

EVERETT CITY COUNCIL AGENDA ITEM COVER SHEET

PROJECT TITLE:

Professional Services
 Agreement with Gray and
 Osborne Inc. for Water Filter
 Plant Standpipe Replacement
 Project

_____ Briefing
 _____ Proposed Action
 _____ Consent
 _____ Action
 _____ First Reading
 _____ Second Reading
 _____ Third Reading
 _____ Public Hearing
 _____ Budget Advisory

COUNCIL BILL # _____
 Originating Department Public Works
 Contact Person John Nottingham
 Phone Number (425) 257-8872
 FOR AGENDA OF June 15, 2016

Initialed by:
 Department Head _____
 CAA db
 Council President _____

<u>Location</u>	<u>Preceding Action</u>	<u>Attachments</u>	<u>Department(s) Approval</u>
Water Filter Plant at Lake Chaplain		Contract	Public Works, Legal

Amount Budgeted	\$1,400,000	Fund 339
Expenditure Required	\$191,000	WO# 3647
Budget Remaining	\$1,209,000	
Additional Required	-0-	

DETAILED SUMMARY STATEMENT:

The 200,000 gallon Water Filter Plant Operations Standpipe provides process water and potable water necessary for the treatment of the City's water supply. The 49 year old, 67 foot tall standpipe is undersized and has greatly deteriorated.

A study conducted in 2013 compared the cost of replacement with the cost of rehabilitation. It was determined that the best course of action is the replacement of the standpipe with a larger reservoir at a new location. This Professional Services Agreement with Gray and Osborne Inc., located in Seattle, in the amount not to exceed \$191,000 will facilitate the design and construction support required for the replacement of this facility.

RECOMMENDATION (Exact action requested of Council):

Authorize the Mayor to sign a Professional Services Agreement with Gray and Osborne Inc., for the Water Filter Plant Standpipe Replacement Project in the amount not to exceed \$191,000.

**CITY OF EVERETT
PROFESSIONAL SERVICES AGREEMENT**

THIS AGREEMENT made and entered into on this day of , , by and between the **CITY OF EVERETT**, a municipal corporation under the laws of the State of Washington, hereinafter referred to as the "City," and Gray & Osborne, Inc., whose address is 701 Dexter Ave. N., Suite 200, Seattle WA 98109, hereinafter referred to as the "Service Provider."

WHEREAS, the City desires to engage the Service Provider to provide engineering analysis and design of a potable water reservoir for the City of Everett; and

WHEREAS, Service Provider represented, and by entering into this Agreement now represents, that it is fully qualified to perform the work to be performed hereunder in a competent and professional manner;

NOW, THEREFORE, the parties herein do mutually agree as follows:

1. **Engagement of Service Provider.** The City hereby agrees to engage the Service Provider, and the Service Provider hereby agrees, to perform the work in a competent and professional manner and provide the services described in the attached "Exhibit A - Scope of Work". The Scope of Work so identified is hereafter referred to as "Work". Without a written directive of an authorized representative of the City, the Service Provider shall not perform any services that are in addition to, or beyond the scope of, the Work. If the Service Provider's proposal is attached as an exhibit, and if such proposal contains or incorporates any conditions or terms in addition to or different from the terms of this Agreement, then the Service Provider expressly agrees that such conditions or terms are neither incorporated nor included into this Agreement between the City and Service Provider. If, and to the extent, the Work includes the design of a public work or improvement, in whole or in part, Service Provider's design shall be reasonably accurate, adequate and suitable for its intended purpose.

2. **Intellectual Property Rights.** Reports, drawings, plans, specifications and any other intangible property created in furtherance of the Work are property of the City for all purposes, whether the project for which they are made is executed or not, and may be used by the City for any purpose. Unless otherwise expressly agreed in writing, all intellectual property rights in such documents or intangible property created pursuant to this Agreement, or for the City of Everett, belong to the City of Everett. Service Provider retains any intellectual property rights in documents and intangible property created by Service Provider prior to engagement, or not created by Service Provider for its performance of this Agreement.

3. **Time of Beginning and Completion of Performance.** This Agreement shall commence as of the date of execution of this Agreement and shall be completed by March 31st, 2018.

4. **Compensation.**

A. The City shall pay the Service Provider only for completed Work and for services actually rendered which are described herein. Such payment shall be full compensation for Work performed or services rendered, including, but not limited to, all labor, materials, supplies, equipment and incidentals necessary to complete the Work.

B. The Service Provider shall be paid such amounts and in such manner as described in Exhibit B.

C. Service Provider may receive payment as reimbursement for Eligible Expenses actually incurred. "Eligible Expenses" means those types and amounts of expenses either listed in Exhibit C or such expenses as are approved for reimbursement by the City in writing prior to the expense being incurred. If Exhibit C is either blank or not attached, expenses may not be reimbursed unless prior written approval was obtained from the City. An expense shall not be reimbursed if: (1) the expense is not identified in Exhibit C; (2) the expense exceeds the per item or cumulative limits for such expense if it is identified in Exhibit C; or (3) the expense was not approved in writing by an authorized City representative prior to the Service Provider incurring the expense. If, and to the extent, overnight lodging in western Washington is authorized, Service Provider is strongly encouraged to lodge within the corporate limits of City. When authorized, Service Provider will be reimbursed 100% of lodging expense, if lodged within the corporate limits of the City, but Service Provider will be reimbursed 50% of lodging expense when lodged outside the corporate limits of the City. If authorized, the City may (at its sole option) obtain or arrange air travel for the Service Provider.

D. Total compensation, including all services and expenses, shall not exceed a maximum of One hundred ninety-one thousand Dollars (\$191,000).

E. If Service Provider fails or refuses to correct its work when so directed by the City, the City may withhold from any payment otherwise due an amount that the City in good faith believes is equal to the cost to the City of correcting, re-procuring, or remedying any damage caused by Service Provider's conduct.

5. **Method of Payment.**

A. To obtain payment, the Service Provider shall (a) file its request for payment, accompanied by evidence satisfactory to the City justifying the request for payment; (b) submit a report of Work accomplished and hours of all tasks completed; (c) to the extent reimbursement of Eligible Expenses is sought, submit itemization of such expenses and, if requested by the City, copies of receipts and invoices; and (d) comply with all applicable provisions of this Agreement. Service Provider shall be paid no more often than once every thirty days.

B. All requests for payment should be sent to:

City of Everett
Attn.: John Nottingham, P.E.
3200 Cedar St.
Everett, WA 98201

6. **Submission of Reports and Other Documents.** The Service Provider shall submit all reports and other documents as and when specified in Exhibit A. Said information shall be subject to review by the City, and if found to be unacceptable, Service Provider shall correct and deliver to the City any deficient Work at Service Provider's expense with all practical dispatch. Service Provider shall abide by the City's determinations concerning acceptability of Work.

7. **Termination of Contract.** City reserves the right to terminate this Agreement at any time by sending written notice of termination to Service Provider ("Notice"). The Notice shall specify a termination date ("Termination Date") at least fourteen (14) days after the date the Notice is issued. The Notice shall be effective ("Notice Date") upon the earlier of either actual receipt by Service Provider (whether by fax, mail, delivery or other method reasonably calculated to be received by Service Provider in a reasonably prompt manner) or three calendar days after issuance of the Notice. Upon the Notice Date, Service Provider shall immediately commence to end the Work in a reasonable and orderly manner. Unless terminated for Service Provider's material breach, the Service Provider shall be paid or reimbursed for: (a) all hours worked and Eligible Expenses incurred up to the Notice Date, less all payments previously made; and (b) those hours worked and Eligible Expenses incurred after the Notice Date, but prior to the Termination Date, that were reasonably necessary to terminate the Work in an orderly manner. Notices under this Section 7 shall be sent by the United States Mail to Service Provider's address provided herein, postage prepaid, certified or registered mail, return receipt requested, or by delivery. In addition, Notices may also be sent by any other method reasonably believed to provide Service Provider actual notice in a timely manner, such as fax. The City does not by this Section 7 waive, release or forego any legal remedy for any violation, breach or non-performance of any of the provision of this Agreement. At its sole option, City may deduct from the final payment due the Service Provider (a) any damages, expenses or costs arising out of any such violations, breaches, or non-performance and (b) any other backcharges or credits.

8. **Changes.** The City may, from time to time, unilaterally change the scope of the services of the Service Provider to be performed hereunder. Such changes, including any increase or decrease in the scope of work (and resulting increase or decrease in compensation), shall: (a) be made only in writing and signed by an authorized City representative, (b) be explicitly identified as an amendment to this Agreement and (c) become a part of this Agreement.

9. **Subletting/Assignment of Contracts.** Service Provider shall not sublet or assign any of the Work without the express, prior written consent of the City.

10. **Indemnification.** Except as otherwise provided in this Section 10, the Service Provider hereby agrees to defend and indemnify the City from any and all Claims arising out of, in

connection with, or incident to any negligent or wrongful acts, errors, omissions, or conduct by Service Provider (or its employees, agents, representatives or subcontractors/subconsultants) relating to this Agreement, whether such Claims sound in contract, tort, or any other legal theory. The Service Provider is obligated to defend and indemnify the City pursuant to this Section 10 whether a Claim is asserted directly against the City, or whether it is asserted indirectly against the City, e.g., a Claim is asserted against someone else who then seeks contribution or indemnity from the City. The Service Provider's duty to defend and indemnify pursuant to this Section 10 is not in any way limited to, or by the extent of, insurance obtained by, obtainable by, or required of the Service Provider. The Service Provider's obligations under this Section 10 shall not apply to Claims caused by the sole negligence of the City. If (1) RCW 4.24.115 applies to a particular Claim, and (2) such Claim is caused by or results from the concurrent negligence of (a) the Service Provider, its employees, subcontractors/subconsultants or agents and (b) the City, then the Service Provider's obligations under this Section 10 shall apply only to the extent allowed by RCW 4.24.115. Solely and expressly for the purpose of its duties to indemnify and defend the City, the Service Provider specifically waives any immunity it may have under the State Industrial Insurance Law, Title 51 RCW. The Service Provider recognizes that this waiver of immunity under Title 51 RCW was specifically entered into pursuant to the provisions of RCW 4.24.115 and was the subject of mutual negotiation. As used in this Section 10: (1) "City" includes the City, the City's officers, employees, agents, and representatives and (2) "Claims" include, but is not limited to, any and all losses, penalties, fines, claims, demands, expenses (including, but not limited to, attorney's fees and litigation expenses), suits, judgments, or damages, irrespective of the type of relief sought or demanded, such as money or injunctive relief, and irrespective of whether the damage alleged is bodily injury, damage to property, economic loss, general damages, special damages, or punitive damages. If, and to the extent, Service Provider employs or engages subconsultants or subcontractors, then Service Provider shall ensure that each such subconsultant and subcontractor (and subsequent tiers of subconsultants and subcontractors) shall expressly agree to defend and indemnify the City to the extent and on the same terms and conditions as the Service Provider pursuant to this Section 10.

11. Insurance.

A. Service Provider shall comply with the following conditions and procure and keep in force during the term of this Agreement, at Service Provider's own cost and expense, the following policies of insurance with companies authorized to do business in the State of Washington, which are rated at least "A" or better and with a numerical rating of no less than seven (7), by A.M. Best Company and which are acceptable to the City.

1. Workers' Compensation Insurance as required by Washington law and Employer's Liability Insurance with limits not less than \$1,000,000 per occurrence. If the City authorizes sublet work, the Service Provider shall require each subcontractor to provide Workers' Compensation Insurance for its employees, unless the Service Provider covers such employees.

2. Commercial General Liability Insurance on an occurrence basis in an amount not less than \$1,000,000 per occurrence and at least \$2,000,000 in the annual aggregate,

including but not limited to: premises/operations (including off-site operations), blanket contractual liability and broad form property damage.

3. Business Automobile Liability Insurance in an amount not less than \$1,000,000 per occurrence, extending to any automobile. A statement certifying that no vehicle will be used in accomplishing this Agreement may be substituted for this insurance requirement.

4. Professional Errors and Omissions Insurance in an amount not less than \$1,000,000 per occurrence and \$1,000,000 in the annual aggregate. Such coverage may be written on a claims made basis. If both parties agree that the Work does not warrant Service Provider providing Professional Errors and Omissions Insurance, this Section 11.A.4 may be stricken and initialed by both parties.

B. The above liability policies shall be primary as to the City and shall contain a provision that the policy shall not be canceled without 30 days prior written notice to the City. No cancellation provision in any insurance policy shall be construed in derogation of the continuous duty of the Service Provider to furnish the required insurance during the term of this Agreement.

C. Upon written request by the City, the insurer or his/her agent will furnish, prior to or during any Work being performed, a copy of any policy cited above, certified to be a true and complete copy of the original.

D. Prior to the Service Provider performing any Work, Service Provider shall provide the City with a Certificate of Insurance acceptable to the City Attorney evidencing the required insurance. Service Provider shall provide the City with either (1) a true copy of an endorsement naming the City of Everett, its officers, employees and agents as Additional Insureds on the Commercial General Liability Insurance policy and the Business Automobile Liability Insurance policy with respect to the operations performed and services provided under this Agreement and that such insurance shall apply as primary insurance on behalf of such Additional Insureds or (2) a true copy of the blanket additional insured clause from the policies. Receipt by the City of any certificate showing less coverage than required is not a waiver of the Service Provider's obligations to fulfill the requirements.

E. If the policy listed in Section 11.A.4. above, Professional Errors and Omissions Insurance, is on a claims made policy form, the retroactive date on the policy shall be the effective date of this Agreement or prior. The retroactive date of any subsequent renewal of such policy shall be the same as the original policy provided. The extended reporting or discovery period on a claims made policy form shall not be less than 36 months following expiration of the policy. (This Section 11.E shall not apply if Section 11.A.4. above is stricken.)

F. Service Provider certifies that it is aware of the provisions of Title 51 of the Revised Code of Washington that requires every employer to be insured against liability of Workers' Compensation, or to undertake self-insurance in accordance with the provisions of that Title. Service Provider shall comply with the provisions of Title 51 of the Revised Code of Washington

before commencing the performance of the Work. Service Provider shall provide the City with evidence of Workers' Compensation Insurance (or evidence of qualified self-insurance) before any Work is commenced.

G. In case of the breach of any provision of this Section 11, the City may, at its option and with no obligation to do so, provide and maintain at the expense of Service Provider, such types of insurance in the name of the Service Provider, and with such insurers, as the City may deem proper, and may deduct the cost of providing and maintaining such insurance from any sums which may be found or become due to Service Provider under this Agreement or may demand Service Provider to promptly reimburse the City for such cost.

12. Independent Contractor.

A. This Agreement neither constitutes nor creates an employer-employee relationship. Service Provider must provide services under this Agreement as an independent contractor. Service Provider must comply with all federal and state laws and regulations applicable to independent contractors including, but not limited to, the requirements listed in this Section 12. Service Provider agrees to indemnify and defend the City from and against any claims, valid or otherwise, made against the City because of these obligations.

B. In addition to the other requirements of this Section 12, if Service Provider is a sole proprietor, Service Provider agrees that Service Provider is not an employee or worker of the City under Chapter 51 of the Revised Code of Washington, Industrial Insurance for the service performed in accordance with this Agreement, by certifying to the following:

(1) Service Provider is free from control or direction over the performance of the service; and

(2) The service performed is outside the usual course of business for the City, or will not be performed at any place of business of the City, or Service Provider is responsible for the costs of the principal place of business from which the service is performed; and

(3) Service Provider is customarily engaged in an independently established business of the same nature as the service performed, or has a principal place of business for the service performed that is eligible for a business deduction for federal income tax purposes; and

(4) On the effective date of this Agreement, Service Provider is responsible for filing a schedule of expenses, for the next applicable filing period, with the internal revenue service for the type of service performed; and

(5) By the effective date of this Agreement or within a reasonable time thereafter, Service Provider has established an account with the department of revenue and other state agencies, where required, for the service performed for the payment of all state taxes normally paid by employers and businesses and has registered for and received a unified business identifier number from the state of Washington; and

(6) By the effective date of this Agreement, Service Provider is maintaining a

separate set of records that reflect all items of income and expenses of the services performed.

C. Any and all employees of the Service Provider, while engaged in the performance of any Work, shall be considered employees of only the Service Provider and not employees of the City. The Service Provider shall be solely liable for any and all claims that may or might arise under the Worker's Compensation Act on behalf of said employees or Service Provider, while so engaged and for any and all claims made by a third party as a consequence of any negligent act or omission on the part of the Service Provider's employees, while so engaged on any of the Work

D. Service Provider shall comply with all applicable provisions of the Fair Labor Standards Act and other legislation affecting its employees and the rules and regulations issued thereunder insofar as applicable to its employees and shall at all times save the City free, clear and harmless from all actions, claims, demands and expenses arising out of said act, and rules and regulations that are or may be promulgated in connection therewith.

E. Service Provider assumes full responsibility for the payment of all payroll taxes, use, sales, income, or other form of taxes (such as state and, city business and occupation taxes), fees, licenses, excises or payments required by any city, federal or state legislation which are now or may during the term of the Agreement be enacted as to all persons employed by the Service Provider and as to all duties, activities and requirements by the Service Provider in performance of the Work and Service Provider shall assume exclusive liability therefore, and meet all requirements thereunder pursuant to any rules or regulations that are now or may be promulgated in connection therewith.

13. Employment. The Service Provider warrants that he had not employed or retained any company or person, other than a bona fide employee working solely for the Service Provider, to solicit or secure this Agreement and that he has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the Service Provider, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, the City shall have the right to annul this Agreement without liability or, in its discretion, to deduct from the Agreement price or consideration or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

14. Audits and Inspections. At any time during normal business hours and as often as the City may deem necessary, the Service Provider shall make available to the City for the City's examination all of the Service Provider's records and documents with respect to all matters covered by this Agreement and, furthermore, the Service Provider will permit the City to audit, examine and make copies, excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement.

15. City of Everett Business License. Service Provider agrees to obtain a City of Everett business license prior to performing any work pursuant to this Agreement.

16. **State of Washington Requirements.** Service Provider agrees to register and obtain any State of Washington business licenses, Department of Revenue account and/or unified business identifier number as required by RCW 50.04.140 and 51.08.195 prior to performing any work pursuant to this Agreement.

17. **Compliance with Federal, State and Local Laws.** Service Provider shall comply with and obey all federal, state and local laws, regulations, and ordinances applicable to the operation of its business and to its performance of work hereunder.

18. **Compliance with the Washington State Public Records Act.** Service Provider acknowledges that the City is subject to the Public Records Act, chapter 42.56 RCW (the "Act"). All records owned, used or retained by the City are public records subject to disclosure unless exempt under the Act, whether or not such records are in the possession or control of the City or Service Provider. Service Provider shall cooperate with the City so that the City may comply with all of its obligations under the Act. Within ten (10) days after receipt of notice from the City, Service Provider shall deliver to the City copies of all records relating to this Agreement or relating to the Work that the City determines qualify as the City's public records under the Act. The City will reasonably compensate Service Provider for the work required to gather such records. If the City receives a public records request relating to this Agreement or relating to the Work, the City shall seek to provide notice to Service Provider at least ten (10) days before the City releases records pursuant to such public records request, but in no event will the City have any liability to Service Provider for any failure of the City to provide such notice. In addition to its other indemnification and defense obligations under this Agreement, Service Provider shall indemnify and defend the City from and against any and all losses, penalties, fines, claims, demands, expenses (including, but not limited to, attorney's fees and litigation expenses), suits, judgments, or damage arising from or relating to any failure of Service Provider to comply with this Section 18.

19. **Compliance with Grant Terms and Conditions.** Service Provider shall comply with any and all conditions, terms and requirements of any federal, state or other grant that wholly or partially funds Service Provider's work hereunder.

20. **Equal Employment Opportunity.** Service Provider shall not discriminate against any employee, applicant for employment, independent Service Provider, or proposed independent Service Provider, on the basis of race, color, religion, sex, age, disability, marital state, or national origin.

21. **Waiver.** Any waiver by the Service Provider or the City or the breach of any provision of this Agreement by the other party will not operate, or be construed, as a waiver of any subsequent breach by either party or prevent either party from thereafter enforcing any such provisions.

22. **Complete Agreement.** This Agreement contains the complete and integrated understanding and Agreement between the parties and supersedes any understanding, Agreement or negotiation whether oral or written not set forth herein.

23. **Modification of Agreement.** This Agreement may be modified as provided in ¶8, or by a writing explicitly identified as a modification of this Agreement that is signed by authorized representatives of the City and the Service Provider.

24. **Severability.** If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void, insofar as it is in conflict with said laws, and the remainder of the Agreement shall remain in full force and effect.

25. **Notices.**

A. Notices to the City of Everett shall be sent to the following address:

City of Everett
Attn.: John Nottingham
3200 Cedar St.
Everett, WA 98201

B. Notices to the Service Provider shall be sent to the following address:

Gray & Osborne, Attn: Lance Stevens P.E.
701 Dexter Ave. N., Suite 200.
Seattle, WA 98109

26. **Venue.** Venue for any lawsuit arising out of this Agreement shall be in the Superior Court of Snohomish County, Washington.

27. **Governing Law.** The laws of the State of Washington, without giving effect to principles of conflict of laws, govern all matters arising out of or relating to this Agreement.

IN WITNESS WHEREOF, the City and Service Provider have executed this Agreement as of the date first above written.

**CITY OF EVERETT,
WASHINGTON**

Ray Stephanson, Mayor

Date

ATTEST:

APPROVED AS TO FORM:

Sharon Fuller, City Clerk

James D. Iles, City Attorney

Date

Date

SERVICE PROVIDER: Please fill in the spaces and sign in the box appropriate for your business entity.

<p>Corporation</p> <p><u>GRAY & OSBORNE, INC.</u> [Service Provider's Complete Legal Name]</p> <p>By: <u>Michael B. Johnson</u> Typed/Printed Name: <u>MICHAEL B. JOHNSON, P.E.</u> Its: <u>PRESIDENT</u> Date: <u>5/26/16</u></p>
<p>Partnership (general)</p> <p>_____ [Service Provider's Complete Legal Name] a Washington general partnership</p> <p>By: _____ Typed/Printed Name: _____ General Partner Date: _____</p>
<p>Partnership (limited)</p> <p>_____ [Service Provider's Complete Legal Name] a Washington limited partnership</p> <p>By: _____ Typed/Printed Name: _____ General Partner Date: _____</p>
<p>Sole Proprietorship</p> <p>_____ Typed/Printed Name: _____</p> <p>_____ Sole Proprietor: Date: _____</p>
<p>Limited Liability Company</p> <p>_____ [Service Provider's Complete Legal Name] a Washington limited liability company</p> <p>By: _____ Typed/Printed Name: _____ Managing Member Date: _____</p>

EXHIBIT A

SCOPE OF SERVICES CITY OF EVERETT WATER FILTRATION PLANT RESERVOIR 2

PROJECT UNDERSTANDING

The City of Everett (City) seeks engineering services for a predesign report and design of a new reservoir to supply the Water Filtration Plant (Plant) at Lake Chaplain with potable water storage for plant processes, drinking water, and fire suppression. The existing reservoir was constructed in the late 1960s, has an existing coating system with a lead-based primer, and is likely seismically deficient. Given the limited capacity and the costs to rehabilitate the existing reservoir, the City desires to construct a new, larger reservoir and water main to connect it to the Plant. It is anticipated that this reservoir will be 400,000 to 1,000,000 gallons in capacity.

This project will be undertaken in two phases. Phase 1 will be a pre-design report that will provide the options available to the City with regard to reservoir location, size, and materials; water main location; and preliminary costs. Phase 2 will be the design of the selected option from Phase 1.

Notice to Proceed, Phase 1:	April 2016
Final Predesign Report:	July 2016
Notice to Proceed, Phase 2:	August 2016
60 Percent Design Submittal:	November 2016
90 Percent Design Submittal:	February 2017
Final Design Submittal:	April 2017
Bid:	May 2017
Award:	June 2017
Construction of the Reservoir:	July – December 2017

SCOPE OF WORK

Gray & Osborne will perform the following tasks.

PHASE 1: PREDESIGN REPORT

Task 1 – Project Management

Objective: Provide overall project management and oversight of the project work by the Project Manager and senior staff members.

Provide overall project management and oversight services, to include:

1. Procure sufficient staff resources to dedicate to the project.
2. Prepare and execute subconsultant agreements.
3. Manage subconsultant work.
4. Manage and control project budget and schedule.
5. Manage and provide monthly progress reports and invoices.

City Responsibilities:

None.

Assumptions:

The City's project manager will be the single point of contact for the Consultant. For review submittals, the City will provide a single comprehensive list of comments/issues from all City review personnel.

Task 2 – Geotechnical Investigation and Report

Objective: Perform a geotechnical investigation at the proposed reservoir sites. The investigation shall determine the engineering soil properties at the proposed sites (up to three). The results of the site investigation shall be summarized in a geotechnical memo.

City Responsibilities:

Provide access for geotech investigation with 2-weeks notice from Consultant. Dig and backfill geotechnical test pits for the Geotechnical subconsultant utilizing a backhoe provided and operated by the City. Up to three pits are anticipated, one at each proposed site.

Assumptions:

Two weeks of notice will be provided to the City for scheduling onsite exploration. Excess cuttings from the pits not placed back in the hole will be spread on City property as designated by the City and recommended by the Consultant.

Deliverables:

One electronic copy of the final geotechnical report in PDF format. A hard copy of the final geotechnical report will be included in the final predesign report.

Task 3 – Predesign Report

Objective: Prepare a Predesign Report for the City providing the siting, sizing, and material options available for the new reservoir.

1. Describe up to three siting options as previously described by the City.
2. Provide descriptions for three different reservoir construction materials, welded steel, bolted steel, and concrete.
3. Provide a cost range based upon sizing from 400,000 to 1,000,000 gallons for each reservoir construction material.
4. Analyze options for connecting to the existing system, including a new main along the existing roadway and a new main along the existing water main route.
5. Alternatives analysis and recommendation for a preferred reservoir and piping route to connect to the existing system.
6. Include of the geotechnical report from Task 2 and its findings.
7. Document findings in a Predesign report.
8. Gray & Osborne will attend one review meeting at the City.

Deliverables:

Three hard copies and an electronic copy in PDF format for the draft and final submittals

Assumptions:

The Predesign Report will consist of one draft submittal and one final submittal.

Task 4 – Quality Assurance/Quality Control

Objective: Oversee one, in-house, quality assurance/quality control (QA/QC) meeting at G&O's office for the report. The meeting will include senior project staff, selected design team members, and Town staff (as required and/or desired).

1. QA/QC meetings will take place at the following levels:
 - a. Draft Submittal

PHASE 2: DESIGN

Task 5 – Project Management

Objective: Provide overall project management and oversight of the project work by the Project Manager and senior staff members.

Provide overall project management and oversight services, to include:

1. Procure sufficient staff resources to dedicate to the project.
2. Prepare and execute subconsultant agreements.
3. Manage subconsultant work.
4. Manage and control project budget and schedule.
5. Manage and provide monthly progress reports and invoices.

Task 6 – Survey

Objective: Obtain utility locates and topographical survey of the selected alternative reservoir site and water main route.

1. Obtain utility locates in the area between the access road to the reservoir and the Plant.
2. Establish horizontal and vertical control on the City's adopted datum as available from existing monumentation. If monumentation does not exist in the area, we will work on an assumed datum and incorporate the Plant

Finished Floor elevation along with the existing reservoir base and overflow elevations.

3. Obtain topographical survey of the existing and selected reservoir sites, as well as, the selected water main route at scale of 1":20' showing existing utilities, property lines (if applicable), and other information as needed. ROW and property lines will be approximate based upon GIS data, if applicable.
4. Incorporate information from City as-builts and base maps.

Deliverables:

None. Information obtained as part of this Task will be utilized to develop plans.

Assumptions:

City staff will locate any existing water mains or other Plant piping. A utility locating subconsultant will locate power, telephone, and gas, as applicable. The area for the subconsultant locates is anticipated to only be in the area between the access road to the reservoir and the Plant.

Task 7 – Engineering Design Contract Document Preparation

Objective: Prepare construction documents suitable for public bidding including plans, specifications, and cost estimates including City review at the 60 percent, 90 percent, and final construction stages. The reservoir is assumed to have telemetry at the site for monitoring reservoir level, no seismic sensors or valves, a standard ladder and landing system or stairway access, and include a passive mixing system.

1. Gray & Osborne will prepare and submit a project report to Washington Department of Health (DOH) per WAC 246-290. The Project Report will be based upon the Pre-Design Report prepared under Phase 1.
2. A 60 percent design submittal including project plans, specifications, and cost estimate will be provided to the City for review.
3. A 90 percent design submittal including project plans, specifications, and cost estimate will be provided to the City for review. The 90 percent design will incorporate City comments from the 60 percent submittal. The 90 percent design submittal will be provided to DOH for review and approval.
4. A final contract document submittal including project plans, specifications, and cost estimate will be provided to the City and will incorporate City and DOH comments from the 90 percent submittal.

5. Gray & Osborne will attend one review meeting at the City for each submittal (three meetings total).
6. Obtain applicable permits and completion of the SEPA process, if applicable. It is anticipated that the Contractor will obtain the final City Building permit based upon their reservoir design.

Deliverables:

DOH Project Report; Three sets of plans, specifications, and cost estimate at each of the 60 percent, 90 percent, and Final Design submittals.

Assumptions:

The City will provide their standard contract specifications. The technical specifications will be provided in a CSI format. Project plans will be 22" x 34" full size. No electrical power service will be provided to the reservoir site and level monitoring or intrusion detection will be provided by low voltage from the Plant.

Task 8 – Quality Assurance/Quality Control

Objective: Oversee three, in-house, quality assurance/quality control (QA/QC) meetings at G&O's office during the course of the project. The meetings will include senior project staff, selected design team members, and City staff (as required and/or desired).

1. QA/QC meetings will take place at the following levels:
 - a. 60 Percent Submittal
 - b. 90 Percent Submittal
 - c. Final Submittal
2. Ensure incorporations of relevant recommendations and suggestions into bid/construction documents resulting from QA/QC reviews.

Task 9 – Bid and Award Assistance

Objective: Assist the City in bidding phase of the project including advertisement, prebid inquiries, bid opening, and recommendation to award.

Gray & Osborne will provide the following bid and award services:

1. Answer bidder Requests for Information.
2. Attend prebid site meeting.

3. Prepare contract addenda, as necessary.
4. Perform Submittal review.

Deliverables:

Download ready document set prepared for upload to Builders Exchange or similar service; copies of submittals that are reviewed.

Assumptions:

Submittals assume one resubmittal for each submittal.

Task 10 – Construction Management Support

Objective: Assist the City in reviewing submittals provided by the Contractor.

Deliverables:

Copies of submittals that are reviewed.

Assumptions:

Submittals assume one resubmittal for each submittal.

Task 11 – Additional Services as Approved by the Owner

Objective: To provide services which are not listed within this Scope of Work that are directed by the City. The Work will be performed by the Gray and Osborne staff at their listed billing rate, as required by the request of the City. The budget amount provided under Task 11 shall be a not-to-exceed amount.

Not included within this Scope of Work are the following:

1. Boundary survey or easements.
2. Construction management including progress estimate preparation, responding to RFIs, or change order preparation or negotiation.
3. Field construction inspection.

EXHIBIT "B"

**ENGINEERING SERVICES
SCOPE AND ESTIMATED COST**

City of Everett Water Filtration Plant Reservoir 2

Tasks	Principal Hours	Project Manager Hours	Project Engineer Hours	Civil Eng. Hours	Structural Eng. Hours	Electrical Eng. Hours	AutoCAD Hours	Professional Land Surveyor Hours	Field Survey (2 person) Hours
PHASE 1									
1 Project Management	2	10							
2 Geotechnical Investigation and Report			4	2	2				
3 Predesign Report		12	90	80	8	4	30		
4 QA/QC	6	6	6	4	2	2			
PHASE 2									
5 Project Management	2	20							
6 Surveying			2	2			10	8	36
7 Engineering Design									
Dept. of Health Project Report			20	8			4		
60 Percent		4	90	100	40	16	100		
90 Percent		4	90	100	40	16	100		
Permits			4	16					
Final		2	40	40	16	16	60		
8 QA/QC	12	12	12	12	4	4			
9 Bid and Award Assistance		6	12	12					
10 Construction Management Support		2	12	32	8	6			
11 Additional Services as Approved by the Owner	1	6	30	50	8	8	40		
Hour Estimate:	23	84	412	458	128	72	344	8	36
Fully Burdened Billing Rate Range:*	\$112 to \$176	\$115 to \$176	\$110 to \$142	\$75 to \$118	\$98 to \$168	\$102 to \$182	\$92 to \$118	\$109 to \$128	\$144 to \$210
Estimated Fully Burdened Billing Rate:*	\$155	\$145	\$135	\$85	\$135	\$150	\$110	\$125	\$180
Fully Burdened Labor Cost:	\$3,565	\$12,180	\$55,620	\$38,930	\$17,280	\$10,800	\$37,840	\$1,000	\$6,480

Total Fully Burdened Labor Cost: \$ 183,695

Direct Non-Salary Cost:

Mileage & Expenses (Mileage @ current IRS rate) \$ 900

Printing \$ 350

Subconsultant:

Geotechnical Engineer \$ 4,400

Utility locates \$ 1,100

Subconsultant Overhead (10%) \$ 550

TOTAL ESTIMATED COST: \$ 190,995

* Actual labor cost will be based on each employee's actual rate. Estimated rates are for determining total estimated cost only. Fully burdened billing rates include direct salary cost, overhead, and profit.

EXHIBIT C
REIMBURSABLE EXPENSES

Type of Expense	Maximum Per Item	Cumulative Maximum
Parking		
Meals		
Mileage	Current IRS Rates	\$900.00
Printing		\$350.00

STATE RETIREMENT SYSTEMS FORM
ATTACHMENT TO PROFESSIONAL SERVICES AGREEMENT
ALL SERVICE PROVIDERS MUST COMPLETE AND SIGN THIS FORM

1. Does Service Provider have twenty-five (25) or more employees? Yes No
IF YES: SKIP QUESTION 2, SKIP QUESTION 3, AND SIGN BELOW.
IF NO: ANSWER QUESTIONS 2 AND 3.

2. If a Service Provider employee will perform Work under this Professional Services Agreement, did that employee retire under the Public Employers' Retirement System (PERS), School Employees' Retirement System (SERS), Teachers' Retirement System (TRS), or Law Enforcement Officers and Fire Fighters plan (LEOFF)? Yes No

3. Answer the appropriate question below for Service Provider's business organization:

Sole Proprietor. Did Service Provider retire under the Public Employers' Retirement System (PERS), School Employees' Retirement System (SERS), Teachers' Retirement System (TRS), Law Enforcement Officers and Fire Fighters plan (LEOFF)? Yes No

Partnership. If a partner will perform Work under this Professional Services Agreement, did that partner retire under the Public Employers' Retirement System (PERS), School Employees' Retirement System (SERS), Teachers' Retirement System (TRS) or Law Enforcement Officers and Fire Fighters plan (LEOFF)? Yes No

Limited Liability Company. If a member will perform Work under this Professional Services Agreement, did that member retire under the Public Employers' Retirement System (PERS), School Employees' Retirement System (SERS), Teachers' Retirement System (TRS) or Law Enforcement Officers and Fire Fighters plan (LEOFF)? Yes No

Corporation. If a shareholder will perform Work under this Professional Services Agreement, did that shareholder retire under the Public Employers' Retirement System (PERS), School Employees' Retirement System (SERS), Teachers' Retirement System (TRS), or Law Enforcement Officers and Fire Fighters plan (LEOFF)? Yes No

IF THERE IS A "YES" ANSWER TO ANY PART OF QUESTIONS 2 OR 3, AN ADDITIONAL QUESTIONNAIRE (AVAILABLE FROM HR OR LEGAL) MUST BE FILLED OUT AND SUBMITTED WITH THE CONTRACT.

Service Provider Name: GRAY & OSBORNE, LLC

Signature: Michael B. Johnson Printed Name: MICHAEL B. JOHNSON Title: PRESIDENT

Date: 28-Feb-13

City of Everett - Exhibit B
PROJECT HOURS AND BUDGET ESTIMATE

Labor Category	Direct Salary Rates	HOURS FOR EACH TASK												Total Hours	Cost					
		Task 1	Task 2	Task 3	Task 4	Task 5	Task 6	Task 7	Task 8	Task 9	Task 10	Task 11	Task 12			Task 20				
1 Principal in Charge	\$ 43.14	2			6	2				12						1			23	\$ 1,107
2 Project Manager	\$ 45.03	10		12	6	20				12		10				6			84	\$ 3,783
3 QA/QC Principal																				
4 QA/QC Professional																				
5 Supervising Professional																				
6 Project Engineer	\$ 41.93	4	4	90	6					12		244				30			412	\$ 17,275
7 Civil Engineer	\$ 26.40	2	2	80	4					12		264				50			458	\$ 12,091
8 Structural Engineer	\$ 41.93	2	2	8	2					12		96				8			128	\$ 5,367
9 Electrical Engineer	\$ 48.58			4	2					4		48				8			72	\$ 3,954
10 AutoCAD Drafter	\$ 34.16			30						10		264				40			344	\$ 11,751
11 Professional Land Surveyor	\$ 38.82									8									8	\$ 311
12 Field Survey (2 Person Crew)	\$ 55.90									36									36	\$ 2,012
13 Graphics																				
14 Project Administrator																				
15 Project Assistant																				
16 Staff 5																				
17 Staff 4																				
18 Staff 3																				
19 Staff 2																				
20 Staff 1																				
Total Task Hours		12	8	224	26	22	58	926	56	30	60	143	0	0	1,565	0	0	0	0	0
Subtotal Direct Salary Cost (DSC), \$		547	304	7,973	1,093	997	2,801	32,930	2,292	1,080	2,053	4,971	0	0	57,051	0	0	0	0	0
Overhead on DSC (Indirect cost) @ 180.00%		985	547	14,351	1,967	1,795	5,042	59,274	4,126	1,962	3,695	8,948	0	0	102,692	0	0	0	0	0
Total Labor Cost, \$		1,532	851	22,324	3,060	2,792	7,843	92,204	6,418	3,052	5,748	13,919	0	0	159,743	0	0	0	0	0
Expenses, \$																				
Mileage				200			300	300		100										
Printing				50			300	300												
Total Expenses				250			600	600		100										
TOTAL LABOR AND EXP		1,532	851	22,574	3,060	2,792	8,143	92,804	6,418	3,152	5,748	13,919	0	0	160,993	0	0	0	0	0
Subconsultant Expenses, \$																				
Geotechnical Engineer, PanGeo			4,400				1,100													
Utility Locates, APS																				
Total Subconsultant Expenses			4,400				1,100													
TOTAL SUBCONSULTANTS			4,400				1,100													
Subconsultant Admin Mark-up			440				110													
Subtotal Cost by Task		1,532	5,691	22,574	3,060	2,792	9,353	92,804	6,418	3,152	5,748	13,919	0	0	167,043	0	0	0	0	0
FEE (% of Total DSC & Overhead)		230	128	3,349	459	419	1,176	13,831	963	458	862	2,088	0	0	23,963	0	0	0	0	0
Federally Funded FEE (% of DSC Only)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Next Year's Labor Escalation*		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ESTIMATED COST AND FEE, \$		1,762	5,819	25,923	3,519	3,211	10,529	106,635	7,381	3,610	6,610	16,007	0	0	191,006	0	0	0	0	0

* Next year's labor escalation was calculated assuming 0.0% of the work would be completed next year.

Enter data in yellow & green shaded cells only. Other formula cells are locked to prevent accidental changes. There is no password protection.

Overall Project Multiplier 3.22

Profit as a % of Direct Salary Cost (DSC) 42.0%