- DHP equipment must be listed on the BPA Qualified Product List
- Owner must sign a Tacoma Power participation form to qualify for program incentives
- Total installation cost must be \$3500 or less for a "Basic Installation"
- Installations must meet program specifications and requirements

APPROVED MEASURES

The following measures are approved under the Tacoma Power High Efficiency Heating program:

- Installation of a new DHP system meeting the Tacoma Power program requirements

INCENTIVES

Customers may choose/qualify for one of the following options:

- \$800 rebate
- Up to \$3,300 zero interest loan with seven-year term
- Up to \$3,800 grant for qualified low-income customers. Preapproved exceptions for increased grant funds may be made by Tacoma Power.

GENERAL PROGRAM PROCEDURES

Procedures provide an overview of the process and should be used as a guide. Procedures do not replace program specifications.

1. Must attend a contractor orientation to review procedures, forms and answer questions
2. The Contractor shall bid the project and complete an installation form.
 - a. Rebate projects
 - i. Contractor shall schedule and install a qualifying DHP system to program specifications
 - ii. Contractor shall send the installation form, copy of customer's invoice to Tacoma Power
 - iii. Tacoma Power reviews the program documents and may inspect the completed DHP installation
 - iv. Tacoma Power verifies the installation and pays the rebate to the customer's contractor
 - b. Low income projects:
 - i. Customer completes a low income grant application form
 - ii. Customer or contractor submits the grant application, income documents, installation form, and contractor bid to Tacoma Power
 - iii. Tacoma Power reviews and approves grant application
 - iv. If approved, Tacoma Power sends a notice to proceed to the customer and contractor
 - v. Contractor shall schedule and install a qualifying DHP system to program specifications
 - vi. Contractor shall send a copy of the customer's invoice to Tacoma Power
 - vii. Tacoma Power reviews the program documents and may inspect the completed DHP installation
 - viii. Tacoma Power verifies the installation and pays the grant to the customer's contractor
 - c. Loan projects

- i. Customer or contractor submit proof of legal ownership, installation form, and contractor bid to Tacoma Power
 - ii. Tacoma Power reviews and approves customer loan
 - iii. Tacoma Power creates customer agreement and sends to customer
 - iv. Customer signs customer agreement and returns to Tacoma Power
 - v. Tacoma Power sends a notice to proceed to the customer and contractor
 - vi. Contractor shall schedule and install a qualifying DHP system to program specifications
 - vii. Contractor shall send copy of customer's invoice to Tacoma Power
 - viii. Tacoma Power reviews the program documents and may inspect the completed DHP installation
 - ix. Tacoma Power verifies the installation and pays the loan amount to the customer's contractor,
3. For quality assurance, Bonneville Power Administration and/or Tacoma Power may have their designated representative perform random inspections. If the job fails this inspection, the contractor is responsible for correcting the issues

ATTACHMENT B –Contractor Information

Company Name: _____

Representative: _____

Title: _____

Date: _____

Please indicate below the measures or services your company will install or provide:

- Insulation
- Window Replacement
- Ducted Heat Pump System
- Ductless Heat Pump System
- Duct Leakage Testing & Sealing

The following documentation is required by Tacoma Power. Please provide copies of the following:

1. EPA Lead Safe certification for firm (window and insulation contractors only)
2. EPA Lead Safe individual certification (window and insulation contractors only)
3. Valid WA. State General Contractor license or WA. State Specialty Contractor license
4. Proof of General Liability Insurance and Surety Bond

The following subcontractor(s) will be providing services for the above named company. List all contractors, if additional space is needed use additional pages if necessary)

Company: _____

Services Provided: _____

Representative: _____

Title: _____ Date: _____

Company: _____

Services Provided: _____

Representative: _____

Title: _____ Date: _____

Attachment C – Program Specifications

Program specifications to be included in final contractor agreement.

Appendix F
Standard Insurance Requirements



City of Tacoma - Finance Department

RETURN CERTIFICATE TO:
Purchasing Division
P.O. Box 11007
Tacoma, WA 98411-0007
253-502-8468 / FAX 253-502-8372

INSURANCE CERTIFICATE REQUIREMENTS

Please furnish the Purchasing Division with a Certificate of Insurance with the following liability limits based on the contract amount:

Table with 2 columns: CONTRACT AMOUNT and LIABILITY LIMITS. Rows include: \$ 25,000 and Under; \$500,000 and Under; Over \$500,000. Corresponding liability limits: \$ 500,000 Combined Single Limit; \$1,000,000 Per Occurrence / \$2,000,000 Aggregate; \$5,000,000 Total Coverage.

- A. Umbrella excess liability may be used to reach the limits stated above. Coverage must include: 1. Comprehensive General Liability, 2. Automobile Liability - Hired and Non-Owned, 3. Contractual Coverage, 4. Broad Form Property Damage, 5. Underground Explosion and Collapse Hazard (if necessary by the nature of the work), 6. Any additional coverage specifically required by the City's specification.
B. The following general requirements apply: 1. Insurance carrier must be authorized to do business in the State of Washington, 2. Coverage must include personal injury, protective and employer liability, 3. Contractor must provide with the certificate (a) evidence of the amount of any deductible or self-insured retention under the policy, and (b) policy endorsement(s) that verify compliance with the additional insured and the primary/non-contributory requirements specified in Section C. 1 and C. 2. below, 4. It is the contractor's responsibility to keep an up-to-date Certificate of Insurance on file with the City throughout the contract, 5. Contractor's insurance must be primary and non-contributory over any insurance the City may maintain, that is, any such City insurance shall be excess to limits stated in the certificate.
C. The following statements are required on the Certificate of Insurance: 1. 'The City of Tacoma is named as an additional insured' ('as respects a specific contract' or 'for any and all work performed with the City' may be included in this statement), 2. 'This insurance is primary and non-contributory over any insurance or self-insurance the City may have' ('as respects a specific contract' or 'for any and all work performed with the City' may be included in this statement), 3. 'Should any of the above described policies be canceled before the expiration date thereof, the issuing company will mail 30 days written notice to the Certificate Holder named.' Language such as, 'endeavor to' mail and 'but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representative' is not acceptable and must be crossed out. See example below.

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS
The below listed certificated holder is added as an additional insured as respects any and all work performed with the City (or as respects project _____). This insurance is primary over any insurance or self-insurance the City may have for any and all work performed with the City (or as respects project _____).

Table with 2 columns: CERTIFICATE HOLDER and CANCELLATION. Row 1: CITY OF TACOMA, PO BOX 11007, TACOMA WA 98411-0007. Row 2: 'Should any of the above described policies be cancelled before the expiration date thereof, the issuing company will endeavor to mail 30 days written notice to the certificate holder named to the left, but failure to do so shall impose no obligation or liability of any kind upon the company, its agents or representatives.'