

Attachment B

FILED NO. 15182
CITY OF BELLEVUE
DATE 9/28/90
DEPUTY CITY CLERK
Shawn Mass

ORIGINAL

65. 5227

AGREEMENT FOR CONSTRUCTION, OPERATION AND MAINTENANCE OF
JOINT-USE WATER STORAGE AND PUMPING FACILITY

This Agreement is made and entered into pursuant to the provisions of the Interlocal Cooperation Act Chapter 39.34 RCW, by and between the City of Bellevue (hereinafter called "Bellevue"), and the City of Redmond (hereinafter called "Redmond"), both municipal corporations of the State of Washington.

WHEREAS, each of the parties has a present and future need for water storage which, if a joint-use storage and pump facility is not constructed would require construction of separate storage and pumping facilities by each party; and

WHEREAS, Bellevue and Redmond desire to work cooperatively in the construction, operation and maintenance of joint-use water storage facilities because of the opportunity for reduced costs and reduced adverse environmental impacts as compared to the construction of separate water storage and pumping facilities, now, therefore,

In consideration of the mutual covenants contained herein, the parties agree to participate in the construction, operation and maintenance of joint-use water storage and pump station facilities pursuant to the following terms and conditions:

1. Purpose

This Agreement is intended to set forth the terms and conditions upon which Bellevue and Redmond agree to cooperate for the purpose of the construction, operation and maintenance of the joint-use water storage and pumping facility.

2. Administration of Agreement

Bellevue shall be the lead agency charged with responsibility for administration of this Agreement. The specific responsibilities of the parties are set forth hereinafter.

3. Scope of Work

For the purpose of this agreement, the project shall include acquisition of site, construction engineering and construction work related to the water storage structure, pump station building, pumps, pipelines and other appurtenances associated with the storage and pump station facilities.

4. Land Procurement

Bellevue has acquired real property at 4075 148th Avenue NE for the construction of the water reservoir and pump station mentioned herein. Redmond shall share in the cost of such acquisition. Redmond shall pay Bellevue 44% of the cost of said property within 45 days of receipt of invoice from Bellevue for acquisition of the property by Bellevue, in consideration of conveyance of a 44% undivided interest in the real property as provided in paragraph 8 below.

5. Construction

The City of Bellevue shall take all necessary steps to provide for the construction, including construction administration and inspection, of the reservoir and pump station, subject to written approval of the design, plans and specification, and construction by the City of Redmond in accordance with this Agreement; Redmond agrees not to unreasonably withhold such approval.

Bellevue has previously furnished Redmond with the plans and specifications for review and approval by Redmond at three stages in the final design. The first stage was when the final design was fifty percent (50%) complete, the second stage was when the final design was ninety percent (90%) complete, and the third stage was when the final design was one hundred percent (100%) complete. Each stage was approved by Redmond.

Bellevue shall be the contracting "owner" with the contractor and shall be responsible for all phases of the construction and completion of the reservoir and pump station in accordance with the approved plans. Bellevue shall coordinate and keep Redmond informed of the contractor's progress during construction. Upon completion of the work in accordance with the approved plans and the satisfactory testing of the reservoir and pump station, Bellevue shall notify Redmond of the date and time of the final construction inspection. Such notice shall be furnished to Redmond in writing, two weeks before the date of final construction inspection. Redmond personnel may accompany the Bellevue personnel on final inspection for purposes of creating a final checklist (punchlist) for the construction contractor to complete. Upon satisfactory completion by the contractor of the checklist (final punch list), Redmond shall furnish its written approval of the construction to Bellevue. Bellevue's acceptance of the work shall be by Motion by the Bellevue City Council. A copy of such Motion shall be furnished to Redmond.

Bellevue shall furnish Redmond with a copy of the advertisements for bids and shall make available bids received for review by Redmond. Bellevue shall recommend the award of a contract to the bidder regarded by Bellevue as the lowest and best bidder. Bellevue shall provide Redmond with a copy of the contract and notice to proceed and approval thereof by Bellevue.

6. Sharing of Costs

The Bellevue Parks Department shall contribute \$150,000 to this project to offset increased construction cost to locate the reservoir on the north parcel of land versus the land fronting NE 40th. The remaining costs shall be shared between Bellevue and Redmond.

Bellevue shall be responsible for paying all of the costs of; land procurement, construction of the reservoir and pump station for which it shall receive reimbursement from Redmond of forty four (44%) percent of that amount (minus the \$150,000 received from Bellevue Parks Department). Redmond's estimated share of the cost is \$1,650,000.00. A copy of the current cost estimate of \$3,750,000.00 dated December 1989 is attached for reference. Both Bellevue and Redmond shall maintain separate accounting of its costs associated with the construction of the pump stations. The effective starting date for such accounting for the purposes of cost sharing shall be the date of bid advertisement.

An itemization of the costs for the purposes of calculating the shared cost amounts between Bellevue and Redmond associated with the construction of the reservoir and pump station, consist of the following items:

- o Total Consultant fees for labor and expenses for construction administration assistance, startup assistance, construction management, construction inspection and/or other directly related assistance as may be required during the construction period for the reservoir and pump station, shall be shared costs.
- o Total construction costs including approved change order extras for the reservoir and pump station shall be shared costs.
- o Total labor and expenses incurred after the bid advertisement date by both Bellevue and Redmond associated with construction review, inspection, and administration shall be shared costs.
- o Cost of Land

Any future LID assessments to the reservoir and pump station property located at 4075 148th Avenue NE shall be borne by each of the parties in the same percentages as aforementioned.

7. Method of Payment

Bellevue will prepare and forward a monthly invoice to Redmond for its share of costs for construction of the reservoir and pump station, together with a copy of the bills/invoices received by Bellevue from its consultants, contractors, and other third parties for costs for construction for the Project. Redmond

shall pay such costs within forty-five (45) days of receipt of invoice from the City. Redmond shall provide Bellevue with an accounting of its costs chargeable to the Project and Bellevue shall pay or offset such allowable expenses within forty-five (45) days of receipt thereof. If Redmond fails to make full invoice payment within said forty-five (45) days, then penalty interest shall accrue on the unpaid amount at the daily Seattle First National Bank Prime Interest Rate in effect at such time. Bellevue shall account for such penalty interest and include the interest amount on the following monthly invoice.

8. Ownership and Rights

Bellevue shall obtain ownership of the reservoir and pump station along with all the piping and appurtenances. In consideration of Redmond's payment of 44% of the cost of the reservoir and pump station and the real property on which they are situated, Bellevue conveys and Redmond accepts a 44% interest in the property, reservoir and pump station, and all piping and appurtenances. Bellevue shall provide a statutory warranty deed, bill of sale, and all other documents required to evidence conveyance of title to Redmond.

9. Operation and Maintenance

Bellevue shall be responsible for providing necessary personnel, material and supplies, for the proper operation and maintenance of the reservoir and pump station after they are put into service. The operation and maintenance of the reservoir and pump station shall include, but not be limited to the following: Weekly site visits by maintenance staff, test, repair, replacement or overhauling of any pump, motor, pipeline valve, or telemetry component, normal record keeping, maintaining grounds on the site, periodic draw downs of reservoir for inspection, inspection and routine maintenance of system components as recommended by manufacturers, reservoir and pump station painting, meter calibrations and operations of reservoir and pump station in conjunction with flow monitoring. The costs for providing the proper operation and maintenance shall be shared by the parties in accordance with the aforementioned percentages; provided any scheduled maintenance shall not exceed \$5,000, unless Redmond has consented to and approved in writing such maintenance item. In addition, the cost of electrical energy required to operate the reservoir and pump station shall be borne in the aforementioned percentages by Bellevue and Redmond.

Bellevue shall maintain a separate labor work order number for operation and maintenance of the reservoir and pump station to record all Bellevue staff work on the reservoir.

Bellevue will prepare and forward a monthly invoice to Redmond, together with a copy of the current electric bill and copies of any charges by third parties associated with operation and maintenance for the period for which Redmond is invoiced.

Redmond shall remit invoice payment to Bellevue within forty-five (45) days after receipt of invoice. If Redmond fails to make full invoice payment within said forty-five (45) days, then penalty interest shall accrue on the unpaid amount at the daily Seattle First National Bank Prime Interest Rate in effect at such time. Bellevue shall account for such penalty interest and include the interest amount on the following monthly invoice.

10. Pump Station Change

Bellevue or Redmond may change the pump size in the pump station as reasonably required subject to the prior approval of the other party which shall not be unreasonably withheld. The terms of such changes shall be negotiated between Bellevue and Redmond at such time as pump station change becomes necessary.

11. Salvage

Should the useful life of either the reservoir or pump station become obsolete, and salvage operations become desirable for whatever reason, Bellevue or Redmond shall make proposal of said disposition to the other party, and obtain written acceptance of this proposal from other party before conducting salvage operations. The costs and benefits of a salvage operation to either of the reservoir or pump station including the land shall be shared in the aforementioned percentages.

12. Indemnity

Bellevue agrees to defend, save harmless, and indemnify Redmond from and against any and all claims and demands for injury or death to persons and/or damage to property arising out of the operation and maintenance of the reservoir and pump station by Bellevue except as may be caused by the acts and negligence of Redmond, its agents, servants, or employees, or through acts of nature.

Bellevue agrees to defend, save harmless, and indemnify Redmond from and against any and all claims for injury or death to persons and for damage to property arising out of the construction of the reservoir and pump station except as may be caused by the acts and negligence of Redmond, its agents, servants, or employees, or through acts of nature.

Bellevue's consultant shall be required to maintain professional liability insurance with limits of not less than \$1,000,000.00 and have Redmond named as additional insured.

13. Assignability

This agreement shall be binding upon all successors and assignees of the parties, who must be public agencies.

14. Amendments

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Either party may request in writing the other party to consider an amendment to this Agreement. If the amendment is mutually acceptable to both parties said Agreement shall be made in writing, signed by both parties and attached to this Agreement.

15. Filing of Agreement

Pursuant to Chapter 39.34 RCW, a copy of this Agreement shall be filed with the Bellevue City Clerk, Redmond City Clerk, Records and Elections and the Secretary of State.

Dated this 28th day of September, 1990.
1988.

CITY OF BELLEVUE

CITY OF REDMOND

By Phillip Kushlan
Phillip Kushlan, City Manager

By Doreen Marchione
Doreen Marchione, Mayor

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By Richard Kirkby
Assistant City Attorney

By Larry C. Martin
City Attorney

WJ/llm
D8/89-0186

EXHIBIT A

CONSTRUCTION COST ESTIMATE
December 89

City of Bellevue/City of Redmond
NE 40th Reservoir and Pump Station

1)	Land Costs	-	\$ 344,137
2)	Construction Engineering		
	I - Consultant Services (JMM)	-	\$ 270,000
	II - Cities Staff Admin.	-	\$ 40,000
3)	Construction Cost (Based on ENR Index (Seattle) of 4748)	-	\$3,095,863
	TOTAL ESTIMATED CONSTRUCTION COST	-	\$3,750,000
	BELLEVUE'S SHARE (55%)	-	\$2,100,000
	REDMOND'S SHARE (44%)	-	\$1,650,000

D11/90-0298