

**CITY OF SEATAC
DISTRIBUTION SCHEDULE**

Agreement #: 18-A033	Interlocal Agreement with Highline Water District for the Construction of Water Distribution Facilities as Part of the 12th Place South and 13th Avenue South Overlay Project - ST-886
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Term: 4/1/2018 – 12/31/2018


Reference to: N/A **Approved:** Administratively

Department/Contact: Public Works

	No.	Reference to:	Date approved:	Changes to Agreement per amendment:
Amendments:				

Comments: Total Engineer's Opinion of Probable Construction Cost \$1,260,000

Retain this record until after: 2029

Date Reviewed by Records Manager: 4/3/18 

INTERLOCAL AGREEMENT BETWEEN THE CITY OF SEATAC AND HIGHLINE WATER DISTRICT FOR CONSTRUCTION OF WATER DISTRIBUTION FACILITIES AS PART OF THE 12TH PLACE SOUTH AND 13TH AVE. SOUTH OVERLAY PROJECT

THIS AGREEMENT ("Agreement") is entered into between the **City of SeaTac**, a Washington Municipal Corporation, located and doing business at 4800 South 188th Street, SeaTac, Washington 98188 ("CITY") and **Highline Water District**, a Washington Municipal Corporation, located and doing business at 23828 30th Avenue South, Kent, Washington 98032 ("DISTRICT"); (individually a "Party" and collectively the "Parties").

RECITALS

- A. The CITY is constructing roadway improvements along 12th Pl S and 13th Ave S between S 200th St and S 207th St; and along S 207th St between 12th Pl S and 14th Ave S within the City of SeaTac, Washington ("PROJECT").
- B. The DISTRICT operates and maintains water distribution facilities within the CITY's right-of-way in the vicinity of the PROJECT.
- C. The DISTRICT desires to install water distribution facilities ("DISTRICT WORK") within the Project limits.
- D. The CITY is willing to include the installation of the DISTRICT WORK as part of the Project conditioned on the District reimbursing the CITY for the cost to administer and install the DISTRICT WORK.
- E. The Parties can achieve cost savings and benefits in the public's interest by combining construction of PROJECT and DISTRICT WORK.

AGREEMENT

Section 1. General: The CITY, as agent acting for and on behalf of the DISTRICT, agrees to perform the DISTRICT WORK, in accordance with and as described in the Scope of Work marked **Exhibit A** and Plans and Specifications marked **Exhibit B** attached hereto, which by this reference are made part of this Agreement.

Section 2. Construction Plans: Plans, Specifications and cost estimates for the DISTRICT WORK have been prepared by the DISTRICT generally in accordance with the 2016 State of Washington Standard Specifications for Road, Bridge and Municipal Construction, DISTRICT Standard Specifications as applicable, and adopted design standards ("Plans and Specifications"). The DISTRICT hereby approves the Scope of Work for the DISTRICT WORK as described in **Exhibit A** attached hereto and incorporated herein by this reference ("Scope of Work").

Section 3. Bidding and Construction: The CITY is hereby designated the DISTRICT's construction agent for the DISTRICT WORK. The CITY will incorporate the DISTRICT's Plans

and Specifications into the Project as a separate additive schedule to the PROJECT contract in such a manner as to allow, to the greatest extent possible, identification of cost allocations between the respective work for the Parties. The CITY shall thereafter advertise the resulting Project for competitive bid. Following the CITY's receipt of bids for the Project work, the CITY shall furnish the DISTRICT with the bid, bid prices, and the list of contractors and subcontractors for the DISTRICT WORK for the DISTRICT's approval. DISTRICT shall review the bid documents and notify CITY in writing within ten (10) business days of the receipt of the bid whether the DISTRICT approves or rejects the bid(s) for the DISTRICT WORK. The DISTRICT has the right to reject the bid if the bid exceeds the engineer's estimate for the DISTRICT WORK by 25% as shown on **Exhibit C** ("Cost of Work" or "Engineer's Estimate"). The CITY shall not proceed with the DISTRICT WORK if the above conditions are met and the CITY has received written notification from the DISTRICT that the DISTRICT rejects the bid(s). Bid award shall be made to the lowest responsible bidder for the total project, subject to applicable laws and regulations. However, if the DISTRICT rejects the bid for the DISTRICT WORK, the DISTRICT may elect not to proceed with the DISTRICT WORK, or may select its own contractor to do the DISTRICT WORK deemed necessary. If the DISTRICT elects to proceed with the DISTRICT WORK, the DISTRICT shall require its contractor to coordinate all DISTRICT WORK within the Project work area with the CITY contractor and with any contractors or work crews from other utilities and to not unreasonably interfere with or delay the CITY'S contractor or the work by other utilities.

Once the Project contract is awarded, the CITY will administer and manage the contract. As construction agent, the CITY will perform all engineering, survey and field inspections and shall make all payments to the Contractor. The CITY will keep the DISTRICT advised as to the progress of the Project. The CITY, as construction agent, shall have final judgment, after consulting with the DISTRICT, with regards to decisions related to the work of the Contractor.

Section 4. Authority to Construct: Subject to the provisions in Section 3 herein, the DISTRICT hereby authorizes the CITY to proceed with construction in accordance with **Exhibits A, B and C** for the purpose intended by this Agreement, and as further described in Section 8.

Section 5. Inspection by District: The DISTRICT shall furnish an inspector on the Project. Any costs for such inspection will be borne solely by the DISTRICT. All contact between the DISTRICT's inspector and the CITY's Contractor shall be through the CITY's representatives.

Section 6. Acceptance: The CITY shall conduct a field review of each constructed facility with representatives of the DISTRICT and shall further require all punchlist items to be corrected to the satisfaction of the DISTRICT and the CITY before final acceptance by the CITY. The DISTRICT agrees, upon satisfactory completion of the work involved as determined by the DISTRICT, to deliver a Letter of Acceptance of the DISTRICT WORK to the CITY. The DISTRICT's acceptance of the DISTRICT WORK shall not constitute acceptance of any unauthorized or defective work or materials, nor be a waiver of any manufacturer's, supplier's or contractors' warranties. Final acceptance of the Project shall be by the CITY after inspection by all agencies involved.

Section 7. Payment: The DISTRICT, in consideration of the faithful performance of the work to be done by the CITY, agrees to reimburse the CITY for the actual direct construction

cost of all work specified in **Exhibit C** plus a lump sum payment of twenty thousand dollars (\$20,000.00) to cover Construction Management costs (e.g., project management, construction administration, inspection). Payment shall be made by the DISTRICT to the CITY within sixty (60) calendar days of the DISTRICT's acceptance of the DISTRICT WORK as referenced in Section 6, upon the request of the CITY, to cover actual direct costs incurred by the CITY. Costs shall include the DISTRICT's portion of the Contractor's construction costs, sales tax, and the CITY's Construction Management cost as included in the final construction cost.

Section 8. Extra Work: If unforeseen causes require an increase in the DISTRICT's cost obligation of twenty-five percent (25%) or more from the cost included in **Exhibit C**, this Agreement shall be modified and amended by supplemental agreement covering the increased cost for the DISTRICT WORK. In the event it is determined that any "substantial change" from the description of the work contained in the Agreement is required, the CITY shall obtain written approval from the DISTRICT before undertaking such additional or changed work. "Substantial change" is defined as any changes requiring an increase in the DISTRICT's financial obligation (per **Exhibit C**) greater than twenty-five percent (25%). The CITY shall provide prior written notice to the DISTRICT for all changes to the DISTRICT's portion of the work regardless of the financial obligation.

Section 9. Emergency Repairs: Prior to CITY acceptance of Contractor's work, if there is a need for emergency repair and the CITY's Contractor is unable to perform such repair in a timely manner, the DISTRICT shall have the right to enter upon the CITY's right-of-way and complete said emergency repair. Emergency repairs are defined as work performed by CITY or DISTRICT forces to stabilize, remove immediate hazards or dangers by cutting and capping water mains, and restoring immediate utility services to customers in the area. Upon completion of any emergency repairs by the CITY or the DISTRICT, the CITY and the DISTRICT shall cooperatively determine each Party's financial responsibility.

Section 10. Ownership of Completed Lines: The CITY agrees that the waterline and appurtenances become the property of the DISTRICT on the date the CITY receives full payment for the DISTRICT WORK or the CITY grants final acceptance of the DISTRICT work, whichever is later. The CITY shall forward and assign to the DISTRICT any guarantee or warranty furnished as a normal trade practice in connection with the purchase of any equipment, materials, or items used in the construction of the Project. The CITY shall submit redline drawings to the DISTRICT upon completion of the Project for DISTRICT review and approval. The CITY's Contractor shall warrant the workmanship and materials utilized in the Improvements to be free of defects for a period of one (1) year from the date of transfer; provided the DISTRICT shall retain any rights, claims or demands the DISTRICT may have against the CITY's contractor relating to the DISTRICT's work under applicable statutes of limitation.

Section 11. Legal Relations: The CITY and the DISTRICT agree to defend, save, keep, and hold harmless the other, its officers, agents, employees, and volunteers from and against any and all damages, costs or expenses in law or equity that may any time arise out of or related to damages to property or personal injury received by reason of, or in the course of, or which may be occasioned by any willful or negligent act or omission of either Party arising out of the activities which are the subject of this Agreement.

The CITY shall require the contractor constructing the Project to have the DISTRICT, its elected and appointed officers, agents and employees named as an insured on all policies of insurance to be maintained by Contractor(s) under the terms of any Project contract(s), with the CITY's Contractor building the Project required to maintain Commercial General Liability Insurance, Commercial Automobile Insurance and Workers Compensation. The Contractor shall provide the CITY with either a certified copy of all policies with endorsements attached or a Certificate of Insurance with endorsements attached as are necessary to comply with the contract specifications. The CITY shall provide the DISTRICT with copies of all such policies and documents upon receipt of same by the CITY.

The CITY shall require the contractor building the Project to indemnify, defend, and save harmless the DISTRICT and its elected and appointed officers, agents, or employees from any claim, damage, action, liability of proceeding brought or filed against the DISTRICT or its officers, agents or employees alleging damage or injury arising out of the contractor's participation in the Project. The Contractor shall also be required to waive the Contractor's immunity under Washington's Industrial Insurance Act, RCW Title 51, as to the DISTRICT solely for the purposes of the indemnification.

Section 12. Resolution of Disputes and Governing Law: This Agreement shall be governed and construed in accordance with the laws of the State of Washington. If the Parties are unable to settle any dispute, difference or claim arising from the Parties' performance of this Agreement, the exclusive means of resolving that dispute, difference or claim, shall only be by filing suit exclusively under the venue, rules and jurisdiction of the King County Superior Court located in Kent, King County, Washington, unless the Parties agree in writing to an alternative dispute resolution process. In any claim or lawsuit for damages arising from the Parties' performance of this Agreement, each Party shall pay all of its own legal costs and attorney's fees incurred in defending or bringing such claim or lawsuit, in addition to any other recovery or award provided by law, provided, however, nothing in this paragraph shall be construed to limit the CITY's or DISTRICT's right to indemnification under Section 11 of this Agreement.

Section 13. Written Notice: Any notice under this Agreement will be in writing and shall be delivered by mail or hand delivery (copies may be emailed) to the parties as specified below:

If to the DISTRICT: Highline Water District
23828 30th Avenue South
P.O. Box 3867
Kent, WA 98032-3867
Attn: Jeremy DelMar
Email: jdelmar@highlinewater.org

If to the CITY: City of SeaTac
4800 South 188th Street
SeaTac, WA 98188
Attn: Florendo Cabudol, City Engineer
Email: fcabudol@ci.seatac.wa.us

Either party may change the above addresses to which notices are sent by giving notice of such change to the other party in accordance with the provisions of this Section.

Section 14. Assignment: Any assignment of this Agreement by either Party without the prior written consent of the non-assigning Party shall be void.

Section 15. Modification: No waiver, alteration, or modification of any of the provisions for the Agreement shall be binding unless in writing and signed by a duly authorized representative of the CITY and the DISTRICT.

Section 16. Entire Agreement: The written provisions and terms of this Agreement together with any attached Exhibits, shall supersede all prior verbal statements of any officer or other representative of either Party, and such statements shall not be effective or be construed as entering into or forming a part of or altering in any manner this Agreement. This document, including all Exhibits, is the entire Agreement between the Parties. Should any language in any of the Exhibits to the Agreement conflict with any language contained in this Agreement, the terms of this Agreement shall prevail.

Section 17. Effective Date: This Agreement shall be effective as to all Parties on the last date signed below ("Effective Date").

IN WITNESS WHEREOF, this Agreement is executed by the Parties by their authorized officers indicated below

EXECUTED, this 20th day of MARCH, 2018.

CITY OF SEATAC

HIGHLINE WATER DISTRICT



Joseph Scorcio
City Manager

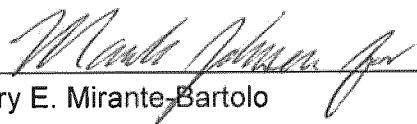


Matt Everett
General Manager

Date Signed 3-20-18

Date Signed 2/22/18

Approved as to form:



Mary E. Mirante-Bartolo
City Attorney

EXHIBIT A

SCOPE OF WORK

CITY PROJECT

The scope of work for the City's Project is to construct new roadway improvements along 12th PI S and 13th Ave S between S 200th St and S 207th St; and along S 207th St between 12th PI S and 14th Ave S. Work will include but not limited to mobilization, traffic control, temporary erosion and sedimentation control, storm water facility improvements and other utility work, paving and overlay, surface restoration, and other work as necessary to complete the roadway project.

DISTRICT WORK

The scope of the DISTRICT WORK generally consists of the installation of approximately 4,500 LF of 8-inch diameter ductile iron water main throughout the project area as described in the Plans and Specifications prepared by Murray Smith and Associates (MSA). Work shall also include all fittings, valves, hydrants, services and other water system appurtenances necessary for a complete water system. The District will abandon the existing water main in place.

CONSTRUCTION WORK SCHEDULE

The estimated start date for construction of the Project, including District Work, and Pavement Restoration, is April 2018. The anticipated project duration is 120 working days.

EXHIBIT B
PLANS AND SPECIFICATIONS

The Plans and Specifications for the District work (Schedule B) shall be the advertisement-ready documents as prepared by Murray Smith and Associates (MSA) and issued by the District, including any addenda or amendments thereto.

Plans and Specifications are available for review in the City Clerk's Office

EXHIBIT C

COST OF WORK

Engineers Estimate for Highline Water District Work

(Schedule B)

Highline Water District
17-3 12th Pl S and 13th Ave S AC Water Main Replacement Project
Engineer's Opinion of Probable Construction Cost
December 2017

Bid Item No.	Item Description	Bid Unit	Estimated Quantity	Unit Cost	Total Cost
1	Mobilization (10% Maximum)	LS	1	\$95,000	\$95,000
2	Temporary Erosion and Sedimentation Control	LS	1	\$7,000	\$7,000
3	Trench Safety Systems	LF	4,400	\$1	\$4,400
4	Temporary Traffic Control Devices	LS	1	\$3,000	\$3,000
5	Flaggers and Spotters	HR	1,000	\$45	\$45,000
6	Connect to Existing System	EA	8	\$4,500	\$36,000
7	Furnish and Install 8-inch Class 52 Ductile Iron Pipe	LF	4,400	\$80	\$352,000
8	8-inch Gate Valve and Valve Box	EA	15	\$1,500	\$22,500
9	10-inch Gate Valve and Valve Box	EA	2	\$1,850	\$3,700
10	Adjust Existing Valve Box to Grade	EA	11	\$550	\$6,050
11	Fire Hydrant Assembly	EA	10	\$6,000	\$60,000
12	Additional Water Main Fittings	LB	4,500	\$3	\$13,500
13	2-inch Combination Air Valve Assembly	EA	3	\$3,500	\$10,500
14	2-inch Blow-Off Assembly	EA	1	\$3,750	\$3,750
15	Short Service Connections, 5/8-Inch Through 1-Inch	EA	45	\$1,400	\$63,000
16	Long Service Connections, 5/8-Inch Through 1-Inch	EA	45	\$1,800	\$81,000
17	Survey for Water Main	LS	1	\$5,500	\$5,500
18	Crushed Surfacing Base Course	TN	3,500	\$25	\$87,500
19	Final Saw Cut Existing Asphalt	LF	8,800	\$2	\$17,600
20	HMA Class 1/2-Inch PG 64-22 Trench Patch	TN	600	\$130	\$78,000
21	Surface Restoration	LS	1	\$20,000	\$20,000
22	Resolution of Utility Conflicts*	FA	1	\$10,000	\$10,000
23	Minor Change*	EST	1	\$15,000	\$15,000
				Subtotal	\$1,040,000
				Sales Tax (10.0%)	\$104,000
				Construction Cost	\$1,144,000
				"Market Escalation Risk" Factor/Allowance (10%)	\$114,400
				Total Engineer's Opinion of Probable Construction Cost	\$1,260,000

Note:

"Market Escalation Risk" Factor/Allowance – this potential risk factor/allowance is suggested as a budget contingency considering the uncertainty and volatility associated with the current construction market and bidding climate due to industry, economic, seasonal and other potential variables that could impact the cost of construction. Please note, although we have used a 10% factor for the purpose of the Engineer's Opinion of Probable Construction Cost, this factor could be 15% or more.