

**CITY OF KIRKLAND –
NORTHSHORE UTILITY DISTRICT
INTERLOCAL AGREEMENT**

**FOR INCORPORATION OF NORTHSHORE UTILITY DISTRICT
WATER AND SEWER REMOVAL AND REPLACEMENT
UTILITY WORK INTO THE
CITY OF KIRKLAND'S
141ST STREET & 111TH AVENUE CULVERT REPLACEMENT PROJECT
(CSD0076)**

The City of Kirkland (hereinafter the "City") and Northshore Utility District (hereinafter the "District"), both municipal corporations, in accordance with the Interlocal Cooperation Act (Chapter 39.34 RCW) do hereby agree as follows:

1. PURPOSE

The purpose of this Agreement is to provide for the removal and replacement of a portion of the District's sewer and water facilities (hereinafter the "Utility Work") along 141ST Street & 111th Avenue, as identified in Exhibit B, and payment by the District to the City for all costs, including design, and construction, incurred by the City for the Utility Work including avoiding or moving District water mains, sewer mains and services within the project area. The design of the Utility Work will be incorporated into the City approved construction drawings for the 141st Street & 111th Avenue Culvert Project (hereinafter the "Culvert Project"). The parties have determined that it is in their mutual best interest to coordinate the Utility Work in conjunction with the Culvert Project.

2. THE PROJECT

The parties hereby agree that the District's plans for Utility Work, including without limitation appropriate connections on intersected side streets, will be incorporated in the City's plans for the Improvement Project. The District's Utility Work will be performed in accordance with the design performed by the City's design consultant, and as approved by the District. The City's Culvert Project and the District's Utility Work are hereinafter referred to as "the Project."

3. THE CONSTRUCTION PROCEDURE

a. District Engineering, Design and Inspection

The District shall be responsible for the reimbursement for the City's in-house and outside project management, engineering, design, and construction costs associated with the Utility Work, including any changes or delays caused by the District. This work will be performed by the City, the City's design and inspection consultants, and the City's contractor. The District shall review the utility plans, specifications, standard details and bid item schedule for the Project at each phase of the design process. The District shall have 14 calendar days for review period before causing the City project to be delayed. Any costs due to delay will be assessed at \$1,000.00 per day. The City shall incorporate the District's plans, specifications, standard details and schedule of items for the Utility Work in such a manner as to allow the identification of costs for the Utility Work. In the event these conflict with the City plans for the

Culvert Project, the City and District agree to work cooperatively to resolve the conflicts.

b. Contractor Selection

The City shall call for bids for performing the Project. The City shall incorporate the agreed upon utility plans, the District's specifications, standard details, and schedule of items in such a manner as to allow the identification of costs for the Utility Work. The Utility Work will be advertised as a separate bid schedule (Schedule B) that will be part of the Base Bid for award. The District will be given the opportunity to review and comment on the low bidder, however the City will have sole discretion regarding the selection of the contractor.

c. City as Contracting Agency

The City shall serve as the contracting agency during construction for the parties and shall generally manage and oversee the construction of the District's Utility Work in conjunction with the Project. The City will hire an inspector to inspect all of the Culvert Project performed by the Contractor hired by the City. The District will also provide inspection of the Utility Work being performed. The District will provide all Inspector Daily Reports (IDR's) to the City each week. The District IDR's will include daily materials installed, photos, and all activities by the Contractor on the Utility Work. The District will also be responsible for testing of the Utility Work. The District will be responsible for any and all excess costs incurred by the City as a direct result of the District's failure to timely inspect and test the Utility Work performed by the contractor. The City's consultant will perform geotechnical compaction testing of the Utility Work on behalf of the District at District's expense. The District Inspector will not be allowed to direct the Contractor to perform any extra Work. If the District Inspector requests any extra work to be performed it will be through the City Project Engineer. In the event the Contractor Claims the District directly requested Extra Work, the District will be responsible for all (in-house and external) expenses related to the Contractor Claim in a timely manner as to not extend the Contract time.

d. Change Orders

The City may approve changes in those parts of the construction contract providing for the Utility Work, provided that if any change order would change the nature of the work or would cause that portion of the contract price attributable to such Utility Work to increase by more than \$10,000.00 or cumulatively more than four percent (4%) of the original contract (Schedule B) amount attributable to the Utility Work, the District's prior consent to the change orders shall be obtained, which consent shall not be unreasonably withheld. In the event that consent is unreasonably withheld, the District will be held responsible for all liability incurred by the City resulting from such withholding of consent. The City shall immediately provide the District with copies of all requests for change orders and executed change orders associated with Utility Work regardless of the dollar amount of the change order. If delays to any Change Order decision by the District or City causes the City to incur extra fees from the Contractor, then the party which caused the delay agrees to pay these fees.

e. Payment Procedure

The City shall provide the District with monthly progress billings for the in-house and outside project management, engineering, design, inspection and construction of that portion of the Project attributable to the District's Utility Work. The City and District will reach agreement upon progress and proposed disbursements to Project consultants and contractors. The District shall pay the City for all costs associated with the Utility Work, as provided in the consultant contract and construction contract bid (as adjusted by amendment or change order), based upon agreed upon progress, within forty five (45) days of receipt of each billing.

f. Payments to Contractor

The City shall make all disbursements to Project contractors and consultants.

g. Final Acceptance

That portion of the contractor's work consisting of the District's Utility Work shall not be given final acceptance until it is approved in writing by the City and the District. Neither party shall unreasonably withhold approval for final acceptance hereto. The Utility Work shall become the property of the District upon final acceptance. The water and sewer mains taken out of service as a result of this project shall remain the property of the District. The City agrees to assign all warranties related to the Utility Work to the District. The Culvert Project and Utility Work will all be under warranty for 12 months following substantial completion.

h. Staff Time, Costs, and Incidental Expenses

At all times material hereto, the parties shall separately bear their own staff time, engineering costs, and incidental expenses except as specifically provided elsewhere in this Agreement.

Should any claims arise related to the Utility Work portion of the Project, the City shall handle and administer such claims in the same manner as it would handle any other claims on the Project and the District shall reimburse the City for all expenses associated with handling of such claims. The City shall immediately notify the District and keep it informed as to the progress of the claim. The District will provide guidance to the City regarding proposed terms of settlement. Any decision regarding the settlement or prosecution of a claim shall be approved by the District prior to being finalized. If the District and the City cannot agree as to the prosecution or settlement of a claim, the District may prosecute or defend the claim and the City will assign such claims to the District. The District agrees to pay all costs of prosecution or defense if assigned such claims and defend, indemnify and hold harmless the City from all damages the City suffers from the District's prosecution or defense of the claim.

i. District Inspections

The District will provide construction observation services for the Utility Work. District field personnel will report to the City's Resident Engineer and will provide full time observation while Utility Work construction is being conducted. Any issues with the Contractor will be brought to the attention of the City's Resident

Engineer. District field personnel will be required to complete all required documentation (IDRs, Field Note records and any other forms), and submit them electronically to the City weekly. All construction documentation will be managed through the City's consultant.

j. Other Costs

Other costs to the City and to be reimbursed by the District shall include mobilization, proportional shares of Schedule A bid item costs (Utility Coordinator, Traffic Control, Erosion Control, SWPPP, SPCC Plan, Type B Progress Schedule, Record Drawings, and Construction Survey) and Construction Management Consultant Services provided by the City (see Exhibit A for pre-construction estimate of cost). Reimbursement requests shall be based upon actual costs, substantiated by contract unit prices, invoices or other verification of the actual costs suitable to the District for authorization of payment. Actual time of payment shall be as stated in section "e" above.

4. INDEMNIFICATION AND INSURANCE

- a. The City shall require the Contractor building the Project to have Northshore Utility District, its Commissioners, officials, agents and employees named as additional insureds on all policies of insurance to be maintained by contractor(s) under the terms of any Project contract(s) with the City. The Contractor building the Project shall be required to maintain Commercial General, Automobile and Worker's Compensation Insurance.
- b. The City shall require the Contractor building the Project to indemnify, defend, and save harmless the District and its Commissioners, officials, agents and employees from any claim filed against the District or its officers, agents, or employees alleging damage or injury arising out of the contractor's participation in the Project.
- c. The City shall require the Contractor building the Project to be solely and completely responsible for safety and safety conditions on the job site, including the safety of all persons and property during performance of the work. Contractor shall comply with all applicable City, County, and State regulations, ordinances, orders, and codes regarding safety.

5. NOTICES AND OTHER COMMUNICATIONS

All notices and other formal communications to be delivered under this Agreement shall be mailed or delivered to the following:

City of Kirkland
Kathy Brown, Public Works Director
or her designee
123 Fifth Avenue
Kirkland, Washington 98033

Northshore Utility District
Dave Kaiser, Engineering Director
or his designee
P.O. Box 82489
Kenmore, Washington 98028 - 0489

Provided, however, the parties may change their respective designation of representatives by written notification to one another.

6. This Agreement may be signed in counterparts, and, if so signed, shall be deemed one integrated document.

The date of this Agreement is January 22nd, 2019.

CITY OF KIRKLAND

Tracey Dunlap
Deputy City Manager Tracey Dunlap

Approved as to form:

Wm. L. ...
City Attorney

NORTHSHORE UTILITY DISTRICT

Alan G. Nelson
General Manager ALAN G. NELSON

Approved as to form:

...
Utility District Attorney

**EXHIBIT A
 COST ESTIMATE**

	NUD Design Costs (Murraysmith)	Design Total		\$ 17,293.00
Schedule A: Replace 111th Ave NE Culvert with Fish Passable Culvert			88.7%	11.3%
Item No.	Item Description	Total Price	COK price	NUD price
A1	Mobilization, Bonds, Insurance and Demobilization	\$ 47,500	\$ 42,132	\$ 5,368
A2	SPCC Plan (Minimum Bid \$5,000)	\$ 6,500	\$ 5,765	\$ 735
A3	Erosion/Water Pollution Control (Minimum Bid \$5,000)	\$ 6,500	\$ 5,765	\$ 735
A4	Stormwater Pollution Prevention Plan (Minimum Bid \$5,000)	\$ 8,500	\$ 7,539	\$ 961
A5	Type B Progress Schedule (Minimum Bid \$5,000)	\$ 5,000	\$ 4,435	\$ 565
A6	Project Temporary Traffic Control	\$ 37,500	\$ 33,262	\$ 4,238
A9	Construction Surveying	\$ 11,500	\$ 10,200	\$ 1,300
A13	Protection of Existing Utilities	\$ 2,250	\$ 1,996	\$ 254
A48	Record Drawings (Minimum Bid \$5,000)	\$ 5,000	\$ 4,435	\$ 565
Schedule A Total				\$ 14,721
Schedule B: NUD Water & Sewer Relocation (Dungeness)				
Item No.	Description	Unit Price	Estimated Quantity	Total Price
B1	Trench Excavation Safety Systems	\$ 5,500	1	\$ 5,500
B2	Planing Bituminous Pavement (2" Depth)	\$ 7	700	\$ 4,550
B3	HMA, Cl. 1/2" PG 64-22 for Grind & Overlay	\$ 170	80	\$ 13,600

B4	Remove and Replace Frame and Cover	\$ 650	2	\$ 1,300
B5	Ductile Iron Pipe for Water Main 8 In. Diam.	\$ 190	85	\$ 16,150
B6	16 In. Steel Casing Sanitary Sewer	\$ 200	36	\$ 7,200
B7	Ductile Iron Sewer Pipe 8 In. Diam.	\$ 210	62	\$ 13,020
B8	Temporary Sewer By-Pass	\$ 5,000	1	\$ 5,000
B9	Force Account	\$ 25,000	1	\$ 25,000
		Subtotal		\$ 91,320
		Sales Tax (10.0%)		\$ 9,132
		Schedule B Total		\$ 100,452
<u>Total Design & Construction Cost Estimate</u>				<u>\$ 132,466</u>

EXHIBIT B SCOPE OF WORK

Construction

The Utility Work, as defined in Section 1 of this Agreement, shall encompass the removal and replacement of approximately 85 LF of 8" DI water main, 62 LF of 8" DI sewer main and associated construction items as identified and paid for by the actual cost of the bid items in Schedule B of the Project Specification Proposal Section. In addition, the District will also pay a proportional share of the actual costs of Schedule A bid items identified in Section 3.J of this Agreement.

Design

Task 17 Northshore Utility District Water and Sewer Design

Objective

Provide design, plans, specifications and engineer's estimates for watermain and sewermain replacement in the NE 141st Avenue & 111th Ave NE Culvert Replacement Project.

17.01 Water & Sewer Main Replacement Plans

The City's design consultant, Murray Smith Associates (MSA) shall perform the work described below:

- 400.1 Additional Project Management & Coordination – This subtask includes project management and coordination tasks associated with the additional design and construction support for District water main, sanitary sewer main and pavement restoration improvements. Work within this subtask includes coordination with the City and District, project staff management, invoices and budget oversight, and quality assurance/quality control (QA/QC) reviews of all deliverables.
- 400.2 Sanitary Sewer Replacement – The City informed MSA, via phone conversation on August 22, 2017, that Northshore Utility District has requested that the sanitary sewer main crossing under the proposed culvert be replaced, which differed from previous direction. The current design proposed encasement of the existing sanitary sewer main. The sewer main will be replaced from the manhole directly north of the culvert to approximately ten feet south of the culvert footing with a coupling connection. A steel casing pipe will extend at least five feet on either side of the footing. According to the phone conversation held between the City, District and MSA on September 20, 2017, the sanitary sewer profile will remain as is. A sanitary sewer plan and profile sheet will be added to the design plans and the specifications and engineer's opinion of probable construction cost estimate will be updated to incorporate the improvements.
- 400.3 Water Main Design Modification – The water main improvements constructed by Northshore Utility District in Summer 2017 will be modified between the recently installed water valves as necessary to cross the proposed culvert. Profile adjustments will be

evaluated to provide the necessary clearance for the proposed culvert. According to the phone conversation held between the City, District and MSA on September 20, 2017, the water main profile may be revised to cross the culvert either above or below the culvert. A water main plan and profile and detail sheet will be added to the design plans. Details will include pressure testing and disinfection configurations and final configurations. The specifications and engineer's opinion of probable construction cost estimate will be updated to incorporate the improvements and for inclusion in the Revised 90% Design Plans, Specifications and Estimate Submittal.

- 400.4 Restoration Plan Modification – The restoration plan previously developed for the 90% submittal will be revised to accommodate the design modifications addressed in this scope of work and clearly identify the restoration necessary for the District's improvements, beyond the limits of the culvert improvements.
- 400.5 Additional Submittal Reviews – As requested by the City, MSA will provide additional submittal review support during construction. MSA will review construction submittals and shop drawings for conformance with project documents. The original project scope effort was based on MSA reviewing up to five (5) submittals. This Task includes the review of up to an additional three (3) submittals related to the District's improvements, which may include technical submittals, administrative submittals and shop drawings. Per the District's request, the District will review MSA's draft submittal reviews prior to final approval. MSA will coordinate submittal review comments with the District. The City will be responsible for maintaining and updating the submittal log.
- 400.6 Weekly Construction Meetings – MSA will attend weekly construction meetings led by the City to support design considerations and construction objectives. Based on the anticipated construction schedule, MSA will attend up to a total of eighteen (18) on-site construction meetings, a portion of the time will be reimbursable through the City's interlocal agreement as the time pertains to the District's improvements, equivalent to up to four (4) meetings.

Consultant Deliverables

- Correspondence, e-mails and other documentation for inclusion under City Task 208 – Additional Project Management and Coordination.
- Monthly billing statements and activity reports for inclusion under City Task 208 – Additional Project Management and Coordination.
- Revised 90% design plans, specifications, and engineer's opinion of probable construction cost estimate for inclusion under City Task 211 – Additional Final Design.
- Final bid-ready stamped and signed design plans, specifications, and engineer's opinion of probable construction cost estimate for inclusion under City Task 211 – Additional Final Design.

City Responsibilities

- Submit appropriate documentation to Northshore Utility District for reimbursement for the water main, sanitary sewer main and restoration improvements through the interlocal agreement.

Assumptions

- No additional site survey will be required. Survey was performed in October 2013. The approximate location of the storm drain and water main improvements constructed in Summer 2017 will be added to the survey basemap according to received design or as-built documents.
- The sanitary sewer replacement will be limited to the area necessary to accommodate the proposed culvert, from the manhole directly north of the culvert to a distance approximately ten feet south of the culvert.
- The water main improvements will be limited to the area necessary to accommodate the proposed culvert. According to the District, the water main installed in Summer 2017 has 3-feet of cover.