

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

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

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

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

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

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

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

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

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

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

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

Based on the foregoing, the Parties agree as follows:

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

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

Signed this 10th day of February, 2021

**MISSOULA COUNTY**

BY:

DocuSigned by:  
*David Strohmaier*  
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David Strohmaier  
Chair, Board of County Commissioners

DocuSigned by:  
*Josh Slomick*  
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Josh Slomick  
Commissioner

DocuSigned by:  
*Juanita Vero*  
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Juanita Vero  
Commissioner

ATTEST:

DocuSigned by:  
*Tyler Geram*  
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Tyler Geram  
Clerk and Recorder

**CITY OF BOZEMAN**

BY:

DocuSigned by:  
*Jeff Michelich*  
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Jeff Michelich  
City Manager

ATTEST

DocuSigned by:  
*Mike Maas*  
\_\_\_\_\_  
Mike Maas  
City Clerk

**CITY OF MISSOULA**

BY:

DocuSigned by:  
*John Engen*  
\_\_\_\_\_  
John Engen  
Mayor

ATTEST

DocuSigned by:  
*Kirsten Hands*  
\_\_\_\_\_  
Marty Robinson  
Kirsten Hands  
City Clerk Senior Deputy City Clerk

**CITY OF HELENA**

BY:

DocuSigned by:  
*Rachel Harlow Schalk*  
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Rachel Harlow Schalk  
City Manager

ATTEST

DocuSigned by:  
*Dannai Clayborn*  
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Dannai Clayborn  
City Clerk