

**HIGHLINE WATER DISTRICT
King County, Washington**

RESOLUTION 18-11-7A

RESOLUTION AUTHORIZING CONSULTANT SERVICES AGREEMENT #18-80-29 WITH GRAY & OSBORNE, INC. FOR CONSTRUCTION MANAGEMENT SERVICES FOR PROJECT 16-3 MANSION HILL RESERVOIR RELOCATION

WHEREAS, the District requested a proposal from Gray & Osborne, Inc. for construction management services to construct the Mansion Hill Reservoir Relocation Project; and

WHEREAS, Gray & Osborne, Inc. will perform the following tasks:

1. Construction Management
2. Construction Meetings and Site Visits
3. Submittal, RFI, Progress Estimate and Change Order Review
4. Construction Management System
5. Construction Inspection
6. Construction Record Drawings and System O & M Manual

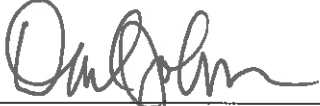

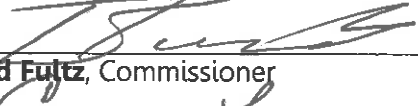

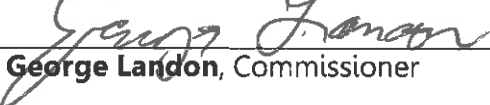
WHEREAS, the District's Engineer and General Manager have reviewed the Scope of Services (Exhibit A) and Budget (Exhibit B), submitted by Gray & Osborne, Inc. and recommend approval of this resolution.

NOW, THEREFORE, BE IT RESOLVED:

1. The General Manager or designee is authorized to enter into Contract #18-80-29 with Gray & Osborne, Inc. (Attachment 1, incorporated herein by this reference), for a not-to-exceed amount of \$362,900.00 for construction management of Project 16-3 Mansion Hill Reservoir Relocation.
2. The General Manager and/or the District's legal counsel are authorized to make minor changes to the contract if required.

ADOPTED BY THE BOARD OF COMMISSIONERS of Highline Water District, King County, Washington, at an open public meeting held this **7th** day of **November 2018**.

BOARD OF COMMISSIONERS

 _____ Daniel Johnson, President	 _____ Kathleen Quong-Vermeire, Secretary
 _____ Todd Fultz, Commissioner	 _____ Vince Koester, Commissioner
 _____ George Landon, Commissioner	

ATTACHMENT 1

HIGHLINE WATER DISTRICT

AGREEMENT FOR CONSULTING SERVICES

THIS AGREEMENT is entered into between **HIGHLINE WATER DISTRICT**, King County, Washington, a municipal corporation and special purpose district organized and existing under the laws of the State of Washington (hereafter referred to as "the District"), and **GRAY & OSBORNE, INC.**, (hereafter referred to as "the Consultant") in consideration of the mutual benefits, terms and conditions hereinafter specified.

1. Scope of Consulting Services. Consultant shall provide consulting services to the District under the terms of this Agreement for the following Project: **Mansion Hill 4.5 MG Replacement and Off-Site Improvements Construction Management** ("Project"). The scope of services is more fully described on **Exhibit A** attached hereto and incorporated herein by this reference.
2. Compensation and Payment. District shall pay Consultant for the time and materials devoted to the Project as consideration for the performance of the services set forth on **Exhibit B**, not to exceed the amount of Three hundred sixty two thousand nine hundred and 00/100 Dollars (\$362,900.00). Such compensation shall be payable in the following manner:
 - a. Consultant shall submit a detailed monthly billing for all services provided describing in reasonable and understandable detail the services rendered, fees charged and expenses incurred by Consultant during the previous month in accordance with a schedule of rates and charges set forth on **Exhibit A**, including fees and expenses for additional services authorized by District as provided herein. District shall pay the invoice within sixty (60) days of receipt, except as to any disputed amounts.
 - b. Upon District's failure to pay within sixty (60) days of receipt the undisputed amount set forth in any monthly billing submitted to District by Consultant, such unpaid balance will bear interest at the rate of 1% per month until the amount of such unpaid balance, plus interest thereon shall be paid in full.
 - c. Consultant shall maintain accounts and records of fees billed and expenses incurred as described in this Section 2 in accordance with generally accepted accounting principles, and agrees to make such accounts, records and supporting documentation available to the District and its authorized representatives for inspection at mutually convenient times, both during the Project work and for three (3) years following the final payment for services rendered or termination of the Consultant's services under this Agreement.
3. Schedule of Work. Consultant shall commence the performance of its services under this Agreement upon receipt of notice to proceed from the District to do so and shall provide the services in accordance with the schedule on **Exhibit A**, subject to delays for causes beyond the reasonable control of Consultant or as otherwise agreed to by District.

4. Subcontractors. Consultant shall not subcontract or assign any portion of the work covered by this Agreement without the prior written approval of the District, such consent to be given in District's sole discretion. Subject to the provisions of the preceding sentence, this Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto.
5. Independent Contractor. Consultant is an independent contractor and not an employee of the District. Consultant shall be responsible in full for payment of its employees, including insurance and deductions, and for payment to any subcontractors. No personnel employed by Consultant shall acquire any rights or status regarding the District. All of the services required hereunder shall be performed by Consultant or under its direction, and all personnel engaged therein shall be fully qualified under applicable state, federal and local laws to undertake the work performed by them.
6. Changes in Scope of Services. The District may require changes or modifications in the scope of services to be performed under this Agreement. Any such changes or modifications shall be in writing and signed by the parties to this Agreement. The compensation for the changes or modifications, whether a decrease or increase, shall be on the same terms and conditions as set forth in Paragraph 2 above or in a manner otherwise mutually agreed to by the parties.
7. Insurance. Consultant shall maintain throughout the performance of this Agreement the following types and amounts of insurance.
 - a. Comprehensive vehicle liability insurance covering personal injury and property damage claims arising from the use of motor vehicles with combined single limits of Two Million Dollars (\$2,000,000).
 - b. Commercial General Liability Insurance written on an occurrence basis with limits no less than Two Million Dollars (\$2,000,000) combined single limit per occurrence and Two Million Dollars (\$2,000,000) aggregate for personal injury, bodily injury and property damage. Coverage shall include, but not be limited to: blanket contractual; products/completed operations; broad form property damage; explosion, collapse and underground (XCU) if applicable; and employer's liability; and
 - c. Professional liability insurance (Errors and Omissions insurance) with limits no less than Two Million Dollars (\$2,000,000).

The insurance policies shall: (1) state that coverage shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability; (2) be primary to any insurance maintained by the District, except as respects losses attributable to the sole negligence of the District; and (3) shall state that the District will be given 45 days prior written notice of any cancellation, suspension, non-renewal or material change in coverage.

The District shall be named as an additional insured on the Commercial General Liability Insurance policy with regard to work and services performed by or on behalf of the Consultant and a copy of the endorsement naming the District as an additional insured shall be attached to the Certificate of Insurance.

Before commencing work and services, Consultant shall provide to the District a Certificate of Insurance and required endorsements evidencing the insurance described above. The District reserves the right to request and receive a certified copy of all required insurance policies.

The above insurance limits do not constitute a limit on Consultant's liability to the District. Any payment of deductible or self-insurance retention shall be the sole responsibility of Consultant.

Consultant shall be solely responsible for the safety of its employees and subcontractors at the Project work site, and shall comply with all applicable federal, state and local statutes, regulations and ordinances regarding safety.

8. Indemnification. Consultant shall defend, indemnify and hold harmless the District, its elected and appointed officers, employees and agents and volunteers from and against all claims, injuries, damages, liabilities, losses of suits, including attorneys' fees and costs, arising out of or relating to Consultant's performance under this Agreement, except to the extent any injuries or damages caused by the negligence of the District. For the purposes of this indemnification, Consultant specifically and expressly waives any immunity granted under the Washington Industrial Insurance Act, Title 51 RCW. This waiver has been mutually negotiated and agreed to by the parties. If a court of competent jurisdiction determines that this contract is subject to RCW 4.24.115, Consultant's obligation to defend, indemnify and hold harmless the District, its officers, employees, agents and volunteers shall be limited to the extent of Consultant's negligence. The provisions of this Section shall survive the expiration of termination of this Agreement.
9. Ownership of Documents. Consultant agrees to return to District upon termination of this Agreement all documents, logs, drawings, photographs and other written or graphic material, however produced, received from District and used by Consultant in performance of its services hereunder. All documents, logs, drawings, specifications, designs, mylars, surveys, survey data, reports and other work product (collectively referred to as "Work Product") produced by Consultant in connection with the services rendered under this Agreement shall be owned by District. District shall own all copyrights to such Work Product and Consultant agrees to assign all ownership rights to such Work Product to the District. Reuse of any such Work Product by the District for other than a specific project or modification in use by the District of any of the Work Product without the Consultant's prior written approval shall be at the District's sole risk.
10. Standard of Care. Consultant warrants that its services shall be performed with the level of care, skill and competence of the consulting profession in accordance with the standard for professional services at the time the services are rendered.
11. Right of Entry. District shall provide for the right of entry of Consultant and its subcontractors and all necessary equipment in order to complete the services under this Agreement.

12. Compliance with Codes and Standards. Consultant's Professional Services shall be consistent with the standard of care and shall incorporate those publicly known federal, state and local laws, regulations, codes and standards that are applicable at the time Consultant renders its services.
13. Discovery of Hazardous Materials. The Parties recognize that unanticipated hazardous materials or suspected hazardous materials may be discovered on District's property or on property included as part of the site of work but not owned by District. The discovery of unanticipated hazardous materials may delay the Consultant's provision of the services required herein. In that event, the parties may extend the Contract Completion Date by mutual agreement.
14. Termination. This Agreement may be terminated by either Party upon five (5) days written notice for any reason. In the event of termination, Consultant shall be entitled to compensation for all services performed and costs incurred through and including the date of termination, except as to any disputed amounts.
15. General Provisions.
- a. Notices. Any notice or demand desired or required to be given under this Agreement shall be in writing and deemed given when personally delivered, sent by facsimile machine, or deposited in the United States Mail (or with an express courier), postage prepaid, sent certified or registered mail, and addressed to the parties as set forth below or to such other address as either Party shall have previously designated by such a notice:

<u>To the District:</u>	<u>To the Consultant:</u>
Highline Water District 23828 30th Ave. S. Kent, WA 98032	Gray & Osborne, Inc. 1130 Ranier Ave S, Suite 300 Seattle, WA 98144
Attn: General Manager	Attn: Lance Stevens, P.E.

- b. Entire Agreement. This Agreement and its exhibit attachments contain the entire understanding between the District and Consultant relating to the consulting services which are the subject of this Agreement. This Agreement merges all prior discussions, negotiations, letters of understanding or other promises whether oral or in writing. Subsequent modification or amendment of this Agreement shall be in writing and signed by the parties to this Agreement.
- c. Waiver. Waiver of any breach or default hereunder shall not constitute a continuing waiver or a waiver of any subsequent breach either of the same or of another provision of this Agreement.
- d. No Third Party Rights. This Agreement is made only for the benefit of the District and Consultant and successors in interest and no third party or person shall have any rights hereunder whether by agency, as a third party beneficiary, or otherwise.

- e. Jurisdiction/Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. Any suit to enforce or relating to this Agreement shall be brought in King County Superior Court, King County, Washington.
- f. Severability. If any term, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, the remainder of this Agreement shall remain in effect.
- g. Effective Date. The effective date of this Agreement shall be the date that this Agreement has been signed by authorized representatives of both Parties hereto ("Effective Date").

GRAY & OSBORNE, INC.
("CONSULTANT")

By _____
Typed Name Michael B. Johnson
Its President / CEO
Dated _____

HIGHLINE WATER DISTRICT
("DISTRICT")

By _____
Typed Name Matt Everett
Its General Manager
Dated _____

EXHIBIT A

SCOPE OF SERVICES

HIGHLINE WATER DISTRICT 4.5 MG RESERVOIR REPLACEMENT AND OFF-SITE IMPROVEMENTS CONSTRUCTION MANAGEMENT

PROJECT UNDERSTANDING

The 4.5 MG Reservoir Replacement and Off-Site Improvements project (Project) involves the demolition of two reservoirs from the Mansion Hill Reservoir site, construction of a new 4.5 MG welded steel reservoir, and water main improvements. The design was performed by others. This contract is for Construction Management of the project including construction administration, management, construction staking, limited inspection, and record drawings.

It is anticipated that Physical Completion of the project will occur by the end of January 2020.

SCOPE OF WORK

Gray & Osborne will perform the following tasks.

Task 1 – Construction Management

Objective: Provide overall project management and oversight of the project work by the Project Manager. Project Manager shall work with a District and G&O provided inspectors to oversee the work. G&O will provide the following:

1. Procure sufficient staff resources to dedicate to the project.
2. Manage and control project budget and schedule.
3. Manage and provide monthly progress reports and invoices.
4. Review District- and/or G&O provided daily construction reports.
5. Retain and coordinate special construction inspection for reinforced concrete, compaction, and coating inspection.
6. Retain Stantec, Inc. for review and interpretation of design intent questions or issues.

Assumptions

Notice of Project Completion of Public Works Contract will be completed by others. Welding inspection is provided by Contractor with review of reports by G&O.

Task 2 – Construction Meetings and Site Visits

Objective: Conduct preconstruction meetings, bi-weekly meetings, and perform site visits, as required.

1. Conduct the preconstruction meeting, including providing agendas and meeting minutes.
2. Conduct biweekly construction meetings, including providing agendas and meeting minutes, as required.
3. Conduct periodic site visits (assume 2 per month for 30 total).

Task 3 – Submittal, RFI, Progress Estimatee and Change Order Review

Objective: To review material submittals, respond to Contractor Requests for Information (RFI), and Change Orders.

1. Review and process submittals, requests for information, and change orders. Conduct communication with the Contractor and District. Provide assistance in verifying lump sum bid item progress for monthly progress estimates.

Assumptions

District will process monthly progress estimates. G&O will not be responsible for interpreting design intent. If design intent interpretations or design modifications are received, G&O will request interpretation and intent from the design engineer.

Task 4 – Construction Management System

Objective: Set up and maintain the Construction Management System (CMS).

1. The CMS will be set up and maintained in order to facilitate exchange of documentation including, but not limited to, submittals, schedules, change orders, requests for information (RFI), and inspection reports.

Task 5 – Construction Inspection

Objective: Provide limited inspection of reservoir construction activities as required. It is assumed that the District inspector will provide most of the recording of contractor activities onsite as well as all onsite and offsite water main construction. G&O's inspector will be onsite for work on the reservoir foundation and as requested by the District.

Assumption

Hours provided in budget are for budgetary estimate. Inspection requested by the District in excess of these hours will be provided by Contract Amendment.

Task 6 – Construction Record Drawings and System G&M Manual

Objective: Provide Construction Record Drawings of completed work based upon redline comments provided by the District and Contractor. Prepare an Operations and Maintenance (O&M) Manual for overall operation of the reservoir.

1. Prepare record drawings based upon District and Contractor redlines. Record drawings to be provided to the District on Mylar along with electronic AutoCAD files on CD.
2. Prepare an O&M Manual for items constructed under this contract.

Assumption

District provides AutoCAD files from the Design Engineer and construction redlines from the District provided inspector.

Deliverables

Monthly status updates; meeting agendas and minutes; responses as required to RFI's, change orders, and submittals; Construction Record Drawings.

District to Provide

Daily construction inspection and reports, monthly progress estimates.

Not included within this Scope of Work are the following:

- Daily inspection and construction reports for water main construction;
- Monthly progress estimates;
- Assistance with Bid activities or recommendation to Award;
- Reservoir welding inspection;

EXHIBIT B

**ENGINEERING SERVICES
SCOPE AND ESTIMATED COST**

4.5 MG RESERVOIR REPLACEMENT AND OFF-SITE IMPROVEMENTS - CONSTRUCTION MANAGEMENT

Tasks	Principal Hours	Project Manager Hours	Project Engineer Hours	Civil Eng. Hours	Structural Eng. Hours	Electrical Eng. Hours	Field Inspector Hours	AutoCAD/ GIS Tech Hours
1 Construction Management	4	100	48	20				
2 Construction Meetings and Site Visits		180	120	40	24	32		
3 Submittal, RFI, and Change Order Review	4	40	60	60	80	80		
4 Construction Management System		4	8	20				20
5 Construction Inspection		8	16				400	
6 Construction Record Drawings and System O&M Manual	2	20	40	60	8	20	20	60
Hour Estimate:	10	352	292	200	112	132	420	80
Fully Burdened Billing Rate Range:*	\$129 to \$190	\$119 to \$190	\$113 to \$145	\$103 to \$129	\$106 to \$167	\$113 to \$190	\$81 to \$142	\$48 to \$126
Estimated Fully Burdened Billing Rate:*	\$160	\$152	\$125	\$115	\$145	\$160	\$125	\$105
Fully Burdened Labor Cost:	\$1,600	\$53,504	\$36,500	\$23,000	\$16,240	\$21,120	\$52,500	\$8,400

Total Fully Burdened Labor Cost: \$ 212,864

Direct Non-Salary Cost:

Mileage & Expenses (Mileage @ current IRS rate) \$ 1,236

Printing \$ 300

Subconsultant:

Otto Rosenau & Associates \$ 40,000

Custom Coating Consultants \$ 75,000

Stantec, Inc. \$ 20,000

Subconsultant Overhead (10%) \$ 13,500

TOTAL ESTIMATED COST: \$ 362,900

* 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.

Agenda Item No.: 5.1
Agenda Date: 11/07/18
Reviewed By: M.E.

Subject: Resolution authorizing Consultant Services Agreement #18-80-29 with Gray & Osborne, Inc. for Construction Management Services for Project 16-3 Mansion Hill Reservoir Relocation

CATEGORY	
<i>Executive</i>	<input type="checkbox"/>
<i>Administrative</i>	<input type="checkbox"/>
<i>Engineering/Operations</i>	<input checked="" type="checkbox"/>

FINANCIAL			
<i>Expenditures?</i>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
<i>Budgeted?</i>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
			<i>Amount:</i> \$ 362,900.00
			<i>(Excludes Sales Tax)</i>

Attachments:

1. Resolution 18-11-7A
2. Attachment 1 – Consultant Agreement #18-80-29 with Exhibits A and B

Comments:

The District requested a proposal from Gray & Osborne, Inc. for construction management of the Mansion Hill Reservoir Relocation. A majority of these funds will be reimbursed by Sound Transit.

The District's Engineer and General Manager have reviewed the scope of services and budget, submitted by Gray & Osborne, Inc. and recommend approval of this resolution