

Next Ord: 1789-13  
Next Res: 893-13

VISION STATEMENT

SEDRO-WOOLLEY IS A FRIENDLY CITY THAT IS CHARACTERIZED BY CITY GOVERNMENT AND CITIZENS WORKING TOGETHER TO ACHIEVE A PROSPEROUS, VIBRANT AND SAFE COMMUNITY

MISSION STATEMENT

TO PROVIDE SERVICES AND OPPORTUNITIES WHICH CREATE A COMMUNITY WHERE PEOPLE CHOOSE TO LIVE, WORK AND PLAY

**CITY COUNCIL AGENDA**

**December 24, 2013**

**4:00 PM**

**Sedro-Woolley Municipal Building**

**Lobby**

**325 Metcalf Street**

1. Call to Order
2. Pledge of Allegiance
3. Consent Calendar .....1-143

NOTE: Agenda items on the Consent Calendar are considered routine in nature and may be adopted by the council by a single motion, unless any Councilmember wishes an item to be removed. The Council on the regular agenda will consider any item so removed after the Consent Calendar.

- a. Approval of Agenda
- b. Minutes from Previous Meeting
- c. Finance
  - Claim Checks #78217 to #78308 in the amount of \$189,333.93
  - Payroll Checks #57172 to #57276 in the amount of \$187,570.76
- d. Interlocal Agreement with the City of Anacortes for Reciprocal Library Borrowing - 2014
- e. PSE Intolight Authorization Letters for Approval
- f. Final Acceptance – Contract 2013-PW-26 2013 Sanitary Sewer Replacement Project – C. Johnson Construction Inc.
- g. Possible Bid Award – Public Works Agreement Nos. 2014-PW-01-09  
Miscellaneous On-Call Maintenance Services
- h. Databar, Inc. Contract for Form Production Services

4. Public Comment.....145

**COMMITTEE REPORTS AND REPORTS FROM OFFICERS**

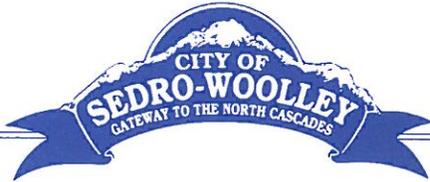
5. Minor contracts approved under SWMC 2.104.060 (if any)

**EXECUTIVE SESSION**

*There may be an Executive Session immediately preceding, during or following the meeting.*

DEC 24 2013

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 1-3



DATE: December 24, 2013  
TO: Mayor Anderson and City Council  
FROM: Patsy Nelson, Finance Director  
SUBJECT: 1) CALL TO ORDER; 2) PLEDGE OF ALLEGIANCE; 3) CONSENT  
CALENDAR

1. CALL TO ORDER - The Mayor will call the December 24, 2013 Regular Meeting to Order. The Finance Director will note those in attendance and those absent.

\_\_\_ Ward 1 Councilmember Kevin Loy  
\_\_\_ Ward 2 Councilmember Tony Splane  
\_\_\_ Ward 3 Councilmember Thomas Storrs  
\_\_\_ Ward 4 Councilmember Keith Wagoner  
\_\_\_ Ward 5 Councilmember Hugh Galbraith  
\_\_\_ Ward 6 Councilmember Rick Lemley  
\_\_\_ At-Large Councilmember Brett Sandström

2. PLEDGE OF ALLEGIANCE - The Mayor will lead the City Council and citizens in the Pledge of Allegiance to the United States of America.
3. CONSENT CALENDAR - Mayor will ask for Council approval of Consent Calendar items.

DEC 24 2013

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 36

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CITY OF SEDRO-WOOLLEY  
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Regular Meeting of the City Council  
December 11, 2013 – 7:00 P.M. – Council Chambers

ROLL CALL: Present: Mayor Mike Anderson, Councilmembers: Kevin Loy, Tony Splane, Tom Storrs, Keith Wagoner, Hugh Galbraith, Rick Lemley and Brett Sandström. Staff: Recorder Brue, Finance Director Nelson, City Supervisor/Attorney Berg, Public Works Director Freiburger, Planning Director Coleman, Fire Chief Klinger and Police Chief Wood.

The Meeting was called to order at 7:00 P.M. by Mayor Anderson.

Pledge of Allegiance

Consent Calendar

- Approval of Agenda
- Minutes from Previous Meeting
- Finance
  - Claim Checks #78142 to #78216 in the amount of \$321,315.92 (Void Check #78200, 78211, 78212)
  - Payroll Checks #57066 to #57171 in the amount of \$284,809.96

Councilmember Storrs moved to approve the consent calendar Items A through C. Seconded by Councilmember Splane. Motion carried (7-0).

Public Comment

Troy Erwin – 124 N. Reed St. addressed the Council stating that Sedro-Woolley has the best looking entrance to town and commented on the wonderful “Merry Christmas” sign.

## **NEW BUSINESS**

### 2013 Budget Amendment #4

Finance Director Nelson reviewed Budget Amendment #4 for 2013. She summarized the amendments and noted it is the final budget amendment for the year.

Councilmember Wagoner moved to approve Ordinance No. 1787-13 An Ordinance Amending Ordinance 1762-13 Adopting the Annual Budget for the City of Sedro-Woolley, Washington for the Fiscal Year Ending December 31, 2013. Seconded by Councilmember Storrs. Motion carried (7-0).

## 2014 Salary Ordinance

Finance Director Nelson reviewed the proposed 2014 Salary Ordinance. She noted the salary ordinance represents salaries as presented within the Mayor's 2014 Budget.

Councilmember Wagoner moved to approve Ordinance No. 1788-13 An Ordinance Establishing the Salaries and Wages for Elected Officials, Union/Guild and Non-Represented Employees of the City of Sedro-Woolley, Washington, for the Fiscal Year Beginning January 1, 2014. Seconded by Councilmember Galbraith. Motion carried (7-0).

## **COMMITTEE REPORTS AND REPORTS FROM OFFICERS**

### Minor Contracts Approved Under SWMC 2.104.060

Under City Supervisor/Attorney Berg's report he noted a contract with Skagit Law Group for foreclosure work and nuisance code enforcement work.

Police Chief Wood -- announced the promotion of Jason Harris to the position of Sergeant beginning January 2014 and Paul Eaton will be the new Detective. He also spoke of the purchase of new Police vehicles and the change to a black and white theme for better visibility to the citizens.

Planning Director Coleman -- noted that to date there have been no applications for marijuana processing for Sedro Woolley. He also noted the Planning Commission has been working on the Housing Element with the possibility of allowing accessory dwelling units. This will be brought to Council for review in January.

Public Works Director Freiburger -- stated they are in the process of bidding the annual on call service agreements. He also discussed an error in a response from WSDOT on a public records request from the Freedom Foundation regarding eminent domain and right of way procedures.

City Supervisor/Attorney Berg -- presented an update of reviewing options with the 911 Center regarding the Police communication issue. He noted on December 24<sup>th</sup> the annual Employee Recognition luncheon will be held at the Community Center. All Council and Council elect are invited.

Finance Director Nelson -- reported on the training of the Finance Department on new financial software and stated all is going well. She also gave a reminder of the next Council meeting scheduled for December 24<sup>th</sup> at 4:00 P.M. and requested a show of hands of those able to attend. The primary purpose of the meeting will be to pay bills.

City Supervisor/Attorney Berg -- reported the first Jail finance committee meeting is scheduled for next week. He also gave a updated on the Dike 12 status conference noting the modeling is anticipated to be complete by the end of January.

Councilmember Sandström -- announced the upcoming Home Tour to benefit the Sedro - Woolley Museum on Saturday.

Councilmember Lemley – noted it has been a pleasure to work with Councilmember Storrs and Councilmember Splane for the past years and stated their experience will be missed. He also wished everyone a Merry Christmas.

Councilmember Storrs – commented that the Downtown looks great.

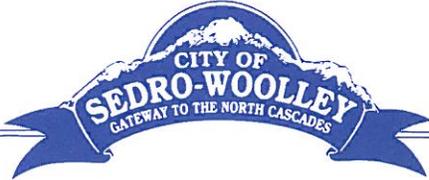
Councilmember Galbraith moved to adjourn. Seconded by All. Motion carried (7-0).

The meeting adjourned at 7:24 P.M.

After adjournment George Wolner and Tina Champeaux-Wolner addressed the Council regarding their appreciation in being able to come to the meetings and speak as well as the Council decision regarding the Citizen's United.

DEC 24 2013

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 30



DATE: December 24, 2013  
TO: Mayor Anderson and City Council  
FROM: Patsy Nelson, Finance Director  
SUBJECT: FINANCE - CLAIMS

Attached you will find the Claim Checks register proposed for payment for the period ending December 24, 2013.

Motion to approve Claim Checks #78217 to #78308 in the amount of \$189,333.93.

Motion to approve Payroll Checks #57172 to #57276 in the amount of \$187,570.76.

If you have any comments, questions or concerns, please contact me for information during the working day at 855-1661. This will allow me to look up the invoices that are stored in our office.

CITY OF SEDRO-WOLLEY  
 SORTED TRANSACTION WARRANT REGISTER  
 12/20/2013 (Printed 12/20/2013 10:48)

| WARRANT | VENDOR NAME              | DESCRIPTION               |     | AMOUNT   |
|---------|--------------------------|---------------------------|-----|----------|
| 78217   | A-1 MOBILE LOCK & KEY    | PROFESSIONAL SERVICES     | PD  | 324.90   |
|         |                          | WARRANT TOTAL             |     | 324.90   |
| 78218   | A WORKSAFE SERVICE, INC. | MISC-EMPLOYEE CDL OTHER   | PK  | 52.00    |
|         |                          | WARRANT TOTAL             |     | 52.00    |
| 78219   | ALL-PHASE ELECTRIC       | OPERATING SUP - CITY HALL | PK  | 22.27    |
|         |                          | WARRANT TOTAL             |     | 22.27    |
| 78220   | ALPINE FIRE & SAFETY     | MISC-TUITION/REGISTRATION | SWR | 44.50    |
|         |                          | WARRANT TOTAL             |     | 44.50    |
| 78221   | ATLANTIC (THE)           | BOOKS - SKAGIT COUNTY     | LIB | 29.95    |
|         |                          | WARRANT TOTAL             |     | 29.95    |
| 78222   | ANDGAR CORP              | REPAIRS/MAINT-DORM        | FD  | 225.00   |
|         |                          | REPAIR/MAINT-STATION 2    | FD  | 146.07   |
|         |                          | WARRANT TOTAL             |     | 371.07   |
| 78223   | ARAMARK UNIFORM SERVICES | MISC-LAUNDRY              | ST  | 4.60     |
|         |                          | MISC-LAUNDRY              | ST  | 4.60     |
|         |                          | LAUNDRY                   | SWR | 8.21     |
|         |                          | LAUNDRY                   | SWR | 8.21     |
|         |                          | WARRANT TOTAL             |     | 25.62    |
| 78224   | ASSOCIATION OF WA CITIES | RETIRED MEDICAL           | PD  | 3,592.68 |
|         |                          | WARRANT TOTAL             |     | 3,592.68 |
| 78225   | ASSOC PETROLEUM PRODUCTS | AUTO FUEL                 | CWP | 61.57    |
|         |                          | AUTO FUEL                 | PD  | 1,555.03 |
|         |                          | AUTO FUEL/DIESEL          | FD  | 873.10   |
|         |                          | AUTO FUEL/DIESEL          | PK  | 81.98    |
|         |                          | AUTO FUEL/DIESEL          | PK  | 298.64   |
|         |                          | AUTO FUEL/DIESEL          | ST  | 112.09   |
|         |                          | AUTO FUEL/DIESEL          | ST  | 121.08   |
|         |                          | AUTO FUEL/DIESEL          | ST  | 262.69   |
|         |                          | AUTO FUEL/DIESEL          | SWR | 96.86    |
|         |                          | AUTO FUEL/DIESEL          | SWR | 169.79   |
|         |                          | AUTO FUEL/DIESEL          | SAN | 1,794.36 |
|         |                          | AUTO FUEL/DIESEL          | SAN | 1.09     |
|         |                          | AUTO FUEL/DIESEL          | SAN | 99.95    |
|         |                          | WARRANT TOTAL             |     | 5,528.23 |
| 78226   | BAY CITY SUPPLY          | OPERATING SUP - CITY HALL | PK  | 428.77   |
|         |                          | WARRANT TOTAL             |     | 428.77   |
| 78227   | BIRCH EQUIPMENT CO INC   | EQUIPMENT RENTAL          | PK  | 300.00   |
|         |                          | WARRANT TOTAL             |     | 300.00   |
| 78228   | BIOSCIENCE, INC.         | MAINTENANCE OF LINES      | SWR | 1,725.00 |
|         |                          | WARRANT TOTAL             |     | 1,725.00 |

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| WARRANT | VENDOR NAME                | DESCRIPTION                 |        | AMOUNT    |
|---------|----------------------------|-----------------------------|--------|-----------|
| 78229   | BLUMENTHAL UNIFORM & EQUP  | UNIFORMS/ACCESSORIES        | PD     | 83.50     |
|         |                            | UNIFORMS/ACCESSORIES        | PD     | 63.66     |
|         |                            | UNIFORMS/ACCESSORIES        | PD     | 53.82     |
|         |                            | WARRANT TOTAL               |        | 200.98    |
| 78230   | BOOKLIST                   | BOOKS - SKAGIT COUNTY       | LIB    | 147.50    |
|         |                            | WARRANT TOTAL               |        | 147.50    |
| 78231   | CASCADE NATURAL GAS CORP.  | PUBLIC UTILITIES            | PD     | 61.82     |
|         |                            | PUBLIC UTILITIES            | FD     | 285.63    |
|         |                            | UTILITIES-COMMUNITY CTR     | PK     | 95.70     |
|         |                            | UTILITIES-SENIOR CENTER     | PK     | 195.99    |
|         |                            | UTILITIES-HAMMER SQUARE     | PK     | 66.82     |
|         |                            | UTILITIES-BINGHAM CARETAKER | PK     | 52.63     |
|         |                            | UTILITIES-BINGHAM CARETAKER | PK     | 56.12     |
|         |                            | PUBLIC UTILITIES-CITY HALL  | PK     | 1,744.38  |
|         |                            | PUBLIC UTILITIES            | ST     | 60.19     |
|         |                            | PUBLIC UTILITIES            | ST     | 22.55     |
|         |                            | PUBLIC UTILITIES            | LIB    | 198.84    |
|         |                            | PUBLIC UTILITIES            | SWR    | 87.09     |
|         |                            | PUBLIC UTILITIES            | SAN    | 356.13    |
|         |                            | WARRANT TOTAL               |        | 3,283.89  |
| 78232   | CHEMSEARCH                 | OPERATING SUPPLIES          | SWR    | 217.87    |
|         |                            | WARRANT TOTAL               |        | 217.87    |
| 78233   | COLLINS OFFICE SUPPLY, INC | OFFICE/OPERATING SUPPLIES   | PD     | 31.52     |
|         |                            | WARRANT TOTAL               |        | 31.52     |
| 78234   | COMCAST                    | INTERNET SERVICES           | IT     | 130.68    |
|         |                            | WARRANT TOTAL               |        | 130.68    |
| 78235   | CRAWFORD GARAGE DOORS INC  | REPAIRS/MAINT-EQUIP         | FD     | 140.79    |
|         |                            | WARRANT TOTAL               |        | 140.79    |
| 78236   | CRYSTAL SPRINGS            | OPERATING SUPPLIES          | SWR    | 61.83     |
|         |                            | WARRANT TOTAL               |        | 61.83     |
| 78237   | CUSTOM EMBROIDERY          | SAFETY EQUIPMENT            | SWR    | 332.59    |
|         |                            | WARRANT TOTAL               |        | 332.59    |
| 78238   | DAHL ELECTRIC INC.         | MAINT OF GENERAL EQUIP      | SWR    | 428.58    |
|         |                            | WARRANT TOTAL               |        | 428.58    |
| 78239   | DAVID EVANS & ASSOC INC    | PROFESSIONAL SERVICES       | ENG    | .32       |
|         |                            | CONST-SR20/COOK REALIGN     | ART    | 33,202.36 |
|         |                            | CONST-SR20/COOK REALIGN     | PUD AR | 1,612.50  |
|         |                            | CONST-SR20/COOK REALIGN     | SKAT   | 1,004.14  |
|         |                            | WARRANT TOTAL               |        | 35,819.32 |
| 78240   | D-TECH, INC.               | REPAIR/MAINT-STATION 2      | FD     | 41.52     |
|         |                            | OPERATING SUP - PARKS SHOP  | PK     | 36.06     |

| WARRANT | VENDOR NAME                      | DESCRIPTION               |     | AMOUNT   |
|---------|----------------------------------|---------------------------|-----|----------|
|         |                                  | REPAIRS/MT-COMMUNITY CTR  | PK  | 124.58   |
|         |                                  | REPAIR/MT-SENIOR CENTER   | PK  | 122.40   |
|         |                                  | REPAIR/MAINT-LIBRARY      | PK  | 18.58    |
|         |                                  | REPAIR/MAINT-CITY HALL    | PK  | 48.08    |
|         |                                  | REPAIR/MAINT-CITY HALL    | PK  | 75.42    |
|         |                                  | REPAIR/MAINT-CITY HALL    | PK  | 39.34    |
|         |                                  | REPAIR/MAINT-EQUIP & BLDG | CEM | 37.15    |
|         |                                  | REPAIR/MAINTENANCE-EQUIP  | ST  | 108.19   |
|         |                                  | MAINTENANCE CONTRACTS     | SWR | 224.03   |
|         |                                  | REPAIR/MAINTENANCE        | SAN | 208.73   |
|         |                                  | WARRANT TOTAL             |     | 1,084.08 |
| 78241   | DWAYNE LANE'S NORTH CASCADE FORD | REPAIRS/MAINT-EQUIP       | FD  | 1,353.12 |
|         |                                  | WARRANT TOTAL             |     | 1,353.12 |
| 78242   | E & E LUMBER                     | OPERATING SUP - CITY HALL | PK  | 4.36     |
|         |                                  | OPERATING SUP - CITY HALL | PK  | 88.22    |
|         |                                  | OPERATING SUP - CITY HALL | PK  | 17.28    |
|         |                                  | OPERATING SUP - CITY HALL | PK  | 9.75     |
|         |                                  | OPERATING SUP - CITY HALL | PK  | 3.95     |
|         |                                  | OPERATING SUP - CITY HALL | PK  | 21.31    |
|         |                                  | OPERATING SUP - CITY HALL | PK  | 3.35     |
|         |                                  | OPERATING SUP - CITY HALL | PK  | 2.92     |
|         |                                  | REPAIR/MT-SENIOR CENTER   | PK  | 27.93    |
|         |                                  | REPAIR/MAINT-CITY HALL    | PK  | 27.48    |
|         |                                  | REPAIR/MAINT-CITY HALL    | PK  | 27.48    |
|         |                                  | REPAIR/MAINT-CITY HALL    | PK  | 7.91     |
|         |                                  | HOLIDAY DISPLAYS          | PK  | 47.74    |
|         |                                  | HOLIDAY DISPLAYS          | PK  | 60.54    |
|         |                                  | OPERATING SUPPLIES        | ST  | 8.20     |
|         |                                  | OPERATING SUPPLIES        | ST  | 22.87    |
|         |                                  | OPERATING SUPPLIES        | ST  | 215.09   |
|         |                                  | SMALL TOOLS/MINOR EQUIP   | ST  | 32.57    |
|         |                                  | REPAIR/MAINTENANCE-EQUIP  | ST  | 146.59   |
|         |                                  | OPERATING SUPPLIES        | SWR | 11.19    |
|         |                                  | OPERATING SUPPLIES        | SWR | 11.19    |
|         |                                  | OPERATING SUPPLIES        | SWR | 6.09     |
|         |                                  | OPERATING SUPPLIES        | SAN | 78.95    |
|         |                                  | WARRANT TOTAL             |     | 828.00   |
| 78243   | EMERGENCY REPORTING              | PROFESSIONAL SERVICES     | FD  | 484.10   |
|         |                                  | WARRANT TOTAL             |     | 484.10   |
| 78244   | EDGE ANALYTICAL, INC.            | PROFESSIONAL SERVICES     | SWR | 129.00   |
|         |                                  | PROFESSIONAL SERVICES     | SWR | 35.00    |
|         |                                  | WARRANT TOTAL             |     | 164.00   |
| 78245   | ENTERPRISE OFFICE SYSTEMS        | SUPPLIES                  | JUD | 13.99    |
|         |                                  | SUPPLIES                  | FIN | 177.59   |
|         |                                  | WARRANT TOTAL             |     | 191.58   |
| 78246   | FASTENAL COMPANY                 | OPERATING SUPPLIES        | ST  | 193.38   |

CITY OF SEDRO-WOLLEY  
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| WARRANT | VENDOR NAME           | DESCRIPTION                |      | AMOUNT   |
|---------|-----------------------|----------------------------|------|----------|
|         |                       | MAINT OF GENERAL EQUIP     | SWR  | 36.18    |
|         |                       | WARRANT TOTAL              |      | 229.56   |
| 78247   | GLEASON, JOHN M.      | PROSECUTING ATTORNEY       | LGL  | 2,500.00 |
|         |                       | WARRANT TOTAL              |      | 2,500.00 |
| 78248   | FRONTIER              | TELEPHONE                  | JUD  | 36.36    |
|         |                       | TELEPHONE                  | EXE  | 54.54    |
|         |                       | TELEPHONE                  | FIN  | 54.54    |
|         |                       | TELEPHONE                  | LGL  | 24.24    |
|         |                       | TELEPHONE                  | IT   | 18.18    |
|         |                       | TELEPHONE                  | PLN  | 18.18    |
|         |                       | TELEPHONE                  | ENG  | 42.42    |
|         |                       | TELEPHONE                  | PD   | 181.37   |
|         |                       | TELEPHONE                  | FD   | 66.66    |
|         |                       | TELEPHONE                  | FD   | 140.06   |
|         |                       | TELEPHONE                  | INSP | 18.18    |
|         |                       | TELEPHONE                  | PK   | 12.12    |
|         |                       | UTILITIES-COMMUNITY CTR    | PK   | 89.75    |
|         |                       | TELEPHONE                  | ST   | 6.06     |
|         |                       | TELEPHONE                  | LIB  | 30.30    |
|         |                       | TELEPHONE                  | SWR  | 48.48    |
|         |                       | TELEPHONE                  | SAN  | 24.24    |
|         |                       | WARRANT TOTAL              |      | 865.68   |
| 78249   | FRISBEE, BRENT        | EMPLOYEE WELLNESS          | SAN  | 360.00   |
|         |                       | WARRANT TOTAL              |      | 360.00   |
| 78250   | GENERATOR SERVICES NW | REPAIRS/MAINT-EQUIP        | FD   | 255.23   |
|         |                       | MAINTENANCE CONTRACTS      | SWR  | 1,276.18 |
|         |                       | MAINT OF GENERAL EQUIP     | SWR  | 254.51   |
|         |                       | REPAIRS/MAINTENANCE        | SWTR | 127.62   |
|         |                       | WARRANT TOTAL              |      | 1,913.54 |
| 78251   | GEN-X SIGNS & BANNERS | COMMUNICATION              | EXE  | 229.34   |
|         |                       | WARRANT TOTAL              |      | 229.34   |
| 78252   | GUARDIAN SECURITY     | REPAIR/MAINT-LIBRARY       | PK   | 165.00   |
|         |                       | WARRANT TOTAL              |      | 165.00   |
| 78253   | H.B. JAEGER CO. LLC   | MAINT OF GENERAL EQUIP     | SWR  | 1,242.27 |
|         |                       | MAINT OF GENERAL EQUIP     | SWR  | 16.01    |
|         |                       | WARRANT TOTAL              |      | 1,258.28 |
| 78254   | HAYDEN, PATRICK       | CONFLICT COUNCIL           | LGL  | 150.00   |
|         |                       | WARRANT TOTAL              |      | 150.00   |
| 78255   | HEPBURN SUPERIOR      | LINERS                     | CEM  | 316.88   |
|         |                       | WARRANT TOTAL              |      | 316.88   |
| 78256   | HONEY BUCKET          | UTILITIES-PORTABLE TOILETS | PK   | 75.00    |
|         |                       | WARRANT TOTAL              |      | 75.00    |

CITY OF SEDRO-WOLLEY  
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| WARRANT | VENDOR NAME                | DESCRIPTION               |      | AMOUNT   |
|---------|----------------------------|---------------------------|------|----------|
| 78257   | HUMANE SOCIETY OF SKAGIT   | HUMANE SOCIETY            | PD   | 66.00    |
|         |                            | WARRANT TOTAL             |      | 66.00    |
| 78258   | INGRAM LIBRARY SERVICES    | PROGRAMMING GRANTS        | LIB  | 172.10   |
|         |                            | BOOKS - SKAGIT COUNTY     | LIB  | 20.36    |
|         |                            | BOOKS - SKAGIT COUNTY     | LIB  | 22.95    |
|         |                            | BOOKS - SKAGIT COUNTY     | LIB  | 22.49    |
|         |                            | BOOKS - SKAGIT COUNTY     | LIB  | 6.33     |
|         |                            | BOOKS - SKAGIT COUNTY     | LIB  | 47.35    |
|         |                            | WARRANT TOTAL             |      | 291.58   |
| 78259   | KROESEN'S INC.             | UNIFORMS                  | FD   | 111.79   |
|         |                            | WARRANT TOTAL             |      | 111.79   |
| 78260   | LAKESIDE INDUSTRIES        | REPAIR/MAINT-STREETS      | ST   | 694.57   |
|         |                            | REPAIR/MAINT-STREETS      | ST   | 366.54   |
|         |                            | WARRANT TOTAL             |      | 1,061.11 |
| 78261   | LOGGERS AND CONTRACTORS    | OPERATING SUPPLIES        | ST   | 64.74    |
|         |                            | CONST-SR20/COOK REALIGN   | ART  | 173.82   |
|         |                            | WARRANT TOTAL             |      | 238.56   |
| 78262   | MAIL FINANCE               | OPERATING RENTALS/LEASES  | FIN  | 146.66   |
|         |                            | OPERATING RENTALS/LEASES  | FIN  | 133.50   |
|         |                            | POSTAGE                   | PLN  | 146.65   |
|         |                            | POSTAGE                   | PLN  | 133.50   |
|         |                            | POSTAGE                   | ENG  | 146.65   |
|         |                            | POSTAGE                   | ENG  | 133.50   |
|         |                            | POSTAGE                   | PD   | 146.66   |
|         |                            | POSTAGE                   | PD   | 133.50   |
|         |                            | POSTAGE                   | FD   | 146.65   |
|         |                            | POSTAGE                   | FD   | 133.50   |
|         |                            | POSTAGE                   | INSP | 146.65   |
|         |                            | POSTAGE                   | INSP | 133.49   |
|         |                            | WARRANT TOTAL             |      | 1,680.91 |
| 78263   | MCCANN, WILLIAM R.         | INDIGENT DEFENDER         | LGL  | 3,000.00 |
|         |                            | WARRANT TOTAL             |      | 3,000.00 |
| 78264   | MCLOUGHLIN & EARDLEY CORP  | VEHICLES                  | PD   | 299.00   |
|         |                            | WARRANT TOTAL             |      | 299.00   |
| 78265   | MISTER T'S AWARDS & EMB    | OFFICE/OPERATING SUPPLIES | PD   | 27.05    |
|         |                            | WARRANT TOTAL             |      | 27.05    |
| 78266   | MOTOR TRUCKS, INC.         | REPAIR/MAINTENANCE        | SAN  | 368.82   |
|         |                            | WARRANT TOTAL             |      | 368.82   |
| 78267   | OTTO ENVIRONMENTAL SYSTEMS | CONTAINERS                | SAN  | 539.28   |
|         |                            | WARRANT TOTAL             |      | 539.28   |
| 78268   | PACIFIC POWER BATTERIES    | OPERATING SUPPLIES        | SWR  | 37.26    |

| WARRANT | VENDOR NAME                      | DESCRIPTION                |      | AMOUNT    |
|---------|----------------------------------|----------------------------|------|-----------|
|         |                                  | OPERATING SUPPLIES         | SWR  | 98.16     |
|         |                                  | OPERATING SUPPLIES         | ERR  | 12.00-    |
|         |                                  | WARRANT TOTAL              |      | 123.42    |
| 78269   | PAT RIMMER TIRE CTR, INC         | REPAIRS/MAINT-EQUIP        | FD   | 1,073.40  |
|         |                                  | WARRANT TOTAL              |      | 1,073.40  |
| 78270   | PARTSMASTER                      | SMALL TOOLS & MINOR EQUIP  | SWR  | 24.25     |
|         |                                  | WARRANT TOTAL              |      | 24.25     |
| 78271   | PUBLIC UTILITY DIS. NO.1         | PUBLIC UTILITIES           | PD   | 19.35     |
|         |                                  | UTILITIES-RIVERFRONT       | PK   | 135.54    |
|         |                                  | UTILITIES-HAMMER SQUARE    | PK   | 106.81    |
|         |                                  | UTILITIES-BINGHAM/MEMORIAL | PK   | 37.73     |
|         |                                  | UTILITIES - OTHER          | PK   | 34.59     |
|         |                                  | PUBLIC UTILITIES-CITY HALL | PK   | 194.10    |
|         |                                  | PUBLIC UTILITIES           | CEM  | 50.75     |
|         |                                  | PUBLIC UTILITIES           | ST   | 40.87     |
|         |                                  | PUBLIC UTILITIES           | LIB  | 28.77     |
|         |                                  | PUBLIC UTILITIES           | SWR  | 201.58    |
|         |                                  | PUBLIC UTILITIES           | SAN  | 34.59     |
|         |                                  | WARRANT TOTAL              |      | 884.68    |
| 78272   | PUGET SOUND ENERGY               | PUBLIC UTILITIES           | ST   | 16,345.24 |
|         |                                  | WARRANT TOTAL              |      | 16,345.24 |
| 78273   | SALSEINA, NATHAN                 | REPAIR/MAINT-OFFICE EQUIP  | PK   | 108.70    |
|         |                                  | WARRANT TOTAL              |      | 108.70    |
| 78274   | SCADA & CONTROLS ENGINEERING INC | PROFESSIONAL SERVICES      | SWR  | 5,320.09  |
|         |                                  | MACHINERY & EQUIP          | SWR  | 7,500.00  |
|         |                                  | WARRANT TOTAL              |      | 12,820.09 |
| 78275   | SEDGWICK CMS                     | INDUSTRIAL INSURANCE       | LGS  | 1.89      |
|         |                                  | INDUSTRIAL INSURANCE       | JUD  | 3.73      |
|         |                                  | INDUSTRIAL INSURANCE       | EXE  | 3.30      |
|         |                                  | INDUSTRIAL INSURANCE       | FIN  | 5.38      |
|         |                                  | INDUSTRIAL INSURANCE       | LGL  | .93       |
|         |                                  | INDUSTRIAL INSURANCE       | IT   | 3.44      |
|         |                                  | INDUSTRIAL INSURANCE       | PLN  | 6.24      |
|         |                                  | INDUSTRIAL INSURANCE       | ENG  | 13.63     |
|         |                                  | INDUSTRIAL INSURANCE       | PD   | 12.41     |
|         |                                  | INDUSTRIAL INSURANCE       | PD   | 446.65    |
|         |                                  | INDUSTRIAL INSURANCE       | FD   | 301.71    |
|         |                                  | INDUSTRIAL INSURANCE       | INSP | 1.65      |
|         |                                  | INDUSTRIAL INSURANCE       | PK   | 129.44    |
|         |                                  | INDUSTRIAL INSURANCE       | CEM  | 36.74     |
|         |                                  | INDUSTRIAL INSURANCE       | ST   | 96.79     |
|         |                                  | INDUSTRIAL INSURANCE       | ST   | 1.03      |
|         |                                  | INDUSTRIAL INSURANCE       | LIB  | 21.60     |
|         |                                  | INDUSTRIAL INSURANCE       | SWR  | 296.47    |
|         |                                  | INDUSTRIAL INSURANCE       | SAN  | 185.83    |

CITY OF SEDRO-WOOLLEY  
 SORTED TRANSACTION WARRANT REGISTER  
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| WARRANT | VENDOR NAME                    | DESCRIPTION               |      | AMOUNT    |
|---------|--------------------------------|---------------------------|------|-----------|
|         |                                | INDUSTRIAL INSURANCE      | SWTR | 91.70     |
|         |                                | INDUSTRIAL INSURANCE      | ERR  | 33.02     |
|         |                                | WARRANT TOTAL             |      | 1,693.58  |
| 78276   | SEDRO-WOOLLEY AUTO PARTS       | REPAIR/MAINTENANCE-EQUIP  | ST   | 180.15    |
|         |                                | WARRANT TOTAL             |      | 180.15    |
| 78277   | SEDRO-WOOLLEY MUSEUM           | S-W MUSEUM                | HOT  | 315.46    |
|         |                                | WARRANT TOTAL             |      | 315.46    |
| 78278   | SEVEN SISTERS, INC.            | CONTRACTED OVERLAY        | ST   | 141.23    |
|         |                                | WARRANT TOTAL             |      | 141.23    |
| 78279   | SIRCHIE FINGER PRINT           | OFFICE/OPERATING SUPPLIES | PD   | 57.18     |
|         |                                | WARRANT TOTAL             |      | 57.18     |
| 78280   | SJOSTROM LAW OFFICE            | MISC-FILING FEES/LIEN EXP | SWR  | 2,749.11  |
|         |                                | MISC-FILING FEES/LIEN EXP | SAN  | 1,311.11  |
|         |                                | OPERATING SUPPLIES        | SWTR | 169.18    |
|         |                                | WARRANT TOTAL             |      | 4,229.40  |
| 78281   | COMMUNITY ACTION OF SK. COUNTY | SKAGIT COMM ACTION AGENCY | HLT  | 53.75     |
|         |                                | WARRANT TOTAL             |      | 53.75     |
| 78282   | SKAGIT CO. PUBLIC WORKS        | SOLID WASTE DISPOSAL      | SAN  | 39,675.68 |
|         |                                | WARRANT TOTAL             |      | 39,675.68 |
| 78283   | SKAGIT CO. COMMUNITY SERVICES  | SKAGIT SENIOR SERVICES    | SEN  | 5,110.25  |
|         |                                | WARRANT TOTAL             |      | 5,110.25  |
| 78284   | SKAGIT COUNTY SHERIFF          | PRISONERS                 | PD   | 6,823.50  |
|         |                                | WARRANT TOTAL             |      | 6,823.50  |
| 78285   | SKAGIT HYDRAULICS, INC.        | MAINTENANCE CONTRACTS     | SWR  | 630.52    |
|         |                                | MAINTENANCE OF VEHICLES   | SWR  | 396.30    |
|         |                                | WARRANT TOTAL             |      | 1,026.82  |
| 78286   | SKID STEER SOLUTIONS INC.      | OTHER IMPROVEMENTS        | SAN  | 6,353.51  |
|         |                                | WARRANT TOTAL             |      | 6,353.51  |
| 78287   | SNO-ILSE LIBRARIES             | TUITION/REGISTRATION      | LIB  | 174.00    |
|         |                                | WARRANT TOTAL             |      | 174.00    |
| 78288   | SOLID WASTE SYSTEMS, INC.      | REPAIRS/MAINT-EQUIP       | SAN  | 283.38    |
|         |                                | REPAIRS/MAINT-EQUIP       | SAN  | 68.86     |
|         |                                | WARRANT TOTAL             |      | 352.24    |
| 78289   | STAPLES BUSINESS ADVANTAGE     | OFFICE/OPERATING SUPPLIES | PD   | 95.93     |
|         |                                | OFFICE/OPERATING SUPPLIES | PD   | 36.82     |
|         |                                | WARRANT TOTAL             |      | 132.75    |
| 78290   | STILES & STILES                | MUNICIPAL COURT JUDGE     | JUD  | 2,728.00  |

CITY OF SEDRO-WOLLEY  
 SORTED TRANSACTION WARRANT REGISTER  
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| WARRANT | VENDOR NAME              | DESCRIPTION               |      | AMOUNT   |
|---------|--------------------------|---------------------------|------|----------|
|         |                          | WARRANT TOTAL             |      | 2,728.00 |
| 78291   | SUMMIT LAW GROUP         | NEGOTIATIONS              | EXE  | 770.00   |
|         |                          | WARRANT TOTAL             |      | 770.00   |
| 78292   | TKE CORP                 | REPAIR/MAINT-CITY HALL    | PK   | 763.41   |
|         |                          | WARRANT TOTAL             |      | 763.41   |
| 78293   | TRUE VALUE               | OPERATING SUPPLIES        | FD   | 18.40    |
|         |                          | OPERATING SUPPLIES        | FD   | 33.88    |
|         |                          | OPERATING SUPPLIES        | FD   | 4.92     |
|         |                          | OPERATING SUPPLIES        | FD   | 40.06    |
|         |                          | OPERATING SUP - CITY HALL | PK   | 5.40     |
|         |                          | OPERATING SUP - HAMMER SQ | PK   | 16.22    |
|         |                          | OPERATING SUPPLIES        | ST   | 19.79    |
|         |                          | OPERATING SUPPLIES        | ST   | 21.62    |
|         |                          | REPAIR/MAINTENANCE-EQUIP  | ST   | 2.56     |
|         |                          | OPERATING SUPPLIES        | SWR  | 17.32    |
|         |                          | OPERATING SUPPLIES        | SWR  | 34.60    |
|         |                          | OPERATING SUPPLIES        | SWR  | 3.24     |
|         |                          | OPERATING SUPPLIES        | SWR  | 22.34    |
|         |                          | OPERATING SUPPLIES        | SWR  | 6.89     |
|         |                          | OPERATING SUPPLIES        | ERR  | 60.63    |
|         |                          | WARRANT TOTAL             |      | 307.87   |
| 78294   | UTIL UNDERGROUND LOC CTR | OPERATING SUPPLIES        | SWR  | 40.04    |
|         |                          | WARRANT TOTAL             |      | 40.04    |
| 78295   | VALLEY AUTO SUPPLY       | REPAIR/MAINTENANCE EQUIP  | PK   | 6.97     |
|         |                          | MAINT OF PUMPING EQUIP    | SWR  | 112.43   |
|         |                          | MAINT OF PUMPING EQUIP    | SWR  | 188.02   |
|         |                          | OPERATING SUPPLIES        | SAN  | 19.46    |
|         |                          | WARRANT TOTAL             |      | 326.88   |
| 78296   | VALLEY FREIGHTLINER INC  | REPAIRS/MAINT-EQUIP       | SAN  | 16.58    |
|         |                          | WARRANT TOTAL             |      | 16.58    |
| 78297   | VISION FORMS, LLC        | POSTAGE                   | SWR  | 1,602.38 |
|         |                          | POSTAGE                   | SAN  | 764.22   |
|         |                          | POSTAGE                   | SWTR | 98.60    |
|         |                          | WARRANT TOTAL             |      | 2,465.20 |
| 78298   | WA ST DEPT OF ECOLOGY    | DOE NPDES PERMIT          | SWTR | 1,345.72 |
|         |                          | WARRANT TOTAL             |      | 1,345.72 |
| 78299   | WA ST DEPT OF PROF LICEN | INTERGOV SVC-GUN PERMITS  | PD   | 36.00    |
|         |                          | WARRANT TOTAL             |      | 36.00    |
| 78300   | WA ST DEPT OF TRANSPORT  | CONST-SR20/COOK REALIGN   | ART  | 361.87   |
|         |                          | WARRANT TOTAL             |      | 361.87   |
| 78301   | WA STATE PATROL          | INTERGOV SVC-GUN PERMITS  | PD   | 66.00    |

CITY OF SEDRO-WOLLEY  
 SORTED TRANSACTION WARRANT REGISTER  
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| WARRANT | VENDOR NAME               | DESCRIPTION                |     | AMOUNT     |
|---------|---------------------------|----------------------------|-----|------------|
|         |                           | PROFESSIONAL SERVICES      | PK  | 10.00      |
|         |                           | WARRANT TOTAL              |     | 76.00      |
| 78302   | WA ST DEPT OF AGRICULTURE | MISC-DUES/SUBSCRIPTIONS    | SWR | 33.00      |
|         |                           | WARRANT TOTAL              |     | 33.00      |
| 78303   | WASTE MANAGEMENT OF SKGT  | RECYCLING - HOUSEHOLD      | SAN | 8,707.25   |
|         |                           | WARRANT TOTAL              |     | 8,707.25   |
| 78304   | WEST PAYMENT CTR          | WESTLAW SERVICES           | LGL | 249.13     |
|         |                           | WARRANT TOTAL              |     | 249.13     |
| 78305   | WELCH, DAVID              | OFFICE/OPERATING SUPPLIES  | PD  | 55.05      |
|         |                           | WARRANT TOTAL              |     | 55.05      |
| 78306   | WOOD'S LOGGING SUPPLY INC | OPERATING SUP - RIVERFRONT | PK  | 14.06      |
|         |                           | SAFETY EQUIPMENT           | PK  | 54.14      |
|         |                           | OPERATING SUPPLIES         | ST  | 8.65       |
|         |                           | REPAIR/MAINTENANCE-EQUIP   | ST  | 29.25      |
|         |                           | WARRANT TOTAL              |     | 106.10     |
| 78307   | WOOD, DOUG                | TRAVEL                     | PD  | 101.25     |
|         |                           | WARRANT TOTAL              |     | 101.25     |
| 78308   | MILLER, KENNETH R.        | INTERGOV SVC-GUN PERMITS   | PD  | 52.50      |
|         |                           | WARRANT TOTAL              |     | 52.50      |
|         |                           | RUN TOTAL                  |     | 189,333.93 |

| FUND  | TITLE                      | AMOUNT     |
|-------|----------------------------|------------|
| 001   | CURRENT EXPENSE FUND       | 36,900.79  |
| 101   | PARK FUND                  | 6,114.00   |
| 102   | CEMETERY FUND              | 441.52     |
| 103   | STREET FUND                | 19,333.78  |
| 104   | ARTERIAL STREET FUND       | 36,354.69  |
| 105   | LIBRARY FUND               | 922.54     |
| 108   | STADIUM FUND               | 315.46     |
| 401   | SEWER FUND                 | 25,784.66  |
| 412   | SOLID WASTE FUND           | 61,252.02  |
| 425   | STORMWATER                 | 1,832.82   |
| 501   | EQUIPMENT REPLACEMENT FUND | 81.65      |
| TOTAL |                            | 189,333.93 |

CITY OF SEDRO-WOLLEY  
SORTED TRANSACTION WARRANT REGISTER  
12/20/2013 (Printed 12/20/2013 10:48)

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| DEPARTMENT                      | AMOUNT     |
|---------------------------------|------------|
| 001 000 011                     | 1.89       |
| 001 000 012                     | 2,782.08   |
| 001 000 013                     | 1,057.18   |
| 001 000 014                     | 517.67     |
| 001 000 015                     | 5,985.87   |
| 001 000 017                     | 152.30     |
| 001 000 019                     | 304.57     |
| 001 000 020                     | 336.52     |
| 001 000 021                     | 14,423.15  |
| 001 000 022                     | 5,875.59   |
| 001 000 024                     | 299.97     |
| 001 000 062                     | 53.75      |
| 001 000 069                     | 5,110.25   |
| FUND CURRENT EXPENSE FUND       | 36,900.79  |
| 101 000 076                     | 6,114.00   |
| FUND PARK FUND                  | 6,114.00   |
| 102 000 036                     | 441.52     |
| FUND CEMETERY FUND              | 441.52     |
| 103 000 042                     | 19,333.78  |
| FUND STREET FUND                | 19,333.78  |
| 104 000 042                     | 36,354.69  |
| FUND ARTERIAL STREET FUND       | 36,354.69  |
| 105 000 072                     | 922.54     |
| FUND LIBRARY FUND               | 922.54     |
| 108 000 019                     | 315.46     |
| FUND STADIUM FUND               | 315.46     |
| 401 000 035                     | 25,784.66  |
| FUND SEWER FUND                 | 25,784.66  |
| 412 000 037                     | 61,252.02  |
| FUND SOLID WASTE FUND           | 61,252.02  |
| 425 000 031                     | 1,832.82   |
| FUND STORMWATER                 | 1,832.82   |
| 501 000 048                     | 81.65      |
| FUND EQUIPMENT REPLACEMENT FUND | 81.65      |
| TOTAL                           | 189,333.93 |



DEC 24 2013

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 3d

# Memorandum

**To:** City of Sedro-Woolley  
**From:** Anacortes Public Library  
**Date:** 12/17/13  
**Re:** Reciprocal Library Borrowing

---

Please complete the signature page on both copies, keep one copy and return the other copy to me.

Thank you,

Pauline Zollinger  
Administrative Support  
Anacortes Public Library  
1220 10<sup>th</sup> Street  
Anacortes WA 98221  
360 293-1910 x 30  
paulinez@cityofanacortes.org

**INTERLOCAL SERVICES AGREEMENT  
BETWEEN  
THE CITY OF ANACORTES AND THE CITY OF SEDRO-WOOLLEY  
FOR RECIPROCAL LIBRARY BORROWING**

**This Interlocal agreement is made this \_\_\_\_\_ day of \_\_\_\_\_, 2013, between the City of Anacortes hereinafter referred to as Anacortes, and the City of Sedro-Woolley, hereinafter referred to as Sedro-Woolley.**

**Whereas**, the City of Anacortes maintains a public library, which desires to expand the opportunities for its library patrons to utilize library services when they are outside of Anacortes; and

**Whereas**, the City of Sedro-Woolley also maintains a public library, and also desires to expand the opportunities for its library patrons to utilize library services when they are outside of Sedro-Woolley; and

**Whereas**, the Anacortes City Council and the Board of Trustees of the Anacortes Public Library (hereinafter referred to as APL) and Sedro-Woolley City Council and the Board of Trustees of the Sedro-Woolley Public Library (hereinafter referred to as SWPL) find that it is in the best interests of their respective libraries to explore the creation of a reciprocal borrowing process that would allow their respective patrons to borrow library materials in-person from the other library under the same conditions that apply to resident patrons (excluding non-resident charges for library services); and

**Whereas**, all Parties understand that reciprocal borrowing is not a replacement for, but rather a supplement to the services their libraries provide,

IT IS NOW THEREFORE AGREED BY THE PARTIES AS FOLLOWS:

- 1. Purpose.** The purpose of this Agreement is to facilitate the use of neighboring libraries by Resident Cardholders.
- 2. Term:** This Agreement shall commence on January 1, 2014 and extend until December 31, 2014; *provided*, that, if no party provides notice by December 1 of 2014 or December 1 of any extension year thereafter, this agreement shall automatically renew for a one year period on the first day of each year, commencing on January 1, 2015.
- 3. Definitions:** For the purposes of this Agreement, the following terms shall have the following meanings:
  - (a) "Resident Cardholder" shall refer to a library cardholder who resides within the City limits of the City of Anacortes or the City of Burlington, as well as those entitled by the library policies of each library to resident library cards. For the

purposes of this Agreement, a non-resident who must pay a fee to either library to receive a library card shall not be characterized as a Resident Cardholder.

(b) "Owning Library" refers to the library that owns the item to be checked out.

**4. Specific Provisions.** The Resident Cardholders of one library's service area may obtain a library card permitting the use of the other library's facilities and services, without payment of a non-resident fee, under the following conditions:

(a.) The current policies and procedures for the provision of library services of each library shall remain in effect, with no coordination or standardization required, and specifically including the following provisions:

1. Library materials placed on hold must be picked up by the library cardholder at the Owning Library.
2. Library materials must be returned to the Owning Library; if the library materials owned by one system are returned to the other system, the materials will be routed back to the Owning Library, but any overdue charges will continue to accrue under the terms of the Owning Library's policies.

(b.) The Reciprocal Use Agreement does not extend to each library's non-resident cardholders, only to eligible residents living within their respective municipal boundaries and those entitled by each library's policies to resident status.

(c.) A cardholder of APL, except non-resident library cardholders, shall be entitled to all of the privileges of a Resident Cardholder of SWPL; likewise, a cardholder of SWPL, except non-resident library cardholders, shall be entitled to all the privileges of a Resident Cardholder of APL.

(d.) Each system shall establish tracking codes to provide information, on an annual basis, on the number of cards issued and the number of items checked out from their respective libraries.

**5. Review.** The Directors of both libraries will review the effectiveness of this Agreement annually and will submit an annual report to their governance bodies.

**6. Termination.** The provisions of Section 2, "**Term**," notwithstanding, this Agreement may be terminated by either Party by giving ninety (90) days written notice to the other Party, provided that termination shall not affect or impair this Agreement of the Parties that are agreed to on or before the termination.

**7. Financing.** Each Party will bear its own cost of performing under this Agreement.

**8. Notices.** Any notices or other contacts required under the terms of this Agreement must be directed to the following:

*To the Anacortes Public Library:*  
Attn: Library Director  
1220 10<sup>th</sup> Street  
Anacortes, WA 98221

*To the Sedro-Woolley Public Library*  
Attn: Library Director  
802 Ball Ave.  
Sedro-Woolley, WA 98284

**9. Amendment.** This Agreement may be modified only by further agreement in writing as mutually agreed to by both Parties.

**10. Mediation/Arbitration Clause.** If a dispute arises from or relates to this Agreement or the breach thereof and if the dispute cannot be resolved through direct discussions, the Parties agree to endeavor first to settle the dispute in an amicable manner by mediation administered by a mediator under JAMS Alternative Dispute Resolution service rules or policies before resorting to arbitration. The mediator may be selected by agreement of the Parties or through JAMS. Following a mediation period of no less than thirty (30) days, or upon written agreement of the Parties to waive mediation, any unresolved controversy or claim arising from or relating to the Agreement or breach thereof shall be resolved through arbitration which shall be conducted under JAMS rules or policies. The arbitrator may be selected by agreement of the Parties or through JAMS. All fees and expenses for mediation or arbitration shall be borne by the Parties equally. However, each Party shall bear the expense of its own counsel, experts, witnesses, and preparation and presentation of evidence.

**11. Applicable Law-Venue.** This Agreement shall be construed and interpreted in accordance with the laws of the State of Washington. Any suit to compel arbitration or enforce an arbitrator's award may only be commenced in the Superior Court of Skagit County, Washington.

**12. Waiver.** No waiver of any right under this Agreement shall be effective unless made in writing by the authorized representative of the Party to be bound thereby.

**13. Concurrent Originals.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

**14. Ratification and Confirmation.** Any acts consistent with the authority and prior to the effective date of this Agreement are hereby ratified and confirmed.

**15. Severability.** If any term, provision, covenant, or condition of this Agreement is held by a court of competitive jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated as a result of such decision.

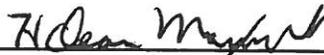
**16. Entire Agreement.** This Agreement constitutes the entire understanding of the Parties. It supersedes any oral representations that are inconsistent with or modify its terms and conditions.

**17. Liabilities.** Each party shall be solely responsible for defending and paying any claims made against it by a third party and in any manner related hereto and fully indemnify and hold harmless the other party there from.

**CITY OF SEDRO-WOOLLEY**

**CITY OF ANACORTES**

\_\_\_\_\_  
By: Mike Anderson, Mayor

  
\_\_\_\_\_  
By: Dean Maxwell, Mayor

Date: \_\_\_\_\_

Date: 11/20/13

**APPROVED AS TO FORM:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
By: Eron Berg  
City Attorney

  
\_\_\_\_\_  
By: Bradford E. Furlong,  
WSBA#12924  
City Attorney

**ATTEST:**

**ATTEST:**

\_\_\_\_\_  
By: Patsy Nelson  
Finance Director

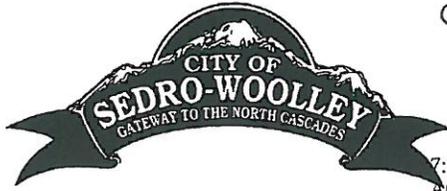
  
\_\_\_\_\_  
By: Steve Hoglund  
Finance Director

**Approve:**

**Approve:**

\_\_\_\_\_  
By: Michael Boroughs  
Sedro-Woolley Library Board  
Chairperson

  
\_\_\_\_\_  
By: Dave Duck  
Anacortes Library Board  
President



CITY COUNCIL AGENDA  
REGULAR MEETING

DEC 24 2013

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 32

**CITY OF SEDRO-WOOLLEY**  
Sedro-Woolley Municipal Building  
325 Metcalf Street  
Sedro-Woolley, WA 98284  
Phone (360) 855-0771  
Fax (360) 855-9933

Mark A. Freiburger, PE  
Director of Public Works

---

MEMO TO: City Council and Mayor Mike Anderson  
FROM: David Lee, PE  
RE: **PSE Intolight Authorization Letters for Approval**  
DATE: December 16, 2013 (for Council action December 22, 2013)

**ISSUE**

Should Mayor Anderson execute the attached Authorization Letter with Puget Sound Energy/Intolight for installation and service for new street lights associated with the SR 20/Cook Road Realignment and Extension Project, Schedule D Sidewalk from SR9 South to Harrison Street Project?

**BACKGROUND/DISCUSSION**

The SR 20/Cook Road Realignment and Extension Project, Schedule D adds a 10' wide shared use path on the north side of SR20 from SR9 South to Harrison Street. This work was funded by the recently awarded TIB Urban Sidewalk Program grant. The sidewalk grant includes relocation of 2 existing steel street light poles and addition of one additional steel pole. The previous TIB UAP project included relocation of one existing steel pole and re-lamping one existing concrete pole to LED. Together these projects add a total of five streetlights, including LED luminaries.

Attached are the following agreements:

- Street Lighting Authorization Letter (Schedule 51), \$21,518.61 installation charge
- Custom Street Lighting Order (Sch. 51), \$81.01 per month service charge.

Funding for the installation work is provided by the TIB Urban Sidewalk Program grant (SL16, 19 and 21, \$15,000), TIB USP Grant for the main project (SL13 and SL14), and budgeted matching funds from the GMA Impact Fee account.

The estimated monthly fees for the new lights were budgeted from Account 103 beginning in 2014. The net cost for new fixtures is \$81.01/month, or \$972.12 per year.

Staff recommends approval and execution of the attached Authorization Letters.

**MOTION:**

***Move to authorize Mayor Anderson to execute the attached Authorization Letters with Puget Sound Energy/Intolight for installation and service for new street lights associated with the SR 20/Cook Road Realignment and Extension Project.***





355 110th Avenue NE  
PO Box 90868, EST 9W  
Bellevue, Washington 98009-0868

T (425) 456-2496  
F (425) 462-3149

*Lighting Services from Puget Sound Energy*

**STREET LIGHTING  
AUTHORIZATION LETTER (Sch. 51)**

December 11th, 2013

Mark Freiberger  
City of Sedro Woolley  
325 Metcalf Street  
Sedro Woolley, WA 98284

Street Lighting for SR20, Cook Rd roundabout; SL 13, 14, 16, 19, 21

Dear Mark,

The cost for the installation of 4 new concrete DOT bases, 1 new 35' steel pole w/8' arm, installation of 3 reused 40' steel poles w/arms, change out of 1 existing 250W HPS cobrahead to 196W LED, and the installation of 2 130W LED and 2 196W LED installs on reused and relocated poles is **\$21,518.61**. It is based on the description in the Custom Street Lighting Order enclosed. This estimate is valid for **90 days**.

After reviewing the enclosed, please sign and return this Authorization Letter, and Custom Street Lighting Order. Payment will be requested once construction is completed. **Return one copy in the self-addressed envelope provided, and retain the other copy for your file. Upon receipt of the signed agreement and your payment there is a 10-12 week waiting period for us to procure the necessary materials.**

**The following are conditions that may be required before construction of this system:**

1. In the area where we are placing our cables and equipment, it is necessary that area be within four (4) inches of grade. If not, you may be required to pay the cost of relocating or reburying our facilities.
2. Locate and mark all privately owned underground facilities.
3. Please note that the installation may not meet the Illumination Engineering Society's Minimum standard for roadway lighting levels.
4. Restoration is not included for present construction or is the removal of excavated materials.
5. **Provide trenching, back filling and pole hole.**
6. **Provide and install 36" in Diameter & 5' long corrugated black plastic culvert pipe. (4)**
7. **City is responsible for streetlight locations.**
8. If Permits or Flaggers are required for present construction it is your responsibility to reimburse PSE these costs.
9. Unforeseen soil or pavement conditions are not included and it is your responsibility to reimburse PSE for these costs.
10. **Please provide date lighting installation should take place. Date: \_\_\_\_\_.**

By signing this Letter, Custom Street Lighting Order and returning it, you are stating that you will comply with these requirements and authorize us to perform the work. When the contingencies have been met, this order will be release to construction for scheduling. If you have any questions, please call me at 425-456-2701.

Sincerely,

Lars Larson  
Account Manager, Lighting Services

The above contingencies are accepted and authorization is given:

By: \_\_\_\_\_

Date: \_\_\_\_\_



355 110th Avenue NE  
 PO Box 90868, EST 9W  
 Bellevue, Washington 98009-0868  
*Lighting Services from Puget Sound Energy*

T (425) 456-2496  
 F (425) 462-3149

**Project Name:** Sedro Woolley – Cook Rd; SR 20 Roundabout

**Location:** State Route 20, SL 13, 14, 16, 19, 21

**CUSTOM STREET LIGHTING ORDER (Sch. 51)**

This order dated December 11, 2013 TO PUGET SOUND ENERGY, Inc. (PSE) MARK FREIBERGER; CITY OF SEDRO WOOLLEY; 325 METCALF STREET; SEDRO WOOLLEY, WA 98284 (Customer) covers the Installation of custom lighting authorized by this order. Billing will be on a Monthly basis and in accordance with the terms and conditions contained in PSE’s Scheduled 51, and any future modifications of such Schedule as may be approved by the Washington Utilities and Transportation Commission. Ownership of all conductors, poles, fixtures, lamps and accessory equipment installed as a result of this order shall remain with PSE. The number, size and type of lights ordered are summarized below.

The installation charge of the listed lighting units was estimated to be **\$21,518.61**. Value of the system used to determine the monthly facilities charge is \$26,799.93.

| <u>Fixture and Pole Type</u>                             | <u>Number</u> |
|--|---------------|
| SL 13 196W CHFL LED                                      | 1             |
| SL 14 130W CHFL LED                                      | 1             |
| SL 16 130W CHFL LED                                      | 1             |
| SL 19 35’ Steel Davit Type 1 pole, 8’ arm, 196W LED CHFL | 1             |
| SL 21 196W CHFL LED                                      | 1             |

Full payment of installation charge will be requested upon completion of project.

Monthly facilities charge is equal to 0.18% x value of the system.

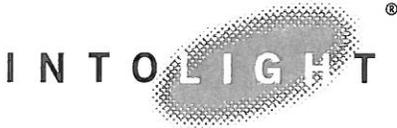
$0.0018 \times \$26,799.93 = \$48.24$

The basis of the monthly energy charge under Rate Schedule 51 is as follows:

|                                  |   |          |
|----------------------------------|---|----------|
| 2 - 130W LED Cobrahead x 4.94 ea | = | \$ 9.88  |
| 3 - 196W LED Cobrahed x 7.63 ea  | = | \$ 22.89 |
| Total monthly energy charge      |   | \$ 32.77 |

The total monthly charge for this installation is

|                              |                 |
|------------------------------|-----------------|
| Monthly facilities charge    | \$ 48.24        |
| Monthly energy charge        | \$ 32.77        |
| <b>Total monthly charge:</b> | <b>\$ 81.01</b> |



355 110th Avenue NE  
PO Box 90868, EST 9W  
Bellevue, Washington 98009-0868  
*Lighting Services from Puget Sound Energy*

T (425) 456-2496  
F (425) 462-3149

**CUSTOM STREET LIGHTING ORDER Cont.**

**PROJECT NAME: Sedro Woolley – SR 20 Roundabout**

To transfer the energy and maintenance billing, it is your responsibility to notify the new billing party when services are to be transferred. The new billing party must agree and contact INTOLIGHT to complete billing transfer.

Non-standard facilities are not kept in PSE inventory for the purpose of maintenance; therefore replacement of non-standard components may not be within the same time as replacement of standard components.

This order, executed by customer's duly authorized representative as of the date first written above is for service, as described above, under PSE's Schedule 51.

**Customer: CITY OF SEDRO WOOLLEY.; ATTN: MARK FREIBERGER**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

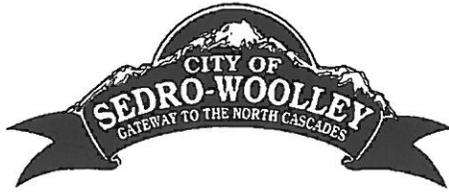
Title: \_\_\_\_\_

Company: Puget Sound Energy

By: \_\_\_\_\_

Date: December 11, 2013

Lars Larson  
Account Manager, Lighting Services



CITY COUNCIL AGENDA  
REGULAR MEETING

DEC 24 2013

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 3F

**CITY OF SEDRO-WOOLLEY**  
Sedro-Woolley Municipal Building  
325 Metcalf Street  
Sedro-Woolley, WA 98284  
Phone (360) 855-0771  
Fax (360) 855-0733

David Lee, PE  
City Engineer

---

MEMO TO: City Council and Mayor Anderson  
FROM: David Lee, PE  
RE: **Final Acceptance – Contract 2013-PW-26 2013 Sanitary Sewer Replacement Project  
C. Johnson Construction Inc.**  
DATE: December 18, 2013 (for Council action December 24, 2013)

**ISSUE:**

Should Council approve final acceptance of the 2013 Sanitary Sewer Replacement Project as constructed by C. Johnson Construction Inc. of Oak Harbor, WA in the amount of \$156,535.96 (including sales tax)?

**BACKGROUND/DISCUSSION:**

The construction contract for the 2013 Sanitary Sewer Replacement Project with C. Johnson Construction, Inc. of Oak Harbor, WA was executed on August 29, 2013. The work was started on September 30, 2013, with substantial completion on October 29, 2013 and final completion on November 12, 2013.

In addition to the original contract work scope, C. Johnson Construction also repaired a broken inflow pipe at a manhole on State Street and installed two self-leveling manhole covers on structures in Cook Road.

We have filed Notice of Completion documents with Washington Department of Labor & Industries, Department of Revenue and Employment Security. Once clearance is received from these agencies, the retention bond will be released.

**FINANCIAL:**

**Budget**

|                             |                   |
|-----------------------------|-------------------|
| 401 Engineering Services-PE | \$ 50,000         |
| 401 Other Improvements-CN   | \$ 270,000        |
| <b>Total Available</b>      | <b>\$ 320,000</b> |

**Expenditures**

|  |            |
|--|------------|
| <i>2013 SS Manhole Repair Project (2013-PW-25)</i> | \$ 36,797  |
| Design Engineering                                 | \$ 3,900   |
| Construction Engineering                           | \$ 4,700   |
| 2013 Sanitary Sewer Replacement Project            | \$ 156,536 |

|                           |                   |
|---------------------------|-------------------|
| <b>Project Total</b>      | <b>\$ 165,136</b> |
| <b>Total Expenditures</b> | <b>\$ 201,933</b> |

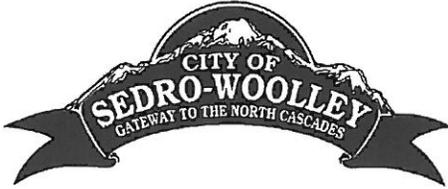
|                         |                   |
|-------------------------|-------------------|
| <b>Remaining Budget</b> | <b>\$ 118,067</b> |
|-------------------------|-------------------|

**ANALYSIS:**

The original construction contract for this project totaled \$159,620.45. Actual quantities realized for the project reduced the final contract by \$3,084.49, resulting in the final cost of \$156,535.96. The final contract cost came in at 2% under the bid amount with the additional work added.

**MOTION:**

***Move for final acceptance of the 2013 Sanitary Sewer Replacement Project as constructed by C. Johnson Construction, Inc. of Oak Harbor, WA in amount of \$156,535.96 (including sales tax)?***



CITY COUNCIL AGENDA CITY OF SEDRO-WOOLLEY  
REGULAR MEETING Sedro-Woolley Municipal Building

DEC 24 2013

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 3

325 Metcalf Street  
Sedro-Woolley, WA 98284  
Phone (360) 855-0771  
Fax (360) 855-0733

Mark A. Freiberger, PE  
Director of Public Works

MEMO TO: City Council and Mayor Mike Anderson  
FROM: Mark A. Freiberger, PE  
RE: **Possible bid award – Public Works Agreement Nos. 2014-PW-01 thru 09  
Miscellaneous On-Call Maintenance Services**  
DATE: December 19, 2013 (for Council action December 24, 2013)

**ISSUE**

Should Mayor Anderson execute the attached Public Works Agreement Nos. 2014-PW-01 thru 08 for miscellaneous 2014 On-Call maintenance services as shown below?

**BACKGROUND/DISCUSSION**

The city closed bids on December 10, 2013 under the MRSC Small Works Roster process for the following contracts:

- 2014 On-Call Construction Services for Miscellaneous Construction Services of an Emergent Nature
- 2014 On-Call Electrical Services for Miscellaneous Electrical Services of an Emergent Nature
- 2014 HVAC Annual Preventative Maintenance and On-Call Services
- 2014 Backup Generator Maintenance and On-Call Services

Bid tabulations for each bid are attached.

These contracts will provide labor, materials and equipment for miscellaneous on-call type repairs to the city facilities for construction services, backup generator services, electrical, and heating, ventilating and air conditioning (HVAC). The basis for bid comparison was a typical one day service call based on contractor proposed hourly rates, and in addition to in the case of the HVAC work, a lump sum bid for annual preventative maintenance for the city's HVAC equipment per the list provided in the request for proposals. Staff also considered the ability of the contractor to respond, available equipment and references in the determination of the low bidder.

| Contract   | Contractor  | Not-to-Exceed Total |
|------------|---|---------------------|
| 2014-PW-01 | Andgar Corporation, Ferndale, WA                      | \$35,000            |
| 2014-PW-02 | McKinstry Co LLC, Seattle, WA (back-up)               | \$35,000            |
| 2014-PW-03 | Seven Sisters Inc., Sedro-Woolley, WA                 | \$25,000            |
| 2014-PW-04 | Dahl Electric Inc., Burlington, WA (back-up)          | \$25,000            |
| 2014-PW-05 | Whitehorse Electric LLC, Darrington, WA               | \$25,000            |
| 2014-PW-06 | Generator Services NW LLC, Lynnwood, WA               | \$25,000            |
| 2014-PW-07 | Aaction Excavating Inc., Bow, WA                      | \$35,000            |
| 2014-PW-08 | P & P Excavating, Bellingham, WA (back-up)            | \$35,000            |
| 2014-PW-09 | Interwest Construction Inc., Burlington, WA (back-up) | \$35,000            |

**FINANCE**

The work will be generally funded as follows:

- 001.000.022.522.50.48.30 - Repairs & Maintenance – Station 2 - \$2,000 (Contract 2014-PW-06)
- 101.000.076.576.80.48.01 – 19 Repair & Maintenance – per facility - \$41,000 (Contracts 2014-PW-01, 02, 03, 04 and 05)
- 401.000.035.535.50.48.00 - Maintenance Contracts - \$31,000 (Contracts 2014-PW-06)
- 401.000.035.535.50.48.10 WTF Maintenance of Lines - \$75,000 (Contracts 2014-PW-07 to 09)
- 401.000.035.535.50.48.50 WTF Maintenance of General Equipment - \$75,000 (Contracts 2014-PW-03, 04 and 05)
- 425.000.031.531.50.48.00 – Repairs & Maintenance - \$4,000 (Contract 2014-PW-06)

The individual contracts are issued as not to exceed the amounts as shown. Individual Task Orders will be issued for work as needed, and will include negotiated lump sum or not to exceed estimates. Actual amounts will vary depending on repairs needed.

**MOTION:**

**Move to authorize Mayor Anderson to execute the attached Public Works Agreement Nos. 2014-PW-01 thru 09 for miscellaneous 2014 On-Call Maintenance Services as detailed above.**



CITY OF SEDRO-WOOLLEY  
 2014 HVAC Preventative Maintenance and On-Call Services  
**PRELIMINARY - BID COMPARISON**  
 Bid Opening: December 10, 2013, 2:00PM

| Contractor Name:  |  |          |       | Andgar Corporation<br>Ferndale, WA |                 | McKinstry<br>Seattle, WA |                 | Total System Services Inc.<br>Everett, WA |                 | Siemens Industry Inc.<br>Issaquah, WA |                 |
|---|--|----------|-------|------------------------------------|-----------------|--------------------------|-----------------|---|-----------------|---------------------------------------|-----------------|
| ITEM  | DESCRIPTION  | QUANTITY | UNIT  | UNIT                               | TOTAL           | UNIT                     | TOTAL           | UNIT                                      | TOTAL           | UNIT                                  | TOTAL           |
| <b>Schedule 1 - Annual Preventative Maintenance</b>                   |  |          |       |                                    |                 |                          |                 |   |                 |                                       |                 |
| 1   | Sedro-Woolley Municipal Building, 325 Metcalf            | 1.00     | LS    | 1,305.00                           | 1,305.00        | 1,515.00                 | 1,515.00        | 3,959.03                                  | 3,959.03        | 2,029.00                              | 2,029.00        |
| 2   | Sedro-Woolley Public Library, 802 Ball Street            | 1.00     | LS    | 134.00                             | 134.00          | 410.00                   | 410.00          | 395.86                                    | 395.86          | 230.00                                | 230.00          |
| 3   | Sedro-Woolley Community Center, 703 Pacific              | 1.00     | LS    | 110.00                             | 110.00          | 145.00                   | 145.00          | 311.80                                    | 311.80          | 82.00                                 | 82.00           |
| 4   | Sedro-Woolley Senior Center, 715 Pacific                 | 1.00     | LS    | 302.00                             | 302.00          | 420.00                   | 420.00          | 520.49                                    | 520.49          | 242.00                                | 242.00          |
| 5   | Parks & Recreation Office, 340 Bingham Park Loop         | 1.00     | LS    | 100.00                             | 106.00          | 268.00                   | 268.00          | 275.46                                    | 275.46          | 78.00                                 | 78.00           |
| 6   | Police Evidence Garage, 300 Metcalf                      | 1.00     | LS    | 75.00                              | 75.00           | 140.00                   | 140.00          | 195.15                                    | 195.15          | 78.00                                 | 78.00           |
| 7   | Fire Station No. 2, 1218 Township                        | 1.00     | LS    | 151.00                             | 151.00          | 545.00                   | 545.00          | 838.37                                    | 838.37          | 234.00                                | 234.00          |
| <b>Subtotal:</b>  |  |          |       |                                    | <b>2,183.00</b> |                          | <b>3,443.00</b> |   | <b>6,496.16</b> |                                       | <b>2,973.00</b> |
| <b>Schedule 2 - On-Call HVAC Services (Typical call out) - Hourly</b> |  |          |       |                                    |                 |                          |                 |   |                 |                                       |                 |
| 8   | Journeyman HVAC Technician, Straight Time                | 8.00     | Hours | 100.00                             | 800.00          | 124.00                   | 992.00          | 120.00                                    | 960.00          | 139.00                                | 1,112.00        |
| 9   | Journeyman HVAC Technician, Overtime                     | 2.00     | Hours | 150.00                             | 300.00          | 186.00                   | 372.00          | 180.00                                    | 360.00          | 209.00                                | 418.00          |
| 10  | Service Truck with Tools                                 | 10.00    | Hours | -                                  | -               | -                        | -               | 12.00                                     | 120.00          | -                                     | -               |
| 11  | Mobilization/Demobilization (if not incl in hourly rate) | 1.00     | LS    | 50.00                              | 50.00           | 50.00                    | 50.00           | -   | -               | 60.00                                 | 60.00           |
| <b>Subtotal:</b>  |  |          |       |                                    | <b>1,150.00</b> |                          | <b>1,414.00</b> |   | <b>1,440.00</b> |                                       | <b>1,590.00</b> |
| <b>SUBTOTAL</b>   |  |          |       |                                    | <b>3,333.00</b> |                          | <b>4,857.00</b> |   | <b>7,936.16</b> |                                       | <b>4,563.00</b> |
| <b>WASHINGTON STATE SALES TAX AT 8.5%</b>                             |  |          |       |                                    | <b>283.31</b>   |                          | <b>412.85</b>   |   | <b>674.57</b>   |                                       | <b>387.86</b>   |
| <b>TOTAL</b>  |  |          |       |                                    | <b>3,616.31</b> |                          | <b>5,269.85</b> |   | <b>8,610.73</b> |                                       | <b>4,950.86</b> |

Markup Rate for Materials:  
 Corrections made to calculations  
 MRSC  
 NOTES:

|            |            |                           |
|------------|------------|---------------------------|
| 40%        | 32%        | 25%                       |
| Yes        | Yes        | Yes                       |
| Yes        | Yes        | Yes                       |
| Responsive | Responsive | Non Responsive - Late Bid |

- Schedule 1 project is for Annual Preventative HVAC Maintenance at various city facilities.
- Schedule 2 project assumes a one day repair during normal working hours of miscellaneous HVAC issues within the City of Sedro-Woolley at various locations.



CITY OF SEDRO-WOOLLEY  
 2014 ON-CALL ELECTRICAL SERVICES  
**PRELIMINARY - BID COMPARISON**  
 Bid Opening: December 10, 2013, 2:00PM

ONE DAY ELECTRICAL REPAIR PROJECT FOR BID COMPARISON

Contractor Name:

| ITEM                                 | QUANTITY | UNIT | Whitehorse Electric<br>Darrington, WA |                 | Seven Sister Inc.<br>Sedro-Woolley, WA |                 | Dahl Electric Inc.<br>Burlington |                 | VECA Electric Co. Inc.<br>Bellingham, WA |                 |
|--------------------------------------|----------|------|---------------------------------------|-----------------|--|-----------------|----------------------------------|-----------------|--|-----------------|
|                                      |          |      | RATE                                  | TOTAL           | RATE                                   | TOTAL           | RATE                             | TOTAL           | RATE                                     | TOTAL           |
| Journeyman Electrician (Note 1)      | 16.00    | Hour | 70.00                                 | 1,120.00        | 73.79                                  | 1,180.64        | 83.70                            | 1,339.20        | 83.00                                    | 1,328.00        |
| Service Truck with Tools (Note 1)    | 16.00    | Hour | 6.00                                  | 96.00           | 7.50                                   | 120.00          | -                                | -               | 8.00                                     | 128.00          |
| Mobilization/Demobilization (Note 2) | 1.00     | LS   | 77.00                                 | 77.00           | -                                      | -               | -                                | -               | 200.00                                   | 200.00          |
| Materials (Note 3)                   | 1.00     | EST  |                                       | 500.00          |  | 500.00          |                                  | 500.00          |  | 500.00          |
| Markup on Materials (Note 3)         | %        | %    | 15%                                   | 75.00           | 14%                                    | 70.00           | 24%                              | 120.00          | 20%                                      | 100.00          |
| <b>SUBTOTAL</b>                      |          |      |                                       | <b>1,868.00</b> |  | <b>1,870.64</b> |                                  | <b>1,959.20</b> |  | <b>2,256.00</b> |
| WASHINGTON STATE SALES TAX AT 8.5%   |          |      |                                       | 158.78          |  | 159.00          |                                  | 166.53          |  | 191.76          |
| <b>TOTAL</b>                         |          |      |                                       | <b>2,026.78</b> |  | <b>2,029.64</b> |                                  | <b>2,125.73</b> |  | <b>2,447.76</b> |

Markup Rate for Materials

Overtime Rate, Per Hour

MRSC

Corrections (Sales Tax Rate 8.5%)

NOTES:

- Project assumes a two day repair during normal working hours of a miscellaneous electrical problem at the Wastewater Treatment Plant.
- Mobilization/Demobilization (Round Trip) - One mobilization/demobilization will be paid per task order, unless agreed to otherwise.
- Contractor's markup rate to be applied to \$500 Material allowance for comparison purposes.

|        |       |        |        |
|--------|-------|--------|--------|
| 15%    | 14%   | 24%    | 20%    |
| 104.00 | 99.92 | 125.55 | 123.00 |
| Yes    | Yes   | Yes    | Yes    |
| Yes    | Yes   | Yes    | Yes    |

Mob is portal to portal at unit rate



**CITY OF SEDRO-WOOLLEY**  
**2014 Backup Generator Maintenance and On-Call Services**  
**PRELIMINARY - BID COMPARISON**  
 Bid Opening: December 10, 2013, 2:00PM

| Contractor Name:  |  |          |       | Generator Services NW LLC<br>Lynnwood, WA |                  | Northwest Power Services Inc.<br>Silverdale, WA |                  | D Square Energy LLC<br>North Bend, WA |                  | Hatton Marine and<br>Generator Systems Inc.<br>Seattle, WA |                  |
|---|--|----------|-------|---|------------------|---|------------------|---------------------------------------|------------------|--|------------------|
| ITEM  | DESCRIPTION  | QUANTITY | UNIT  | UNIT                                      | TOTAL            | UNIT  | TOTAL            | UNIT                                  | TOTAL            | UNIT   | TOTAL            |
| <b>Schedule 1 - Annual and Quarterly Preventative Maintenance</b>           |  |          |       |   |                  |   |                  |                                       |                  |  |                  |
| 1   | Thirteen (13) Backup Generators Sets                     | 1.00     | LS    | 11,042.03                                 | 11,042.03        | 11,500.00                                       | 11,500.00        | 19,375.00                             | 19,375.00        | 37,850.00  | 37,850.00        |
| <b>Subtotal:</b>  |  |          |       |   | <b>11,042.03</b> |   | <b>11,500.00</b> |                                       | <b>19,375.00</b> |  | <b>37,850.00</b> |
| <b>Schedule 2 - On-Call Repairs and Service (Typical call out) - Hourly</b> |  |          |       |   |                  |   |                  |                                       |                  |  |                  |
| 1   | Journeyman Wage, Straight Time                           | 8.00     | Hours | 95.00                                     | 760.00           | 18.95   | 151.60           | 115.00                                | 920.00           | 115.00   | 920.00           |
| 2   | Service Truck with Tools                                 | 8.00     | Hours |   | -                | 37.71   | 301.68           |                                       | -                |  | -                |
| 3   | Mobilization/Demobilization (if not incl in hourly rate) | 1.00     | LS    | 100.00                                    | 100.00           | 56.85   | 56.85            |                                       | -                | 150.00   | 150.00           |
| <b>Subtotal:</b>  |  |          |       |   | <b>860.00</b>    |   | <b>510.13</b>    |                                       | <b>920.00</b>    |  | <b>1,070.00</b>  |
| <b>SUBTOTAL</b>   |  |          |       |   | <b>11,902.03</b> |   | <b>12,010.13</b> |                                       | <b>20,295.00</b> |  | <b>38,920.00</b> |
| <b>WASHINGTON STATE SALES TAX AT 8.5%</b>                                   |  |          |       |   | <b>1,011.67</b>  |   | <b>1,020.86</b>  |                                       | <b>1,725.08</b>  |  | <b>3,308.20</b>  |
| <b>TOTAL</b>  |  |          |       |   | <b>12,913.70</b> |   | <b>13,030.99</b> |                                       | <b>22,020.08</b> |  | <b>42,228.20</b> |

Markup Rate for Materials:

Overtime Rate, Per Hour

Corrections made to calculations

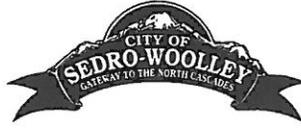
MRSC

NOTES:

|        |       |        |        |
|--------|-------|--------|--------|
| 20%    | 10%   | 30%    | 30%    |
| 142.50 | 28.43 | 185.00 | 172.50 |
| Yes    | Yes   | Yes    | Yes    |
| Yes    | Yes   | Yes    | Yes    |

1. Sample project assumes a one day repair during normal working hours of a miscellaneous generator problem at the Wastewater Treatment Plant.
2. Mobilization/Demobilization (Roundtrip) – One mobilization/demobilization will be paid per task order, unless agreed to otherwise.

|   |       |                         |        |                       |        |                             |        |                     |        |                            |        |                         |        |                 |
|--|-------|-------------------------|--------|-----------------------|--------|-----------------------------|--------|---------------------|--------|----------------------------|--------|-------------------------|--------|-----------------|
| 2014 ON-CALL CONSTRUCTION SERVICES   |       |                         |        |                       |        |                             |        |                     |        |                            |        |                         |        |                 |
| PRELIMINARY - BID COMPARISON   |       |                         |        |                       |        |                             |        |                     |        |                            |        |                         |        |                 |
| Bid Date: December 10, 2013, 2:00PM  |       | Aaction Excavating Inc. |        | P & P Excavating, Inc |        | Interwest Construction, Inc |        | Trico Companies LLC |        | Absolute Construction, LLC |        | C. Johnson Construction |        |                 |
| By: David Lee, PE, City Engineer   |       | Bow, WA                 |        | Bellingham, WA        |        | Burlington, WA              |        | Burlington, WA      |        | Lake Stevens, WA           |        | Oak Harbor, WA          |        |                 |
| TYPICAL ONE DAY DIG <sup>1</sup>   | QUANT | UNIT                    | RATE   | TOTAL                 | RATE   | TOTAL                       | RATE   | TOTAL               | RATE   | TOTAL                      | RATE   | TOTAL                   | RATE   | TOTAL           |
| Foreman  | 8.00  | Hours                   | 70.00  | 560.00                | 75.00  | 600.00                      | 73.00  | 584.00              | 69.00  | 552.00                     | 58.00  | 464.00                  | 83.63  | 669.04          |
| Operator   | 8.00  | Hours                   | 68.00  | 544.00                | 70.00  | 560.00                      | 66.00  | 528.00              | 68.00  | 544.00                     | 58.00  | 464.00                  | 82.10  | 656.80          |
| Pipe Layer   | 16.00 | Hours                   | 60.00  | 960.00                | 65.00  | 1,040.00                    | 58.00  | 928.00              | 58.00  | 928.00                     | 55.00  | 880.00                  | 66.56  | 1,064.96        |
| Flagger  | 16.00 | Hours                   | 50.00  | 800.00                | 50.00  | 800.00                      | 43.00  | 688.00              | 48.25  | 772.00                     | 55.00  | 880.00                  | 56.06  | 896.96          |
| Pickup with Tools  | 8.00  | Hours                   | 7.00   | 56.00                 | 7.50   | 60.00                       | 10.00  | 80.00               | 15.00  | 120.00                     | 15.00  | 120.00                  | 27.48  | 219.84          |
| Service Truck with Tools   | 8.00  | Hours                   | 10.00  | 80.00                 | 10.00  | 80.00                       | 40.00  | 320.00              | 35.00  | 280.00                     | 15.00  | 120.00                  | 34.78  | 278.24          |
| Air Compressor with Tools  | 8.00  | Hours                   | 15.00  | 120.00                | 15.00  | 120.00                      | 12.00  | 96.00               | 17.00  | 136.00                     | 25.00  | 200.00                  | 16.87  | 134.96          |
| Dump Truck   | 8.00  | Hours                   | 50.00  | 400.00                | 50.00  | 400.00                      | 65.00  | 520.00              | 90.00  | 720.00                     | 100.00 | 800.00                  | 118.37 | 946.96          |
| Excavator, 6-8 Ton (Deere 160LC or equivalent)   | 8.00  | Hours                   | 50.00  | 400.00                | 50.00  | 400.00                      | 45.00  | 360.00              | 45.00  | 360.00                     | 95.00  | 760.00                  | 110.98 | 887.84          |
| Hoe-Pac Excavator Attachment   | 8.00  | Hours                   | 5.00   | 40.00                 | 10.00  | 80.00                       | 5.00   | 40.00               | 3.00   | 24.00                      | 35.00  | 280.00                  | 9.71   | 77.68           |
| Rubber Tire Loader   | 8.00  | Hours                   | 40.00  | 320.00                | 30.00  | 240.00                      | 36.00  | 288.00              | 50.00  | 400.00                     | 95.00  | 760.00                  | 79.41  | 635.28          |
| Jumping Jack Compactor   | 8.00  | Hours                   | 20.00  | 160.00                | 5.00   | 40.00                       | 2.00   | 16.00               | 2.00   | 16.00                      | 18.00  | 144.00                  | 5.99   | 47.92           |
| Trench Box   | 1.00  | Day                     | 1.00   | 1.00                  | 75.00  | 75.00                       | 25.00  | 25.00               | 40.00  | 40.00                      | 250.00 | 250.00                  | 148.00 | 148.00          |
| 2" Trash Pump w/Hoses  | 1.00  | Day                     | 1.00   | 1.00                  | 40.00  | 40.00                       | 5.00   | 5.00                | 69.00  | 69.00                      | 85.00  | 85.00                   | 35.00  | 35.00           |
| Traffic Control Devices  | 1.00  | Day                     | 1.00   | 1.00                  | 1.50   | 1.50                        | 50.00  | 50.00               | 100.00 | 100.00                     | 100.00 | 100.00                  | 250.00 | 250.00          |
| Mobilization/Demobilization  | 1.00  | LS                      | 240.00 | 240.00                | 200.00 | 200.00                      | 446.00 | 446.00              | 500.00 | 500.00                     | 600.00 | 600.00                  | 400.00 | 400.00          |
| <b>Subtotal</b>  |       |                         |        | <b>4,683.00</b>       |        | <b>4,736.50</b>             |        | <b>4,974.00</b>     |        | <b>5,561.00</b>            |        | <b>6,907.00</b>         |        | <b>7,349.48</b> |
| WSST at 8.5% <sup>2</sup>  |       |                         |        | 398.06                |        | 402.60                      |        | 422.79              |        | 472.69                     |        | 587.10                  |        | 624.71          |
| <b>TOTAL</b>   |       |                         |        | <b>5,081.06</b>       |        | <b>5,139.10</b>             |        | <b>5,396.79</b>     |        | <b>6,033.69</b>            |        | <b>7,494.10</b>         |        | <b>7,974.19</b> |
| <b>Markup Rate for Materials</b>   |       |                         |        | 15%                   |        | 15%                         |        | 12%                 |        | 10%                        |        | 15%                     |        | 21%             |
| <b>POSITION</b>  |       |                         |        | <b>LOW</b>            |        | <b>1</b>                    |        | <b>2</b>            |        | <b>3</b>                   |        | <b>4</b>                |        | <b>5</b>        |
| <b>NOTES</b>   |       |                         |        |                       |        |                             |        |                     |        |                            |        |                         |        |                 |
| 1. Project assumes a one day repair of a sewer main at 10' depth in a city street with groundwater.  |       |                         |        |                       |        |                             |        |                     |        |                            |        |                         |        |                 |
| Corrections made to calculations   |       |                         |        |                       |        |                             |        |                     |        |                            |        |                         |        |                 |
| MRSC   |       |                         |        | YES                   |        | YES                         |        | YES                 |        | YES                        |        | YES                     |        | YES             |
| 2. Original bid packs sent out with 8.3% sales tax. Starting Jan 2014, City sales tax rate increase to 8.5%. Final totals here adjusted to new rate. |       |                         |        |                       |        |                             |        |                     |        |                            |        |                         |        |                 |



## PUBLIC WORKS AGREEMENT 2014-PW-01

**Project Name: 2014 HVAC Preventative Maintenance and On-Call Services**

The City of Sedro-Woolley, a municipal corporation of the State of Washington (hereinafter the "City"); and **Andgar Corporation, PO Box 2708, Ferndale, WA 98248**, (hereinafter the "Contractor") hereby agree as follows:

**I. THE PROJECT:** The Contractor agrees to complete the following project, utilizing the best available materials and labor, and in accordance with bid specifications and contractor's proposal (if any), project plans and technical specifications:

Project description: **Provide annual preventative maintenance service on certain city owned HVAC systems, and for emergency and non-emergency on-call services for a period of 14 months beginning on January 1, 2014 - per the "Invitation to Bid".**

**II. GENERAL CONDITIONS:** The General Conditions of this agreement are the Standard Specifications for Road, Bridge and Municipal Construction, Current Edition, issued by the State of Washington and the APWA, modified as follows:

**A. Definitions and Terms:**

1. Whenever the terms "Washington State Transportation Commission", "State Department of Transportation", or variations of same are used in the Standard specifications, they shall be construed to mean "City of Sedro-Woolley" or "Owner".

2. Where references are made to the "State Treasurer", the term shall be construed to mean the City's "Finance Director".

3. Where the term "Secretary of Transportation" or "District Administrator" are used, the terms shall be construed to mean the duly authorized representative of the City.

**B. Project Manager:** The term "engineer" is understood to be the City's Project Manager, who is the City's representative to the Contractor for all purposes under this agreement. The City designates **Nathan Salseina, Public Works Operations Supervisor** as its Project Manager. Contractor designates \_\_\_\_\_ as its Project Manager.

**C. Business License:** A City Business License is required, and Contractor and Sub-Contractors are responsible for payment of the taxes imposed thereunder.

**D. Taxes:** Contractor is responsible for payment of all applicable taxes, including state sales tax on those projects subject to it. Taxes are deemed to be included in the amounts invoiced to the City.

**E. Bonding Requirements:** The City requires the following bonds; combination documents, cash deposits, or assigned savings accounts are acceptable alternatives:

1. Bid Bond: 5%, if the work is subject to bid procedures;

2. Contract bond in the form made a part of this agreement. In lieu thereof for projects of \$35,000 or less, at the contractor's option, retainage of 50% will be held until releasable under RCW 39.08.010.

**F. Insurance:** The Contractor shall provide proof to the City that it is insured under **automobile and vehicle liability insurance** covering claims for injuries to members of the public and/or damages to property of others arising from use of motor vehicles, including onsite and offsite operations, and owned, non-owned, or hired vehicles, and general **comprehensive**

liability insurance covering the work within the scope of this agreement, in such form and with policy limits in such amounts (\$1 Million minimum) as are acceptable to the City.

The Contractor agrees to name the City as an **additional insured** when obtaining liability insurance and to provide a **Certificate of Insurance** to this effect.

**G. Traffic Control:** The Contractor shall furnish all flagging and maintain all temporary traffic control signs and devices necessary to control traffic during construction operations at all locations. Traffic control plans and traffic control signs and devices shall conform to the Manual on Uniform Traffic Control Devices as adopted by the State of Washington, and shall be approved in advance by the City. Unless provided for specifically in the contract, no additional compensation will be made for traffic control.

### **III. PAYMENT**

A. The maximum payable hereunder is **\$35,000.00**

B. Individual Task Orders will specify the method of compensation, which will be on a Time & Expense Not To Exceed basis per rates established in **Exhibit A**, Labor and Equipment Rate Sheet, or agreed Lump Sum Price.

C. The Contractor will be paid on the basis of invoices for work satisfactorily completed. Invoices are submitted to the Project Manager for approval prior to payment. No final payment shall be made until the project is accepted by the City.

D. Prior to any payment hereunder, contractor is responsible for complying with applicable Department of Labor and Industries and Department of Revenue requirements and procedures. (General conditions section 1-07.9. If Federal Funds, Davis-Bacon Act and U. S. Department of Labor requirements.) This includes obtaining and timely filing of Intent to Pay Prevailing Wages, Affidavit of Wages paid, Notice of Completion of Public Works Contract, and any other required documents.

E. Retainage will be administered in accordance with RCW 60.28.010(1).

### **IV. SCOPE OF PROJECT, TECHNICAL SPECIFICATIONS AND CONDITIONS OF WORK:**

A. Term of contract: contractor shall begin work as soon as is practicable and will complete work on or before **February 28, 2015**

B. To the extent not inconsistent with this agreement, this contract includes the Invitation to Bid and Proposal, and contract plans and specifications, all incorporated herein by this reference.

C. Scope of project: **Provide annual preventative maintenance service on certain City owned HVAC systems and for emergency and non-emergency on-call services for a period of 14 months beginning on January 1, 2014 - per the "Invitation to Bid" dated November 21, 2013.**

D. Joinder in Arbitration Proceedings. If the City and any third party agree to binding arbitration as the method of dispute resolution between them and their claims or any of them arise out of or are related to Contractor's services, Contractor agrees to be joined in such arbitration proceeding as a party and that the Arbitrator(s) decision therein shall be final and binding on Contractor and judgment may be entered upon it in any court having jurisdiction thereof.

E. Indemnification.

1. Contractor shall indemnify, defend, and hold the City harmless from and against any claim, damages, losses, liability or expense arising out of its breach of contract or negligence.

2. Contractor's duty to indemnify City shall not apply to liability for damages arising out of bodily injury to persons or damage caused to property caused by or resulting from the sole negligence of City or City's agents or employees.

3. Contractor's duty to indemnify City for liability for damages arising out of

bodily injury or damage to property caused by or resulting from the concurrent negligence of (a) City or City's agents or employees, (b) Contractor and Contractor's agents or employees, or (c) any third parties shall apply only to the extent of negligence of Contractor or Contractor's agents or employees.

4. Contractor specifically and expressly waives any immunity that may be granted it under the Washington State Industrial Insurance Act, Title 51 RCW. Further, the indemnification obligation under this AGREEMENT shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable to or for any third party under workers' compensation acts, disability benefit acts, or other employee benefit acts; provided Contractor's waiver of immunity by the provisions of this paragraph extends only to claims against Contractor by City, and not include, or extend to, any claims by Contractor's employees directly against Contractor.

5. Contractor's duty to defend, indemnify, and hold City harmless shall include, as to all claims, demands, losses, and liabilities to which it applies City's personnel-related costs, attorneys' fees, and all other costs whether or not taxable by statute or court rule.

F. Attorneys Fees. The prevailing party in any litigation of any dispute arising out of this agreement shall be entitled to its actual attorneys fees incurred and all costs of such litigation (including expert witness fees) in addition to any costs otherwise taxable by statute or court rule.

G. MRSC Roster Registration. If required, the Contractor shall register or maintain registration on the MRSC Small Works Contractor Roster.

H. Washington State Department of Retirement Systems. Have you retired under the 2008 early retirement factors? Yes  No  N/A

I. Debarment. Contractor represents and agrees that it is not listed on any state or federal debarment list and further agrees that none of its sub-contractors are listed on any state or federal debarment list.

EXECUTED, this the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, for the Contractor, \_\_\_\_\_

\_\_\_\_\_  
, Contractor

EXECUTED, this the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, for the CITY OF SEDRO-WOOLLEY:

\_\_\_\_\_  
Mike Anderson, Mayor

Attest:

\_\_\_\_\_  
Finance Director

Approved as to form:

\_\_\_\_\_  
City Attorney

## RETAINAGE INVESTMENT OPTION

CONTRACTOR: \_\_\_\_\_

PROJECT NAME: \_\_\_\_\_

DATE: \_\_\_\_\_

Pursuant to Chapter 60.28 RCW, you may choose how your retainage under this contract will be held and invested. Please complete and sign this form indicating your preference. If you fail to do so, the City of Sedro-Woolley (City) will hold your retainage as described in "Current Expense", option 1 below.

- \_\_\_\_\_ 1.     Current Expense: The City will retain your money in its Current Expense Fund Account until thirty days following final acceptance of the improvement or work as completed. You will not receive interest earned on this money.
  
- \_\_\_\_\_ 2.     Interest Bearing Account: The City will deposit retainage checks in an interest-bearing account in a bank, mutual savings bank, or savings and loan association, not subject to withdrawal until after the final acceptance of the improvement or work as completed or until agreed to by both parties. Interest on the account will be paid to you.
  
- \_\_\_\_\_ 3.     Escrow / Investments: The City will place the retainage checks in escrow with a bank or trust company until thirty days following the final acceptance of the improvement or work as completed. When the monies reserved are to be placed in escrow, the City will issue a check representing the sum of the monies reserve payable to the bank or trust company and you jointly. This check will be converted into bonds and securities chosen by you and approved by the City and these bonds and securities will be held in escrow. Interest on these bonds and securities will be paid to you as interest accrues. Selection of this option requires an escrow agreement to be completed by the contractor. The City of Sedro-Woolley will provide the form for use by the contractor. If the contractor elects to use the Escrow Investment option, please complete attached Escrow Agreement.

**BONDS AND SECURITIES ACCEPTABLE BY THE CITY OF SEDRO-WOOLLEY:**

1.     Bills, certificates, notes or bonds of the United States.
2.     Other obligations of the United States or its agencies.
3.     Indebtedness of the Federal national Mortgage Association.
4.     Time Deposits in commercial banks.

Designate below the type of investment selected:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- \_\_\_\_\_ 4. Bond-in-Lieu: With the consent of the City, the contractor may submit a bond for all or any portion of the amount of funds retained by the City in a form acceptable to the City and from a bonding company meeting standards established by the City, if any. Unless otherwise indicated, the contractor elects to submit a bond for the entire 5% retainage amount. Such bond and any proceeds there from shall be made subject to all claims and liens and in the same manner and priority as set forth for retained percentages in Chapter 60.28 RCW. Whenever the City accepts a bond-in-lieu of retained funds from a contractor, the contractor shall accept like bonds from any subcontractors or suppliers from which the contractor has retained funds. The contractor shall then release the funds retained from the subcontractor or supplier, to the subcontractor or supplier, within thirty days of the contractor's receipt of the retained funds from the City.

Retainage is normally released 30 - 45 days after final acceptance of work by the City, or following receipt of Labor and Industries / Department of Revenue clearance, whichever takes longer.

---

(Contractor's Signature)

Date

---

Title

RETAINAGE ACCOUNT \_\_\_\_\_

CITY \_\_\_\_\_

**ESCROW AGREEMENT / INTEREST BEARING ACCOUNT**

TO: \_\_\_\_\_

Bank or Trust Company

\_\_\_\_\_  
Branch

\_\_\_\_\_  
Attn:

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City, State, Zip

The undersigned \_\_\_\_\_ hereinafter referred to as the Contractor, has directed the City of Sedro-Woolley, hereinafter referred to as the City, to deliver to you its warrants or checks which shall be payable to you and the Contractor jointly. Such warrants or checks are to be held and disposed of by you in accordance with the following instructions and upon the terms and conditions hereinafter set forth.

**INSTRUCTIONS**

1. The City shall deliver to you from time to time warrants or checks payable jointly to you and the Contractor. You are hereby authorized by the Contractor to endorse in the Contractor's name any such warrant or check so that you may receive the proceeds thereof and invest the same. The power of endorsement hereby granted to you by the Contractor shall be deemed a power coupled with an interest and shall be irrevocable during the term of this escrow / interest bearing account. Although you may be a payee named in such warrants or checks as shall be delivered to you, your duties and responsibilities with respect to the same shall be only those duties and responsibilities which a depository bank would have pursuant to Article 4 of the Uniform Commercial Code of the State of Washington for an item deposited with it for collection as of the date such warrant or check shall be delivered to you. The proceeds from collections shall be used by you to purchase, as directed by the Contractor, bonds or other securities chosen by the Contractor and approved by you, and the City. For the purpose of each such purchase, you may follow the last written direction received by you from the Contractor, provided such direction otherwise conforms with the restrictions on investments recited herein. A list of such bonds, or other securities approved by the City are indicated on the Retainage Investment Option form. No further approval is necessary if any of these bonds or securities are selected by the Contractor. Other bonds or securities, except stocks, may be selected by the Contractor, subject to express written approval of you and the City. Purchase of such bonds or other securities shall be in a form which shall allow you alone to reconvert such bonds or other securities into money if you are required to do so by the City as provided in Paragraph 4 of the Escrow Agreement.

The investments selected by the Contractor, approved by the City and purchased by you must mature on or prior to the date set for the completion of the contract, including extensions thereof or thirty days following the final acceptance of said improvement or work.

2. When and as interest on the securities held by you pursuant to this agreement accrues and is paid, you shall collect such interest and forward it to the Contractor at its address designated below unless with your written consent you are otherwise directed in writing by the Contractor.

3. You are not authorized to deliver to the Contractor all or any part of the securities held by you pursuant to this agreement (or any monies derived from the sale of such securities, or the negotiation of the City's warrants or checks) except in accordance with written instructions from the City. The City shall inform you and keep you informed in writing of the name of the person or persons with authority to give you such written instructions. Compliance with such instruction shall relieve you of any further liability related thereto. The estimated completion date on the contract underlying this Escrow / Interest Bearing Account Agreement is \_\_\_\_\_ . Upon request by you, the City shall advise you in writing of any change in the estimated completion date. If the estimated completion date is changed, you are authorized to reinvest the monies held hereunder in accordance with the new estimated completion date.

4. In the event the City orders you to do so in writing, and notwithstanding any other provisions of this agreement you shall, within thirty-five (35) days of receipt of such order, reconvert into money the securities held by you pursuant to this agreement and return such money together with any other monies, including accrued interest on such securities, held by you hereunder, to the City.

5. The Contractor agrees to pay you as compensation for your services hereunder as follows:

---

Payment of all fees shall be the sole responsibility of the Contractor and shall not be deducted from any property placed with you pursuant to this agreement until and unless the City directs the release to the Contractor of the securities and monies held hereunder whereupon you shall be granted a first lien upon such property released and shall be entitled to reimburse yourself from such property for the entire amount of your fees and any amounts which might be owing as provided for herein. In the event that you are made a party to any litigation with respect to the property held by you hereunder, or in the event that the conditions of this escrow are not promptly fulfilled or that you are required to render any services not provided for in these instructions, or that there is any assignment of the interest of this escrow or any modifications hereof, you shall be entitled to reasonable compensation for such extraordinary services from the Contractor and reimbursement from the Contractor for all costs and expenses, including attorney fees occasioned by such default, delay, controversy or litigations.

6. Should you at any time and for any reason desire to be relieved of your obligations as escrow or interest bearing account holder hereunder, you shall give written notice to the City and Contractor. The City and Contractor shall, within 20 days of the receipt of such notice, jointly appoint a successor escrow holder and instruct you to deliver all securities and funds held hereunder to said successor. If you are not notified of the appointment of the successor escrow holder within 20 days, you may return the subject matter hereof to the City and upon doing, it absolves you from all further charges and obligations in connection with this escrow or interest bearing account.

7. This agreement shall not be binding until executed by the Contractor and City and accepted by you.

8. This instrument contains the entire agreement between you, the Contractor and the City with respect to this escrow and you are not a party to nor bound by any instrument or agreement other than this; you shall not be required to take notice if any default or any other matter, not bound by nor required to give notice or demand, nor required to take any action whatever except as herein expressly provided; you shall not be liable for any loss or damage not caused by your own negligence or willful misconduct.

9. The foregoing provisions shall be binding upon the assigns, successors, personal representatives and heirs of the parties hereto.

The undersigned have read and hereby approve the instructions as given above governing the administration of this escrow or interest bearing account and do hereby execute this agreement on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Contractor

BY: \_\_\_\_\_  
Signature & Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip

**CITY OF SEDRO-WOOLLEY**

\_\_\_\_\_  
City

BY: \_\_\_\_\_  
Authorized Signature & Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip

ATTESTED BY:

\_\_\_\_\_  
City Clerk

Approved as to form:

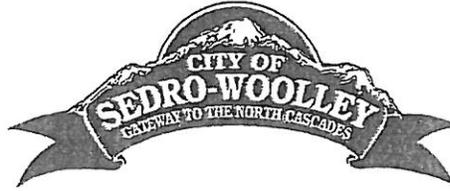
\_\_\_\_\_  
City Attorney

The above escrow instructions received and accepted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Bank or Trust Company

By: \_\_\_\_\_

# EXHIBIT A



## 2014 HVAC Preventative Maintenance and On-Call Services PROPOSAL

Proposals due by 2pm, Tuesday, December 10, 2013

Bids may be submitted in person or by U.S. Mail, facsimile or email to: City of Sedro-Woolley, 325 Metcalf Street, Sedro-Woolley, WA 98284, (360) 855-0771, facsimile 360-855-0733, email jrosario@ci.sedro-woolley.wa.us.

We, the undersigned, hereby agree to bid the following per the "Invitation to Bid - 2014 HVAC Preventative Maintenance and On-Call Services":

| Item   | Description  | Quantity | Unit Price | Total                                      |
|--|--|----------|------------|--|
| <b>SCHEDULE 1: Annual Preventative Maintenance:</b>          |  |          |            |  |
| 1.   | Sedro-Woolley Municipal Building, 325 Metcalf Street   |          | Lump Sum   | \$ 1305.00                                 |
| 2.   | Sedro-Woolley Public Library, 802 Ball Street          |          | Lump Sum   | \$ 134.00                                  |
| 3.   | Sedro-Woolley Community Center, 703 Pacific Street     |          | Lump Sum   | \$ 110.00                                  |
| 4.   | Sedro-Woolley Senior Center, 715 Pacific Street        |          | Lump Sum   | \$ 302.00                                  |
| 5.   | Parks & Recreation Office, 340 Bingham Park Loop       |          | Lump Sum   | \$ 106.00                                  |
| 6.   | Police Evidence Garage, 300 Metcalf                    |          | Lump Sum   | \$ 75.00                                   |
| 7.   | Fire Station No. 2, 1218 Township                      |          | Lump Sum   | \$ 151.00                                  |
| <b>SUBTOTAL SCHEDULE 1</b>                                   |  |          |            | <b>\$ 2183.00</b>                          |
| <b>SCHEDULE 2: On-Call HVAC Services (Typical call out):</b> |  |          |            |  |
| 8.   | HVAC Technician, per hour Straight Time                | 8 HRS    | \$ 100 /HR | \$ 800.00                                  |
| 9.   | HVAC Technician, per hour Overtime                     | 2 HRS    | \$ 150 /HR | \$ 300.00                                  |
| 10.  | Service Vehicle & Tools, per hour                      | 10 HRS   | \$ --- /HR | \$ ---                                     |
| 11.  | Mobilization/Demobilization (if not included in rates) |          | Lump Sum   | \$ 50.00                                   |
| <b>SUBTOTAL SCHEDULE 2</b>                                   |  |          |            | <b>\$ 1150.00</b>                          |
| <b>TOTAL SCHEDULE 1, and 2</b>                               |  |          |            | <b>\$ 3333.00</b>                          |
| <b>WA STATE SALES TAX AT 8.3%</b>                            |  |          |            | <b>\$ 276.63</b>                           |
| <b>TOTAL BID</b>   |  |          |            | <b>\$ 3609.63</b>                          |
| <b>Markup on Materials</b>                                   |  |          |            | <b>40 %</b>                                |
| <b>BIDDER COMPANY NAME:</b>                                  |  |          |            | <b>Andgar Corporation</b>                  |
| <b>TELEPHONE:</b>  |  |          |            | <b>360-366-4900</b>                        |
| <b>ADDRESS:</b>  |  |          |            | <b>P.O. Box 2708<br/>Ferndale WA 98248</b> |
| <b>CONTACT:</b>  |  |          |            | <b>Tom Bajema</b>                          |
| <b>REQUIRED ENCLOSURES:</b>                                  |  |          |            |  |
| <b>Bidder's Qualification Statement</b>                      |  |          |            | <input checked="" type="checkbox"/>        |
| <b>Rate Sheet</b>  |  |          |            | <input checked="" type="checkbox"/>        |

DEC - 5 2013

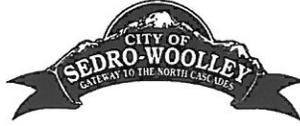


CITY OF SEDRO-WOOLLEY  
 2014 ON-CALL HVAC SERVICES  
**SAMPLE LABOR AND EQUIPMENT RATE SHEET (Note 1)**

| Contractor Name: <i>Andgar Corporation</i>   |                            |  |
|--|----------------------------|--|
| Address: <i>PO BOX 2708, Ferndale, WA 98248</i>                                      |                            |  |
| ITEM   | BASE HOURLY RATE (1)       | OVERTIME HOURLY RATE (1) (5)                     |
| <b>Labor Rates (Note 1)</b>  |                            |  |
| Journeyman HVAC  | <i>\$ 100<sup>00</sup></i> | <i>\$ 150<sup>00</sup> / \$ 300<sup>00</sup></i> |
| <b>Material Markup Rate, % (Note 2)</b>  | <i>40%</i>                 | <i>40%</i>                                       |
| <b>Estimated Mobilization/Demobilization Cost per unit to Sedro-Woolley (Note 3)</b> | <i>\$ 50<sup>00</sup></i>  | <i>\$ 75<sup>00</sup></i>                        |
| <b>Equipment Rates (Note 4)</b>  | <b>Unit Cost</b>           | <b>Unit</b>                                      |
| Service Truck with tools   |                            | Per Hour   |

**NOTES:**

1. This Rate Sheet is provided for example only. Contractor may provide their own standard Rate Sheet as long as it provides the requested information or equivalent.
2. Material markup rate as a percent to be applied to materials furnished per invoice before sales tax.
3. Mobilization/Demobilization Cost (Round Trip) - One mobilization/demobilization will be paid per project, unless agreed to otherwise.
4. Labor and Equipment rates to include insurance, L&I, small tools, markup & etc. but not sales tax. Sales tax will be applied on net invoice amount.
5. Overtime rate for up to two hours of overtime.



## PUBLIC WORKS AGREEMENT 2014-PW-02

### Project Name: 2014 HVAC Preventative Maintenance and On-Call Services

The City of Sedro-Woolley, a municipal corporation of the State of Washington (hereinafter the "City"); and **McKinstry Co LLC, PO Box 24567, Seattle, WA 98134**, (hereinafter the "Contractor") hereby agree as follows:

**I. THE PROJECT:** The Contractor agrees to complete the following project, utilizing the best available materials and labor, and in accordance with bid specifications and contractor's proposal (if any), project plans and technical specifications:

Project description: **Provide annual preventative maintenance service on certain city owned HVAC systems, and for emergency and non-emergency on-call services for a period of 14 months beginning on January 1, 2014 - per the "Invitation to Bid".**

**II. GENERAL CONDITIONS:** The General Conditions of this agreement are the Standard Specifications for Road, Bridge and Municipal Construction, Current Edition, issued by the State of Washington and the APWA, modified as follows:

**A. Definitions and Terms:**

1. Whenever the terms "Washington State Transportation Commission", "State Department of Transportation", or variations of same are used in the Standard specifications, they shall be construed to mean "City of Sedro-Woolley" or "Owner".

2. Where references are made to the "State Treasurer", the term shall be construed to mean the City's "Finance Director".

3. Where the term "Secretary of Transportation" or "District Administrator" are used, the terms shall be construed to mean the duly authorized representative of the City.

**B. Project Manager:** The term "engineer" is understood to be the City's Project Manager, who is the City's representative to the Contractor for all purposes under this agreement. The City designates **Nathan Salseina, Public Works Operations Supervisor** as its Project Manager. Contractor designates \_\_\_\_\_ as its Project Manager.

**C. Business License:** A City Business License is required, and Contractor and Sub-Contractors are responsible for payment of the taxes imposed thereunder.

**D. Taxes:** Contractor is responsible for payment of all applicable taxes, including state sales tax on those projects subject to it. Taxes are deemed to be included in the amounts invoiced to the City.

**E. Bonding Requirements:** The City requires the following bonds; combination documents, cash deposits, or assigned savings accounts are acceptable alternatives:

1. Bid Bond: 5%, if the work is subject to bid procedures;
2. Contract bond in the form made a part of this agreement. In lieu thereof for projects of \$35,000 or less, at the contractor's option, retainage of 50% will be held until releasable under RCW 39.08.010.

**F. Insurance:** The Contractor shall provide proof to the City that it is insured under **automobile and vehicle liability insurance** covering claims for injuries to members of the public and/or damages to property of others arising from use of motor vehicles, including onsite and offsite operations, and owned, non-owned, or hired vehicles, and general **comprehensive**

liability insurance covering the work within the scope of this agreement, in such form and with policy limits in such amounts (\$1 Million minimum) as are acceptable to the City.

The Contractor agrees to name the City as an **additional insured** when obtaining liability insurance and to provide a **Certificate of Insurance** to this effect.

**G. Traffic Control:** The Contractor shall furnish all flagging and maintain all temporary traffic control signs and devices necessary to control traffic during construction operations at all locations. Traffic control plans and traffic control signs and devices shall conform to the Manual on Uniform Traffic Control Devices as adopted by the State of Washington, and shall be approved in advance by the City. Unless provided for specifically in the contract, no additional compensation will be made for traffic control.

### III. PAYMENT

A. The maximum payable hereunder is **\$35,000.00**

B. Individual Task Orders will specify the method of compensation, which will be on a Time & Expense Not To Exceed basis per rates established in **Exhibit A**, Labor and Equipment Rate Sheet, or agreed Lump Sum Price.

C. The Contractor will be paid on the basis of invoices for work satisfactorily completed. Invoices are submitted to the Project Manager for approval prior to payment. No final payment shall be made until the project is accepted by the City.

D. Prior to any payment hereunder, contractor is responsible for complying with applicable Department of Labor and Industries and Department of Revenue requirements and procedures. (General conditions section 1-07.9. If Federal Funds, Davis-Bacon Act and U. S. Department of Labor requirements.) This includes obtaining and timely filing of Intent to Pay Prevailing Wages, Affidavit of Wages paid, Notice of Completion of Public Works Contract, and any other required documents.

E. Retainage will be administered in accordance with RCW 60.28.010(1).

### IV. SCOPE OF PROJECT, TECHNICAL SPECIFICATIONS AND CONDITIONS OF WORK:

A. Term of contract: contractor shall begin work as soon as is practicable and will complete work on or before **February 28, 2015**

B. To the extent not inconsistent with this agreement, this contract includes the Invitation to Bid and Proposal, and contract plans and specifications, all incorporated herein by this reference.

C. Scope of project: **Provide annual preventative maintenance service on certain City owned HVAC systems, and for emergency and non-emergency on-call services for a period of 14 months beginning on January 1, 2014 - per the "Invitation to Bid" dated November 21, 2013.**

D. Joinder in Arbitration Proceedings. If the City and any third party agree to binding arbitration as the method of dispute resolution between them and their claims or any of them arise out of or are related to Contractor's services, Contractor agrees to be joined in such arbitration proceeding as a party and that the Arbitrator(s) decision therein shall be final and binding on Contractor and judgment may be entered upon it in any court having jurisdiction thereof.

E. Indemnification.

1. Contractor shall indemnify, defend, and hold the City harmless from and against any claim, damages, losses, liability or expense arising out of its breach of contract or negligence.

2. Contractor's duty to indemnify City shall not apply to liability for damages arising out of bodily injury to persons or damage caused to property caused by or resulting from the sole negligence of City or City's agents or employees.

3. Contractor's duty to indemnify City for liability for damages arising out of

bodily injury or damage to property caused by or resulting from the concurrent negligence of (a) City or City's agents or employees, (b) Contractor and Contractor's agents or employees, or (c) any third parties shall apply only to the extent of negligence of Contractor or Contractor's agents or employees.

4. Contractor specifically and expressly waives any immunity that may be granted it under the Washington State Industrial Insurance Act, Title 51 RCW. Further, the indemnification obligation under this AGREEMENT shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable to or for any third party under workers' compensation acts, disability benefit acts, or other employee benefit acts; provided Contractor's waiver of immunity by the provisions of this paragraph extends only to claims against Contractor by City, and not include, or extend to, any claims by Contractor's employees directly against Contractor.

5. Contractor's duty to defend, indemnify, and hold City harmless shall include, as to all claims, demands, losses, and liabilities to which it applies City's personnel-related costs, attorneys' fees, and all other costs whether or not taxable by statute or court rule.

F. Attorneys Fees. The prevailing party in any litigation of any dispute arising out of this agreement shall be entitled to its actual attorneys fees incurred and all costs of such litigation (including expert witness fees) in addition to any costs otherwise taxable by statute or court rule.

G. MRSC Roster Registration. If required, the Contractor shall register or maintain registration on the MRSC Small Works Contractor Roster.

H. Washington State Department of Retirement Systems. Have you retired under the 2008 early retirement factors? Yes  No  N/A

I. Debarment. Contractor represents and agrees that it is not listed on any state or federal debarment list and further agrees that none of its sub-contractors are listed on any state or federal debarment list.

EXECUTED, this the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, for the Contractor, \_\_\_\_\_

\_\_\_\_\_  
, Contractor

EXECUTED, this the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, for the CITY OF SEDRO-WOOLLEY:

\_\_\_\_\_  
Mike Anderson, Mayor

Attest:

\_\_\_\_\_  
Finance Director

Approved as to form:

\_\_\_\_\_  
City Attorney

**RETAINAGE INVESTMENT OPTION**

CONTRACTOR: \_\_\_\_\_

PROJECT NAME: \_\_\_\_\_

DATE: \_\_\_\_\_

Pursuant to Chapter 60.28 RCW, you may choose how your retainage under this contract will be held and invested. Please complete and sign this form indicating your preference. If you fail to do so, the City of Sedro-Woolley (City) will hold your retainage as described in "Current Expense", option 1 below.

\_\_\_\_\_ 1. Current Expense: The City will retain your money in its Current Expense Fund Account until thirty days following final acceptance of the improvement or work as completed. You will not receive interest earned on this money.

\_\_\_\_\_ 2. Interest Bearing Account: The City will deposit retainage checks in an interest-bearing account in a bank, mutual savings bank, or savings and loan association, not subject to withdrawal until after the final acceptance of the improvement or work as completed or until agreed to by both parties. Interest on the account will be paid to you.

\_\_\_\_\_ 3. Escrow / Investments: The City will place the retainage checks in escrow with a bank or trust company until thirty days following the final acceptance of the improvement or work as completed. When the monies reserved are to be placed in escrow, the City will issue a check representing the sum of the monies reserve payable to the bank or trust company and you jointly. This check will be converted into bonds and securities chosen by you and approved by the City and these bonds and securities will be held in escrow. Interest on these bonds and securities will be paid to you as interest accrues. Selection of this option requires an escrow agreement to be completed by the contractor. The City of Sedro-Woolley will provide the form for use by the contractor. If the contractor elects to use the Escrow Investment option, please complete attached Escrow Agreement.

**BONDS AND SECURITIES ACCEPTABLE BY THE CITY OF SEDRO-WOOLLEY:**

1. Bills, certificates, notes or bonds of the United States.
2. Other obligations of the United States or its agencies.
3. Indebtedness of the Federal national Mortgage Association.
4. Time Deposits in commercial banks.

Designate below the type of investment selected:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- \_\_\_\_\_ 4. Bond-in-Lieu: With the consent of the City, the contractor may submit a bond for all or any portion of the amount of funds retained by the City in a form acceptable to the City and from a bonding company meeting standards established by the City, if any. Unless otherwise indicated, the contractor elects to submit a bond for the entire 5% retainage amount. Such bond and any proceeds there from shall be made subject to all claims and liens and in the same manner and priority as set forth for retained percentages in Chapter 60.28 RCW. Whenever the City accepts a bond-in-lieu of retained funds from a contractor, the contractor shall accept like bonds from any subcontractors or suppliers from which the contractor has retained funds. The contractor shall then release the funds retained from the subcontractor or supplier, to the subcontractor or supplier, within thirty days of the contractor's receipt of the retained funds from the City.

Retainage is normally released 30 - 45 days after final acceptance of work by the City, or following receipt of Labor and Industries / Department of Revenue clearance, whichever takes longer.

---

(Contractor's Signature)

Date

---

Title

RETAINAGE ACCOUNT \_\_\_\_\_

CITY \_\_\_\_\_

**ESCROW AGREEMENT / INTEREST BEARING ACCOUNT**

TO: \_\_\_\_\_

Bank or Trust Company

\_\_\_\_\_  
Branch

\_\_\_\_\_  
Attn:

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City, State, Zip

The undersigned \_\_\_\_\_ hereinafter referred to as the Contractor, has directed the City of Sedro-Woolley, hereinafter referred to as the City, to deliver to you its warrants or checks which shall be payable to you and the Contractor jointly. Such warrants or checks are to be held and disposed of by you in accordance with the following instructions and upon the terms and conditions hereinafter set forth.

**INSTRUCTIONS**

1. The City shall deliver to you from time to time warrants or checks payable jointly to you and the Contractor. You are hereby authorized by the Contractor to endorse in the Contractor's name any such warrant or check so that you may receive the proceeds thereof and invest the same. The power of endorsement hereby granted to you by the Contractor shall be deemed a power coupled with an interest and shall be irrevocable during the term of this escrow / interest bearing account. Although you may be a payee named in such warrants or checks as shall be delivered to you, your duties and responsibilities with respect to the same shall be only those duties and responsibilities which a depository bank would have pursuant to Article 4 of the Uniform Commercial Code of the State of Washington for an item deposited with it for collection as of the date such warrant or check shall be delivered to you. The proceeds from collections shall be used by you to purchase, as directed by the Contractor, bonds or other securities chosen by the Contractor and approved by you, and the City. For the purpose of each such purchase, you may follow the last written direction received by you from the Contractor, provided such direction otherwise conforms with the restrictions on investments recited herein. A list of such bonds, or other securities approved by the City are indicated on the Retainage Investment Option form. No further approval is necessary if any of these bonds or securities are selected by the Contractor. Other bonds or securities, except stocks, may be selected by the Contractor, subject to express written approval of you and the City. Purchase of such bonds or other securities shall be in a form which shall allow you alone to reconvert such bonds or other securities into money if you are required to do so by the City as provided in Paragraph 4 of the Escrow Agreement.

The investments selected by the Contractor, approved by the City and purchased by you must mature on or prior to the date set for the completion of the contract, including extensions thereof or thirty days following the final acceptance of said improvement or work.

2. When and as interest on the securities held by you pursuant to this agreement accrues and is paid, you shall collect such interest and forward it to the Contractor at its address designated below unless with your written consent you are otherwise directed in writing by the Contractor.

3. You are not authorized to deliver to the Contractor all or any part of the securities held by you pursuant to this agreement (or any monies derived from the sale of such securities, or the negotiation of the City's warrants or checks) except in accordance with written instructions from the City. The City shall inform you and keep you informed in writing of the name of the person or persons with authority to give you such written instructions. Compliance with such instruction shall relieve you of any further liability related thereto. The estimated completion date on the contract underlying this Escrow / Interest Bearing Account Agreement is \_\_\_\_\_. Upon request by you, the City shall advise you in writing of any change in the estimated completion date. If the estimated completion date is changed, you are authorized to reinvest the monies held hereunder in accordance with the new estimated completion date.

4. In the event the City orders you to do so in writing, and notwithstanding any other provisions of this agreement you shall, within thirty-five (35) days of receipt of such order, reconvert into money the securities held by you pursuant to this agreement and return such money together with any other monies, including accrued interest on such securities, held by you hereunder, to the City.

5. The Contractor agrees to pay you as compensation for your services hereunder as follows:

---

Payment of all fees shall be the sole responsibility of the Contractor and shall not be deducted from any property placed with you pursuant to this agreement until and unless the City directs the release to the Contractor of the securities and monies held hereunder whereupon you shall be granted a first lien upon such property released and shall be entitled to reimburse yourself from such property for the entire amount of your fees and any amounts which might be owing as provided for herein. In the event that you are made a party to any litigation with respect to the property held by you hereunder, or in the event that the conditions of this escrow are not promptly fulfilled or that you are required to render any services not provided for in these instructions, or that there is any assignment of the interest of this escrow or any modifications hereof, you shall be entitled to reasonable compensation for such extraordinary services from the Contractor and reimbursement from the Contractor for all costs and expenses, including attorney fees occasioned by such default, delay, controversy or litigations.

6. Should you at any time and for any reason desire to be relieved of your obligations as escrow or interest bearing account holder hereunder, you shall give written notice to the City and Contractor. The City and Contractor shall, within 20 days of the receipt of such notice, jointly appoint a successor escrow holder and instruct you to deliver all securities and funds held hereunder to said successor. If you are not notified of the appointment of the successor escrow holder within 20 days, you may return the subject matter hereof to the City and upon doing, it absolves you from all further charges and obligations in connection with this escrow or interest bearing account.

7. This agreement shall not be binding until executed by the Contractor and City and accepted by you.

8. This instrument contains the entire agreement between you, the Contractor and the City with respect to this escrow and you are not a party to nor bound by any instrument or agreement other than this; you shall not be required to take notice if any default or any other matter, not bound by nor required to give notice or demand, nor required to take any action whatever except as herein expressly provided; you shall not be liable for any loss or damage not caused by your own negligence or willful misconduct.

9. The foregoing provisions shall be binding upon the assigns, successors, personal representatives and heirs of the parties hereto.

The undersigned have read and hereby approve the instructions as given above governing the administration of this escrow or interest bearing account and do hereby execute this agreement on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Contractor

BY: \_\_\_\_\_  
Signature & Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip

ATTESTED BY:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney

The above escrow instructions received and accepted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Bank or Trust Company

By: \_\_\_\_\_

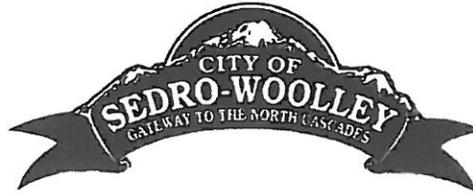
**CITY OF SEDRO-WOOLLEY**  
City

BY: \_\_\_\_\_  
Authorized Signature & Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip

# EXHIBIT A



## 2014 HVAC Preventative Maintenance and On-Call Services PROPOSAL

Proposals due by 2pm, Tuesday, December 10, 2013

Bids may be submitted in person or by U.S. Mail, facsimile or email to: City of Sedro-Woolley, 325 Metcalf Street, Sedro-Woolley, WA 98284, (360) 855-0771, facsimile 360-855-0733, email [jrosario@ci.sedro-woolley.wa.us](mailto:jrosario@ci.sedro-woolley.wa.us).

We, the undersigned, hereby agree to bid the following per the "Invitation to Bid – 2014 HVAC Preventative Maintenance and On-Call Services":

| Item   | Description  | Quantity | Unit Price  | Total                            |
|--|--|----------|-------------|----------------------------------|
| <b>SCHEDULE 1: Annual Preventative Maintenance:</b>          |  |          |             |                                  |
| 1.   | Sedro-Woolley Municipal Building, 325 Metcalf Street   |          | Lump Sum    | \$ 1515.00                       |
| 2.   | Sedro-Woolley Public Library, 802 Ball Street          |          | Lump Sum    | \$ 410.00                        |
| 3.   | Sedro-Woolley Community Center, 703 Pacific Street     |          | Lump Sum    | \$ 145.00                        |
| 4.   | Sedro-Woolley Senior Center, 715 Pacific Street        |          | Lump Sum    | \$ 420.00                        |
| 5.   | Parks & Recreation Office, 340 Bingham Park Loop       |          | Lump Sum    | \$ 268.00                        |
| 6.   | Police Evidence Garage, 300 Metcalf                    |          | Lump Sum    | \$ 140.00                        |
| 7.   | Fire Station No. 2, 1218 Township                      |          | Lump Sum    | \$ 545.00                        |
| <b>SUBTOTAL SCHEDULE 1</b>                                   |  |          |             | <b>\$3443.00</b>                 |
| <b>SCHEDULE 2: On-Call HVAC Services (Typical call out):</b> |  |          |             |                                  |
| 8.   | HVAC Technician, per hour Straight Time                | 8 HRS    | \$124.00/HR | \$ 992.00                        |
| 9.   | HVAC Technician, per hour Overtime                     | 2 HRS    | \$186.00/HR | \$ 372.00                        |
| 10.  | Service Vehicle & Tools, per hour                      | 10 HRS   | \$ N/A /HR  | \$ N/A                           |
| 11.  | Mobilization/Demobilization (if not included in rates) |          | Lump Sum    | \$ 50.00                         |
| <b>SUBTOTAL SCHEDULE 2</b>                                   |  |          |             | <b>\$1414.00</b>                 |
| <b>TOTAL SCHEDULE 1, and 2</b>                               |  |          |             | <b>\$4857.00</b>                 |
| WA STATE SALES TAX AT 8.3% <i>8.5%</i>                       |  |          |             | <b>\$ 403.00</b> <i>412.85</i>   |
| <b>TOTAL BID</b>   |  |          |             | <b>\$ 5260.00</b> <i>5269.85</i> |

Markup on Materials 32 %

BIDDER COMPANY NAME: McKinstry CO LLC

TELEPHONE: 206-762-3311

ADDRESS: 5005 3rd Ave South  
Seattle, WA 98134

CONTACT: Jacob Wilson

### REQUIRED ENCLOSURES:

Bidder's Qualification Statement X  
Rate Sheet X

DEC 10 2013  
1:36pm  
*[Signature]*

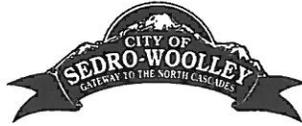


CITY OF SEDRO-WOOLLEY  
 2014 ON-CALL HVAC SERVICES  
**SAMPLE LABOR AND EQUIPMENT RATE SHEET (Note 1)**

|  |                             |                                     |
|--|-----------------------------|-------------------------------------|
| Contractor Name: <i>McKinstry Co LLC</i>   |                             |                                     |
| Address: <i>PO Box 24567, Seattle, WA 98134</i>                                      |                             |                                     |
| <b>ITEM</b>  | <b>BASE HOURLY RATE (1)</b> | <b>OVERTIME HOURLY RATE (1) (5)</b> |
| <b>Labor Rates (Note 1)</b>  |                             |                                     |
| Journeyman HVAC  | \$124.00                    | \$186.00                            |
| <b>Material Markup Rate, % (Note 2)</b>  |                             |                                     |
|  | 32%                         |                                     |
| <b>Estimated Mobilization/Demobilization Cost per unit to Sedro-Woolley (Note 3)</b> |                             |                                     |
|  | \$50.00                     |                                     |
| <b>Equipment Rates (Note 4)</b>  |                             |                                     |
|  | <b>Unit Cost</b>            | <b>Unit</b>                         |
| Service Truck with tools   | N/A                         | Per Hour                            |

**NOTES:**

1. This Rate Sheet is provided for example only. Contractor may provide their own standard Rate Sheet as long as it provides the requested information or equivalent.
2. Material markup rate as a percent to be applied to materials furnished per invoice before sales tax.
3. Mobilization/Demobilization Cost (Round Trip) - One mobilization/demobilization will be paid per project, unless agreed to otherwise.
4. Labor and Equipment rates to include insurance, L&I, small tools, markup & etc. but not sales tax. Sales tax will be applied on net invoice amount.
5. Overtime rate for up to two hours of overtime.



## PUBLIC WORKS AGREEMENT 2014-PW-03

### Project Name: 2014 On-Call Electrical Services for Miscellaneous Electrical Services of an Emergent Nature

The City of Sedro-Woolley, a municipal corporation of the State of Washington (hereinafter the "City"); and **Seven Sister Inc., 613 Sunset Park Drive, Sedro-Woolley, WA 98284**, (hereinafter the "Contractor") hereby agree as follows:

**I. THE PROJECT:** The Contractor agrees to complete the following project, utilizing the best available materials and labor, and in accordance with bid specifications and contractor's proposal (if any), project plans and technical specifications:

Project description: **Contractor shall provide electrical services to various City of Sedro-Woolley job sites as stated in Invitation to Bid.**

**II. GENERAL CONDITIONS:** The General Conditions of this agreement are the Standard Specifications for Road, Bridge and Municipal Construction, Current Edition, issued by the State of Washington and the APWA, modified as follows:

**A. Definitions and Terms:**

1. Whenever the terms "Washington State Transportation Commission", "State Department of Transportation", or variations of same are used in the Standard specifications, they shall be construed to mean "City of Sedro-Woolley" or "Owner".

2. Where references are made to the "State Treasurer", the term shall be construed to mean the City's "Finance Director".

3. Where the term "Secretary of Transportation" or "District Administrator" are used, the terms shall be construed to mean the duly authorized representative of the City.

**B. Project Manager:** The term "engineer" is understood to be the City's Project Manager, who is the City's representative to the Contractor for all purposes under this agreement. The City designates **Nathan Salseina, Public Works Operations Supervisor or Debbie Allen, Wastewater Division Supervisor**, as its Project Managers. Contractor designates \_\_\_\_\_ as its Project Manager.

**C. Business License:** A City Business License is required, and Contractor and Sub-Contractors are responsible for payment of the taxes imposed thereunder.

**D. Taxes:** Contractor is responsible for payment of all applicable taxes, including state sales tax on those projects subject to it. Taxes are deemed to be included in the amounts invoiced to the City.

**E. Bonding Requirements:** The City requires the following bonds; combination documents, cash deposits, or assigned savings accounts are acceptable alternatives:

1. Bid Bond: 5%, if the work is subject to bid procedures;
2. Contract bond in the form made a part of this agreement. In lieu thereof for projects of \$35,000 or less, at the contractor's option, retainage of 50% will be held until releasable under RCW 39.08.010.

**F. Insurance:** The Contractor shall provide proof to the City that it is insured under **automobile and vehicle liability insurance** covering claims for injuries to members of the public and/or damages to property of others arising from use of motor vehicles, including onsite and offsite operations, and owned, non-owned, or hired vehicles, and general **comprehensive**

liability insurance covering the work within the scope of this agreement, in such form and with policy limits in such amounts (\$1 Million minimum) as are acceptable to the City.

The Contractor agrees to name the City as an **additional insured** when obtaining liability insurance and to provide a **Certificate of Insurance** to this effect.

**G. Traffic Control:** The Contractor shall furnish all flagging and maintain all temporary traffic control signs and devices necessary to control traffic during construction operations at all locations. Traffic control plans and traffic control signs and devices shall conform to the Manual on Uniform Traffic Control Devices as adopted by the State of Washington, and shall be approved in advance by the City. Unless provided for specifically in the contract, no additional compensation will be made for traffic control.

### **III. PAYMENT**

A. The maximum payable hereunder is **\$25,000.00**

B. Individual Task Orders will specify the method of compensation, which will be on a Time & Expense Not To Exceed basis per rates established in **Exhibit A**, Labor and Equipment Rate Sheet, or agreed Lump Sum Price.

C. The Contractor will be paid on the basis of invoices for work satisfactorily completed. Invoices are submitted to the Project Manager for approval prior to payment. No final payment shall be made until the project is accepted by the City.

D. Prior to any payment hereunder, contractor is responsible for complying with applicable Department of Labor and Industries and Department of Revenue requirements and procedures. (General conditions section 1-07.9. If Federal Funds, Davis-Bacon Act and U. S. Department of Labor requirements.) This includes obtaining and timely filing of Intent to Pay Prevailing Wages, Affidavit of Wages paid, Notice of Completion of Public Works Contract, and any other required documents.

E. Retainage will be administered in accordance with RCW 60.28.010(1).

### **IV. SCOPE OF PROJECT, TECHNICAL SPECIFICATIONS AND CONDITIONS OF WORK:**

A. Term of contract: contractor shall begin work as soon as is practicable and will complete work on or before **February 28, 2015**.

B. To the extent not inconsistent with this agreement, this contract includes the Invitation to Bid and Proposal, and contract plans and specifications, all incorporated herein by this reference.

C. Scope of project: **Contractor shall provide electrical services to various City of Sedro-Woolley job sites as stated in the Invitation to Bid dated November 26, 2013.**

D. Joinder in Arbitration Proceedings. If the City and any third party agree to binding arbitration as the method of dispute resolution between them and their claims or any of them arise out of or are related to Contractor's services, Contractor agrees to be joined in such arbitration proceeding as a party and that the Arbitrator(s) decision therein shall be final and binding on Contractor and judgment may be entered upon it in any court having jurisdiction thereof.

E. Indemnification.

1. Contractor shall indemnify, defend, and hold the City harmless from and against any claim, damages, losses, liability or expense arising out of its breach of contract or negligence.

2. Contractor's duty to indemnify City shall not apply to liability for damages arising out of bodily injury to persons or damage caused to property caused by or resulting from the sole negligence of City or City's agents or employees.

3. Contractor's duty to indemnify City for liability for damages arising out of bodily injury or damage to property caused by or resulting from the concurrent negligence of (a) City or City's agents or employees, (b) Contractor and Contractor's agents or employees, or (c)

any third parties shall apply only to the extent of negligence of Contractor or Contractor's agents or employees.

4. Contractor specifically and expressly waives any immunity that may be granted it under the Washington State Industrial Insurance Act, Title 51 RCW. Further, the indemnification obligation under this AGREEMENT shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable to or for any third party under workers' compensation acts, disability benefit acts, or other employee benefit acts; provided Contractor's waiver of immunity by the provisions of this paragraph extends only to claims against Contractor by City, and not include, or extend to, any claims by Contractor's employees directly against Contractor.

5. Contractor's duty to defend, indemnify, and hold City harmless shall include, as to all claims, demands, losses, and liabilities to which it applies City's personnel-related costs, attorneys' fees, and all other costs whether or not taxable by statute or court rule.

F. Attorneys Fees. The prevailing party in any litigation of any dispute arising out of this agreement shall be entitled to its actual attorneys fees incurred and all costs of such litigation (including expert witness fees) in addition to any costs otherwise taxable by statute or court rule.

G. MRSC Roster Registration. If required, the Contractor shall register or maintain registration on the MRSC Small Works Contractor Roster.

H. Washington State Department of Retirement Systems. Have you retired under the 2008 early retirement factors? Yes  No  N/A

I. Debarment. Contractor represents and agrees that it is not listed on any state or federal debarment list and further agrees that none of its sub-contractors are listed on any state or federal debarment list.

EXECUTED, this the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, for the Contractor, \_\_\_\_\_

\_\_\_\_\_  
, Contractor

EXECUTED, this the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, for the CITY OF SEDRO-WOOLLEY:

\_\_\_\_\_  
Mike Anderson, Mayor

Attest:

\_\_\_\_\_  
Finance Director

Approved as to form:

\_\_\_\_\_  
City Attorney

**RETAINAGE INVESTMENT OPTION**

CONTRACTOR: \_\_\_\_\_

PROJECT NAME: \_\_\_\_\_

DATE: \_\_\_\_\_

Pursuant to Chapter 60.28 RCW, you may choose how your retainage under this contract will be held and invested. Please complete and sign this form indicating your preference. If you fail to do so, the City of Sedro-Woolley (City) will hold your retainage as described in "Current Expense", option 1 below.

\_\_\_\_\_ 1. Current Expense: The City will retain your money in its Current Expense Fund Account until thirty days following final acceptance of the improvement or work as completed. You will not receive interest earned on this money.

\_\_\_\_\_ 2. Interest Bearing Account: The City will deposit retainage checks in an interest-bearing account in a bank, mutual savings bank, or savings and loan association, not subject to withdrawal until after the final acceptance of the improvement or work as completed or until agreed to by both parties. Interest on the account will be paid to you.

\_\_\_\_\_ 3. Escrow / Investments: The City will place the retainage checks in escrow with a bank or trust company until thirty days following the final acceptance of the improvement or work as completed. When the monies reserved are to be placed in escrow, the City will issue a check representing the sum of the monies reserve payable to the bank or trust company and you jointly. This check will be converted into bonds and securities chosen by you and approved by the City and these bonds and securities will be held in escrow. Interest on these bonds and securities will be paid to you as interest accrues. Selection of this option requires an escrow agreement to be completed by the contractor. The City of Sedro-Woolley will provide the form for use by the contractor. If the contractor elects to use the Escrow Investment option, please complete attached Escrow Agreement.

**BONDS AND SECURITIES ACCEPTABLE BY THE CITY OF SEDRO-WOOLLEY:**

- 1. Bills, certificates, notes or bonds of the United States.
- 2. Other obligations of the United States or its agencies.
- 3. Indebtedness of the Federal national Mortgage Association.
- 4. Time Deposits in commercial banks.

Designate below the type of investment selected:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- \_\_\_\_\_ 4. Bond-in-Lieu: With the consent of the City, the contractor may submit a bond for all or any portion of the amount of funds retained by the City in a form acceptable to the City and from a bonding company meeting standards established by the City, if any. Unless otherwise indicated, the contractor elects to submit a bond for the entire 5% retainage amount. Such bond and any proceeds there from shall be made subject to all claims and liens and in the same manner and priority as set forth for retained percentages in Chapter 60.28 RCW. Whenever the City accepts a bond-in-lieu of retained funds from a contractor, the contractor shall accept like bonds from any subcontractors or suppliers from which the contractor has retained funds. The contractor shall then release the funds retained from the subcontractor or supplier, to the subcontractor or supplier, within thirty days of the contractor's receipt of the retained funds from the City.

Retainage is normally released 30 - 45 days after final acceptance of work by the City, or following receipt of Labor and Industries / Department of Revenue clearance, whichever takes longer.

---

(Contractor's Signature)

Date

---

Title

**RETAINAGE ACCOUNT** \_\_\_\_\_

**CITY** \_\_\_\_\_

**ESCROW AGREEMENT / INTEREST BEARING ACCOUNT**

TO: \_\_\_\_\_

Bank or Trust Company

\_\_\_\_\_  
Branch

\_\_\_\_\_  
Attn:

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City, State, Zip

The undersigned \_\_\_\_\_ hereinafter referred to as the Contractor, has directed the City of Sedro-Woolley, hereinafter referred to as the City, to deliver to you its warrants or checks which shall be payable to you and the Contractor jointly. Such warrants or checks are to be held and disposed of by you in accordance with the following instructions and upon the terms and conditions hereinafter set forth.

**INSTRUCTIONS**

1. The City shall deliver to you from time to time warrants or checks payable jointly to you and the Contractor. You are hereby authorized by the Contractor to endorse in the Contractor's name any such warrant or check so that you may receive the proceeds thereof and invest the same. The power of endorsement hereby granted to you by the Contractor shall be deemed a power coupled with an interest and shall be irrevocable during the term of this escrow / interest bearing account. Although you may be a payee named in such warrants or checks as shall be delivered to you, your duties and responsibilities with respect to the same shall be only those duties and responsibilities which a depository bank would have pursuant to Article 4 of the Uniform Commercial Code of the State of Washington for an item deposited with it for collection as of the date such warrant or check shall be delivered to you. The proceeds from collections shall be used by you to purchase, as directed by the Contractor, bonds or other securities chosen by the Contractor and approved by you, and the City. For the purpose of each such purchase, you may follow the last written direction received by you from the Contractor, provided such direction otherwise conforms with the restrictions on investments recited herein. A list of such bonds, or other securities approved by the City are indicated on the Retainage Investment Option form. No further approval is necessary if any of these bonds or securities are selected by the Contractor. Other bonds or securities, except stocks, may be selected by the Contractor, subject to express written approval of you and the City. Purchase of such bonds or other securities shall be in a form which shall allow you alone to reconvert such bonds or other securities into money if you are required to do so by the City as provided in Paragraph 4 of the Escrow Agreement.

The investments selected by the Contractor, approved by the City and purchased by you must mature on or prior to the date set for the completion of the contract, including extensions thereof or thirty days following the final acceptance of said improvement or work.

2. When and as interest on the securities held by you pursuant to this agreement accrues and is paid, you shall collect such interest and forward it to the Contractor at its address designated below unless with your written consent you are otherwise directed in writing by the Contractor.

3. You are not authorized to deliver to the Contractor all or any part of the securities held by you pursuant to this agreement (or any monies derived from the sale of such securities, or the negotiation of the City's warrants or checks) except in accordance with written instructions from the City. The City shall inform you and keep you informed in writing of the name of the person or persons with authority to give you such written instructions. Compliance with such instruction shall relieve you of any further liability related thereto. The estimated completion date on the contract underlying this Escrow / Interest Bearing Account Agreement is \_\_\_\_\_ . Upon request by you, the City shall advise you in writing of any change in the estimated completion date. If the estimated completion date is changed, you are authorized to reinvest the monies held hereunder in accordance with the new estimated completion date.

4. In the event the City orders you to do so in writing, and notwithstanding any other provisions of this agreement you shall, within thirty-five (35) days of receipt of such order, reconvert into money the securities held by you pursuant to this agreement and return such money together with any other monies, including accrued interest on such securities, held by you hereunder, to the City.

5. The Contractor agrees to pay you as compensation for your services hereunder as follows:

---

---

Payment of all fees shall be the sole responsibility of the Contractor and shall not be deducted from any property placed with you pursuant to this agreement until and unless the City directs the release to the Contractor of the securities and monies held hereunder whereupon you shall be granted a first lien upon such property released and shall be entitled to reimburse yourself from such property for the entire amount of your fees and any amounts which might be owing as provided for herein. In the event that you are made a party to any litigation with respect to the property held by you hereunder, or in the event that the conditions of this escrow are not promptly fulfilled or that you are required to render any services not provided for in these instructions, or that there is any assignment of the interest of this escrow or any modifications hereof, you shall be entitled to reasonable compensation for such extraordinary services from the Contractor and reimbursement from the Contractor for all costs and expenses, including attorney fees occasioned by such default, delay, controversy or litigations.

6. Should you at any time and for any reason desire to be relieved of your obligations as escrow or interest bearing account holder hereunder, you shall give written notice to the City and Contractor. The City and Contractor shall, within 20 days of the receipt of such notice, jointly appoint a successor escrow holder and instruct you to deliver all securities and funds held hereunder to said successor. If you are not notified of the appointment of the successor escrow holder within 20 days, you may return the subject matter hereof to the City and upon doing, it absolves you from all further charges and obligations in connection with this escrow or interest bearing account.

7. This agreement shall not be binding until executed by the Contractor and City and accepted by you.

8. This instrument contains the entire agreement between you, the Contractor and the City with respect to this escrow and you are not a party to nor bound by any instrument or agreement other than this; you shall not be required to take notice if any default or any other matter, not bound by nor required to give notice or demand, nor required to take any action whatever except as herein expressly provided; you shall not be liable for any loss or damage not caused by your own negligence or willful misconduct.

9. The foregoing provisions shall be binding upon the assigns, successors, personal representatives and heirs of the parties hereto.

The undersigned have read and hereby approve the instructions as given above governing the administration of this escrow or interest bearing account and do hereby execute this agreement on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Contractor

BY: \_\_\_\_\_  
Signature & Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip

**CITY OF SEDRO-WOOLLEY**

\_\_\_\_\_  
City

BY: \_\_\_\_\_  
Authorized Signature & Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip

ATTESTED BY:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney

The above escrow instructions received and accepted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Bank or Trust Company

By: \_\_\_\_\_

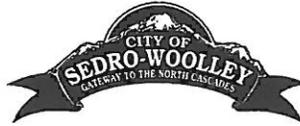
# EXHIBIT A

City of Sedro Woolley  
 2014 On-Call Elelctrical Service  
 Labor and Equipment Rate Sheet

Seven Sisters, Inc  
 613 sunset Park Drive, Sedro Woolley, WA 98284  
 Phone 360-856-0842

| Item  | Base<br>Hourly<br>rate | Overtime<br>Hourly<br>rate | Double<br>Time<br>Hourly<br>rate |
|---|------------------------|----------------------------|----------------------------------|
| <b>Labor Rates</b>  |                        |                            |                                  |
| General Foreman   | \$ 77.18               | \$ 105.93                  | \$ 134.67                        |
| Foreman   | \$ 73.79               | \$ 99.92                   | \$ 126.05                        |
| Journeyman  | \$ 73.79               | \$ 99.92                   | \$ 126.05                        |
| Material Handler  | \$ 53.36               | \$ 75.17                   | \$ 92.19                         |
| <b>Material markup rate 14%</b>   |                        |                            |                                  |
| <b>Estimated mobilization/demobilization cost per unit to Sedro Woolley</b> |                        |                            |                                  |
| <b>Equipment Rate</b>   |                        |                            |                                  |
| service truck with tools  | Unit cost<br>\$ 7.50   | Unit<br>per hour           |                                  |
| <b>Rental Equipment markup rate 10%</b>                                     |                        |                            |                                  |

DEC - 9 2013



## PUBLIC WORKS AGREEMENT 2014-PW-04

### **Project Name: 2014 On-Call Electrical Services for Miscellaneous Electrical Services of an Emergent Nature**

The City of Sedro-Woolley, a municipal corporation of the State of Washington (hereinafter the "City"); and **Dahl Electric Inc., 521 E Victoria Avenue, Burlington, WA 98233**, (hereinafter the "Contractor") hereby agree as follows:

**I. THE PROJECT:** The Contractor agrees to complete the following project, utilizing the best available materials and labor, and in accordance with bid specifications and contractor's proposal (if any), project plans and technical specifications:

Project description: **Contractor shall provide electrical services to various City of Sedro-Woolley job sites as stated in Invitation to Bid.**

**II. GENERAL CONDITIONS:** The General Conditions of this agreement are the Standard Specifications for Road, Bridge and Municipal Construction, Current Edition, issued by the State of Washington and the APWA, modified as follows:

**A. Definitions and Terms:**

1. Whenever the terms "Washington State Transportation Commission", "State Department of Transportation", or variations of same are used in the Standard specifications, they shall be construed to mean "City of Sedro-Woolley" or "Owner".

2. Where references are made to the "State Treasurer", the term shall be construed to mean the City's "Finance Director".

3. Where the term "Secretary of Transportation" or "District Administrator" are used, the terms shall be construed to mean the duly authorized representative of the City.

**B. Project Manager:** The term "engineer" is understood to be the City's Project Manager, who is the City's representative to the Contractor for all purposes under this agreement. The City designates **Nathan Salseina, Public Works Operations Supervisor or Debbie Allen, Wastewater Division Supervisor**, as its Project Managers. Contractor designates \_\_\_\_\_ as its Project Manager.

**C. Business License:** A City Business License is required, and Contractor and Sub-Contractors are responsible for payment of the taxes imposed thereunder.

**D. Taxes:** Contractor is responsible for payment of all applicable taxes, including state sales tax on those projects subject to it. Taxes are deemed to be included in the amounts invoiced to the City.

**E. Bonding Requirements:** The City requires the following bonds; combination documents, cash deposits, or assigned savings accounts are acceptable alternatives:

1. Bid Bond: 5%, if the work is subject to bid procedures;
2. Contract bond in the form made a part of this agreement. In lieu thereof for projects of \$35,000 or less, at the contractor's option, retainage of 50% will be held until releasable under RCW 39.08.010.

**F. Insurance:** The Contractor shall provide proof to the City that it is insured under **automobile and vehicle liability insurance** covering claims for injuries to members of the public and/or damages to property of others arising from use of motor vehicles, including onsite and offsite operations, and owned, non-owned, or hired vehicles, and general **comprehensive**

liability insurance covering the work within the scope of this agreement, in such form and with policy limits in such amounts (\$1 Million minimum) as are acceptable to the City.

The Contractor agrees to name the City as an **additional insured** when obtaining liability insurance and to provide a **Certificate of Insurance** to this effect.

**G. Traffic Control:** The Contractor shall furnish all flagging and maintain all temporary traffic control signs and devices necessary to control traffic during construction operations at all locations. Traffic control plans and traffic control signs and devices shall conform to the Manual on Uniform Traffic Control Devices as adopted by the State of Washington, and shall be approved in advance by the City. Unless provided for specifically in the contract, no additional compensation will be made for traffic control.

### **III. PAYMENT**

A. The maximum payable hereunder is **\$25,000.00**

B. Individual Task Orders will specify the method of compensation, which will be on a Time & Expense Not To Exceed basis per rates established in **Exhibit A**, Labor and Equipment Rate Sheet, or agreed Lump Sum Price.

C. The Contractor will be paid on the basis of invoices for work satisfactorily completed. Invoices are submitted to the Project Manager for approval prior to payment. No final payment shall be made until the project is accepted by the City.

D. Prior to any payment hereunder, contractor is responsible for complying with applicable Department of Labor and Industries and Department of Revenue requirements and procedures. (General conditions section 1-07.9. If Federal Funds, Davis-Bacon Act and U. S. Department of Labor requirements.) This includes obtaining and timely filing of Intent to Pay Prevailing Wages, Affidavit of Wages paid, Notice of Completion of Public Works Contract, and any other required documents.

E. Retainage will be administered in accordance with RCW 60.28.010(1).

### **IV. SCOPE OF PROJECT, TECHNICAL SPECIFICATIONS AND CONDITIONS OF WORK:**

A. Term of contract: contractor shall begin work as soon as is practicable and will complete work on or before **February 28, 2015**.

B. To the extent not inconsistent with this agreement, this contract includes the Invitation to Bid and Proposal, and contract plans and specifications, all incorporated herein by this reference.

C. Scope of project: **Contractor shall provide electrical services to various City of Sedro-Woolley job sites as stated in the Invitation to Bid dated November 26, 2013.**

D. Joinder in Arbitration Proceedings. If the City and any third party agree to binding arbitration as the method of dispute resolution between them and their claims or any of them arise out of or are related to Contractor's services, Contractor agrees to be joined in such arbitration proceeding as a party and that the Arbitrator(s) decision therein shall be final and binding on Contractor and judgment may be entered upon it in any court having jurisdiction thereof.

E. Indemnification.

1. Contractor shall indemnify, defend, and hold the City harmless from and against any claim, damages, losses, liability or expense arising out of its breach of contract or negligence.

2. Contractor's duty to indemnify City shall not apply to liability for damages arising out of bodily injury to persons or damage caused to property caused by or resulting from the sole negligence of City or City's agents or employees.

3. Contractor's duty to indemnify City for liability for damages arising out of bodily injury or damage to property caused by or resulting from the concurrent negligence of (a) City or City's agents or employees, (b) Contractor and Contractor's agents or employees, or (c)

any third parties shall apply only to the extent of negligence of Contractor or Contractor's agents or employees.

4. Contractor specifically and expressly waives any immunity that may be granted it under the Washington State Industrial Insurance Act, Title 51 RCW. Further, the indemnification obligation under this AGREEMENT shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable to or for any third party under workers' compensation acts, disability benefit acts, or other employee benefit acts; provided Contractor's waiver of immunity by the provisions of this paragraph extends only to claims against Contractor by City, and not include, or extend to, any claims by Contractor's employees directly against Contractor.

5. Contractor's duty to defend, indemnify, and hold City harmless shall include, as to all claims, demands, losses, and liabilities to which it applies City's personnel-related costs, attorneys' fees, and all other costs whether or not taxable by statute or court rule.

F. Attorneys Fees. The prevailing party in any litigation of any dispute arising out of this agreement shall be entitled to its actual attorneys fees incurred and all costs of such litigation (including expert witness fees) in addition to any costs otherwise taxable by statute or court rule.

G. MRSC Roster Registration. If required, the Contractor shall register or maintain registration on the MRSC Small Works Contractor Roster.

H. Washington State Department of Retirement Systems. Have you retired under the 2008 early retirement factors? Yes  No  N/A

I. Debarment. Contractor represents and agrees that it is not listed on any state or federal debarment list and further agrees that none of its sub-contractors are listed on any state or federal debarment list.

EXECUTED, this the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, for the Contractor, \_\_\_\_\_

\_\_\_\_\_  
, Contractor

EXECUTED, this the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, for the CITY OF SEDRO-WOOLLEY:

\_\_\_\_\_  
Mike Anderson, Mayor

Attest:

\_\_\_\_\_  
Finance Director

Approved as to form:

\_\_\_\_\_  
City Attorney

**RETAINAGE INVESTMENT OPTION**

CONTRACTOR: \_\_\_\_\_

PROJECT NAME: \_\_\_\_\_

DATE: \_\_\_\_\_

Pursuant to Chapter 60.28 RCW, you may choose how your retainage under this contract will be held and invested. Please complete and sign this form indicating your preference. If you fail to do so, the City of Sedro-Woolley (City) will hold your retainage as described in "Current Expense", option 1 below.

\_\_\_\_\_ 1. Current Expense: The City will retain your money in its Current Expense Fund Account until thirty days following final acceptance of the improvement or work as completed. You will not receive interest earned on this money.

\_\_\_\_\_ 2. Interest Bearing Account: The City will deposit retainage checks in an interest-bearing account in a bank, mutual savings bank, or savings and loan association, not subject to withdrawal until after the final acceptance of the improvement or work as completed or until agreed to by both parties. Interest on the account will be paid to you.

\_\_\_\_\_ 3. Escrow / Investments: The City will place the retainage checks in escrow with a bank or trust company until thirty days following the final acceptance of the improvement or work as completed. When the monies reserved are to be placed in escrow, the City will issue a check representing the sum of the monies reserve payable to the bank or trust company and you jointly. This check will be converted into bonds and securities chosen by you and approved by the City and these bonds and securities will be held in escrow. Interest on these bonds and securities will be paid to you as interest accrues. Selection of this option requires an escrow agreement to be completed by the contractor. The City of Sedro-Woolley will provide the form for use by the contractor. If the contractor elects to use the Escrow Investment option, please complete attached Escrow Agreement.

**BONDS AND SECURITIES ACCEPTABLE BY THE CITY OF SEDRO-WOOLLEY:**

1. Bills, certificates, notes or bonds of the United States.
2. Other obligations of the United States or its agencies.
3. Indebtedness of the Federal national Mortgage Association.
4. Time Deposits in commercial banks.

Designate below the type of investment selected:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ 4. Bond-in-Lieu: With the consent of the City, the contractor may submit a bond for

all or any portion of the amount of funds retained by the City in a form acceptable to the City and from a bonding company meeting standards established by the City, if any. Unless otherwise indicated, the contractor elects to submit a bond for the entire 5% retainage amount. Such bond and any proceeds there from shall be made subject to all claims and liens and in the same manner and priority as set forth for retained percentages in Chapter 60.28 RCW. Whenever the City accepts a bond-in-lieu of retained funds from a contractor, the contractor shall accept like bonds from any subcontractors or suppliers from which the contractor has retained funds. The contractor shall then release the funds retained from the subcontractor or supplier, to the subcontractor or supplier, within thirty days of the contractor's receipt of the retained funds from the City.

Retainage is normally released 30 - 45 days after final acceptance of work by the City, or following receipt of Labor and Industries / Department of Revenue clearance, whichever takes longer.

---

(Contractor's Signature)

Date

---

Title

RETAINAGE ACCOUNT \_\_\_\_\_

CITY \_\_\_\_\_

## ESCROW AGREEMENT / INTEREST BEARING ACCOUNT

TO: \_\_\_\_\_

Bank or Trust Company

\_\_\_\_\_  
Branch

\_\_\_\_\_  
Attn:

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City, State, Zip

The undersigned \_\_\_\_\_ hereinafter referred to as the Contractor, has directed the City of Sedro-Woolley, hereinafter referred to as the City, to deliver to you its warrants or checks which shall be payable to you and the Contractor jointly. Such warrants or checks are to be held and disposed of by you in accordance with the following instructions and upon the terms and conditions hereinafter set forth.

### INSTRUCTIONS

1. The City shall deliver to you from time to time warrants or checks payable jointly to you and the Contractor. You are hereby authorized by the Contractor to endorse in the Contractor's name any such warrant or check so that you may receive the proceeds thereof and invest the same. The power of endorsement hereby granted to you by the Contractor shall be deemed a power coupled with an interest and shall be irrevocable during the term of this escrow / interest bearing account. Although you may be a payee named in such warrants or checks as shall be delivered to you, your duties and responsibilities with respect to the same shall be only those duties and responsibilities which a depository bank would have pursuant to Article 4 of the Uniform Commercial Code of the State of Washington for an item deposited with it for collection as of the date such warrant or check shall be delivered to you. The proceeds from collections shall be used by you to purchase, as directed by the Contractor, bonds or other securities chosen by the Contractor and approved by you, and the City. For the purpose of each such purchase, you may follow the last written direction received by you from the Contractor, provided such direction otherwise conforms with the restrictions on investments recited herein. A list of such bonds, or other securities approved by the City are indicated on the Retainage Investment Option form. No further approval is necessary if any of these bonds or securities are selected by the Contractor. Other bonds or securities, except stocks, may be selected by the Contractor, subject to express written approval of you and the City. Purchase of such bonds or other securities shall be in a form which shall allow you alone to reconvert such bonds or other securities into money if you are required to do so by the City as provided in Paragraph 4 of the Escrow Agreement.

The investments selected by the Contractor, approved by the City and purchased by you must mature on or prior to the date set for the completion of the contract, including extensions thereof or thirty days following the final acceptance of said improvement or work.

2. When and as interest on the securities held by you pursuant to this agreement accrues and is paid, you shall collect such interest and forward it to the Contractor at its address designated below unless with your written consent you are otherwise directed in writing by the Contractor.

3. You are not authorized to deliver to the Contractor all or any part of the securities held by you pursuant to this agreement (or any monies derived from the sale of such securities, or the negotiation of the City's warrants or checks) except in accordance with written instructions from the City. The City shall inform you and keep you informed in writing of the name of the person or persons with authority to give you such written instructions. Compliance with such instruction shall relieve you of any further liability related thereto. The estimated completion date on the contract underlying this Escrow / Interest Bearing Account Agreement is \_\_\_\_\_ . Upon request by you, the City shall advise you in writing of any change in the estimated completion date. If the estimated completion date is changed, you are authorized to reinvest the monies held hereunder in accordance with the new estimated completion date.

4. In the event the City orders you to do so in writing, and notwithstanding any other provisions of this agreement you shall, within thirty-five (35) days of receipt of such order, reconvert into money the securities held by you pursuant to this agreement and return such money together with any other monies, including accrued interest on such securities, held by you hereunder, to the City.

5. The Contractor agrees to pay you as compensation for your services hereunder as follows:

---

Payment of all fees shall be the sole responsibility of the Contractor and shall not be deducted from any property placed with you pursuant to this agreement until and unless the City directs the release to the Contractor of the securities and monies held hereunder whereupon you shall be granted a first lien upon such property released and shall be entitled to reimburse yourself from such property for the entire amount of your fees and any amounts which might be owing as provided for herein. In the event that you are made a party to any litigation with respect to the property held by you hereunder, or in the event that the conditions of this escrow are not promptly fulfilled or that you are required to render any services not provided for in these instructions, or that there is any assignment of the interest of this escrow or any modifications hereof, you shall be entitled to reasonable compensation for such extraordinary services from the Contractor and reimbursement from the Contractor for all costs and expenses, including attorney fees occasioned by such default, delay, controversy or litigations.

6. Should you at any time and for any reason desire to be relieved of your obligations as escrow or interest bearing account holder hereunder, you shall give written notice to the City and Contractor. The City and Contractor shall, within 20 days of the receipt of such notice, jointly appoint a successor escrow holder and instruct you to deliver all securities and funds held hereunder to said successor. If you are not notified of the appointment of the successor escrow holder within 20 days, you may return the subject matter hereof to the City and upon doing, it absolves you from all further charges and obligations in connection with this escrow or interest bearing account.

7. This agreement shall not be binding until executed by the Contractor and City and accepted by you.

8. This instrument contains the entire agreement between you, the Contractor and the City with respect to this escrow and you are not a party to nor bound by any instrument or agreement other than this; you shall not be required to take notice if any default or any other matter, not bound by nor required to give notice or demand, nor required to take any action whatever except as herein expressly provided; you shall not be liable for any loss or damage not caused by your own negligence or willful misconduct.

9. The foregoing provisions shall be binding upon the assigns, successors, personal representatives and heirs of the parties hereto.

The undersigned have read and hereby approve the instructions as given above governing the administration of this escrow or interest bearing account and do hereby execute this agreement on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Contractor

BY: \_\_\_\_\_  
Signature & Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip

**CITY OF SEDRO-WOOLLEY**

\_\_\_\_\_  
City

BY: \_\_\_\_\_  
Authorized Signature & Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip

ATTESTED BY:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney

The above escrow instructions received and accepted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Bank or Trust Company

By: \_\_\_\_\_

# EXHIBIT A



CITY OF SEDRO-WOOLLEY  
 2014 ON-CALL ELECTRICAL SERVICES  
**SAMPLE LABOR AND EQUIPMENT RATE SHEET (Note 1)**

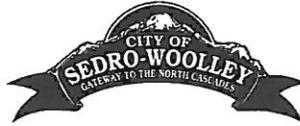
Contractor Name: Dahl Electric Inc.  
 Address: 521 E Victoria Ave, Burlington, WA 98223

| ITEM   | BASE HOURLY RATE (1) | OVERTIME HOURLY RATE (1) (5) |
|--|----------------------|------------------------------|
| <b>Labor Rates (Note 2)</b>  |                      |                              |
| Journeyman Electrician   | 83.70                | 125.55                       |
| <b>Material Markup Rate, % (Note 2)</b>  |                      |                              |
|  | 24.0%                |                              |
| <b>Estimated Mobilization/Demobilization Cost per unit to Sedro-Woolley (Note 3)</b> |                      |                              |
|  | \$ 40.00             | L+I Aff'd                    |
| <b>Equipment Rates (Note 4)</b>  |                      |                              |
|  | Unit Cost            | Unit                         |
| Service Truck with tools   | Included             | Per Hour                     |
| Bucket Truck   | 47.50                | Per Hour                     |

**NOTES:**

1. This Rate Sheet is provided for example only. Contractor may provide their own standard Rate Sheet as long as it provides the requested information or equivalent.
2. Material markup rate as a percent to be applied to materials furnished per invoice before sales tax.
3. Mobilization/Demobilization (Round Trip) - One mobilization/demobilization will be paid per task order, unless agreed to otherwise.
4. Labor and Equipment rates to include insurance, L&I, small tools, markup & etc. but not sales tax. Sales tax will be applied on net invoice amount.
5. Overtime rate for up to two hours of overtime.

DEC 10 2013



## PUBLIC WORKS AGREEMENT 2014-PW-05

### **Project Name: 2014 On-Call Electrical Services for Miscellaneous Electrical Services of an Emergent Nature**

The City of Sedro-Woolley, a municipal corporation of the State of Washington (hereinafter the "City"); and **Whitehorse Electric LLC, 46323 Giles Road, Darrington, WA 98241**, (hereinafter the "Contractor") hereby agree as follows:

**I. THE PROJECT:** The Contractor agrees to complete the following project, utilizing the best available materials and labor, and in accordance with bid specifications and contractor's proposal (if any), project plans and technical specifications:

Project description: **Contractor shall provide electrical services to various City of Sedro-Woolley job sites as stated in Invitation to Bid.**

**II. GENERAL CONDITIONS:** The General Conditions of this agreement are the Standard Specifications for Road, Bridge and Municipal Construction, Current Edition, issued by the State of Washington and the APWA, modified as follows:

**A. Definitions and Terms:**

1. Whenever the terms "Washington State Transportation Commission", "State Department of Transportation", or variations of same are used in the Standard specifications, they shall be construed to mean "City of Sedro-Woolley" or "Owner".

2. Where references are made to the "State Treasurer", the term shall be construed to mean the City's "Finance Director".

3. Where the term "Secretary of Transportation" or "District Administrator" are used, the terms shall be construed to mean the duly authorized representative of the City.

**B. Project Manager:** The term "engineer" is understood to be the City's Project Manager, who is the City's representative to the Contractor for all purposes under this agreement. The City designates **Nathan Salseina, Public Works Operations Supervisor or Debbie Allen, Wastewater Division Supervisor**, as its Project Managers.

Contractor designates \_\_\_\_\_ as its Project Manager.

**C. Business License:** A City Business License is required, and Contractor and Sub-Contractors are responsible for payment of the taxes imposed thereunder.

**D. Taxes:** Contractor is responsible for payment of all applicable taxes, including state sales tax on those projects subject to it. Taxes are deemed to be included in the amounts invoiced to the City.

**E. Bonding Requirements:** The City requires the following bonds; combination documents, cash deposits, or assigned savings accounts are acceptable alternatives:

1. Bid Bond: 5%, if the work is subject to bid procedures;

2. Contract bond in the form made a part of this agreement. In lieu thereof for projects of \$35,000 or less, at the contractor's option, retainage of 50% will be held until releasable under RCW 39.08.010.

**F. Insurance:** The Contractor shall provide proof to the City that it is insured under **automobile and vehicle liability insurance** covering claims for injuries to members of the public and/or damages to property of others arising from use of motor vehicles, including onsite and offsite operations, and owned, non-owned, or hired vehicles, and general **comprehensive**

liability insurance covering the work within the scope of this agreement, in such form and with policy limits in such amounts (\$1 Million minimum) as are acceptable to the City.

The Contractor agrees to name the City as an **additional insured** when obtaining liability insurance and to provide a **Certificate of Insurance** to this effect.

**G. Traffic Control:** The Contractor shall furnish all flagging and maintain all temporary traffic control signs and devices necessary to control traffic during construction operations at all locations. Traffic control plans and traffic control signs and devices shall conform to the Manual on Uniform Traffic Control Devices as adopted by the State of Washington, and shall be approved in advance by the City. Unless provided for specifically in the contract, no additional compensation will be made for traffic control.

### **III. PAYMENT**

A. The maximum payable hereunder is **\$25,000.00**

B. Individual Task Orders will specify the method of compensation, which will be on a Time & Expense Not To Exceed basis per rates established in **Exhibit A**, Labor and Equipment Rate Sheet, or agreed Lump Sum Price.

C. The Contractor will be paid on the basis of invoices for work satisfactorily completed. Invoices are submitted to the Project Manager for approval prior to payment. No final payment shall be made until the project is accepted by the City.

D. Prior to any payment hereunder, contractor is responsible for complying with applicable Department of Labor and Industries and Department of Revenue requirements and procedures. (General conditions section 1-07.9. If Federal Funds, Davis-Bacon Act and U. S. Department of Labor requirements.) This includes obtaining and timely filing of Intent to Pay Prevailing Wages, Affidavit of Wages paid, Notice of Completion of Public Works Contract, and any other required documents.

E. Retainage will be administered in accordance with RCW 60.28.010(1).

### **IV. SCOPE OF PROJECT, TECHNICAL SPECIFICATIONS AND CONDITIONS OF WORK:**

A. Term of contract: contractor shall begin work as soon as is practicable and will complete work on or before **February 28, 2015**.

B. To the extent not inconsistent with this agreement, this contract includes the Invitation to Bid and Proposal, and contract plans and specifications, all incorporated herein by this reference.

C. Scope of project: **Contractor shall provide electrical services to various City of Sedro-Woolley job sites as stated in the Invitation to Bid dated November 26, 2013.**

D. Joinder in Arbitration Proceedings. If the City and any third party agree to binding arbitration as the method of dispute resolution between them and their claims or any of them arise out of or are related to Contractor's services, Contractor agrees to be joined in such arbitration proceeding as a party and that the Arbitrator(s) decision therein shall be final and binding on Contractor and judgment may be entered upon it in any court having jurisdiction thereof.

E. Indemnification.

1. Contractor shall indemnify, defend, and hold the City harmless from and against any claim, damages, losses, liability or expense arising out of its breach of contract or negligence.

2. Contractor's duty to indemnify City shall not apply to liability for damages arising out of bodily injury to persons or damage caused to property caused by or resulting from the sole negligence of City or City's agents or employees.

3. Contractor's duty to indemnify City for liability for damages arising out of bodily injury or damage to property caused by or resulting from the concurrent negligence of (a) City or City's agents or employees, (b) Contractor and Contractor's agents or employees, or (c)

any third parties shall apply only to the extent of negligence of Contractor or Contractor's agents or employees.

4. Contractor specifically and expressly waives any immunity that may be granted it under the Washington State Industrial Insurance Act, Title 51 RCW. Further, the indemnification obligation under this AGREEMENT shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable to or for any third party under workers' compensation acts, disability benefit acts, or other employee benefit acts; provided Contractor's waiver of immunity by the provisions of this paragraph extends only to claims against Contractor by City, and not include, or extend to, any claims by Contractor's employees directly against Contractor.

5. Contractor's duty to defend, indemnify, and hold City harmless shall include, as to all claims, demands, losses, and liabilities to which it applies City's personnel-related costs, attorneys' fees, and all other costs whether or not taxable by statute or court rule.

F. Attorneys Fees. The prevailing party in any litigation of any dispute arising out of this agreement shall be entitled to its actual attorneys fees incurred and all costs of such litigation (including expert witness fees) in addition to any costs otherwise taxable by statute or court rule.

G. MRSC Roster Registration. If required, the Contractor shall register or maintain registration on the MRSC Small Works Contractor Roster.

H. Washington State Department of Retirement Systems. Have you retired under the 2008 early retirement factors? Yes  No  N/A

I. Debarment. Contractor represents and agrees that it is not listed on any state or federal debarment list and further agrees that none of its sub-contractors are listed on any state or federal debarment list.

EXECUTED, this the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, for the Contractor, \_\_\_\_\_

\_\_\_\_\_  
, Contractor

EXECUTED, this the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, for the CITY OF SEDRO-WOOLLEY:

\_\_\_\_\_  
Mike Anderson, Mayor

Attest:

\_\_\_\_\_  
Finance Director

Approved as to form:

\_\_\_\_\_  
City Attorney

**RETAINAGE INVESTMENT OPTION**

CONTRACTOR: \_\_\_\_\_

PROJECT NAME: \_\_\_\_\_

DATE: \_\_\_\_\_

Pursuant to Chapter 60.28 RCW, you may choose how your retainage under this contract will be held and invested. Please complete and sign this form indicating your preference. If you fail to do so, the City of Sedro-Woolley (City) will hold your retainage as described in "Current Expense", option 1 below.

- \_\_\_\_\_ 1. Current Expense: The City will retain your money in its Current Expense Fund Account until thirty days following final acceptance of the improvement or work as completed. You will not receive interest earned on this money.
  
- \_\_\_\_\_ 2. Interest Bearing Account: The City will deposit retainage checks in an interest-bearing account in a bank, mutual savings bank, or savings and loan association, not subject to withdrawal until after the final acceptance of the improvement or work as completed or until agreed to by both parties. Interest on the account will be paid to you.
  
- \_\_\_\_\_ 3. Escrow / Investments: The City will place the retainage checks in escrow with a bank or trust company until thirty days following the final acceptance of the improvement or work as completed. When the monies reserved are to be placed in escrow, the City will issue a check representing the sum of the monies reserve payable to the bank or trust company and you jointly. This check will be converted into bonds and securities chosen by you and approved by the City and these bonds and securities will be held in escrow. Interest on these bonds and securities will be paid to you as interest accrues. Selection of this option requires an escrow agreement to be completed by the contractor. The City of Sedro-Woolley will provide the form for use by the contractor. If the contractor elects to use the Escrow Investment option, please complete attached Escrow Agreement.

**BONDS AND SECURITIES ACCEPTABLE BY THE CITY OF SEDRO-WOOLLEY:**

- 1. Bills, certificates, notes or bonds of the United States.
- 2. Other obligations of the United States or its agencies.
- 3. Indebtedness of the Federal national Mortgage Association.
- 4. Time Deposits in commercial banks.

Designate below the type of investment selected:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- \_\_\_\_\_ 4. Bond-in-Lieu: With the consent of the City, the contractor may submit a bond for

all or any portion of the amount of funds retained by the City in a form acceptable to the City and from a bonding company meeting standards established by the City, if any. Unless otherwise indicated, the contractor elects to submit a bond for the entire 5% retainage amount. Such bond and any proceeds there from shall be made subject to all claims and liens and in the same manner and priority as set forth for retained percentages in Chapter 60.28 RCW. Whenever the City accepts a bond-in-lieu of retained funds from a contractor, the contractor shall accept like bonds from any subcontractors or suppliers from which the contractor has retained funds. The contractor shall then release the funds retained from the subcontractor or supplier, to the subcontractor or supplier, within thirty days of the contractor's receipt of the retained funds from the City.

Retainage is normally released 30 - 45 days after final acceptance of work by the City, or following receipt of Labor and Industries / Department of Revenue clearance, whichever takes longer.

---

(Contractor's Signature)

Date

---

Title

RETAINAGE ACCOUNT \_\_\_\_\_

CITY \_\_\_\_\_

## ESCROW AGREEMENT / INTEREST BEARING ACCOUNT

TO: \_\_\_\_\_

Bank or Trust Company

\_\_\_\_\_  
Branch

\_\_\_\_\_  
Attn:

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City, State, Zip

The undersigned \_\_\_\_\_ hereinafter referred to as the Contractor, has directed the City of Sedro-Woolley, hereinafter referred to as the City, to deliver to you its warrants or checks which shall be payable to you and the Contractor jointly. Such warrants or checks are to be held and disposed of by you in accordance with the following instructions and upon the terms and conditions hereinafter set forth.

### INSTRUCTIONS

1. The City shall deliver to you from time to time warrants or checks payable jointly to you and the Contractor. You are hereby authorized by the Contractor to endorse in the Contractor's name any such warrant or check so that you may receive the proceeds thereof and invest the same. The power of endorsement hereby granted to you by the Contractor shall be deemed a power coupled with an interest and shall be irrevocable during the term of this escrow / interest bearing account. Although you may be a payee named in such warrants or checks as shall be delivered to you, your duties and responsibilities with respect to the same shall be only those duties and responsibilities which a depository bank would have pursuant to Article 4 of the Uniform Commercial Code of the State of Washington for an item deposited with it for collection as of the date such warrant or check shall be delivered to you. The proceeds from collections shall be used by you to purchase, as directed by the Contractor, bonds or other securities chosen by the Contractor and approved by you, and the City. For the purpose of each such purchase, you may follow the last written direction received by you from the Contractor, provided such direction otherwise conforms with the restrictions on investments recited herein. A list of such bonds, or other securities approved by the City are indicated on the Retainage Investment Option form. No further approval is necessary if any of these bonds or securities are selected by the Contractor. Other bonds or securities, except stocks, may be selected by the Contractor, subject to express written approval of you and the City. Purchase of such bonds or other securities shall be in a form which shall allow you alone to reconvert such bonds or other securities into money if you are required to do so by the City as provided in Paragraph 4 of the Escrow Agreement.

The investments selected by the Contractor, approved by the City and purchased by you must mature on or prior to the date set for the completion of the contract, including extensions thereof or thirty days following the final acceptance of said improvement or work.

2. When and as interest on the securities held by you pursuant to this agreement accrues and is paid, you shall collect such interest and forward it to the Contractor at its address designated below unless with your written consent you are otherwise directed in writing by the Contractor.

3. You are not authorized to deliver to the Contractor all or any part of the securities held by you pursuant to this agreement (or any monies derived from the sale of such securities, or the negotiation of the City's warrants or checks) except in accordance with written instructions from the City. The City shall inform you and keep you informed in writing of the name of the person or persons with authority to give you such written instructions. Compliance with such instruction shall relieve you of any further liability related thereto. The estimated completion date on the contract underlying this Escrow / Interest Bearing Account Agreement is \_\_\_\_\_. Upon request by you, the City shall advise you in writing of any change in the estimated completion date. If the estimated completion date is changed, you are authorized to reinvest the monies held hereunder in accordance with the new estimated completion date.

4. In the event the City orders you to do so in writing, and notwithstanding any other provisions of this agreement you shall, within thirty-five (35) days of receipt of such order, reconvert into money the securities held by you pursuant to this agreement and return such money together with any other monies, including accrued interest on such securities, held by you hereunder, to the City.

5. The Contractor agrees to pay you as compensation for your services hereunder as follows:

---

---

Payment of all fees shall be the sole responsibility of the Contractor and shall not be deducted from any property placed with you pursuant to this agreement until and unless the City directs the release to the Contractor of the securities and monies held hereunder whereupon you shall be granted a first lien upon such property released and shall be entitled to reimburse yourself from such property for the entire amount of your fees and any amounts which might be owing as provided for herein. In the event that you are made a party to any litigation with respect to the property held by you hereunder, or in the event that the conditions of this escrow are not promptly fulfilled or that you are required to render any services not provided for in these instructions, or that there is any assignment of the interest of this escrow or any modifications hereof, you shall be entitled to reasonable compensation for such extraordinary services from the Contractor and reimbursement from the Contractor for all costs and expenses, including attorney fees occasioned by such default, delay, controversy or litigations.

6. Should you at any time and for any reason desire to be relieved of your obligations as escrow or interest bearing account holder hereunder, you shall give written notice to the City and Contractor. The City and Contractor shall, within 20 days of the receipt of such notice, jointly appoint a successor escrow holder and instruct you to deliver all securities and funds held hereunder to said successor. If you are not notified of the appointment of the successor escrow holder within 20 days, you may return the subject matter hereof to the City and upon doing, it absolves you from all further charges and obligations in connection with this escrow or interest bearing account.

7. This agreement shall not be binding until executed by the Contractor and City and accepted by you.

8. This instrument contains the entire agreement between you, the Contractor and the City with respect to this escrow and you are not a party to nor bound by any instrument or agreement other than this; you shall not be required to take notice if any default or any other matter, not bound by nor required to give notice or demand, nor required to take any action whatever except as herein expressly provided; you shall not be liable for any loss or damage not caused by your own negligence or willful misconduct.

9. The foregoing provisions shall be binding upon the assigns, successors, personal representatives and heirs of the parties hereto.

The undersigned have read and hereby approve the instructions as given above governing the administration of this escrow or interest bearing account and do hereby execute this agreement on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Contractor

BY: \_\_\_\_\_  
Signature & Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip

ATTESTED BY:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney

The above escrow instructions received and accepted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Bank or Trust Company

By: \_\_\_\_\_

**CITY OF SEDRO-WOOLLEY**

\_\_\_\_\_  
City

BY: \_\_\_\_\_  
Authorized Signature & Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip

# EXHIBIT A



CITY OF SEDRO-WOOLLEY  
 2014 ON-CALL ELECTRICAL SERVICES  
**SAMPLE LABOR AND EQUIPMENT RATE SHEET (Note 1)**

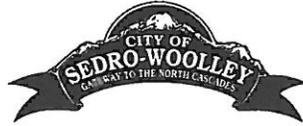
Contractor Name: *Whitehorse Electric LLC*

Address: *46323 Giles Rd. Darrington WA 98241*

| ITEM   | BASE HOURLY RATE (1) | OVERTIME HOURLY RATE (1) (5) |
|--|----------------------|------------------------------|
| <b>Labor Rates (Note 2)</b>  |                      |                              |
| Journeyman Electrician   | <i>70.00</i>         | <i>104.00</i>                |
| <b>Material Markup Rate, % (Note 2)</b>  | <i>15%</i>           |                              |
| <b>Estimated Mobilization/Demobilization Cost per unit to Sedro-Woolley (Note 3)</b> | <i>77.00</i>         |                              |
| <b>Equipment Rates (Note 4)</b>  |                      |                              |
| Service Truck with tools   | <i>6.00</i>          | Per Hour                     |
| Bucket Truck - <i>35 feet</i>  | <i>28.00</i>         | Per Hour                     |

**NOTES:**

1. This Rate Sheet is provided for example only. Contractor may provide their own standard Rate Sheet as long as it provides the requested information or equivalent.
2. Material markup rate as a percent to be applied to materials furnished per invoice before sales tax.
3. Mobilization/Demobilization (Round Trip) - One mobilization/demobilization will be paid per task order, unless agreed to otherwise.
4. Labor and Equipment rates to include insurance, L&I, small tools, markup & etc. but not sales tax. Sales tax will be applied on net invoice amount.
5. Overtime rate for up to two hours of overtime.



## PUBLIC WORKS AGREEMENT 2014-PW-06

### 2014 Backup Generator Maintenance and On-Call Services

The City of Sedro-Woolley, a municipal corporation of the State of Washington (hereinafter the "City"); and **Generator Services NW LLC, 3229 - 152<sup>nd</sup> Street SW, Lynnwood, WA 98087**, (hereinafter the "Contractor") hereby agree as follows:

**I. THE PROJECT:** The Contractor agrees to complete the following project, utilizing the best available materials and labor, and in accordance with bid specifications and contractor's proposal (if any), project plans (none) and technical specifications (below):

Provide Annual and Quarterly Preventative Maintenance for thirteen (13) Backup Generator Sets as specified in ATTACHMENT A and On-Call services as assigned by task order.

**II. GENERAL CONDITIONS:** The General Conditions of this agreement are the Standard Specifications for Road, Bridge and Municipal Construction, Current Edition, issued by the State of Washington and the APWA, modified as follows:

**A. Definitions and Terms:**

1. Whenever the terms "Washington State Transportation Commission", "State Department of Transportation", or variations of same are used in the Standard specifications, they shall be construed to mean "City of Sedro-Woolley" or "Owner".
2. Where references are made to the "State Treasurer", the term shall be construed to mean the City's "Finance Director".
3. Where the term "Secretary of Transportation" or "District Administrator" are used, the terms shall be construed to mean the duly authorized representative of the City.

**B. Project Manager:** The term "engineer" is understood to be the City's Project Manager, who is the City's representative to the Contractor for all purposes under this agreement. The City designates **Debbie Allen, Wastewater Division Supervisor** as its Project Manager. Contractor designates **Jeff Pool, Owner** as its Project Manager.

**C. Business License:** A City Business and Occupation License are required, and Contractor is responsible for payment of the taxes imposed thereunder.

**D. Taxes:** Contractor is responsible for payment of all applicable taxes, including state sales tax on those projects subject to it. Taxes are deemed to be included in the amounts invoiced to the City.

**E. Bonding Requirements:** The City requires the following bonds; combination documents, cash deposits, or assigned savings accounts are acceptable alternatives:

1. Bid Bond: 5%, if the work is subject to bid procedures (NOT REQUIRED);
2. Contract bond in the form made a part of this agreement. In lieu thereof for projects of \$35,000 or less, at the contractor's option, retainage of 50% will be held until releasable under RCW 39.08.010 (WAIVED - RCW 39.04.155(3)).

**F. Insurance:** The Contractor shall provide proof to the City that it is insured under **automobile and vehicle liability insurance** covering claims for injuries to members of the public and/or damages to property of others arising from use of motor vehicles, including onsite and offsite operations, and owned, non-owned, or hired vehicles, and general **comprehensive** liability insurance covering the work within the scope of this

agreement, in such form and with policy limits in such amounts (\$1 Million minimum) as are acceptable to the City.

The Contractor agrees to name the City as an **additional insured** when obtaining liability insurance and to provide a **Certificate of Insurance** to this effect.

- H. **Traffic Control:** The Contractor shall furnish all flagging and maintain all temporary traffic control signs and devices necessary to control traffic during construction operations at all locations. Traffic control plans and traffic control signs and devices shall conform to the Manual on Uniform Traffic Control Devices as adopted by the State of Washington, and shall be approved in advance by the Traffic Engineer. Unless provided for specifically in the contract, no additional compensation will be made for traffic control.

### III. PAYMENT

- A. The maximum payable hereunder is **\$25,000.00**
- B. Individual Task Orders will specify the method of compensation, which will be on a Time & Expense Not to Exceed basis per rates established in **Exhibit A**, Labor and Equipment Rate Sheet, or agreed Lump Sum Price.
- C. Contractor to provide with the signed contract a Schedule of Values including breakdown per each Quarterly Maintenance and Annual Maintenance activity (including Sales Tax).
- D. The Contractor will be paid on the basis of invoices for work satisfactorily completed. Invoices are submitted to the Project Manager for approval prior to payment.
- E. Certified payroll must accompany each invoice prior to payment.
- F. Prior to any payment hereunder, contractor is responsible for complying with applicable Department of Labor and Industries and Department of Revenue requirements and procedures. (General conditions section 1-07.9. If Federal Funds, Davis-Bacon Act and Department of Labor requirements.) This includes obtaining and timely filing of Intent to Pay Prevailing Wages, Affidavit of Wages paid, Notice of Completion of Public Works Contract, and any other required documents.
- G. Retainage will be administered in accordance with RCW 60.28.010(1) (WAIVED – using alternate procedures for contracts over \$2,500 and under \$35,000 including tax RCW 39.04.155(3))

### IV. SCOPE OF PROJECT, TECHNICAL SPECIFICATIONS AND CONDITIONS OF WORK:

- A. Term of contract: contractor shall begin work as soon as is practicable and will complete work on or before **February 28, 2015**.
- B. To the extent not inconsistent with this agreement, this contract includes the Invitation to Bid and Proposal, and contract plans and specifications, all incorporated herein by this reference.
- C. Scope of project: Provide Annual and Quarterly Preventative Maintenance for thirteen (13) Backup Generator Sets as specified in ATTACHMENT A.
- D. MRSC Roster Registration: The Contractor shall be registered with the MRSC Washington State Small Public Works Contractors and Consultant Services Roster. Contact [www.mrscrosters.org](http://www.mrscrosters.org) for details.
- E. Washington State Department of Retirement Systems. Have you retired under the 2008 early retirement factors? Yes  No  N/A
- F. Debarment. Contractor represents and agrees that it is not listed on any state or federal debarment list and further agrees that none of its sub-consultants are listed on any state or federal debarment list.
- G. Materials to comply with ATTACHMENT A.

EXECUTED, this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, for the Contractor: \_\_\_\_\_

\_\_\_\_\_  
Contractor

EXECUTED, this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, for the CITY OF SEDRO-WOOLLEY:

\_\_\_\_\_  
Mike Anderson, Mayor

Attest:

\_\_\_\_\_  
Finance Director

Approved as to form:

\_\_\_\_\_  
City Attorney

**RETAINAGE INVESTMENT OPTION**

CONTRACTOR: \_\_\_\_\_

PROJECT NAME: \_\_\_\_\_

DATE: \_\_\_\_\_

Pursuant to Chapter 60.28 RCW, you may choose how your retainage under this contract will be held and invested. Please complete and sign this form indicating your preference. If you fail to do so, the City of Sedro-Woolley (City) will hold your retainage as described in "Current Expense", option 1 below.

- \_\_\_\_\_ 1.     Current Expense: The City will retain your money in its Current Expense Fund Account until thirty days following final acceptance of the improvement or work as completed. You will not receive interest earned on this money.
  
- \_\_\_\_\_ 2.     Interest Bearing Account: The City will deposit retainage checks in an interest-bearing account in a bank, mutual savings bank, or savings and loan association, not subject to withdrawal until after the final acceptance of the improvement or work as completed or until agreed to by both parties. Interest on the account will be paid to you.
  
- \_\_\_\_\_ 3.     Escrow / Investments: The City will place the retainage checks in escrow with a bank or trust company until thirty days following the final acceptance of the improvement or work as completed. When the monies reserved are to be placed in escrow, the City will issue a check representing the sum of the monies reserve payable to the bank or trust company and you jointly. This check will be converted into bonds and securities chosen by you and approved by the City and these bonds and securities will be held in escrow. Interest on these bonds and securities will be paid to you as interest accrues. Selection of this option requires an escrow agreement to be completed by the contractor. The City of Sedro-Woolley will provide the form for use by the contractor. If the contractor elects to use the Escrow Investment option, please complete attached Escrow Agreement.

**BONDS AND SECURITIES ACCEPTABLE BY THE CITY OF SEDRO-WOOLLEY:**

- 1.     Bills, certificates, notes or bonds of the United States.
- 2.     Other obligations of the United States or its agencies.
- 3.     Indebtedness of the Federal national Mortgage Association.
- 4.     Time Deposits in commercial banks.

Designate below the type of investment selected:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4. Bond-in-Lieu: With the consent of the City, the contractor may submit a bond for all or any portion of the amount of funds retained by the City in a form acceptable to the City and from a bonding company meeting standards established by the City, if any. Unless otherwise indicated, the contractor elects to submit a bond for the entire 5% retainage amount. Such bond and any proceeds there from shall be made subject to all claims and liens and in the same manner and priority as set forth for retained percentages in Chapter 60.28 RCW. Whenever the City accepts a bond-in-lieu of retained funds from a contractor, the contractor shall accept like bonds from any subcontractors or suppliers from which the contractor has retained funds. The contractor shall then release the funds retained from the subcontractor or supplier, to the subcontractor or supplier, within thirty days of the contractor's receipt of the retained funds from the City.

Retainage is normally released 30 - 45 days after final acceptance of work by the City, or following receipt of Labor and Industries / Department of Revenue clearance, whichever takes longer.

---

(Contractor's Signature)

Date

---

Title

**RETAINAGE ACCOUNT** \_\_\_\_\_

**CITY** \_\_\_\_\_

**ESCROW AGREEMENT / INTEREST BEARING ACCOUNT**

TO: \_\_\_\_\_  
Bank or Trust Company

\_\_\_\_\_  
Branch

\_\_\_\_\_  
Attn:

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City, State, Zip

The undersigned \_\_\_\_\_ hereinafter referred to as the Contractor, has directed the City of Sedro-Woolley, hereinafter referred to as the City, to deliver to you its warrants or checks which shall be payable to you and the Contractor jointly. Such warrants or checks are to be held and disposed of by you in accordance with the following instructions and upon the terms and conditions hereinafter set forth.

**INSTRUCTIONS**

1. The City shall deliver to you from time to time warrants or checks payable jointly to you and the Contractor. You are hereby authorized by the Contractor to endorse in the Contractor's name any such warrant or check so that you may receive the proceeds thereof and invest the same. The power of endorsement hereby granted to you by the Contractor shall be deemed a power coupled with an interest and shall be irrevocable during the term of this escrow / interest bearing account. Although you may be a payee named in such warrants or checks as shall be delivered to you, your duties and responsibilities with respect to the same shall be only those duties and responsibilities which a depository bank would have pursuant to Article 4 of the Uniform Commercial Code of the State of Washington for an item deposited with it for collection as of the date such warrant or check shall be delivered to you. The proceeds from collections shall be used by you to purchase, as directed by the Contractor, bonds or other securities chosen by the Contractor and approved by you, and the City. For the purpose of each such purchase, you may follow the last written direction received by you from the Contractor, provided such direction otherwise conforms with the restrictions on investments recited herein. A list of such bonds, or other securities approved by the City are indicated on the Retainage Investment Option form. No further approval is necessary if any of these bonds or securities are selected by the Contractor. Other bonds or securities, except stocks, may be selected by the Contractor, subject to express written approval of you and the City. Purchase of such bonds or other securities shall be in a form which shall allow you alone to reconvert such bonds or other securities into money if you are required to do so by the City as provided in Paragraph 4 of the Escrow Agreement.

The investments selected by the Contractor, approved by the City and purchased by you must mature on or prior to the date set for the completion of the contract, including extensions thereof or thirty days following the final acceptance of said improvement or work.

2. When and as interest on the securities held by you pursuant to this agreement accrues and is paid, you shall collect such interest and forward it to the Contractor at its address designated below unless with your written consent you are otherwise directed in writing by the Contractor.

3. You are not authorized to deliver to the Contractor all or any part of the securities held by you pursuant to this agreement (or any monies derived from the sale of such securities, or the negotiation of the City's warrants or checks) except in accordance with written instructions from the City. The City shall inform you and keep you informed in writing of the name of the person or persons with authority to give you such written instructions. Compliance with such instruction shall relieve you of any further liability related thereto. The estimated completion date on the contract underlying this Escrow / Interest Bearing Account Agreement is \_\_\_\_\_ . Upon request by you, the City shall advise you in writing of any change in the estimated completion date. If the estimated completion date is changed, you are authorized to reinvest the monies held hereunder in accordance with the new estimated completion date.

4. In the event the City orders you to do so in writing, and notwithstanding any other provisions of this agreement you shall, within thirty-five (35) days of receipt of such order, reconvert into money the securities held by you pursuant to this agreement and return such money together with any other monies, including accrued interest on such securities, held by you hereunder, to the City.

5. The Contractor agrees to pay you as compensation for your services hereunder as follows:

---

Payment of all fees shall be the sole responsibility of the Contractor and shall not be deducted from any property placed with you pursuant to this agreement until and unless the City directs the release to the Contractor of the securities and monies held hereunder whereupon you shall be granted a first lien upon such property released and shall be entitled to reimburse yourself from such property for the entire amount of your fees and any amounts which might be owing as provided for herein. In the event that you are made a party to any litigation with respect to the property held by you hereunder, or in the event that the conditions of this escrow are not promptly fulfilled or that you are required to render any services not provided for in these instructions, or that there is any assignment of the interest of this escrow or any modifications hereof, you shall be entitled to reasonable compensation for such extraordinary services from the Contractor and reimbursement from the Contractor for all costs and expenses, including attorney fees occasioned by such default, delay, controversy or litigations.

6. Should you at any time and for any reason desire to be relieved of your obligations as escrow or interest bearing account holder hereunder, you shall give written notice to the City and Contractor. The City and Contractor shall, within 20 days of the receipt of such notice, jointly appoint a successor escrow holder and instruct you to deliver all securities and funds held hereunder to said successor. If you are not notified of the appointment of the successor escrow holder within 20 days, you may return the subject matter hereof to the City and upon doing, it absolves you from all further charges and obligations in connection with this escrow or interest bearing account.

7. This agreement shall not be binding until executed by the Contractor and City and accepted by you.

8. This instrument contains the entire agreement between you, the Contractor and the City with respect to this escrow and you are not a party to nor bound by any instrument or agreement other than this; you shall not be required to take notice if any default or any other matter, not bound by nor required to give notice or demand, nor required to take any action whatever except as herein expressly provided; you shall not be liable for any loss or damage not caused by your own negligence or willful misconduct.

9. The foregoing provisions shall be binding upon the assigns, successors, personal representatives and heirs of the parties hereto.

The undersigned have read and hereby approve the instructions as given above governing the administration of this escrow or interest bearing account and do hereby execute this agreement on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Contractor

BY: \_\_\_\_\_  
Signature & Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip

**CITY OF SEDRO-WOOLLEY**  
City

BY: \_\_\_\_\_  
Authorized Signature & Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip

ATTESTED BY:

\_\_\_\_\_  
City Clerk

Approved as to form:

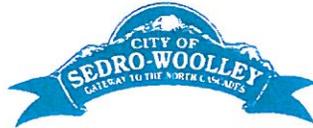
\_\_\_\_\_  
City Attorney

The above escrow instructions received and accepted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Bank or Trust Company

By: \_\_\_\_\_

# EXHIBIT A



## 2014 Backup Generator Maintenance and On-Call Services

### BID PROPOSAL

Proposals due by 2 pm, December 10, 2013

Bids may be submitted in person or by U.S. Mail, facsimile or email to: City of Sedro-Woolley, 325 Metcalf Street, Sedro-Woolley, WA 98284, (360) 855-0771, facsimile 360-855-0733, email [jrosario@ci.sedro-woolley.wa.us](mailto:jrosario@ci.sedro-woolley.wa.us).

We, the undersigned, hereby agree to bid the following per the "Invitation to Bid – 2014 Backup Generator Maintenance and On-Call Services":

| Item | Description | Quantity | Unit Price | Total |
|------|-------------|----------|------------|-------|
|------|-------------|----------|------------|-------|

**SCHEDULE 1:** Proposal for Annual and Quarterly Preventative Maintenance for thirteen (13) Backup Generator Sets as specified in Public Works Agreement 2014-PW-XX:

|    |  |  |  |                     |
|----|--|--|--|---------------------|
| 1. | Lump Sum Bid (excluding sales tax – will be added below) |  |  | \$ <u>11,048.03</u> |
|----|--|--|--|---------------------|

**SCHEDULE 2:** On-call repairs and service (Sample Project)

|    |                                  |         |                 |                  |
|----|----------------------------------|---------|-----------------|------------------|
| 1. | Journeyman Wage                  | 8 Hours | \$ _____        | \$ _____         |
| 2. | Service Truck with Tools & Tech. | 8 Hours | \$ <u>95.00</u> | \$ <u>760.00</u> |
| 3. | Mobilization/Demobilization      | 1 LS    | \$ <u>1.00</u>  | \$ <u>100.00</u> |

**SUBTOTAL BID**

\$ 11,902.03  
*per mile  
Rnd. Trip*

**SALES TAX 8.3%** 8.50%

\$ 987.87 1,011.67

**TOTAL BID**

\$ ~~12,299.90~~ \$12,913.70 *180*

Markup on Materials 20 %

Overtime Rate, Per Hour 142.50

**Notes:**

1. Sample project assumes a one day repair during normal working hours of a miscellaneous generator problem at the Wastewater Treatment Plant.
2. Mobilization/Demobilization (Roundtrip) – One mobilization/demobilization will be paid per task order, unless agreed to otherwise.

BIDDER NAME: Generator Services NW, LLC

ADDRESS: 3329-152nd ST SW

Lynnwood, WA 98087

CONTACT: Jeff Peol 425 508 0161

TELEPHONE: 425 745-2096 877 745 2096

EMAIL: generator.servicenw@yahoo.com

UBI NUMBER: 602 657 521

REQUIRED ENCLOSURE: Rate Sheet  Bidder's Qualification Statement



877-745-2096

December 9, 2013

**Current Rate Sheet for Scheduled repairs and/or Emergency call out to site**

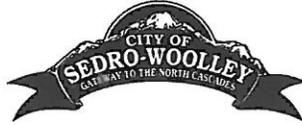
Labor Rate: \$95.00 per hour regular time M-F 8am to 5pm

\$142.50 per hour- after hours, weekends or holidays

Mileage: \$1.00 per mile

Parts: Cost plus 20%

Repairs are time and materials. Completion of repairs will be subject to prior approval by the Customer.



## PUBLIC WORKS AGREEMENT 2014-PW-07

### Project Name: On-Call Construction Services Agreement

The City of Sedro-Woolley, a municipal corporation of the State of Washington (hereinafter the "City"); and **Aaction Excavating Inc., PO Box 294, Bow, WA 98232** (hereinafter the "Contractor") hereby agree as follows:

**I. THE PROJECT:** The Contractor agrees to complete the following project, utilizing the best available materials and labor, and in accordance with bid specifications and contractor's proposal (if any), project plans and technical specifications:

Project description: **On-Call Construction Services Agreement for miscellaneous construction services of an emergent nature.**

**II. GENERAL CONDITIONS:** The General Conditions of this agreement are the Standard Specifications for Road, Bridge and Municipal Construction, Current Edition, issued by the State of Washington and the APWA, modified as follows:

**A. Definitions and Terms:**

1. Whenever the terms "Washington State Transportation Commission", "State Department of Transportation", or variations of same are used in the Standard specifications, they shall be construed to mean "City of Sedro-Woolley" or "Owner".

2. Where references are made to the "State Treasurer", the term shall be construed to mean the City's "Finance Director".

3. Where the term "Secretary of Transportation" or "District Administrator" are used, the terms shall be construed to mean the duly authorized representative of the City.

**B. Project Manager:** The term "engineer" is understood to be the City's Project Manager, who is the City's representative to the Contractor for all purposes under this agreement. The City designates **Debbie Allen, Wastewater Treatment Supervisor** as its Project Manager. Contractor designates \_\_\_\_\_ as its Project Manager.

**C. Business License:** A City Business License is required, and Contractor and Sub-Contractors are responsible for payment of the taxes imposed thereunder.

**D. Taxes:** Contractor is responsible for payment of all applicable taxes, including state sales tax on those projects subject to it. Taxes are deemed to be included in the amounts invoiced to the City.

**E. Bonding Requirements:** The City requires the following bonds; combination documents, cash deposits, or assigned savings accounts are acceptable alternatives:

1. Bid Bond: 5%, if the work is subject to bid procedures;
2. Contract bond in the form made a part of this agreement. In lieu thereof for projects of \$35,000 or less, at the contractor's option, retainage of 50% will be held until releasable under RCW 39.08.010.

**F. Insurance:** The Contractor shall provide proof to the City that it is insured under **automobile and vehicle liability insurance** covering claims for injuries to members of the public and/or damages to property of others arising from use of motor vehicles, including onsite and offsite operations, and owned, non-owned, or hired vehicles, and **general comprehensive liability insurance** covering the work within the scope of this agreement, in such form and with policy limits in such amounts (\$1 Million minimum) as are acceptable to the City.

The Contractor agrees to name the City as an **additional insured** when obtaining liability insurance and to provide a **Certificate of Insurance** to this effect.

G. **Traffic Control:** The Contractor shall furnish all flagging and maintain all temporary traffic control signs and devices necessary to control traffic during construction operations at all locations. Traffic control plans and traffic control signs and devices shall conform to the Manual on Uniform Traffic Control Devices as adopted by the State of Washington, and shall be approved in advance by the City. Unless provided for specifically in the contract, no additional compensation will be made for traffic control.

### III. PAYMENT

A. The maximum payable hereunder is **\$35,000.00**

B. Individual Task Orders will specify the method of compensation, which will be on a Time & Expense Not To Exceed basis per rates established in **Exhibit A**, Labor and Equipment Rate Sheet, or agreed Lump Sum Price.

C. The Contractor will be paid on the basis of invoices for work satisfactorily completed. Invoices are submitted to the Project Manager for approval prior to payment. No final payment shall be made until the project is accepted by the City.

D. Prior to any payment hereunder, contractor is responsible for complying with applicable Department of Labor and Industries and Department of Revenue requirements and procedures. (General conditions section 1-07.9. If Federal Funds, Davis-Bacon Act and U. S. Department of Labor requirements.) This includes obtaining and timely filing of Intent to Pay Prevailing Wages, Affidavit of Wages paid, Notice of Completion of Public Works Contract, and any other required documents.

E. Retainage will be administered in accordance with RCW 60.28.010(1).

### IV. SCOPE OF PROJECT, TECHNICAL SPECIFICATIONS AND CONDITIONS OF WORK:

A. Term of contract: This contract anticipates repair or restoration work that cannot be definitively scheduled due to its emergent nature. As a result, contractor shall begin work within five days of Notice to Proceed or as otherwise agreed, and will complete work within a timeline as mutually agreed with the Project Manager. All terms of this contract will expire **February 28, 2015**.

B. To the extent not inconsistent with this agreement, this contract includes the Invitation to Bid and Proposal, and contract plans and specifications, all incorporated herein by this reference.

C. Scope of project: **Per Task Order**

D. Joinder in Arbitration Proceedings. If the City and any third party agree to binding arbitration as the method of dispute resolution between them and their claims or any of them arise out of or are related to Contractor's services, Contractor agrees to be joined in such arbitration proceeding as a party and that the Arbitrator(s) decision therein shall be final and binding on Contractor and judgment may be entered upon it in any court having jurisdiction thereof.

E. Indemnification.

1. Contractor shall indemnify, defend, and hold the City harmless from and against any claim, damages, losses, liability or expense arising out of its breach of contract or negligence.

2. Contractor's duty to indemnify City shall not apply to liability for damages arising out of bodily injury to persons or damage caused to property caused by or resulting from the sole negligence of City or City's agents or employees.

3. Contractor's duty to indemnify City for liability for damages arising out of bodily injury or damage to property caused by or resulting from the concurrent negligence of (a) City or City's agents or employees, (b) Contractor and Contractor's agents or employees, or (c)

any third parties shall apply only to the extent of negligence of Contractor or Contractor's agents or employees.

4. Contractor specifically and expressly waives any immunity that may be granted it under the Washington State Industrial Insurance Act, Title 51 RCW. Further, the indemnification obligation under this AGREEMENT shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable to or for any third party under workers' compensation acts, disability benefit acts, or other employee benefit acts; provided Contractor's waiver of immunity by the provisions of this paragraph extends only to claims against Contractor by City, and not include, or extend to, any claims by Contractor's employees directly against Contractor.

5. Contractor's duty to defend, indemnify, and hold City harmless shall include, as to all claims, demands, losses, and liabilities to which it applies City's personnel-related costs, attorneys' fees, and all other costs whether or not taxable by statute or court rule.

F. Attorneys Fees. The prevailing party in any litigation of any dispute arising out of this agreement shall be entitled to its actual attorneys fees incurred and all costs of such litigation (including expert witness fees) in addition to any costs otherwise taxable by statute or court rule.

G. MRSC Roster Registration. If required, the Contractor shall register or maintain registration on the MRSC Small Works Contractor Roster.

H. Washington State Department of Retirement Systems. Have you retired under the 2008 early retirement factors? Yes  No  N/A

I. Debarment. Contractor represents and agrees that it is not listed on any state or federal debarment list and further agrees that none of its sub-contractors are listed on any state or federal debarment list.

EXECUTED, this the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, for the Contractor, \_\_\_\_\_

\_\_\_\_\_  
, Contractor

EXECUTED, this the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, for the CITY OF SEDRO-WOOLLEY:

\_\_\_\_\_  
Mike Anderson, Mayor

Attest:

\_\_\_\_\_  
Finance Director

Approved as to form:

\_\_\_\_\_  
City Attorney

**RETAINAGE INVESTMENT OPTION**

CONTRACTOR: \_\_\_\_\_

PROJECT NAME: \_\_\_\_\_

DATE: \_\_\_\_\_

Pursuant to Chapter 60.28 RCW, you may choose how your retainage under this contract will be held and invested. Please complete and sign this form indicating your preference. If you fail to do so, the City of Sedro-Woolley (City) will hold your retainage as described in "Current Expense", option 1 below.

\_\_\_\_ 1. Current Expense: The City will retain your money in its Current Expense Fund Account until thirty days following final acceptance of the improvement or work as completed. You will not receive interest earned on this money.

\_\_\_\_ 2. Interest Bearing Account: The City will deposit retainage checks in an interest-bearing account in a bank, mutual savings bank, or savings and loan association, not subject to withdrawal until after the final acceptance of the improvement or work as completed or until agreed to by both parties. Interest on the account will be paid to you.

\_\_\_\_ 3. Escrow / Investments: The City will place the retainage checks in escrow with a bank or trust company until thirty days following the final acceptance of the improvement or work as completed. When the monies reserved are to be placed in escrow, the City will issue a check representing the sum of the monies reserve payable to the bank or trust company and you jointly. This check will be converted into bonds and securities chosen by you and approved by the City and these bonds and securities will be held in escrow. Interest on these bonds and securities will be paid to you as interest accrues. Selection of this option requires an escrow agreement to be completed by the contractor. The City of Sedro-Woolley will provide the form for use by the contractor. If the contractor elects to use the Escrow Investment option, please complete attached Escrow Agreement.

**BONDS AND SECURITIES ACCEPTABLE BY THE CITY OF SEDRO-WOOLLEY:**

1. Bills, certificates, notes or bonds of the United States.
2. Other obligations of the United States or its agencies.
3. Indebtedness of the Federal national Mortgage Association.
4. Time Deposits in commercial banks.

Designate below the type of investment selected:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_ 4. Bond-in-Lieu: With the consent of the City, the contractor may submit a bond for

all or any portion of the amount of funds retained by the City in a form acceptable to the City and from a bonding company meeting standards established by the City, if any. Unless otherwise indicated, the contractor elects to submit a bond for the entire 5% retainage amount. Such bond and any proceeds there from shall be made subject to all claims and liens and in the same manner and priority as set forth for retained percentages in Chapter 60.28 RCW. Whenever the City accepts a bond-in-lieu of retained funds from a contractor, the contractor shall accept like bonds from any subcontractors or suppliers from which the contractor has retained funds. The contractor shall then release the funds retained from the subcontractor or supplier, to the subcontractor or supplier, within thirty days of the contractor's receipt of the retained funds from the City.

Retainage is normally released 30 - 45 days after final acceptance of work by the City, or following receipt of Labor and Industries / Department of Revenue clearance, whichever takes longer.

---

(Contractor's Signature)

Date

---

Title

**RETAINAGE ACCOUNT** \_\_\_\_\_

**CITY** \_\_\_\_\_

**ESCROW AGREEMENT / INTEREST BEARING ACCOUNT**

TO: \_\_\_\_\_

Bank or Trust Company

\_\_\_\_\_  
Branch

\_\_\_\_\_  
Attn:

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City, State, Zip

The undersigned \_\_\_\_\_ hereinafter referred to as the Contractor, has directed the City of Sedro-Woolley, hereinafter referred to as the City, to deliver to you its warrants or checks which shall be payable to you and the Contractor jointly. Such warrants or checks are to be held and disposed of by you in accordance with the following instructions and upon the terms and conditions hereinafter set forth.

**INSTRUCTIONS**

1. The City shall deliver to you from time to time warrants or checks payable jointly to you and the Contractor. You are hereby authorized by the Contractor to endorse in the Contractor's name any such warrant or check so that you may receive the proceeds thereof and invest the same. The power of endorsement hereby granted to you by the Contractor shall be deemed a power coupled with an interest and shall be irrevocable during the term of this escrow / interest bearing account. Although you may be a payee named in such warrants or checks as shall be delivered to you, your duties and responsibilities with respect to the same shall be only those duties and responsibilities which a depository bank would have pursuant to Article 4 of the Uniform Commercial Code of the State of Washington for an item deposited with it for collection as of the date such warrant or check shall be delivered to you. The proceeds from collections shall be used by you to purchase, as directed by the Contractor, bonds or other securities chosen by the Contractor and approved by you, and the City. For the purpose of each such purchase, you may follow the last written direction received by you from the Contractor, provided such direction otherwise conforms with the restrictions on investments recited herein. A list of such bonds, or other securities approved by the City are indicated on the Retainage Investment Option form. No further approval is necessary if any of these bonds or securities are selected by the Contractor. Other bonds or securities, except stocks, may be selected by the Contractor, subject to express written approval of you and the City. Purchase of such bonds or other securities shall be in a form which shall allow you alone to reconvert such bonds or other securities into money if you are required to do so by the City as provided in Paragraph 4 of the Escrow Agreement.

The investments selected by the Contractor, approved by the City and purchased by you must mature on or prior to the date set for the completion of the contract, including extensions thereof or thirty days following the final acceptance of said improvement or work.

2. When and as interest on the securities held by you pursuant to this agreement accrues and is paid, you shall collect such interest and forward it to the Contractor at its address designated below unless with your written consent you are otherwise directed in writing by the Contractor.

3. You are not authorized to deliver to the Contractor all or any part of the securities held by you pursuant to this agreement (or any monies derived from the sale of such securities, or the negotiation of the City's warrants or checks) except in accordance with written instructions from the City. The City shall inform you and keep you informed in writing of the name of the person or persons with authority to give you such written instructions. Compliance with such instruction shall relieve you of any further liability related thereto. The estimated completion date on the contract underlying this Escrow / Interest Bearing Account Agreement is \_\_\_\_\_ . Upon request by you, the City shall advise you in writing of any change in the estimated completion date. If the estimated completion date is changed, you are authorized to reinvest the monies held hereunder in accordance with the new estimated completion date.

4. In the event the City orders you to do so in writing, and notwithstanding any other provisions of this agreement you shall, within thirty-five (35) days of receipt of such order, reconvert into money the securities held by you pursuant to this agreement and return such money together with any other monies, including accrued interest on such securities, held by you hereunder, to the City.

5. The Contractor agrees to pay you as compensation for your services hereunder as follows:

---

---

Payment of all fees shall be the sole responsibility of the Contractor and shall not be deducted from any property placed with you pursuant to this agreement until and unless the City directs the release to the Contractor of the securities and monies held hereunder whereupon you shall be granted a first lien upon such property released and shall be entitled to reimburse yourself from such property for the entire amount of your fees and any amounts which might be owing as provided for herein. In the event that you are made a party to any litigation with respect to the property held by you hereunder, or in the event that the conditions of this escrow are not promptly fulfilled or that you are required to render any services not provided for in these instructions, or that there is any assignment of the interest of this escrow or any modifications hereof, you shall be entitled to reasonable compensation for such extraordinary services from the Contractor and reimbursement from the Contractor for all costs and expenses, including attorney fees occasioned by such default, delay, controversy or litigations.

6. Should you at any time and for any reason desire to be relieved of your obligations as escrow or interest bearing account holder hereunder, you shall give written notice to the City and Contractor. The City and Contractor shall, within 20 days of the receipt of such notice, jointly appoint a successor escrow holder and instruct you to deliver all securities and funds held hereunder to said successor. If you are not notified of the appointment of the successor escrow holder within 20 days, you may return the subject matter hereof to the City and upon doing, it absolves you from all further charges and obligations in connection with this escrow or interest bearing account.

7. This agreement shall not be binding until executed by the Contractor and City and accepted by you.

8. This instrument contains the entire agreement between you, the Contractor and the City with respect to this escrow and you are not a party to nor bound by any instrument or agreement other than this; you shall not be required to take notice if any default or any other matter, not bound by nor required to give notice or demand, nor required to take any action whatever except as herein expressly provided; you shall not be liable for any loss or damage not caused by your own negligence or willful misconduct.

9. The foregoing provisions shall be binding upon the assigns, successors, personal representatives and heirs of the parties hereto.

The undersigned have read and hereby approve the instructions as given above governing the administration of this escrow or interest bearing account and do hereby execute this agreement on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Contractor

BY: \_\_\_\_\_  
Signature & Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip

**CITY OF SEDRO-WOOLLEY**

City

BY: \_\_\_\_\_  
Authorized Signature & Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip

ATTESTED BY:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney

The above escrow instructions received and accepted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Bank or Trust Company

By: \_\_\_\_\_

# EXHIBIT A



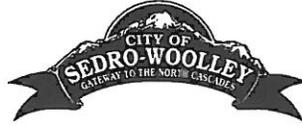
CITY OF SEDRO-WOOLLEY  
 2014 ON-CALL CONSTRUCTION SERVICES  
**SAMPLE LABOR AND EQUIPMENT RATE SHEET (Note 1)**

Contractor Name: *Action Excavating Inc*

| ITEM   | BASE HOURLY RATE (1) | OVERTIME HOURLY RATE |
|--|----------------------|----------------------|
| <b>Labor Rates (Note 1)</b>  |                      |                      |
| Superintendent/Supervisor  | 70.00                | 105.00               |
| Foreman  | 70.00                | 105.00               |
| Operator   | 68.00                | 102.00               |
| Pipe Layer   | 60.00                | 90.00                |
| Laborer Foreman  | 60.00                | 90.00                |
| General Laborer  | 60.00                | 90.00                |
| Dumptruck/Lobed Driver   | 50.00                | 75.00                |
| Flagger/TCS  | 50.00                | 75.00                |
| Flagger  | 50.00                | 75.00                |
| <b>Material Markup Rate, % (Note 2)</b>  |                      |                      |
|  | 15%                  |                      |
| <b>Estimated Mobilization/Demobilization Cost per unit to Sedro-Woolley (Note 3)</b> |                      |                      |
|  | 240.00               |                      |
| <b>Equipment Rates (Note 4)</b>  |                      |                      |
|  | <b>Unit Cost</b>     | <b>Unit</b>          |
| 3/4 Ton Pickup with tools  | 7.00                 | Per Hour             |
| 1 Ton Service Truck with tools   | 10.00                | Per Hour             |
| Air Compressor with tools  | 15.00                | Per Hour             |
| Rubber Tire Backhoe, 80-99 HP (Deere 310SE or equivalent)                            | 40.00                | Per Hour             |
| Mini Excavator   | 50.00                | Per Hour             |
| Excavator, 6-8 Ton (Deere 160LC or equivalent)                                       | 50.00                | Per Hour             |
| Excavator, 6-8 Ton (Deere 190E or equivalent)  | 65.00                | Per Hour             |
| Excavator, 8.1-12 Ton (Deere 290D or equivalent)                                     | 85.00                | Per Hour             |
| Cat 936-950 Rubber Tire Wheel Loader (or equivalent)                                 | 65.00                | Per Hour             |
| Cat D4 Dozer (or equivalent)   | 65.00                | Per Hour             |
| Double Drum Vibratory Roller Compactor   | 50.00                | Per Hour             |
| Jumping Jack Compactor   | 20.00                | Per Hour             |
| Plate Compactor  | 20.00                | Per Hour             |
| Hoe-Pac Backhoe or excavator attachment  | 5.00                 | Per Hour             |
| 2" Trash Pump w/ suction & discharge hose  | 1.00                 | Per Hour             |
| Equipment Truck/Lowboy Trailer   | 65.00                | Per Hour             |
| 7 CY Dump Truck 2 Axle Solo  | 50.00                | Per Hour             |
| 10 CY Dump Truck 3 Axle w/Trailer  | 65.00                | Per Hour             |
| Hydraulic Boom Truck   | 50.00                | Per Hour             |
| Sweeper  | 45.00                | Per Hour             |
| Trench Shoring Box   | 1.00                 | Per Day              |
| Manhole Shoring Box  | 1.00                 | Per Day              |
| Speed Shores   | 250.00               | Per Day              |
| Steel Crossing Plate   | 25.00                | Per Day              |
| Traffic Control Equipment (Work Ahead, Detour, etc)                                  | 1.00                 | Per Day              |
| Asphalt Saw, walk behind   | 200.00               | Per Day              |

**NOTES:**

1. This Rate Sheet is provided for example only. Contractor may provide their own standard Rate Sheet as long as it provides the requested information or equivalent.
2. Material markup rate as a percent to be applied to materials furnished per invoice before sales tax.
3. Mobilization/Demobilization Cost (Round Trip) - One mobilization/demobilization will be paid per project, unless agreed to otherwise.
4. Labor and Equipment rates to include insurance, L&I, small tools, markup & etc. but not sales tax. Sales tax will be applied on net invoice amount.



## PUBLIC WORKS AGREEMENT 2014-PW-08

### Project Name: On-Call Construction Services Agreement

The City of Sedro-Woolley, a municipal corporation of the State of Washington (hereinafter the "City"); and **P & P Excavating LLC, 2499 E Smith Road, Bellingham, WA 98226** (hereinafter the "Contractor") hereby agree as follows:

**I. THE PROJECT:** The Contractor agrees to complete the following project, utilizing the best available materials and labor, and in accordance with bid specifications and contractor's proposal (if any), project plans and technical specifications:

Project description: **On-Call Construction Services Agreement for miscellaneous construction services of an emergent nature.**

**II. GENERAL CONDITIONS:** The General Conditions of this agreement are the Standard Specifications for Road, Bridge and Municipal Construction, Current Edition, issued by the State of Washington and the APWA, modified as follows:

**A. Definitions and Terms:**

1. Whenever the terms "Washington State Transportation Commission", "State Department of Transportation", or variations of same are used in the Standard specifications, they shall be construed to mean "City of Sedro-Woolley" or "Owner".

2. Where references are made to the "State Treasurer", the term shall be construed to mean the City's "Finance Director".

3. Where the term "Secretary of Transportation" or "District Administrator" are used, the terms shall be construed to mean the duly authorized representative of the City.

**B. Project Manager:** The term "engineer" is understood to be the City's Project Manager, who is the City's representative to the Contractor for all purposes under this agreement. The City designates **Debbie Allen, Wastewater Treatment Supervisor** as its Project Manager. Contractor designates \_\_\_\_\_ as its Project Manager.

**C. Business License:** A City Business License is required, and Contractor and Sub-Contractors are responsible for payment of the taxes imposed thereunder.

**D. Taxes:** Contractor is responsible for payment of all applicable taxes, including state sales tax on those projects subject to it. Taxes are deemed to be included in the amounts invoiced to the City.

**E. Bonding Requirements:** The City requires the following bonds; combination documents, cash deposits, or assigned savings accounts are acceptable alternatives:

1. Bid Bond: 5%, if the work is subject to bid procedures;

2. Contract bond in the form made a part of this agreement. In lieu thereof for projects of \$35,000 or less, at the contractor's option, retainage of 50% will be held until releasable under RCW 39.08.010.

**F. Insurance:** The Contractor shall provide proof to the City that it is insured under **automobile and vehicle liability insurance** covering claims for injuries to members of the public and/or damages to property of others arising from use of motor vehicles, including onsite and offsite operations, and owned, non-owned, or hired vehicles, and general **comprehensive liability insurance** covering the work within the scope of this agreement, in such form and with policy limits in such amounts (\$1 Million minimum) as are acceptable to the City.

The Contractor agrees to name the City as an **additional insured** when obtaining liability insurance and to provide a **Certificate of Insurance** to this effect.

G. **Traffic Control:** The Contractor shall furnish all flagging and maintain all temporary traffic control signs and devices necessary to control traffic during construction operations at all locations. Traffic control plans and traffic control signs and devices shall conform to the Manual on Uniform Traffic Control Devices as adopted by the State of Washington, and shall be approved in advance by the City. Unless provided for specifically in the contract, no additional compensation will be made for traffic control.

### III. PAYMENT

A. The maximum payable hereunder is **\$35,000.00**

B. Individual Task Orders will specify the method of compensation, which will be on a Time & Expense Not To Exceed basis per rates established in **Exhibit A**, Labor and Equipment Rate Sheet, or agreed Lump Sum Price.

C. The Contractor will be paid on the basis of invoices for work satisfactorily completed. Invoices are submitted to the Project Manager for approval prior to payment. No final payment shall be made until the project is accepted by the City.

D. Prior to any payment hereunder, contractor is responsible for complying with applicable Department of Labor and Industries and Department of Revenue requirements and procedures. (General conditions section 1-07.9. If Federal Funds, Davis-Bacon Act and U. S. Department of Labor requirements.) This includes obtaining and timely filing of Intent to Pay Prevailing Wages, Affidavit of Wages paid, Notice of Completion of Public Works Contract, and any other required documents.

E. Retainage will be administered in accordance with RCW 60.28.010(1).

### IV. SCOPE OF PROJECT, TECHNICAL SPECIFICATIONS AND CONDITIONS OF WORK:

A. Term of contract: This contract anticipates repair or restoration work that cannot be definitively scheduled due to its emergent nature. As a result, contractor shall begin work within five days of Notice to Proceed or as otherwise agreed, and will complete work within a timeline as mutually agreed with the Project Manager. All terms of this contract will expire **February 28, 2015**.

B. To the extent not inconsistent with this agreement, this contract includes the Invitation to Bid and Proposal, and contract plans and specifications, all incorporated herein by this reference.

C. Scope of project: **Per Task Order**

D. Joinder in Arbitration Proceedings. If the City and any third party agree to binding arbitration as the method of dispute resolution between them and their claims or any of them arise out of or are related to Contractor's services, Contractor agrees to be joined in such arbitration proceeding as a party and that the Arbitrator(s) decision therein shall be final and binding on Contractor and judgment may be entered upon it in any court having jurisdiction thereof.

E. Indemnification.

1. Contractor shall indemnify, defend, and hold the City harmless from and against any claim, damages, losses, liability or expense arising out of its breach of contract or negligence.

2. Contractor's duty to indemnify City shall not apply to liability for damages arising out of bodily injury to persons or damage caused to property caused by or resulting from the sole negligence of City or City's agents or employees.

3. Contractor's duty to indemnify City for liability for damages arising out of bodily injury or damage to property caused by or resulting from the concurrent negligence of (a) City or City's agents or employees, (b) Contractor and Contractor's agents or employees, or (c)

any third parties shall apply only to the extent of negligence of Contractor or Contractor's agents or employees.

4. Contractor specifically and expressly waives any immunity that may be granted it under the Washington State Industrial Insurance Act, Title 51 RCW. Further, the indemnification obligation under this AGREEMENT shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable to or for any third party under workers' compensation acts, disability benefit acts, or other employee benefit acts; provided Contractor's waiver of immunity by the provisions of this paragraph extends only to claims against Contractor by City, and not include, or extend to, any claims by Contractor's employees directly against Contractor.

5. Contractor's duty to defend, indemnify, and hold City harmless shall include, as to all claims, demands, losses, and liabilities to which it applies City's personnel-related costs, attorneys' fees, and all other costs whether or not taxable by statute or court rule.

F. Attorneys Fees. The prevailing party in any litigation of any dispute arising out of this agreement shall be entitled to its actual attorneys fees incurred and all costs of such litigation (including expert witness fees) in addition to any costs otherwise taxable by statute or court rule.

G. MRSC Roster Registration. If required, the Contractor shall register or maintain registration on the MRSC Small Works Contractor Roster.

H. Washington State Department of Retirement Systems. Have you retired under the 2008 early retirement factors? Yes  No  N/A

I. Debarment. Contractor represents and agrees that it is not listed on any state or federal debarment list and further agrees that none of its sub-contractors are listed on any state or federal debarment list.

EXECUTED, this the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, for the Contractor, \_\_\_\_\_

\_\_\_\_\_  
, Contractor

EXECUTED, this the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, for the CITY OF SEDRO-WOOLLEY:

\_\_\_\_\_  
Mike Anderson, Mayor

Attest:

\_\_\_\_\_  
Finance Director

Approved as to form:

\_\_\_\_\_  
City Attorney

**RETAINAGE INVESTMENT OPTION**

CONTRACTOR: \_\_\_\_\_

PROJECT NAME: \_\_\_\_\_

DATE: \_\_\_\_\_

Pursuant to Chapter 60.28 RCW, you may choose how your retainage under this contract will be held and invested. Please complete and sign this form indicating your preference. If you fail to do so, the City of Sedro-Woolley (City) will hold your retainage as described in "Current Expense", option 1 below.

\_\_\_\_\_ 1. Current Expense: The City will retain your money in its Current Expense Fund Account until thirty days following final acceptance of the improvement or work as completed. You will not receive interest earned on this money.

\_\_\_\_\_ 2. Interest Bearing Account: The City will deposit retainage checks in an interest-bearing account in a bank, mutual savings bank, or savings and loan association, not subject to withdrawal until after the final acceptance of the improvement or work as completed or until agreed to by both parties. Interest on the account will be paid to you.

\_\_\_\_\_ 3. Escrow / Investments: The City will place the retainage checks in escrow with a bank or trust company until thirty days following the final acceptance of the improvement or work as completed. When the monies reserved are to be placed in escrow, the City will issue a check representing the sum of the monies reserve payable to the bank or trust company and you jointly. This check will be converted into bonds and securities chosen by you and approved by the City and these bonds and securities will be held in escrow. Interest on these bonds and securities will be paid to you as interest accrues. Selection of this option requires an escrow agreement to be completed by the contractor. The City of Sedro-Woolley will provide the form for use by the contractor. If the contractor elects to use the Escrow Investment option, please complete attached Escrow Agreement.

**BONDS AND SECURITIES ACCEPTABLE BY THE CITY OF SEDRO-WOOLLEY:**

1. Bills, certificates, notes or bonds of the United States.
2. Other obligations of the United States or its agencies.
3. Indebtedness of the Federal national Mortgage Association.
4. Time Deposits in commercial banks.

Designate below the type of investment selected:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- \_\_\_\_\_ 4. Bond-in-Lieu: With the consent of the City, the contractor may submit a bond for all or any portion of the amount of funds retained by the City in a form acceptable to the City and from a bonding company meeting standards established by the City, if any. Unless otherwise indicated, the contractor elects to submit a bond for the entire 5% retainage amount. Such bond and any proceeds there from shall be made subject to all claims and liens and in the same manner and priority as set forth for retained percentages in Chapter 60.28 RCW. Whenever the City accepts a bond-in-lieu of retained funds from a contractor, the contractor shall accept like bonds from any subcontractors or suppliers from which the contractor has retained funds. The contractor shall then release the funds retained from the subcontractor or supplier, to the subcontractor or supplier, within thirty days of the contractor's receipt of the retained funds from the City.

Retainage is normally released 30 - 45 days after final acceptance of work by the City, or following receipt of Labor and Industries / Department of Revenue clearance, whichever takes longer.

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(Contractor's Signature)

Date

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Title

RETAINAGE ACCOUNT \_\_\_\_\_

CITY \_\_\_\_\_

**ESCROW AGREEMENT / INTEREST BEARING ACCOUNT**

TO: \_\_\_\_\_

Bank or Trust Company

\_\_\_\_\_  
Branch

\_\_\_\_\_  
Attn:

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City, State, Zip

The undersigned \_\_\_\_\_ hereinafter referred to as the Contractor, has directed the City of Sedro-Woolley, hereinafter referred to as the City, to deliver to you its warrants or checks which shall be payable to you and the Contractor jointly. Such warrants or checks are to be held and disposed of by you in accordance with the following instructions and upon the terms and conditions hereinafter set forth.

**INSTRUCTIONS**

1. The City shall deliver to you from time to time warrants or checks payable jointly to you and the Contractor. You are hereby authorized by the Contractor to endorse in the Contractor's name any such warrant or check so that you may receive the proceeds thereof and invest the same. The power of endorsement hereby granted to you by the Contractor shall be deemed a power coupled with an interest and shall be irrevocable during the term of this escrow / interest bearing account. Although you may be a payee named in such warrants or checks as shall be delivered to you, your duties and responsibilities with respect to the same shall be only those duties and responsibilities which a depository bank would have pursuant to Article 4 of the Uniform Commercial Code of the State of Washington for an item deposited with it for collection as of the date such warrant or check shall be delivered to you. The proceeds from collections shall be used by you to purchase, as directed by the Contractor, bonds or other securities chosen by the Contractor and approved by you, and the City. For the purpose of each such purchase, you may follow the last written direction received by you from the Contractor, provided such direction otherwise conforms with the restrictions on investments recited herein. A list of such bonds, or other securities approved by the City are indicated on the Retainage Investment Option form. No further approval is necessary if any of these bonds or securities are selected by the Contractor. Other bonds or securities, except stocks, may be selected by the Contractor, subject to express written approval of you and the City. Purchase of such bonds or other securities shall be in a form which shall allow you alone to reconvert such bonds or other securities into money if you are required to do so by the City as provided in Paragraph 4 of the Escrow Agreement.

The investments selected by the Contractor, approved by the City and purchased by you must mature on or prior to the date set for the completion of the contract, including extensions thereof or thirty days following the final acceptance of said improvement or work.

2. When and as interest on the securities held by you pursuant to this agreement accrues and is paid, you shall collect such interest and forward it to the Contractor at its address designated below unless with your written consent you are otherwise directed in writing by the Contractor.

3. You are not authorized to deliver to the Contractor all or any part of the securities held by you pursuant to this agreement (or any monies derived from the sale of such securities, or the negotiation of the City's warrants or checks) except in accordance with written instructions from the City. The City shall inform you and keep you informed in writing of the name of the person or persons with authority to give you such written instructions. Compliance with such instruction shall relieve you of any further liability related thereto. The estimated completion date on the contract underlying this Escrow / Interest Bearing Account Agreement is \_\_\_\_\_ . Upon request by you, the City shall advise you in writing of any change in the estimated completion date. If the estimated completion date is changed, you are authorized to reinvest the monies held hereunder in accordance with the new estimated completion date.

4. In the event the City orders you to do so in writing, and notwithstanding any other provisions of this agreement you shall, within thirty-five (35) days of receipt of such order, reconvert into money the securities held by you pursuant to this agreement and return such money together with any other monies, including accrued interest on such securities, held by you hereunder, to the City.

5. The Contractor agrees to pay you as compensation for your services hereunder as follows:

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Payment of all fees shall be the sole responsibility of the Contractor and shall not be deducted from any property placed with you pursuant to this agreement until and unless the City directs the release to the Contractor of the securities and monies held hereunder whereupon you shall be granted a first lien upon such property released and shall be entitled to reimburse yourself from such property for the entire amount of your fees and any amounts which might be owing as provided for herein. In the event that you are made a party to any litigation with respect to the property held by you hereunder, or in the event that the conditions of this escrow are not promptly fulfilled or that you are required to render any services not provided for in these instructions, or that there is any assignment of the interest of this escrow or any modifications hereof, you shall be entitled to reasonable compensation for such extraordinary services from the Contractor and reimbursement from the Contractor for all costs and expenses, including attorney fees occasioned by such default, delay, controversy or litigations.

6. Should you at any time and for any reason desire to be relieved of your obligations as escrow or interest bearing account holder hereunder, you shall give written notice to the City and Contractor. The City and Contractor shall, within 20 days of the receipt of such notice, jointly appoint a successor escrow holder and instruct you to deliver all securities and funds held hereunder to said successor. If you are not notified of the appointment of the successor escrow holder within 20 days, you may return the subject matter hereof to the City and upon doing, it absolves you from all further charges and obligations in connection with this escrow or interest bearing account.

7. This agreement shall not be binding until executed by the Contractor and City and accepted by you.

8. This instrument contains the entire agreement between you, the Contractor and the City with respect to this escrow and you are not a party to nor bound by any instrument or agreement other than this; you shall not be required to take notice if any default or any other matter, not bound by nor required to give notice or demand, nor required to take any action whatever except as herein expressly provided; you shall not be liable for any loss or damage not caused by your own negligence or willful misconduct.

9. The foregoing provisions shall be binding upon the assigns, successors, personal representatives and heirs of the parties hereto.

The undersigned have read and hereby approve the instructions as given above governing the administration of this escrow or interest bearing account and do hereby execute this agreement on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Contractor

BY: \_\_\_\_\_  
Signature & Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip

ATTESTED BY:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney

The above escrow instructions received and accepted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Bank or Trust Company

By: \_\_\_\_\_

**CITY OF SEDRO-WOOLLEY**

\_\_\_\_\_  
City

BY: \_\_\_\_\_  
Authorized Signature & Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip

# EXHIBIT A

P&P Excavating LLC  
 2499 E. Smith Rd. Bellingham, WA. 98226  
 Office: 360-592-5374  
 Fax: 360-592-5375  
 Email: [tpullar@aol.com](mailto:tpullar@aol.com)

P. 1 of 2

12/10/2013

**City Of Sedro Woolley 2014 On Call Construction Services**  
**Labor and Equipment Rate sheet for P&P Excavating LLC**

| ITEM   | BASE HOURLY RATE (1)    | OVERTIME HOURLY RATE       |
|--|-------------------------|----------------------------|
| <b>Labor Rates</b>   |                         |                            |
| Superintendent/ Supervisor                                 | \$75.00                 | \$112.50                   |
| Foreman  | \$75.00                 | \$112.50                   |
| Operator   | \$70.00                 | \$105.00                   |
| Pipe Layer   | \$65.00                 | \$97.50                    |
| Laborer Foreman  | \$70.00                 | \$70.00                    |
| General Laborer  | \$65.00                 | \$97.50                    |
| Dump Truck/ LoBed Driver                                   | \$45.00                 | \$67.50                    |
| Flagger/T.C.S  | \$55.00                 | \$82.50                    |
| Flagger  | \$50.00                 | \$75.00                    |
| <b>Material Mark Up Rate, 15%</b>                          |                         |                            |
| <b>Estimated Mobilization/Demobilization Cost Per Unit</b> | LS * 15%<br>\$100.00    | LS 15%<br>\$100.00         |
| <b>Equipment Rates</b>                                     |                         |                            |
|  | <b>Equip Unit Costs</b> | <b>Equip Unit Per Hour</b> |
| 3/4TN Pick Up with Tools (2HR Minimum)                     | \$7.50                  | \$7.50                     |
| 1TN Service Truck with Tools (2HR Minimum)                 | \$10.00                 | \$10.00                    |
| Lo Bed with Trailer  | \$65.00                 | \$65.00                    |
| Transfer Truck and Trailer (33.5TN Pay Load)               | \$65.00                 | \$65.00                    |
| Transfer Truck- Solo (15.5TN Pay Load)                     | \$50.00                 | \$50.00                    |
| 7 Axel Truck With Trailer (30.5TN Payload)                 | \$60.00                 | \$60.00                    |
| 4 Axel End Dump -Solo (12CY)                               | \$50.00                 | \$50.00                    |
| End Dump (5CY)   | \$45.00                 | \$45.00                    |
| Marooka Rubber Track End Dump (5CY)                        | \$50.00                 | \$50.00                    |
| KL 64 Side Dump (30TN Pay Load)                            | \$65.00                 | \$65.00                    |
| Cat 320 Excavator  | \$55.00                 | \$55.00                    |
| Cat 320 Excavator with Misc Hydraulic Attachments          | \$60.00                 | \$60.00                    |
| Hitachi 200 Excavator                                      | \$55.00                 | \$55.00                    |
| Hitachi 200 Excavator with Misc Hydraulic Attachments      | \$60.00                 | \$60.00                    |
| Kobelco SK 100 with Slide/Extended Boom                    | \$30.00                 | \$30.00                    |
| Kobelco SK 115   | \$30.00                 | \$30.00                    |
| Cat 315 Excavator  | \$50.00                 | \$50.00                    |
| Cat 315 Excavator with Hydraulic Clam Shell Attachment     | \$65.00                 | \$65.00                    |
| Cat 303 Mini Excavator                                     | \$25.00                 | \$25.00                    |
| Cat 304 Mini Excavator                                     | \$25.00                 | \$25.00                    |

\* Mobilization/Demobilization \$200 - Per Round Trip, one mobil/demob. will be paid per project, unless agreed to otherwise.  
 /JK

**P&P Excavating LLC**

2499 E. Smith Rd. Bellingham, WA. 98226

Office: 360-592-5374

Fax: 360-592-5375

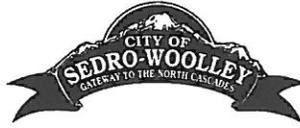
Email: [tpullar@aol.com](mailto:tpullar@aol.com)

P. 2 of 2

12/10/2013

**City of Sedro Woolley 2014 on Call Construction Rates**  
**Labor and Equipment Rate sheet for P&P Excavating LLC**

| <b>Equipment Rates</b>                                   | <b>Equip Unit Costs</b> | <b>Equip Unit Per Hour</b> |
|--|-------------------------|----------------------------|
| Cat 305.5 Mini Excavator                                 | \$30.00                 | \$30.00                    |
| Cat 305.5 Mini Excavator with Brush Mower                | \$35.00                 | \$35.00                    |
| Cat 420D 4x4 Back Hoe                                    | \$20.00                 | \$20.00                    |
| Cat 420D 4x4 Back Hoe with Hoe Pack                      | \$30.00                 | \$30.00                    |
| John Deere 450 Dozer                                     | \$25.00                 | \$25.00                    |
| Cat D-3 Dozer  | \$25.00                 | \$25.00                    |
| Cat D-6 Dozer  | \$65.00                 | \$65.00                    |
| Cat 227 ASV  | \$25.00                 | \$25.00                    |
| Cat 227 ASV with Misc Hydraulic Attachments              | \$30.00                 | \$30.00                    |
| Cat 227 ASV with Street Sweeper Attachment               | \$30.00                 | \$30.00                    |
| Cat CS-423 Roller  | \$15.00                 | \$15.00                    |
| Case DV 202 Double Drum Roller                           | \$15.00                 | \$15.00                    |
| Bomag Walk Behind Double Drum Roller                     | \$10.00                 | \$10.00                    |
| Plate Compactor  | \$5.00                  | \$5.00                     |
| Tow Behind Air Compressor with Hoses & Misc Attachments  | \$15.00                 | \$15.00                    |
| Jumping Jack Compactor                                   | \$5.00                  | \$5.00                     |
| 2" Trash Pump  | \$5.00                  | \$5.00                     |
| <b>Day Rate Equipment Prices</b>                         | <b>Day Rate</b>         | <b>Day Rate/Each</b>       |
| Asphalt Saw (Walk Behind)                                | Day Rate \$120.00       | DAY RATE \$120.00          |
| Trench Shoring Box (EACH)                                | Day Rate EA\$75.00      | EACH \$75.00               |
| Manhole Shoring Box (EACH)                               | Day Rate EA\$60.00      | EACH \$60.00               |
| Steel Crossing Plates (Each)                             | Day Rate EA\$15.00      | EACH \$15.00               |
| Speed Shoreing (EACH)                                    | Day Rate EA \$8.50      | EACH \$8.50                |
| Traffic Control Signnage (Work Ahead, Road Closed, Etc.) | Day Rate EA \$1.50      | EACH \$1.50                |



## PUBLIC WORKS AGREEMENT 2014-PW-09

### Project Name: On-Call Construction Services Agreement

The City of Sedro-Woolley, a municipal corporation of the State of Washington (hereinafter the "City"); and **Interwest Construction Inc., 609 N Hill Blvd, Burlington, WA 98233** (hereinafter the "Contractor") hereby agree as follows:

**I. THE PROJECT:** The Contractor agrees to complete the following project, utilizing the best available materials and labor, and in accordance with bid specifications and contractor's proposal (if any), project plans and technical specifications:

Project description: **On-Call Construction Services Agreement for miscellaneous construction services of an emergent nature.**

**II. GENERAL CONDITIONS:** The General Conditions of this agreement are the Standard Specifications for Road, Bridge and Municipal Construction, Current Edition, issued by the State of Washington and the APWA, modified as follows:

**A. Definitions and Terms:**

1. Whenever the terms "Washington State Transportation Commission", "State Department of Transportation", or variations of same are used in the Standard specifications, they shall be construed to mean "City of Sedro-Woolley" or "Owner".

2. Where references are made to the "State Treasurer", the term shall be construed to mean the City's "Finance Director".

3. Where the term "Secretary of Transportation" or "District Administrator" are used, the terms shall be construed to mean the duly authorized representative of the City.

**B. Project Manager:** The term "engineer" is understood to be the City's Project Manager, who is the City's representative to the Contractor for all purposes under this agreement. The City designates **Debbie Allen, Wastewater Treatment Supervisor** as its Project Manager. Contractor designates \_\_\_\_\_ as its Project Manager.

**C. Business License:** A City Business License is required, and Contractor and Sub-Contractors are responsible for payment of the taxes imposed thereunder.

**D. Taxes:** Contractor is responsible for payment of all applicable taxes, including state sales tax on those projects subject to it. Taxes are deemed to be included in the amounts invoiced to the City.

**E. Bonding Requirements:** The City requires the following bonds; combination documents, cash deposits, or assigned savings accounts are acceptable alternatives:

1. Bid Bond: 5%, if the work is subject to bid procedures;

2. Contract bond in the form made a part of this agreement. In lieu thereof for projects of \$35,000 or less, at the contractor's option, retainage of 50% will be held until releasable under RCW 39.08.010.

**F. Insurance:** The Contractor shall provide proof to the City that it is insured under **automobile and vehicle liability insurance** covering claims for injuries to members of the public and/or damages to property of others arising from use of motor vehicles, including onsite and offsite operations, and owned, non-owned, or hired vehicles, and general **comprehensive liability insurance** covering the work within the scope of this agreement, in such form and with policy limits in such amounts (\$1 Million minimum) as are acceptable to the City.

The Contractor agrees to name the City as an **additional insured** when obtaining liability insurance and to provide a **Certificate of Insurance** to this effect.

G. **Traffic Control:** The Contractor shall furnish all flagging and maintain all temporary traffic control signs and devices necessary to control traffic during construction operations at all locations. Traffic control plans and traffic control signs and devices shall conform to the Manual on Uniform Traffic Control Devices as adopted by the State of Washington, and shall be approved in advance by the City. Unless provided for specifically in the contract, no additional compensation will be made for traffic control.

### III. PAYMENT

A. The maximum payable hereunder is **\$35,000.00**

B. Individual Task Orders will specify the method of compensation, which will be on a Time & Expense Not To Exceed basis per rates established in **Exhibit A**, Labor and Equipment Rate Sheet, or agreed Lump Sum Price.

C. The Contractor will be paid on the basis of invoices for work satisfactorily completed. Invoices are submitted to the Project Manager for approval prior to payment. No final payment shall be made until the project is accepted by the City.

D. Prior to any payment hereunder, contractor is responsible for complying with applicable Department of Labor and Industries and Department of Revenue requirements and procedures. (General conditions section 1-07.9. If Federal Funds, Davis-Bacon Act and U. S. Department of Labor requirements.) This includes obtaining and timely filing of Intent to Pay Prevailing Wages, Affidavit of Wages paid, Notice of Completion of Public Works Contract, and any other required documents.

E. Retainage will be administered in accordance with RCW 60.28.010(1).

### IV. SCOPE OF PROJECT, TECHNICAL SPECIFICATIONS AND CONDITIONS OF WORK:

A. Term of contract: This contract anticipates repair or restoration work that cannot be definitively scheduled due to its emergent nature. As a result, contractor shall begin work within five days of Notice to Proceed or as otherwise agreed, and will complete work within a timeline as mutually agreed with the Project Manager. All terms of this contract will expire **February 28, 2015**.

B. To the extent not inconsistent with this agreement, this contract includes the Invitation to Bid and Proposal, and contract plans and specifications, all incorporated herein by this reference.

C. Scope of project: **Per Task Order**

D. Joinder in Arbitration Proceedings. If the City and any third party agree to binding arbitration as the method of dispute resolution between them and their claims or any of them arise out of or are related to Contractor's services, Contractor agrees to be joined in such arbitration proceeding as a party and that the Arbitrator(s) decision therein shall be final and binding on Contractor and judgment may be entered upon it in any court having jurisdiction thereof.

E. Indemnification.

1. Contractor shall indemnify, defend, and hold the City harmless from and against any claim, damages, losses, liability or expense arising out of its breach of contract or negligence.

2. Contractor's duty to indemnify City shall not apply to liability for damages arising out of bodily injury to persons or damage caused to property caused by or resulting from the sole negligence of City or City's agents or employees.

3. Contractor's duty to indemnify City for liability for damages arising out of bodily injury or damage to property caused by or resulting from the concurrent negligence of (a) City or City's agents or employees, (b) Contractor and Contractor's agents or employees, or (c)

any third parties shall apply only to the extent of negligence of Contractor or Contractor's agents or employees.

4. Contractor specifically and expressly waives any immunity that may be granted it under the Washington State Industrial Insurance Act, Title 51 RCW. Further, the indemnification obligation under this AGREEMENT shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable to or for any third party under workers' compensation acts, disability benefit acts, or other employee benefit acts; provided Contractor's waiver of immunity by the provisions of this paragraph extends only to claims against Contractor by City, and not include, or extend to, any claims by Contractor's employees directly against Contractor.

5. Contractor's duty to defend, indemnify, and hold City harmless shall include, as to all claims, demands, losses, and liabilities to which it applies City's personnel-related costs, attorneys' fees, and all other costs whether or not taxable by statute or court rule.

F. Attorneys Fees. The prevailing party in any litigation of any dispute arising out of this agreement shall be entitled to its actual attorneys fees incurred and all costs of such litigation (including expert witness fees) in addition to any costs otherwise taxable by statute or court rule.

G. MRSC Roster Registration. If required, the Contractor shall register or maintain registration on the MRSC Small Works Contractor Roster.

H. Washington State Department of Retirement Systems. Have you retired under the 2008 early retirement factors? Yes  No  N/A

I. Debarment. Contractor represents and agrees that it is not listed on any state or federal debarment list and further agrees that none of its sub-contractors are listed on any state or federal debarment list.

EXECUTED, this the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, for the Contractor, \_\_\_\_\_

\_\_\_\_\_  
, Contractor

EXECUTED, this the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, for the CITY OF SEDRO-WOOLLEY:

\_\_\_\_\_  
Mike Anderson, Mayor

Attest:

\_\_\_\_\_  
Finance Director

Approved as to form:

\_\_\_\_\_  
City Attorney

**RETAINAGE INVESTMENT OPTION**

CONTRACTOR: \_\_\_\_\_

PROJECT NAME: \_\_\_\_\_

DATE: \_\_\_\_\_

Pursuant to Chapter 60.28 RCW, you may choose how your retainage under this contract will be held and invested. Please complete and sign this form indicating your preference. If you fail to do so, the City of Sedro-Woolley (City) will hold your retainage as described in "Current Expense", option 1 below.

\_\_\_\_\_ 1. Current Expense: The City will retain your money in its Current Expense Fund Account until thirty days following final acceptance of the improvement or work as completed. You will not receive interest earned on this money.

\_\_\_\_\_ 2. Interest Bearing Account: The City will deposit retainage checks in an interest-bearing account in a bank, mutual savings bank, or savings and loan association, not subject to withdrawal until after the final acceptance of the improvement or work as completed or until agreed to by both parties. Interest on the account will be paid to you.

\_\_\_\_\_ 3. Escrow / Investments: The City will place the retainage checks in escrow with a bank or trust company until thirty days following the final acceptance of the improvement or work as completed. When the monies reserved are to be placed in escrow, the City will issue a check representing the sum of the monies reserve payable to the bank or trust company and you jointly. This check will be converted into bonds and securities chosen by you and approved by the City and these bonds and securities will be held in escrow. Interest on these bonds and securities will be paid to you as interest accrues. Selection of this option requires an escrow agreement to be completed by the contractor. The City of Sedro-Woolley will provide the form for use by the contractor. If the contractor elects to use the Escrow Investment option, please complete attached Escrow Agreement.

**BONDS AND SECURITIES ACCEPTABLE BY THE CITY OF SEDRO-WOOLLEY:**

1. Bills, certificates, notes or bonds of the United States.
2. Other obligations of the United States or its agencies.
3. Indebtedness of the Federal national Mortgage Association.
4. Time Deposits in commercial banks.

Designate below the type of investment selected:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ 4. Bond-in-Lieu: With the consent of the City, the contractor may submit a bond for

all or any portion of the amount of funds retained by the City in a form acceptable to the City and from a bonding company meeting standards established by the City, if any. Unless otherwise indicated, the contractor elects to submit a bond for the entire 5% retainage amount. Such bond and any proceeds there from shall be made subject to all claims and liens and in the same manner and priority as set forth for retained percentages in Chapter 60.28 RCW. Whenever the City accepts a bond-in-lieu of retained funds from a contractor, the contractor shall accept like bonds from any subcontractors or suppliers from which the contractor has retained funds. The contractor shall then release the funds retained from the subcontractor or supplier, to the subcontractor or supplier, within thirty days of the contractor's receipt of the retained funds from the City.

Retainage is normally released 30 - 45 days after final acceptance of work by the City, or following receipt of Labor and Industries / Department of Revenue clearance, whichever takes longer.

---

(Contractor's Signature)

Date

---

Title

RETAINAGE ACCOUNT \_\_\_\_\_

CITY \_\_\_\_\_

**ESCROW AGREEMENT / INTEREST BEARING ACCOUNT**

TO: \_\_\_\_\_

Bank or Trust Company

\_\_\_\_\_  
Branch

\_\_\_\_\_  
Attn:

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City, State, Zip

The undersigned \_\_\_\_\_ hereinafter referred to as the Contractor, has directed the City of Sedro-Woolley, hereinafter referred to as the City, to deliver to you its warrants or checks which shall be payable to you and the Contractor jointly. Such warrants or checks are to be held and disposed of by you in accordance with the following instructions and upon the terms and conditions hereinafter set forth.

**INSTRUCTIONS**

1. The City shall deliver to you from time to time warrants or checks payable jointly to you and the Contractor. You are hereby authorized by the Contractor to endorse in the Contractor's name any such warrant or check so that you may receive the proceeds thereof and invest the same. The power of endorsement hereby granted to you by the Contractor shall be deemed a power coupled with an interest and shall be irrevocable during the term of this escrow / interest bearing account. Although you may be a payee named in such warrants or checks as shall be delivered to you, your duties and responsibilities with respect to the same shall be only those duties and responsibilities which a depository bank would have pursuant to Article 4 of the Uniform Commercial Code of the State of Washington for an item deposited with it for collection as of the date such warrant or check shall be delivered to you. The proceeds from collections shall be used by you to purchase, as directed by the Contractor, bonds or other securities chosen by the Contractor and approved by you, and the City. For the purpose of each such purchase, you may follow the last written direction received by you from the Contractor, provided such direction otherwise conforms with the restrictions on investments recited herein. A list of such bonds, or other securities approved by the City are indicated on the Retainage Investment Option form. No further approval is necessary if any of these bonds or securities are selected by the Contractor. Other bonds or securities, except stocks, may be selected by the Contractor, subject to express written approval of you and the City. Purchase of such bonds or other securities shall be in a form which shall allow you alone to reconvert such bonds or other securities into money if you are required to do so by the City as provided in Paragraph 4 of the Escrow Agreement.

The investments selected by the Contractor, approved by the City and purchased by you must mature on or prior to the date set for the completion of the contract, including extensions thereof or thirty days following the final acceptance of said improvement or work.

2. When and as interest on the securities held by you pursuant to this agreement accrues and is paid, you shall collect such interest and forward it to the Contractor at its address designated below unless with your written consent you are otherwise directed in writing by the Contractor.

3. You are not authorized to deliver to the Contractor all or any part of the securities held by you pursuant to this agreement (or any monies derived from the sale of such securities, or the negotiation of the City's warrants or checks) except in accordance with written instructions from the City. The City shall inform you and keep you informed in writing of the name of the person or persons with authority to give you such written instructions. Compliance with such instruction shall relieve you of any further liability related thereto. The estimated completion date on the contract underlying this Escrow / Interest Bearing Account Agreement is \_\_\_\_\_. Upon request by you, the City shall advise you in writing of any change in the estimated completion date. If the estimated completion date is changed, you are authorized to reinvest the monies held hereunder in accordance with the new estimated completion date.

4. In the event the City orders you to do so in writing, and notwithstanding any other provisions of this agreement you shall, within thirty-five (35) days of receipt of such order, reconvert into money the securities held by you pursuant to this agreement and return such money together with any other monies, including accrued interest on such securities, held by you hereunder, to the City.

5. The Contractor agrees to pay you as compensation for your services hereunder as follows:

---

Payment of all fees shall be the sole responsibility of the Contractor and shall not be deducted from any property placed with you pursuant to this agreement until and unless the City directs the release to the Contractor of the securities and monies held hereunder whereupon you shall be granted a first lien upon such property released and shall be entitled to reimburse yourself from such property for the entire amount of your fees and any amounts which might be owing as provided for herein. In the event that you are made a party to any litigation with respect to the property held by you hereunder, or in the event that the conditions of this escrow are not promptly fulfilled or that you are required to render any services not provided for in these instructions, or that there is any assignment of the interest of this escrow or any modifications hereof, you shall be entitled to reasonable compensation for such extraordinary services from the Contractor and reimbursement from the Contractor for all costs and expenses, including attorney fees occasioned by such default, delay, controversy or litigations.

6. Should you at any time and for any reason desire to be relieved of your obligations as escrow or interest bearing account holder hereunder, you shall give written notice to the City and Contractor. The City and Contractor shall, within 20 days of the receipt of such notice, jointly appoint a successor escrow holder and instruct you to deliver all securities and funds held hereunder to said successor. If you are not notified of the appointment of the successor escrow holder within 20 days, you may return the subject matter hereof to the City and upon doing, it absolves you from all further charges and obligations in connection with this escrow or interest bearing account.

7. This agreement shall not be binding until executed by the Contractor and City and accepted by you.

8. This instrument contains the entire agreement between you, the Contractor and the City with respect to this escrow and you are not a party to nor bound by any instrument or agreement other than this; you shall not be required to take notice if any default or any other matter, not bound by nor required to give notice or demand, nor required to take any action whatever except as herein expressly provided; you shall not be liable for any loss or damage not caused by your own negligence or willful misconduct.

9. The foregoing provisions shall be binding upon the assigns, successors, personal representatives and heirs of the parties hereto.

The undersigned have read and hereby approve the instructions as given above governing the administration of this escrow or interest bearing account and do hereby execute this agreement on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Contractor

BY: \_\_\_\_\_  
Signature & Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip

**CITY OF SEDRO-WOOLLEY**

\_\_\_\_\_  
City

BY: \_\_\_\_\_  
Authorized Signature & Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip

ATTESTED BY:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney

The above escrow instructions received and accepted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Bank or Trust Company

By: \_\_\_\_\_

# EXHIBIT A



CITY OF SEDRO-WOOLLEY  
 2014 ON-CALL CONSTRUCTION SERVICES  
**SAMPLE LABOR AND EQUIPMENT RATE SHEET (Note 1)**

Contractor Name: Interwest Construction Inc.

| ITEM   | BASE HOURLY RATE (1) | OVERTIME HOURLY RATE |
|--|----------------------|----------------------|
| <b>Labor Rates (Note 1)</b>  |                      |                      |
| Superintendent/Supervisor  | 75.00                |                      |
| Foreman  | 73.00                |                      |
| Operator   | 66.00                |                      |
| Pipe Layer   | 58.00                |                      |
| Laborer Foreman  | 58.00                |                      |
| General Laborer  | 58.00                |                      |
| Dumptruck/Lobed Driver   | 30.00                |                      |
| Flagger/TCS  | 45.00                |                      |
| Flagger  | 43.00                |                      |
| <b>Material Markup Rate, % (Note 2)</b>  |                      |                      |
|  | 12%                  |                      |
| <b>Estimated Mobilization/Demobilization Cost per unit to Sedro-Woolley (Note 3)</b> |                      |                      |
|  | 446.00               |                      |
| <b>Equipment Rates (Note 4)</b>  |                      |                      |
|  | <b>Unit Cost</b>     | <b>Unit</b>          |
| 3/4 Ton Pickup with tools  | 10.00                | Per Hour             |
| 1 Ton Service Truck with tools   | 40.00                | Per Hour             |
| Air Compressor with tools  | 12.00                | Per Hour             |
| Rubber Tire Backhoe, 80-99 HP (Deere 310SE or equivalent)                            | 25.00                | Per Hour             |
| Mini Excavator   | 25.00                | Per Hour             |
| Excavator, 6-8 Ton (Deere 160LC or equivalent)                                       | 45.00                | Per Hour             |
| Excavator, 6-8 Ton (Deere 190E or equivalent)  | 55.00                | Per Hour             |
| Excavator, 8.1-12 Ton (Deere 290D or equivalent)                                     | 75.00                | Per Hour             |
| Cat 936-950 Rubber Tire Wheel Loader (or equivalent)                                 | 45.00                | Per Hour             |
| Cat D4 Dozer (or equivalent)   | 45.00                | Per Hour             |
| Double Drum Vibratory Roller Compactor   | 20.00                | Per Hour             |
| Jumping Jack Compactor   | 2.00                 | Per Hour             |
| Plate Compactor  | 2.00                 | Per Hour             |
| Hoe-Pac Backhoe or excavator attachment  | 5.00                 | Per Hour             |
| 2" Trash Pump w/ suction & discharge hose  | 2.00                 | Per Hour             |
| Equipment Truck/Lowboy Trailer   | 1.00                 | Per Hour             |
| 7 CY Dump Truck 2 Axle Solo  | 25.00                | Per Hour             |
| 10 CY Dump Truck 3 Axle w/Trailer  | 50.00                | Per Hour             |
| Hydraulic Boom Truck   | 50.00                | Per Hour             |
| Sweeper  | 25.00                | Per Hour             |
| Trench Shoring Box   | 25.00                | Per Day              |
| Manhole Shoring Box  | 25.00                | Per Day              |
| Speed Shores   | 25.00                | Per Day              |
| Steel Crossing Plate   | 25.00                | Per Day              |
| Traffic Control Equipment (Work Ahead, Detour, etc)                                  | 50.00                | Per Day              |
| Asphalt Saw, walk behind   | 150.00               | Per Day              |

**NOTES:**

1. This Rate Sheet is provided for example only. Contractor may provide their own standard Rate Sheet as long as it provides the requested information or equivalent.
2. Material markup rate as a percent to be applied to materials furnished per invoice before sales tax.
3. Mobilization/Demobilization Cost (Round Trip) - One mobilization/demobilization will be paid per project, unless agreed to otherwise.
4. Labor and Equipment rates to include insurance, L&I, small tools, markup & etc. but not sales tax. Sales tax will be applied on net invoice amount.



DEC 24 2013

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 3h

**CONTRACT FOR FORM PRODUCTION SERVICES**

This Agreement is made and entered into upon completed signing by and between **City of Sedro-Woolley**, herein called **Sedro-Woolley**, located at 325 Metcalf Street, Sedro-Woolley, WA 98284, and **Databar Inc.**, a Washington corporation herein called **Databar**, located at 2908 Meridian East Suite 201, Edgewood, WA 98371.

**Initial and Successive Terms.** This Agreement shall expire on the second (2nd) anniversary of the date signed by Databar. This contract shall automatically renew for successive one (1) year terms thereafter, unless either party provides written notice of termination at least 30 days prior to the end of the term.

**Price Increases.** After the initial two (2) year term, the prices applicable shall be increased by the greater of either two percent (2%) or the percentage of increase in the West Urban CPI-U price index as published by the United States Bureau for Labor Statistics for the last month of the ending term. If the BLS discontinues this service, both parties will agree on an appropriate index to use. Where Databar considers it necessary to make a greater increase than that provided by this clause, it will so notify **Sedro-Woolley** not less than sixty (60) days prior to the first day of the new term when such price shall take effect.

**Sedro-Woolley** shall provide **Databar** with form data via direct download to **Databar's** FTP site or other acceptable magnetic media form at the rate of approximately 4,100 statements per month.

**Scope of Service:**

**Databar** shall provide the following services and supplies:

- a) Forms as approved by **Sedro-Woolley**;
- b) Statements will be printed in two colors on the face and one color back. If Databar opts to preprint stock, client will be liable for up to six (6) months worth of base stock;
- c) Processing which shall include: compilation and processing of data, including redirection of flagged accounts, CASS certification and Intelligent Mail bar coding of addresses, imaging of variable data, to include a bar code for reconciliation if needed, onto a single sheet of 20# statement stock, perforated for remittance;
- d) Folding and insertion of the statement with a #9 return remittance envelope into double window #10 envelope;
- e) **Databar** shall process and mail all forms within forty eight (48) hours of receipt of final, complete data from. Processing and mailing will be done monthly;
- f) **Databar** shall send an E-mail to confirm receipt of data;
- g) Normal turnaround for flyers, newsletters and other similar communication pieces to be included with statements is ten (10) working days in advance of mailing; Rate is to be agreed upon by **Sedro-Woolley** and **Databar**. If **Sedro-Woolley** produces the inserts they will need to be machineable and delivered to **Databar** at least three (3) working days prior to mailing date. Machineable inserts will be billed at a rate of three (3) cents each. Monthly messages will be printed on the statement at no charge.
- h) Newsletters are available to be handled by Databar and included with the statement mailing. Costs to be determined prior to production.



**Testing of Data** - Databar shall run test files prior to processing of the first three billing runs to ensure success of processing and integrity of data.

**Payment.** In consideration for this service, **Sedro-Woolley** will pay the rate of fifty six cents (56¢) per bill mailed, including first class pre-sorted postage, at a minimum of two hundred fifty dollars (\$250) per billing run to **Databar**. In addition, **Sedro-Woolley** agrees to pay sixteen cents (16¢) additional per sheet for bills requiring more than one page, plus additional postage. Fewer than five hundred (500) pieces will be run at sixty four cents (64¢) per piece, a minimum of two hundred fifty dollars (\$250) per billing cycle.

\_\_\_\_\_ Initialing the adjacent line signifies **Sedro-Woolley** desire to have ViewPoint available to access a three month history of customer statement images via the internet at a additional one cent (1¢) per page processed.

**Programming.** Initial startup programming will be charged at a maximum of \$500. Future programming will be billed as needed at the rate of one hundred twenty five dollars (\$125) per hour.

**Increases in Postage and Paper Costs.** Should U.S. Postal Service postage rates rise during the Agreement period, the amount **Sedro-Woolley** will pay per billing shall increase by the corresponding amount of the postage increase. Also, should paper prices increase beyond the point that Databar can absorb, we will contact **Sedro-Woolley** about any necessary adjustments.

**Retainer.** **Sedro-Woolley** shall maintain a retainer equal to one (1) month's total postage costs to **Databar**. This retainer amount is estimated at fifteen hundred dollars (\$1,500 dollars) for purposes of this contract. Retainer amount shall be offset against outstanding amounts owed **Databar** at the termination of the Agreement with any remaining amounts refunded to **Sedro-Woolley**.

**Billing Method.** **Databar** shall submit invoices to **Sedro-Woolley** upon completion of each billing run. Invoices shall detail the dates of form data files billed, number of forms processed, number of inserts processed, cost per billing and insertion, extension of line costs and grand total. Invoices shall be sent to 325 Metcalf Street, Sedro-Woolley, WA 98284

**Notice of Delays.** When either **Databar** or **Sedro-Woolley** has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of the Agreement, that party shall, within two (2) days, give notice thereof, including all relevant information with respect to the other party.

**Independent Contractor Status.** **Databar** is an independent contractor and not an employee, joint venture, partner or other agent of **Sedro-Woolley**. **Databar's** employees or contract personnel are not **Sedro-Woolley** employees.

**Confidentiality of Records.** **Databar** acknowledges that all information received from **Sedro-Woolley**, in whatsoever format and/or form, is confidential and proprietary information. **Databar** will not disclose nor allow, permit or make available for disclosure, or use, either during or after the term of this Agreement, any information received from **Sedro-Woolley** without **Sedro-Woolley's** prior written consent except to the extent necessary to perform its services under this Agreement.

Upon termination of **Databar's** services to **Sedro-Woolley**, or at **Sedro-Woolley's** request, **Databar** shall deliver to **Sedro-Woolley** all information in its possession either in written or electronic form, and verify that all additional data bases or other electronic possession of this information has been permanently deleted.



**Dispute Resolution/Arbitration.** In the event any disputes arise relating to Databar's services provided pursuant to this Agreement or stemming from this Agreement, the parties shall seek to meet in a spirit of cooperation and good faith bargaining to resolve all said disputes as soon as reasonably possible. Should the dispute arise concerning the breach, interpretation or enforcement of this Agreement, venue shall be placed in Pierce County, Washington, the laws of the State of Washington shall apply, and the prevailing parties shall be awarded as judgment, its attorney's fees and costs.

**Contact Personnel.** The contact person for **Databar** services shall be Danelle Docken at (800) 878-4919, ext. 342, and the backup person shall be Irv Haug at (360) 568-0338. The contact person at **Sedro-Woolley** shall be Patsy Nelson, CPA at (360) 855-1661.

**Severability.** The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision.

**Termination.** **Sedro-Woolley** or **Databar** may terminate this Agreement for any breach of a term or condition of this Agreement by **Sedro-Woolley** or **Databar** which remains uncured ninety (90) days after written notice of the breach has been received from the party declaring the default. Notice must be in writing and delivered either in person or by registered mail.

**Waiver.** No waiver of a breach of any provision of the Agreement by either **Databar** or **Sedro-Woolley** shall constitute a waiver of any other breach of the same provision or any other provision of the Agreement. Failure of either **Sedro-Woolley** or **Databar** to enforce at any time, or from time to time, any provisions of this Agreement, shall not be construed as a waiver of such provision or breach. The remedies herein reserved shall be cumulative and additional to any other remedies in law or in equity.

**Entire Agreement.** This Agreement constitutes the entire Agreement between **Sedro-Woolley** and **Databar**. It supersedes all prior communications, agreements, contracts and promises, either oral or written, by **Sedro-Woolley** and **Databar**. No modification of the terms of this Agreement shall be effective unless agreed to in writing by both **Sedro-Woolley** and **Databar**.

Dated this \_\_\_\_\_ day of December, 2013.

City of Sedro-Woolley:

DATABAR, INC.:

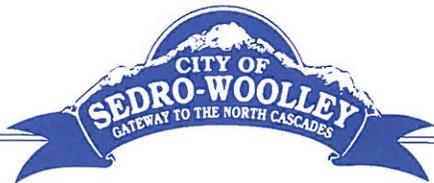
\_\_\_\_\_

Eric Docken, CEO

DEC 24 2013

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 4

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SUBJECT: PUBLIC COMMENT

Name:  
Address:  
Narrative:

Name:  
Address:  
Narrative:

Name:  
Address:  
Narrative:

Name:  
Address:  
Narrative:

Name:  
Address:  
Narrative: