

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

**FOR INCORPORATION OF NORTHSHORE UTILITY DISTRICT
WATER AND SEWER RELOCATION AND WATER REPLACEMENT
UTILITY WORK INTO THE
CITY OF KIRKLAND'S
100TH AVENUE NE CORRIDOR IMPROVEMENTS PROJECT**

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 relocation of a portion of the District's sewer and water facilities (hereinafter the "Utility Work") along 100th Avenue NE and side streets, 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 and services within the project area. The Utility Design Work will be incorporated into the City approved construction drawings for the 100th Avenue NE Corridor Improvements Project (hereinafter the "Improvement Project"). The parties have determined that it is in their mutual best interest to coordinate the Utility Work in conjunction with the Improvement 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 District's professional engineering representative. The City's right-of-way improvements 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, inspection, 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 Improvement 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 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 District will provide inspection of the Utility Work being performed. 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. Compaction requirements of the District will be incorporated with those of the City. The City's consultant will perform compaction testing on behalf of the District at District's expense.

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 relocation work to increase by more than \$10,000.00 or cumulatively more than four percent (4%) of the original contract 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.

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 utilities shall become the property of the District upon final acceptance. The water 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.

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. 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) 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 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 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 489
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, 22, 2019.

CITY OF KIRKLAND

Deputy Tracey Dunlap
City Manager

Approved as to form:

City Attorney

NORTHSHORE UTILITY DISTRICT

ALAN G. NELSON
General Manager

Approved as to form:

Utility District Attorney

EXHIBIT "A"

City of Kirkland - 100th Ave NE Improvements Project *Northshore Utility District Cost Estimate*

NUD Design Costs	Amount
City of Kirkland (HDR; See Exhibit B)	\$130,665.85

NUD Construction Costs	Amount
Sewer System Improvements	TBD
Water System Improvements	TBD
Sales Tax (10%)	TBD
TOTAL	TBD

Shared Costs **Amount**
NUD will pay a proportional share of the following items, based on NUD's construction costs (not incl. sales tax) as a percentage of the overall project construction costs. Amount paid will be based on actual construction costs.

Mobilization	TBD
Utility Coordinator	TBD
Traffic Control	TBD
Erosion Control	TBD

Construction Management Services

NUD will pay a percentage of the CM services, as negotiated with the City of Kirkland. NUD will provide full-time inspection of its own work.

EXHIBIT “B”

100th Avenue NE Corridor Improvements Project

(NE 132nd Street to NE 145th Street)

**City of Kirkland
Northshore Utility District Supplement
Scope of Services**

July 2018

Task 17 Northshore Utility District Water and Sewer Design

Objective

Provide design, plans, specifications and engineer's estimates for watermain and sewer work in the 100th Ave NE corridor.

17.01 Project Management

- A. Plans for Northshore Utility District work will be submitted at the 60%, 90%, 100% and AD Ready submittals. The 60% submittal will be stand-alone, to advance the design to the same level as the current 100th Ave NE project plans. The 90%, 100% and Ad Ready submittals will be included in the City project submittals.
- B. District will provide review comments within 20 day of receiving the submittal.
- C. There will be 8 combined water/sewer coordination meetings with the CONSULTANT and NUD

17.02 Water Plans

The CONSULTANT shall develop the design, plans, and details for all watermain work described below:

- A. Replace all non-DI water main that ties into existing DI water main in the 100th Ave NE corridor.
- B. Replace all water services within project the 100th Ave NE corridor roadway project limits. This work would:
 - i. Eliminate existing double services (no more U-branches)
 - ii. Install new tap at the main per District standards
 - iii. Install new polyethylene water service from the new tap to new meter box location
 - iv. Close and abandon existing tap or saddles
 - v. Install new meter box at right-of-way line and reconnect to private service line.
- C. Replace all valve boxes with project limits
- D. Replace all fire hydrants with project limits
- E. Replace all air vacs within project limits and relocate to the back of sidewalk
- F. Install blind flanges for the removed fire hydrants; remove hydrant assembly and valves
- G. Replace PVR vault and casing north of Simonds Road

Assumption(s):

- A. City of Kirkland to specify the horizontal location of the Fire Hydrants in relation to the curb, gutter, and sidewalk.
- B. Northshore Utility District to provide standard details for water work.
- C. Northshore Utility District to provide list of all water services, including service size, type, material and meter numbers.

- D. A typical detail will be developed for hydrant laterals, in place of individual details.

17.03 Sewer Plans

The CONSULTANT shall provide design, plans, and details for all sewer work as described below:

- A. Replace manhole frame, cover and adjustment rings for all manholes within project limits.
- B. Remove or add manhole sections as needed on existing manholes to minimize rings used
- C. Slip-line all side sewers from watermain to right-of-way and install new clean-out, per District standards
- D. Replace up to five (5) west side short side sewers instead of slip-lining.

Assumption(s):

- A. District to select which side sewers get replaced instead of slip-lined.
- B. Northshore Utility District will provide Standard Details for sewer work.
- C. Northshore Utility District will provide extent of sewer manhole lid replacement work, based on assessment of manhole condition.
- D. Northshore Utility District will provide review and comment on all submittals for sewer work.

17.03 Culvert Replacement South of Simonds Road

The CONSULTANT shall provide design, plans, and details for all water and sewer work as described below:

- A. Water main temporary bypass or construction sequencing to maintain water main in service during culvert construction.
- B. Replacement of sanitary sewer crossing 100th Ave NE at the culvert location.
- C. Sewer bypass design.
- D. Permitting support.

Assumption(s):

- A. Northshore Utility District will provide record drawings of existing sewer.
- B. Northshore Utility District will locate nearest manholes upstream and downstream of the culvert and provide manhole depth information.
- C. Sewer will be located outside of replacement culvert.

- D. Trenchless construction may be needed to construct the sewer. This will be evaluated during design.

17.04 Estimate, Quantities and Specifications

The CONSULTANT shall provide specifications and engineers estimate for all water and sewer work as described in sections 17.02, 17.03 and 17.04.

- A. Specifications will be an addendum to the specifications prepared for the 100th Ave NE project.
- B. Quantities and estimate will be included as a separate bid schedule in the contract bid package.

100th Avenue NE Corridor Improvements Supplement #1
HDR Engineering Inc.

Hide unused columns and rows.
DO NOT DELETE COLUMNS AND ROWS

		Name	Paul Ferner	Brian Magee	Michael Starling	Jenson Sannon	Jim Rhodes	Carlos Wilcox	Madame Mahor	TOTALS BY TASK	
		Role	Project Manager	Civil Engineer	Quality Control	Utility Engineer	Senior Utility Engineer	CADD	Project Accountant		
		Title									
Task #	Task Name	Direct Labor Rate	\$85.00	\$50.00	\$62.84	\$37.50	\$67.32	\$45.24	\$35.65	Hours	Salary Cost
1	17 Northshore Utility District Water / Sewer		8	24	32	480	290	80	8	922	\$45,318
	17.1 Water Design / PS&E		4	12	16	260	180	40	4	516	\$25,765
	17.2 Sewer Design / PS&E		4	12	16	220	110	40	4	406	\$19,553
Total Labor Hours			8	24	32	480	290	80	8	922	\$45,318.08
Total Direct (RAW) Labor Cost			\$680.00	\$1,200.00	\$2,010.88	\$18,000.00	\$19,522.80	\$3,619.20	\$285.20		\$45,318.08
Percent of Direct Salary Cost			1.50%	2.65%	4.44%	39.72%	43.08%	7.99%	0.63%		100%

Contract LABOR COSTS		Total Labor Hours	922
Total Direct (RAW) Labor Cost		\$45,318.08	
Allowance for Salary Escalation		\$0.00	
Adjusted Total Direct (RAW) Labor Cost		\$45,318.08	
Overhead Rate		156.83%	
Indirect Cost (Overhead)		\$71,072.34	
Allowance for Indirect Cost Rate Increase		\$0.00	
Profit / Fee Rate		30.00%	
Profit / Fee Cost		\$13,595.42	
Labor Multiplier		287%	
Total Adjusted Labor Cost		\$129,985.85	
DIRECT NON-SALARY COSTS			
	Quantity	Unit Price	Total Cost
Travel (mileage)	240	\$0.75	\$180
Postage and Communications			\$0
Reproduction	500	\$1.00	\$500
Other			\$0
Total Non-Salary Costs			\$680.00
Prime Consultant - Contract Cost			\$130,665.85