



Everett City Council Preliminary Agenda
6:30 p.m., Wednesday, March 27, 2024
City Council Chambers

Roll Call

Pledge Of Allegiance

Land Acknowledgment

Mayor's Comments

Public Comment

Council Comments/Liaison Reports

Administration Update

City Attorney

CONSENT ITEMS:

(1) Adopt Resolution Authorizing Claims Against The City Of Everett In The Amount Of \$1,796,392.55 For The Period Ending March 9, 2024 Through March 15, 2024.

Documents:

[RES CLAIMS PAYABLE MAR 9, 2024 - MAR 15, 2024.PDF](#)

(2) Adopt Resolution Authorizing Payroll Claims Against The City Of Everett In The Amount Of \$5,400,918.00 For The Period Ending Through March 15, 2024.

Documents:

[2024 RESOLUTION FOR PAYROLL PAY PERIOD 06.PDF](#)

(3) Authorize The Mayor To Sign The 2024 Professional Services Agreement With Brown And Caldwell For Development Of The WFP EOM SharePoint Site And A Gap Analysis Of Current Data-Informed Asset Management And Maintenance Decision-Making.

Documents:

[BROWN AND CALDWELL-WFP EOM-PSA.PDF](#)

(4) Adopt A Resolution Declaring A 2003 Freightliner FL70 5-Yard Dump Truck (J0063) With A 1996 Monroe Sander (N0008) And A 2011 Henke Snowplow (N0030) Surplus And Authorizing Sale At Public Auction.

Documents:

[2003 FREIGHTLINER DUMP TRUCK SURPLUS SALE.PDF](#)

(5) Authorize The Call For Bids For The Construction Of Reservoir 3 – Phase 1 Replacement Project.

Documents:

[RES 3 REPLACEMENT PH 1-CALL FOR BIDS.PDF](#)

(6) Authorize The Mayor To Sign Amendment No. 2 To The Professional Services Agreement With Commonstreet Consulting, LLC.

Documents:

[COMMONSTREET PSA AMENDMENT NO.2.PDF](#)

(7) Authorize The Mayor To Sign The Professional Services Agreement With Pace Engineers, Inc. In The Amount Of \$262,552.25.

Documents:

[EVERETT MALL BUS STATION PLATFORM.PDF](#)

PROPOSED ACTION ITEMS:

(8) CB 2403-89 – 1st Reading - An Ordinance Closing A Special Improvement Project Entitled “Everett Mall Way – 4th Ave To East Mall Drive Intersection Safety” Fund 303, Program 106, As Established By Ordinance No. 3835-21. (3rd & Final Reading 4/10/24)

Documents:

[CB 2403-89.PDF](#)

ACTION ITEM:

(9) CB 2403-87 – 3rd & Final Reading - Adopt An Ordinance Reducing The Number Of Members On The Citizen Advisory Committee And Renaming The Committee As The Community Development Advisory Committee.

Documents:

[CB 2403-87.PDF](#)

(10) CB 2403-88 – 3rd & Final Reading - Adopt An Ordinance Creating A Special Improvement Project Entitled “Reservoir No. 3 Replacement” Fund 336, Program 016 And Repealing Ordinance No. 3914-22.

Documents:

[CB 2403-88.PDF](#)

(11) Authorize The Mayor To Sign The Professional Services Agreement (PSA) With HDR Engineering, Inc. For The 2024 Comprehensive Cost Of Service Study.

Documents:

[HDR-2024 RATE STUDY-PSA.PDF](#)

COUNCIL BRIEFING AGENDA: (These Items Come Before The City Council Serving As A Council Committee Of The Whole And Are Likely To Be Scheduled At A Future Meeting.)

BRIEFING:

(12) Revenue Options

Documents:

[REVENUE OPTIONS.PDF](#)
[REVENUE OPTIONS BRIEFING PRES.PDF](#)

Executive Session

Adjourn

PARTICIPATION IN REMOTE COUNCIL MEETINGS

- o Call in to listen to the Council meetings: 425.616.3920, conference ID: 724 887 726#
- o Participate remotely via Zoom by registering to speak at everettwa.gov/speakerform. You must register no later than 30 minutes prior to the meeting. Or contact Angela Ely at 425.257.8703 or aely@everettwa.gov and identify the topic you wish to address.
- o Provide written public comments by email to Council@everettwa.gov or mail to 2930 Wetmore Avenue, Suite 9A, Everett, WA 98201. Emailing comments 24 hours prior to the meeting will ensure your comment is distributed to councilmembers and appropriate staff.
- o Persons seeking to comment on non-agenda items may be asked to submit the comments in writing if the comment does not address an issue of broad public interest.

AGENDAS, BROADCAST AND RECORDINGS

- o The Council agendas and meeting recordings can be found, in their entirety, at everettwa.gov/citycouncil.
- o The Council meetings are broadcast on government-access cable Comcast Channel 21 and Frontier Channel 29. They are rebroadcast on Monday and Tuesday at noon; Thursday at 2 p.m. and 7 p.m.; Friday and Sunday at 7 p.m.; Saturday at 10 a.m.
- o Watch live meetings and recordings at YouTube.com/EverettCity.

CONTACT THE COUNCIL

If you do not wish to participate in the meeting, we provide these other methods of contacting your elected officials: Email the Council at Council@everettwa.gov.

- o Call the Council offices at 425.257.8703
- o You may call in just to listen to the meeting: 425.616.3920, conference ID 724 887 726#

The City of Everett does not discriminate on the basis of disability in the admission or access to, or treatment in, its programs or activities. Requests for assistance or accommodations can be arranged by contacting the Everett City Council Office at 425.257.8703. For additional information, please visit

our website at <https://www.everettwa.gov/3129/American-Disabilities-Act-ADA-and-Title->.

RESOLUTION NO. _____

Be it Resolved by the City Council of the City of Everett:

Whereas the claims payable by check against the City of Everett for the period March 9, 2024 through March 15, 2024, having been audited and approved by the proper officers, have been paid and the disbursements made by the same, against the proper funds in payment thereof, as follows:

<u>Fund</u>	<u>Department</u>	<u>Amount</u>	<u>Fund</u>	<u>Department</u>	<u>Amount</u>
002	General Government	(1,338.49)	101	Parks & Recreation	14,713.37
003	Legal	25,590.62	110	Library	14,531.47
004	Administration	15,917.90	112	Community Theater	15,110.55
005	Municipal Court	2,591.08	120	Public Works-Streets	825.65
007	Human Resources	8.40	126	MV-Equipment Replacemer	43,596.62
009	Misc Financial Funds	552,135.14	145	Real Property Acquisition	25,057.15
010	Finance	5,371.07	146	Property Management	77,945.44
015	Information Technology	4.20	152	Cum Reserve-Library	831.19
018	Communications, Mktg & Engag	2,250.00	153	Emergency Medical Service:	42,609.69
021	Planning & Community Dev	45,000.00	155	Capital Reserve Fund	28,980.40
024	Public Works-Engineering	97,225.69	156	Capital Reserve Fund	25.20
030	Emergency Management	84.33	197	CHIP Loan Program	1,436.00
031	Police	6,933.18	198	Community Dev Block Gran	3,877.02
032	Fire	28,357.80	342	City Facilities Construction	2,306.17
038	Facilities Maintenance	4,878.26	401	Public Works-Utilities	303,792.91
	TOTAL GENERAL FUND	\$ 785,009.18	402	Solid Waste Utility	1,618.37
			425	Public Works-Transit	112,722.33
			430	Everpark Garage	18,527.76
			440	Golf	39,800.64
			501	MVD-Transportation Service	148,783.28
			503	Self-Insurance	9,138.80
			505	Computer Reserve	40,056.53
			638	Fire Pension	1,485.83
			661	Custodial Funds	63,611.00
				TOTAL CLAIMS	\$ 1,796,392.55

Councilperson introducing Resolution

Passed and approved this _____ day of _____, 2024

Council President



RESOLUTION NO. _____

Be it resolved by the City Council of the City of Everett:

That the payroll of the employees of the City of Everett as of March 09, and checks issued March 15, 2024, having been audited, be and the same is hereby approved and the proper officers are hereby authorized and directed to charge checks on the Payroll Fund in payment thereof:

Fund	Department	Gross Payroll	Employer Contributions
001	Legislative	11,608.30	5,470.88
003	Legal	85,623.39	24,933.53
004	Administration	52,102.11	12,007.45
005	Municipal Court	68,800.25	28,630.73
007	Personnel	65,850.68	18,704.88
010	Finance	100,562.32	31,834.52
015	Information Technology	115,686.56	37,596.52
018	Communications and Marketing	23,334.96	7,335.35
021	Planning & Community Dev	121,261.00	36,407.89
024	Public Works	209,621.26	70,324.77
026	Animal Shelter	57,306.23	23,604.35
030	Emergency Management	10,764.81	3,508.85
031	Police	1,184,290.89	309,911.93
032	Fire	803,519.21	191,704.00
038	Facilities/Maintenance	110,489.49	40,924.63
101	Parks & Recreation	144,524.43	58,526.39
110	Library	122,507.83	41,134.49
112	Community Theatre	8,654.24	2,121.18
120	Street	77,657.42	28,645.56
153	Emergency Medical Services	517,919.00	97,931.87
197	CHIP	11,771.43	3,472.60
198	Community Dev Block	3,839.52	1,273.35
401	Utilities	872,347.39	328,381.75
425	Transit	513,902.64	189,970.09
440	Golf	25,958.19	10,909.67
501	Equip Rental	81,014.45	30,665.94
		<u>\$5,400,918.00</u>	<u>\$1,635,933.17</u>

Councilperson Introducing Resolution

Passed and approved this _____ day of _____, 2024.

Council President

Project title:

2024 Professional Services Agreement with Brown and Caldwell for development of the WFP eOM SharePoint site and a gap analysis of current data-informed asset management and maintenance decision-making.

Council Bill #

Project: WFP eOM and AM/Maintenance Program Support

Partner/Supplier: Brown and Caldwell

Location: Water Filtration Plant

Preceding action: N/A

Fund: 401 – Water & Sewer Utility Fund

Agenda dates requested:

Briefing

Proposed action

Consent 03/27/24

Action

Ordinance

Public hearing

Yes x No

Budget amendment:

Yes x No

PowerPoint presentation:

Yes x No

Attachments:

PSA

Department(s) involved:

Public Works

Contact person:

Jeff Marrs

Phone number:

(425) 257-8967

Email:

jmarrs@everettwa.gov

Fiscal summary statement:

The City of Everett seeks a Professional Services Agreement with Brown and Caldwell with a total compensation amount not to exceed \$230,774.76. Source of funds for this PSA will be 401 – Water & Sewer Utility Fund.

Project summary statement:

In 2016 an electronic Operations and Maintenance (eOM) SharePoint site was developed for WPCF which has adequately been maintained and is frequently used by plant staff. In 2021 Brown and Caldwell (B&C) identified gaps in existing WFP O&M information and developed recommendations for improvement and updates.

From those recommendations, the City would like B&C to assist in developing an eOM SharePoint site for the WFP so both facilities have similar O&M documentation accessibility, management and training capabilities. In addition, the City would like B&C to evaluate how data collection is used to inform asset management and maintenance decision making, providing recommendations for obtaining future goals.

The 2024 Professional Services Agreement will be a 2-year contract initiated in 2024 through December 31, 2025, with a total contract amount of \$230,774.76.

Recommendation (exact action requested of Council):

Authorize the Mayor to sign the 2024 Professional Services Agreement with Brown and Caldwell for development of the WFP eOM SharePoint site and a gap analysis of current data-informed asset management and maintenance decision-making.

Initialed by:

RLS

Department head

Administration

Council President



PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement ("**Agreement**") is effective as of the date of last signature below and is between the City of Everett, a Washington municipal corporation (*the "City"*), and the Service Provider identified in the Basic Provisions below ("**Service Provider**"). This Agreement is for the purpose of the Service Provider providing services to the City as set forth in the Agreement. This Agreement includes and incorporates the Basic Provisions, the attached General Provisions, the attached scope of work (Exhibit A), and the attached method of compensation (Exhibit B).

BASIC PROVISIONS	
Service Provider	Brown and Caldwell
	Emily Palmer, Diane Yan
	701 Pike St. Suite 1300 Seattle, WA 982101
	epalmer@brwnncald.com, dyan@brwnncald.com
City Project Manager	Jeff Marrs
	City of Everett – Public Works
	3200 Cedar St. Everett, WA 98201
	jmarrs@everettwa.gov
Brief Summary of Scope of Work	WFP eO&M SharePoint Site & AM/Maintenance Program Support
Completion Date	December 31, 2025
Maximum Compensation Amount	\$230,774.76

BASIC PROVISIONS	
Service Provider Insurance Contact Information	Jillian Loges
	816-960-9492
	jloges@lockton.com
State Retirement Systems (must answer both questions)	<p>Does Service Provider have 25 or more employees?</p> <p>Answer: Yes</p> <p>If Service Provider has less than 25 employees, did any Service Provider Personnel who will work under this Professional Services Agreement retire under a DRS retirement system?</p> <p>Answer: N/A - Service Provider has 25 or more employees</p> <p>“DRS retirement system” refers to any of the following Public Employers’ Retirement System (PERS), School Employees’ Retirement System (SERS), Teachers’ Retirement System (TRS), and Law Enforcement Officers and Fire Fighters plan (LEOFF).</p> <p>“Service Provider Personnel” includes Service Provider employees and owners (such as shareholders, partners or members). If Service Provider is a sole proprietor, then “Service Provider Personnel” refers to the sole proprietor.</p>

END OF BASIC PROVISIONS

IN WITNESS WHEREOF, the City and Service Provider have executed this Agreement, which includes and incorporates the above Basic Provisions, the attached General Provisions, the attached scope of work (Exhibit A), and the attached method of compensation (Exhibit B).

**CITY OF EVERETT
WASHINGTON**

BROWN AND CALDWELL

Cassie Franklin, Mayor

Signature: _____

Name of Signer: Vicky Hollingsworth

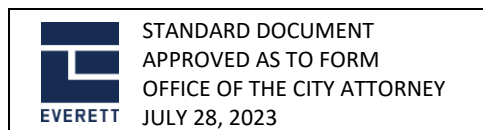
Signer's Email Address: vhollingsworth@brwncald.com

Title of Signer: Director

Date

ATTEST

Office of the City Clerk



ATTACHMENT
PROFESSIONAL SERVICES AGREEMENT
(GENERAL PROVISIONS v.071423.1)

1. **Engagement of Service Provider.** The City hereby agrees to engage Service Provider, and Service Provider hereby agrees, to perform the work in a competent and professional manner and provide the services described in the Scope of Work attached as Exhibit A. The Scope of Work so identified is hereafter referred to as “Work”. Without a written directive of an authorized representative of the City, Service Provider shall not perform any services that are in addition to, or beyond the scope of, the Work. If Service Provider’s proposal or other document generated by Service Provider is incorporated or attached as an exhibit or part of any exhibit to this Agreement or in any amendment or task or work order pursuant to this Agreement, then such proposal or document is part of this Agreement solely to the extent that it describes the Work, the Work schedule, and the amounts or rates to be paid for such Work, and Service Provider expressly agrees that no terms or conditions from such proposal or document are incorporated or included into this Agreement. In the event of difference or conflict between parts of this Agreement, Service Provider shall be bound by whichever is more stringent on Service Provider. If, and to the extent, the Work includes the design of a public work or improvement, in whole or in part, Service Provider’s design shall be reasonably accurate, adequate and suitable for its intended purpose.
2. **Intellectual Property Rights.** Reports, drawings, plans, specifications and any other intangible property created in furtherance of the Work are property of the City for all purposes, whether the project for which they are made is executed or not, and may be used by the City for any purpose. To the extent the Work includes material subject to copyright, Service Provider agrees that the Work is done as a “Work For Hire” as that term is defined under U.S. copyright law, and that as a result, the City shall own all copyrights in the Work. To the extent that the Work includes material subject to proprietary right protection but does not qualify as a “Work For Hire” under applicable law, Service Provider hereby assigns to the City all right, title and interest in and to the Work, including all copyrights, patents, trade secrets, and other proprietary rights therein (including renewals thereof). To the maximum extent permitted by law, Contractor waives all moral rights in the Work. Notwithstanding the foregoing, Service Provider retains any intellectual property rights in documents and intangible property created by Service Provider prior to engagement, or not created by Service Provider for its performance of this Agreement.
3. **Time of Beginning and Completion of Performance.** This Agreement shall commence as of the date of mutual execution of this Agreement and the Work shall be completed by Completion Date stated in the Basic Provisions.
4. **Compensation.**
 - A. The City shall pay Service Provider only for completed Work and for services actually rendered which are described herein. Such payment shall be full compensation for Work performed or services rendered, including, but not limited to, all labor, materials, supplies, equipment and incidentals necessary to complete the Work.
 - B. Service Provider shall be paid such amounts and in such manner as described in Exhibit B.
 - C. Service Provider may receive payment as reimbursement for Eligible Expenses actually incurred. “Eligible Expenses” means those expenses as set forth in an exhibit to this Agreement or such expenses as are approved for reimbursement by the City in writing prior to the expense being incurred. An expense shall not be reimbursed if: (1) the expense is not identified as an Eligible Expense; (2) the expense exceeds the per item or cumulative limits for such expense if it is identified as an Eligible Expense; or (3) the expense was not approved

- in writing by an authorized City representative prior to Service Provider incurring the expense. If, and to the extent, overnight lodging in western Washington is authorized, Service Provider is strongly encouraged to lodge within the corporate limits of City. When authorized, Service Provider will be reimbursed 100% of lodging expense, if lodged within the corporate limits of the City, but Service Provider will be reimbursed 50% of lodging expense when lodged outside the corporate limits of the City. If authorized, the City may (at its sole option) obtain or arrange air travel for Service Provider.
- D. Total compensation, including all services and expenses, shall not exceed the Maximum Compensation Amount in the Basic Provisions.
 - E. If Service Provider fails or refuses to correct its work when so directed by the City, the City may withhold from any payment otherwise due an amount that the City in good faith believes is equal to the cost to the City of correcting, re-procuring, or remedying any damage caused by Service Provider's conduct.
5. **Method of Payment.**
- A. To obtain payment, Service Provider shall (a) file its request for payment, accompanied by evidence satisfactory to the City justifying the request for payment; (b) submit a report of Work accomplished and hours of all tasks completed; (c) to the extent reimbursement of Eligible Expenses is sought, submit itemization of such expenses and, if requested by the City, copies of receipts and invoices; and (d) comply with all applicable provisions of this Agreement. Service Provider shall be paid no more often than once every thirty days.
 - B. All requests for payment should be sent to the City Project Manager Address in the Basic Provisions or to an address designated by the City Project Manager in writing.
6. **Submission of Reports and Other Documents.** Service Provider shall submit all reports and other documents as and when specified in the Scope of Work. This information shall be subject to review by the City, and if found to be unacceptable, Service Provider shall correct and deliver to the City any deficient Work at Service Provider's expense with all practical dispatch. Service Provider shall abide by the City's determinations concerning acceptability of Work.
7. **Termination of Contract.** City reserves the right to terminate this Agreement at any time by sending written notice of termination to Service Provider ("Notice"). The Notice shall specify a termination date ("Termination Date"). The Notice shall be effective ("Notice Date") upon the earlier of either actual receipt by Service Provider (whether by email, mail, delivery or other method reasonably calculated to be received by Service Provider in a reasonably prompt manner) or three calendar days after issuance of the Notice. Upon the Notice Date, Service Provider shall immediately commence to end the Work in a reasonable and orderly manner. Unless terminated for Service Provider's material breach, Service Provider shall be paid or reimbursed for: (a) all hours worked and Eligible Expenses incurred up to the Notice Date, less all payments previously made; and (b) those hours worked and Eligible Expenses incurred after the Notice Date, but prior to the Termination Date, that were reasonably necessary to terminate the Work in an orderly manner. The City does not by this Section waive, release or forego any legal remedy for any violation, breach or non-performance of any of the provision of this Agreement. At its sole option, and without limitation of or prejudice to any other available remedy or recourse, the City may deduct from the final payment due Service Provider (a) any damages, expenses or costs arising out of any such violations, breaches, or non-performance and (b) any other backcharges or credits.
8. **Changes.** The City may, from time to time, unilaterally change the scope of the services of Service Provider to be performed hereunder. Such changes, including any increase or decrease in the scope of work (and resulting increase or decrease in compensation), shall: (a) be made only in

writing and signed by an authorized City representative, (b) be explicitly identified as an amendment to this Agreement and (c) become a part of this Agreement.

9. **Subletting/Assignment of Contracts.** Service Provider shall not sublet or assign any of the Work without the express, prior written consent of the City.
10. **Indemnification.** Except as otherwise provided in this Section, Service Provider hereby agrees to defend and indemnify and save harmless the City from any and all Claims arising out of, in connection with, or incident to any negligent or intentional acts, errors, omissions, or conduct by Service Provider (or its employees, agents, representatives or subcontractors/subconsultants) relating to this Agreement, whether such Claims sound in contract, tort, or any other legal theory. Service Provider is obligated to defend and indemnify and save harmless the City pursuant to this Section whether a Claim is asserted directly against the City, or whether it is asserted indirectly against the City, e.g., a Claim is asserted against someone else who then seeks contribution or indemnity from the City. Service Provider's duty to defend and indemnify and save harmless pursuant to this Section is not in any way limited to, or by the extent of, insurance obtained by, obtainable by, or required of Service Provider. Service Provider's obligations under this Section shall not apply to Claims caused by the sole negligence of the City. If (1) RCW 4.24.115 applies to a particular Claim, and (2) such Claim is caused by or results from the concurrent negligence of (a) Service Provider, its employees, subcontractors/subconsultants or agents and (b) the City, then Service Provider's obligations under this Section shall be only to the extent of Service Provider's negligence. Solely and expressly for the purpose of its duties to indemnify and defend and save harmless the City, Service Provider specifically waives any immunity it may have under the State Industrial Insurance Law, Title 51 RCW. Service Provider recognizes that this waiver of immunity under Title 51 RCW was specifically entered into pursuant to the provisions of RCW 4.24.115 and was the subject of mutual negotiation. As used in this Section: (1) "City" includes the City, the City's officers, employees, agents, and representatives and (2) "Claims" include, but is not limited to, any and all losses, penalties, fines, claims, demands, expenses (including, but not limited to, attorney's fees and litigation expenses), suits, judgments, or damages, irrespective of the type of relief sought or demanded, such as money or injunctive relief, and irrespective of whether the damage alleged is bodily injury, damage to property, economic loss, general damages, special damages, or punitive damages or infringement or misappropriation of any patent, copyright, trade secret, or other proprietary right. If, and to the extent, Service Provider employs or engages subconsultants or subcontractors, then Service Provider shall ensure that each such subconsultant and subcontractor (and subsequent tiers of subconsultants and subcontractors) shall expressly agree to defend and indemnify and save harmless the City to the extent and on the same terms and conditions as Service Provider pursuant to this Section. The provisions of this Section shall survive the termination of this Agreement.
11. **Insurance.**
 - A. Service Provider shall comply with the following conditions and procure and keep in force during the term of this Agreement, at Service Provider's own cost and expense, the policies of insurance as set forth in this Section with companies authorized to do business in the State of Washington, which are rated at least "A-" or better and with a numerical rating of no less than seven (7), by A.M. Best Company and which are acceptable to the City.
 1. Workers' Compensation Insurance as required by Washington law and Employer's Liability Insurance with limits not less than \$1,000,000 per occurrence. If the City authorizes sublet work, Service Provider shall require each subcontractor to provide Workers' Compensation Insurance for its employees, unless Service Provider covers such employees.

2. Commercial General Liability (CGL) Insurance on an occurrence basis in an amount not less than \$1,000,000 per occurrence and at least \$2,000,000 in the annual aggregate, including but not limited to: premises/operations (including off-site operations), blanket contractual liability and broad form property damage.
 3. Business Automobile Liability Insurance in an amount not less than \$1,000,000 per occurrence, extending to any automobile. A statement certifying that no vehicle will be used in accomplishing this Agreement may be substituted for this insurance requirement.
 4. Professional Errors and Omissions Insurance in an amount not less than \$2,000,000 per occurrence and \$2,000,000 in the annual aggregate. Such coverage may be written on a claims made basis.
- B. The above CGL and auto liability policies shall be primary as to the City and shall contain a provision that the policy shall not be canceled or materially changed without 30 days prior written notice to the City. No cancellation provision in any insurance policy shall be construed in derogation of the continuous duty of Service Provider to furnish the required insurance during the term of this Agreement.
 - C. Upon written request by the City, the insurer or its agent will furnish, prior to or during any Work being performed, a copy of any policy cited above, certified to be a true and complete copy of the original.
 - D. The Description of Operations on the Certificate of Insurance must substantially read as follows: "The above commercial general and auto liability policies are primary as to the City of Everett; have the City of Everett, its officers, employees, agents, and volunteers as additional insureds; and contain a provision that the policy shall not be canceled or materially changed without 30 days prior written notice to the City of Everett."
 - E. Prior to Service Provider performing any Work, Service Provider shall provide the City or the City's designee with a Certificate of Insurance acceptable to the City Attorney evidencing the required insurance. Service Provider shall provide the City or the City's designee with either (1) a true copy of an endorsement naming the City of Everett, its officers, employees, agents and volunteers as Additional Insureds on the Commercial General Liability Insurance policy and the Business Automobile Liability Insurance policy with respect to the operations performed and services provided under this Agreement and that such insurance shall apply as primary insurance on behalf of such Additional Insureds or (2) a true copy of the blanket additional insured clause from the policies. Receipt by the City or the City's designee of any certificate showing less coverage than required is not a waiver of Service Provider's obligations to fulfill the requirements.
 - F. If the Professional Errors and Omissions Insurance is on a claims made policy form, the retroactive date on the policy shall be the effective date of this Agreement or prior. The retroactive date of any subsequent renewal of such policy shall be the same as the original policy provided. The extended reporting or discovery period on a claims made policy form shall not be less than 36 months following expiration of the policy.
 - G. Service Provider certifies that it is aware of the provisions of Title 51 of the Revised Code of Washington that requires every employer to be insured against liability of Workers' Compensation, or to undertake self-insurance in accordance with the provisions of that Title. Service Provider shall comply with the provisions of Title 51 of the Revised Code of Washington before commencing the performance of the Work. Service Provider shall provide the City with evidence of Workers' Compensation Insurance (or evidence of qualified self-insurance) before any Work is commenced.

- H. In case of the breach of any provision of this Section, the City may, at its option and with no obligation to do so, provide and maintain at the expense of Service Provider, such types of insurance in the name of Service Provider, and with such insurers, as the City may deem proper, and may deduct the cost of providing and maintaining such insurance from any sums which may be found or become due to Service Provider under this Agreement or may demand Service Provider to promptly reimburse the City for such cost.
12. **Risk of Loss.** Service Provider shall be solely responsible for the safety of its employees, agents and subcontractors in the performance of the work hereunder and shall take all protections reasonably necessary for that purpose. All work shall be done at Service Provider's own risk, and Service Provider shall be solely responsible for any loss of or damage to Service Provider's materials, tools, or other articles used or held for use in connection with the work.
13. **Independent Contractor.**
- A. This Agreement neither constitutes nor creates an employer-employee relationship. Service Provider must provide services under this Agreement as an independent contractor. Service Provider must comply with all federal and state laws and regulations applicable to independent contractors including, but not limited to, the requirements listed in this Section. Service Provider agrees to indemnify and defend the City from and against any claims, valid or otherwise, made against the City because of these obligations.
- B. In addition to the other requirements of this Section, if Service Provider is a sole proprietor, Service Provider agrees that Service Provider is not an employee or worker of the City under Chapter 51 of the Revised Code of Washington, Industrial Insurance for the service performed in accordance with this Agreement, by certifying to the following:
- (1) Service Provider is free from control or direction over the performance of the service; and
 - (2) The service performed is outside the usual course of business for the City, or will not be performed at any place of business of the City, or Service Provider is responsible for the costs of the principal place of business from which the service is performed; and
 - (3) Service Provider is customarily engaged in an independently established business of the same nature as the service performed, or has a principal place of business for the service performed that is eligible for a business deduction for federal income tax purposes; and
 - (4) On the effective date of this Agreement, Service Provider is responsible for filing a schedule of expenses, for the next applicable filing period, with the internal revenue service for the type of service performed; and
 - (5) By the effective date of this Agreement or within a reasonable time thereafter, Service Provider has established an account with the department of revenue and other state agencies, where required, for the service performed for the payment of all state taxes normally paid by employers and businesses and has registered for and received a unified business identifier number from the state of Washington; and
 - (6) By the effective date of this Agreement, Service Provider is maintaining a separate set of records that reflect all items of income and expenses of the services performed.
- C. Any and all employees of Service Provider, while engaged in the performance of any Work, shall be considered employees of only Service Provider and not employees of the City. Service Provider shall be solely liable for any and all claims that may or might arise under the Worker's Compensation Act on behalf of such employees or Service Provider, while so

engaged and for any and all claims made by a third party as a consequence of any negligent act or omission on the part of Service Provider's employees, while so engaged on any of the Work.

- D. Service Provider shall comply with all applicable provisions of the Fair Labor Standards Act and other legislation affecting its employees and the rules and regulations issued thereunder insofar as applicable to its employees and shall at all times save the City free, clear and harmless from all actions, claims, demands and expenses arising out of such act, and rules and regulations that are or may be promulgated in connection therewith.
 - E. Service Provider assumes full responsibility for the payment of all payroll taxes, use, sales, income, or other form of taxes (such as state and, city business and occupation taxes), fees, licenses, excises or payments required by any city, federal or state legislation which are now or may during the term of the Agreement be enacted as to all persons employed by Service Provider and as to all duties, activities and requirements by Service Provider in performance of the Work and Service Provider shall assume exclusive liability therefor, and meet all requirements thereunder pursuant to any rules or regulations that are now or may be promulgated in connection therewith.
14. **Employment/Conflict of Interest.** Service Provider warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for Service Provider, to solicit or secure this Agreement and that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for Service Provider, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, the City shall have the right to annul this Agreement without liability or, in its discretion, to deduct from the Agreement price or consideration or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee. Further, it is recognized that Service Provider may or will be performing professional services during the term of this Agreement for other parties; however, such performance of other services shall not conflict with or interfere with Service Provider's ability to perform the Work. Service Provider agrees to resolve any such conflicts of interest in favor of the City.
15. **Audits and Inspections.** At any time during normal business hours and as often as the City may deem necessary, Service Provider shall make available to the City for the City's examination all of Service Provider's records and documents with respect to all matters covered by this Agreement and, furthermore, Service Provider will permit the City to audit, examine and make copies, excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement.
16. **City of Everett Business License.** Service Provider agrees to obtain a City of Everett business license prior to performing any work pursuant to this Agreement.
17. **State of Washington Requirements.** Service Provider agrees to register and obtain any State of Washington business licenses, Department of Revenue account and/or unified business identifier number as required by RCW 50.04.140 and 51.08.195 prior to performing any work pursuant to this Agreement.
18. **Compliance with Federal, State and Local Laws.** Service Provider shall comply with and obey all federal, state and local laws, regulations, and ordinances applicable to the operation of its business and to its performance of work hereunder.
19. **Compliance with the Washington State Public Records Act.** Service Provider acknowledges that the City is subject to the Public Records Act, chapter 42.56 RCW (the "Act"). All records owned, used or retained by the City are public records subject to disclosure unless exempt under the Act,

whether or not such records are in the possession or control of the City or Service Provider. Service Provider shall cooperate with the City so that the City may comply with all of its obligations under the Act. Within ten (10) days after receipt of notice from the City, Service Provider shall deliver to the City copies of all records relating to this Agreement or relating to the Work that the City determines qualify as the City's public records under the Act. If the City receives a public records request relating to this Agreement or relating to the Work, the City shall seek to provide notice to Service Provider at least ten (10) days before the City releases records pursuant to such public records request, but in no event will the City have any liability to Service Provider for any failure of the City to provide such notice. In addition to its other indemnification and defense obligations under this Agreement, Service Provider shall indemnify and defend the City from and against any and all losses, penalties, fines, claims, demands, expenses (including, but not limited to, attorney's fees and litigation expenses), suits, judgments, or damage arising from or relating to any failure of Service Provider to comply with this Section.

20. **Compliance with Grant/Loan Terms and Conditions.** Service Provider shall comply with any and all terms, conditions, terms and requirements of any federal, state or other agency grant or loan that wholly or partially funds Service Provider's work hereunder. If the grant or loan requires that the agency be a third party beneficiary to this Agreement, then the agency is a third party beneficiary to this Agreement.
21. **Equal Employment Opportunity.** Service Provider shall not discriminate against any employee, applicant for employment, or other person on the basis of race, color, religion, sex, age, disability, marital state, or national origin or other circumstance prohibited by applicable federal, state, or local law or ordinance. Service Provider shall comply with and shall not violate any applicable provisions of Chapter 49.60 RCW, Title VI of the Civil Rights Act of 1964, and all applicable federal, state, or local law or ordinance regarding non-discrimination.
22. **Waiver.** Any waiver by Service Provider or the City or the breach of any provision of this Agreement by the other party will not operate, or be construed, as a waiver of any subsequent breach by either party or prevent either party from thereafter enforcing any such provisions.
23. **Complete Agreement.** This Agreement contains the complete and integrated understanding and agreement between the parties and supersedes any understanding, agreement or negotiation whether oral or written not set forth herein.
24. **Modification of Agreement.** This Agreement may only be modified as provided in Section 8, or by a writing explicitly identified as a modification or amendment of this Agreement that is signed by authorized representatives of the City and Service Provider.
25. **Severability.** If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void, insofar as it is in conflict with said laws, and the remainder of the Agreement shall remain in full force and effect.
26. **Notices.**
 - A. Notices to the City shall be sent to the City Project Manager address in the Basic Provisions.
 - B. Notices to Service Provider shall be sent to its address in the Basic Provisions.
27. **Venue.** Venue for any lawsuit arising out of this Agreement shall be in the Superior Court of Snohomish County, Washington.
28. **Governing Law.** The laws of the State of Washington, without giving effect to principles of conflict of laws, govern all matters arising out of or relating to this Agreement.
29. **City Marks.** Service Provider will not use any trade name, trademark, service mark, or logo of the City (or any name, mark, or logo confusingly similar thereto) in any advertising, promotions, or otherwise, without the City's express prior written consent.

30. **No Personal Liability.** No officer, agent or employee of the City shall be personally responsible for any liability arising under this Agreement, whether expressed or implied, nor for any statement or representation made or in any connection with this Agreement.
31. **Federal Debarment.** Service Provider shall immediately notify the City of any suspension or debarment or other action that excludes Service Provider or any Service Provider subcontractor from participation in Federal contracting. Service Provider shall verify all subcontractors that are intended and/or used by Service Provider for performance of Work are in good standing and are not debarred, suspended or otherwise ineligible by the Federal Government. Debarment shall be verified at <https://www.epls.gov/eplsearch.do>. Service Provider shall keep proof of such verification within Service Provider records.
32. **Signature/Counterparts.** This Agreement and any amendment thereto may be signed in counterparts, each of which shall be deemed an original, and all of which, taken together, shall be deemed one and the same document. AdobeSign signatures are fully binding. Any ink, electronic, faxed, scanned, photocopied, or similarly reproduced signature on this Agreement or any amendment hereto will be deemed an original signature and will be fully enforceable as an original signature.
33. **Standard Document.** This General Provisions document is a standard City form document. No changes by Service Provider are authorized to the General Provisions. Notwithstanding anything to the contrary in this Agreement, in the event that Service Provider makes unauthorized changes to the General Provisions, such changes are deemed to have never been made and the contract between the City and Service Provider is deemed to be the unchanged standard City form General Provisions in version stated below, regardless of whether the City signs this Agreement in a form that may contain the unauthorized changes.

**END OF GENERAL PROVISIONS
(v.071423.1)**

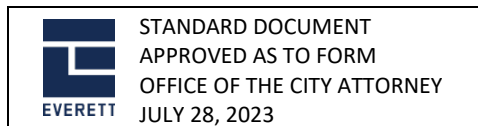


EXHIBIT A
PROFESSIONAL SERVICES AGREEMENT
(SCOPE OF WORK -- ATTACHED)

City of Everett – WFP eOM and AM/Maintenance Program Support

Project Understanding

The City of Everett (City) maintains and operates a Water Filtration Plant (WFP) and a Water Pollution Control Facility (WPCF). In 2016 an electronic Operations and Maintenance (eOM) SharePoint site was created for the WPCF. In the proceeding years, the WPCF plant staff have actively maintained and frequently use the WPCF SharePoint site. The WFP does not have an equivalent eOM SharePoint site; O&M documentation is maintained in traditional digital file folders. The City has asked Brown and Caldwell (BC) to assist in the creation and development of the WFP eOM SharePoint site so both facilities have similar O&M documentation accessibility, management, and training capability.

In 2021, BC reviewed the WFP's existing O&M documentation and standard operating procedures (SOPs) to identify gaps in the existing O&M information and develop recommendations for O&M improvements and updates. In addition, this work included reviewing Washington State Department of Health (DOH) guidelines for O&M manuals (DOH Publication 331-647) to identify regulatory deficiencies in the current O&M documentation. BC focused this effort on reviewing operations O&M information and did not review water quality, laboratory, or maintenance SOPs. Following the review of the existing O&M information, BC developed recommended updates related to missing SOPs, creating consistency across new and existing technical information, updating the format and presentation of the O&M information, and changes needed to meet current DOH recommendations for water treatment plant SOPs. During the development of the WFP eOM SharePoint site, BC will be incorporating O&M documentation into the site. As the documentation is reviewed, it will present the opportunity to update the 2021 Gap Assessment. BC will identify remaining gaps and determine level of effort and necessary actions to address them.

Finally, the City identified the need to evaluate how data collection is used to inform asset management and maintenance decision making. BC will conduct a review of the current approach coupled with visioning for the desired future approach to data-informed asset management and maintenance decision making. Based these two points, BC will develop a gap assessment and proposed roadmap that aligns with best practices and outlines actions and timing to arrive at the desired future state.

Scope of Work Summary and Work Breakdown Structure

The scope of work for the Project includes 4 Phases and 9 Tasks, which are identified in the following table.

WFP eOM and AM/Maintenance Program Support Phases and Tasks			
Phase No.	Phase Name	Task No.	Task Name
Phase 100	Project Management	-	-
Phase 200	WFP eOM SharePoint	Task 201	Review Existing WPCF eOM Structure
		Task 202	Configure WFP eOM Platform

WFP eOM and AM/Maintenance Program Support Phases and Tasks			
		Task 203	Content Ingestion Support and Quality Control
		Task 204	Final Testing, Training, and Closeout Documentation
Phase 300	WFP eOM Gap Assessment	Task 301	WFP O&M Gap Assessment
		Task 302	WFP O&M Content Development [Future]
Phase 400	Data-informed Asset Management and Maintenance Decision-Making	Task 401	Current State Evaluation
		Task 402	Future State Visioning
		Task 403	Gap Analysis and Roadmap

Scope Task Descriptions

The task descriptions below include an objective statement, activities/approach, task assumptions, meetings, and work products including which service or item will be provided by BC and Everett staff to complete the task.

Scope assumptions applicable to the overall project are included below.

Project-level Assumptions:

- All deliverables will be delivered in electronic format.
- The City's project manager (PM) will coordinate locations and Everett staff attendance and participation for project meetings and workshops.
- City PM will provide timely, consolidated staff review comments on draft work products.
- The City PM will identify a City project representative who will work closely with BC throughout the project as noted herein. This representative will assist with document collection and discussions so that BC can better understand how the provided data should be interpreted.
- The City will be responsible for provisioning the new WFP eOM SharePoint site in a Microsoft tenant managed by the City and providing access with appropriate permissions to BC staff in the Contributor role.
- BC will migrate the City's existing content and not develop new content.

Phase 100 – Project Management

Phase 100 includes providing management, direction, coordination, and control of all project work, and associated management of project scope, schedule, budget, technical quality, and monthly progress reports and invoices.

Activities/Approach: This task includes the following activities:

- Develop and maintain a Project Management Plan (PMP), including project scope, budget and schedule, a preliminary project risk register, templates of logs for tracking action items, issues, and decisions, and a project change request template.
- Conduct a project kickoff meeting, including key consultant staff and Everett staff.

- Supervise project staff and manage team budget and schedule.
- Prepare monthly project status reports. Progress reports will identify budget status, progress status, and activities covered with a monthly invoice.
- Conduct bi-weekly calls with the City's PM to review project status, schedule, preliminary project findings and workshop materials, and any project issues.

Everett Responsibilities

- Participate in the Project Kickoff Meeting.
- Review monthly status reports and supporting project documentation for invoice and payment approval.

Task Assumptions

- The Kickoff Meeting will be scheduled for 1 hour and be attended by 6 BC Team members. Kickoff Meeting will occur virtually.
- PM meetings will be by phone and will occur bi-weekly with a duration of approximately 30 minutes.

Meetings

- Project Kickoff Meeting
- Biweekly PM calls for duration of Project

Work Products

- Monthly progress reports and invoices
- Project kick-off meeting agenda and meeting minutes

Phase 200 – WFP eOM SharePoint

Phase 200 includes all work to develop the WFP eOM SharePoint.

Task 201 – Review Existing WPCF eOM Structure

Objective: Review the content organization, structure, and relationship details of WPCF eOM SharePoint.

Activities/Approach: This task includes the following activities:

- Detailed review of WPCF SharePoint site.
- Conduct a WPCF eOM SharePoint review meeting with the City team to review:
 - Navigation hierarchy and user interface layout
 - Data relationships and file storage organization approach
 - User access and permissions

Task Assumptions

- WPCF eOM SharePoint review meeting will be scheduled for 2 hours and be attended by up to 3 BC Team members. The meeting will be virtual.
- BC will have access to the WPCF SharePoint site.

Everett Responsibilities

- Provide access to SharePoint site.

Work Products

- Meeting agendas, presentation materials, and meeting notes

Task 202 – Configure WFP eOM Platform

Objective: Develop WFP eOM SharePoint structure and content migration approach. Setup baseline eOM SharePoint platform.

Activities/Approach: This task includes the following activities:

- Develop a SharePoint architecture that provides structured content migration and population.
- Facilitate workshop with City staff to review:
 - Information cataloging
 - Reporting, including remaining, completed, and quality fields
- Develop a draft eOM SharePoint Structure and Content Migration Plan that summarizes feedback from the workshop, outlines the SharePoint structure, and summarizes the tasks to be completed, content prioritization, and work assignments for content migration execution. After City comments are received, finalize the Plan.
- Conduct coordination meeting(s) with the City to coordinate configuration of the SharePoint site.
- Configure and implement eOM SharePoint site and content migration.

Task Assumptions

- SharePoint Structure and Content Migration Approach Workshop will be scheduled for 2 hours and be attended by up to 3 BC Team members. The workshop will be virtual.
- Up to three (3) coordination meetings will be scheduled for 1 hour and be attended by up to 2 BC Team members. The meeting will be virtual.

Everett Responsibilities

- Participate in workshop
- Review and comment on eOM SharePoint Structure and Content Migration Plan

Meetings

- SharePoint Structure and Content Migration Approach Workshop

Work Products

- Workshop facilitation including agenda and meeting minutes, draft and final
- SharePoint Structure and Content Migration Plan, draft and final
- Implementation and configuration of WFP eOM SharePoint site

Task 203 – Content Ingestion Support and Quality Control

Objective: Manage the content ingestion and provide quality control and oversight of the data and information population.

Activities/Approach: At major progression milestones, provide review and feedback on:

- Quality and content application focused on the usability, applicability, and completeness to provide effective O&M support of the users.
- Accurate and correct population and transfer to the eOM platform.

Everett Responsibilities

- Sharepoint site styling and branding

Meetings

- Coordination calls, as needed

Work Products

- Summary comments on review stages

Task 204 – Final Testing, Training, and Closeout Documentation

Objective: Perform final acceptance testing, facilitate user training, and develop closeout documentation.

Activities/Approach: This task includes the following activities:

- Perform final testing and review content migration into the eOM SharePoint. Perform user and function testing of each of the core features and navigation. Document all testing actions and results in a testing log.
- Facilitate training sessions on eOM SharePoint:
 - Training session on user access, navigation, and organization structure of information.
 - Training session on administration, platform maintenance, and editing procedures.
- Document the final eOM SharePoint administration, setup, and editing procedures.

Task Assumptions

- Training sessions will be scheduled for 1 hour and be attended by up to 3 BC Team members. The training sessions will be virtual.

Everett Responsibilities

- Participate in training sessions

Meetings

- Training sessions

Work Products

- User Acceptance Testing log
- Training agendas, materials, and recordings of training sessions
- Final eOM SharePoint administration memorandum

Phase 300 – O&M Gap Assessment

Phase 300 includes an updated WFP O&M information Gap Assessment.

Task 301 – WFP O&M Gap Assessment

Objective: Update 2021 O&M Manual Support TM and develop action plan to cover gaps.

Activities/Approach: This task includes the following activities:

- Update BC's 2021 O&M Manual Support TM (submitted as part of the WFP Facility Plan) based on recent O&M and SOP document updates. As part of the update, identify documents requiring formatting into the City's standard format.

- Conduct meeting to review identified O&M document gap findings and confirm alignment on O&M documents to be developed or updated.
- Prepare level of effort to close O&M information gaps and format O&M documents.
- Conduct meeting to review level of effort to close O&M information gaps and format O&M documents. Identify owners between the City and BC to complete O&M information development and formatting.
- Draft brief WFP O&M Information Action Plan detailing work to be completed, timing, and owners.
- Based on BC actions items identified in the O&M Information Action Plan, prepare amendment to complete BC action items.

Task Assumptions

- O&M Gap Assessment and Information Action Plan Meetings will be scheduled for up to 2 hours and be attended by up to 3 BC Team members. The meetings will be virtual.
- Task 301 will be completed in conjunction with Task 201/202, which may discover additional O&M information needs.
- Task 301 will not include any document development. All document development will be completed as part of an amendment.

Everett Responsibilities

- Provide updated SOP and O&M improvements.

Meetings

- WFP O&M Gap Assessment Meeting
- WFP O&M Information Action Plan Meeting

Work Products

- Updated WFP O&M Gap Assessment
- Workshop facilitation including agenda and meeting minutes, draft and final
- WFP O&M Information Action Plan
- WFP O&M Content Development Amendment

Task 302 – WFP O&M Content Development [Future]

Objective: Develop WFP O&M content identified in Task 301 Gap Assessment.

Task 302 scope of work to be developed as part of Task 301.

Phase 400 – Data-informed Asset Management and Maintenance Decision-Making

Phase 400 includes an assessment of the City's current data-informed asset management and maintenance decision-making state and a roadmap to achieve desired future state.

Task 401 – Current State Assessment

Objective: Assess current state of data-informed asset management and maintenance decision-making.

Activities/Approach: This task includes the following activities:

- Review background information on current asset management and maintenance program approach. Background information may include, but is not limited to:
 - Asset management and maintenance program documentation
 - Work order history and practices
 - Asset hierarchy and naming convention
 - Asset inventory
- Conduct interviews to discuss current asset management and maintenance program approach, practices, and constraints. Organizational perspectives to be represented include asset manager, operations, maintenance, and leadership.
- Create and distribute asset management and maintenance maturity self-assessment.
- Review and process results of asset management and maintenance maturity self-assessment to inform roadmap recommendations.
- Conduct workshop reviewing background information, interview findings, and self-assessment results to confirm understanding of current state.

Everett Responsibilities

- Fill out asset management and maintenance maturity self-assessment.
- Participate in interviews and workshop.

Task Assumptions

- Interviews will be scheduled for 1 hour and be attended by up to 2 BC Team members. The interviews will be virtual.
- Current State Workshop will be scheduled for 2 hours and be attended by up to 3 BC Team members. The workshop will be virtual.

Meetings

- Interviews
- Current State Workshop

Work Products

- Self-assessment questionnaire
- Interview questions
- Workshop facilitation including agenda and meeting minutes, draft and final

Task 402 – Future State Visioning

Objective: Define future data-informed asset management and maintenance decision-making state.

Activities/Approach: This task includes the following activities:

- Conduct interviews to define asset management and maintenance program goals and priorities. Discussion of future state will occur during the same interviews described in Task 401 for efficiency.
- Conduct workshop to review interview findings pertaining to goals and priorities and confirm understanding of envisioned future state. Workshop will also review preliminary recommendations to achieve future state.

- Prepare Asset Management and Maintenance Program Charter reflecting goals and priorities discussed and agreed upon during the workshop.

Everett Responsibilities

- Participate in interviews (as part of Task 401) and workshop.

Task Assumptions

- Interviews will be scheduled for 1 hour and be attended by up to 2 BC Team members. The interviews will be virtual.
- Future State Workshop will be scheduled for 2 hours and be attended by up to 3 BC Team members. The workshop will be in-person.

Meetings

- Interviews (as part of Task 401)
- Future State Workshop

Work Products

- Interview questions (provided as part of Task 401)
- Workshop facilitation including agenda and meeting minutes, draft and final
- Asset Management and Maintenance Program Charter

Task 403 – Gap Analysis and Roadmap

Objective: Prepare implementation strategy to achieve desired future state.

Activities/Approach: This task includes the following activities:

- Prepare a gap analysis based on current state assessment (Task 401) and future state vision (Task 402). The gap analysis will identify needed actions to achieve the City's desired data-informed asset management and maintenance decision-making state.
- Prepare roadmap to implement best practices and bridge identified gaps detailing level of effort, phasing, initiative dependencies, and proposed timeline.
- Conduct workshop to review gap analysis findings and proposed implementation strategy.
- Draft a Gap Analysis and Roadmap TM documenting outcomes of gap analysis and implementation strategy. As part of the TM BC will identify opportunities for quick wins and prioritized incremental progress which may include a pilot project to test the desired practices, gather lessons learned, and enable broader application to AM/maintenance program.
- Finalize TM based on City comments of draft TM.

Everett Responsibilities

- Participate in interviews and workshop.

Task Assumptions

- Gap Analysis and Roadmap Workshop will be scheduled for 2 hours and be attended by up to 3 BC Team members. The workshop will be in-person.

Meetings

- Gap Analysis and Roadmap Workshop

Work Products

- Workshop facilitation including agenda and meeting minutes, draft and final
- Gap Analysis and Roadmap TM, draft and final

EXHIBIT B
PROFESSIONAL SERVICES AGREEMENT

**SELECT ONE OF THE FOLLOWING METHODS OF COMPENSATION, EACH OF WHICH IS
SUBJECT TO THE MAXIMUM COMPENSATION AMOUNT**

- ☐ **HOURLY RATE.** The City shall pay Service Provider a sum equal to the amount of hours actually worked multiplied by the rate identified below for staff performing the Work.

Name	Title	Rate
enter name	enter title	enter rate
enter name	enter title	enter rate
enter name	enter title	enter rate
enter name	enter title	enter rate
enter name	enter title	enter rate
enter name	enter title	enter rate
enter name	enter title	enter rate

If there are more staff than rows in the table above, then those staff names, titles, and rates shall be provided in the Scope of Work.

- ☐ **PROGRESS PAYMENTS.** The City shall pay Service Provider the following amounts upon the completion of the following tasks.

Task	Amount Paid on Task Completion
enter task	enter amount
enter task	enter amount
enter task	enter amount
enter task	enter amount
enter task	enter amount
enter task	enter amount
enter task	enter amount

If there are more tasks than rows in the table above, then those tasks and payment amounts shall be provided in the Scope of Work.

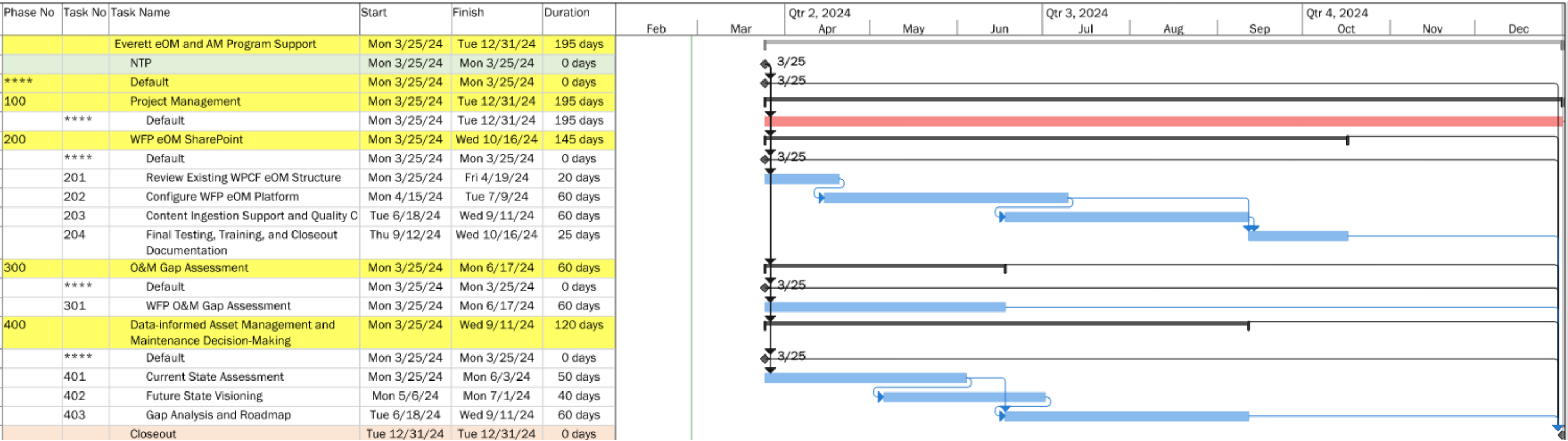
- ☐ **LUMP SUM.** The City shall pay Service Provider \$ enter amount upon the completion of the Work.

- ☐ **METHOD CONTAINED IN SCOPE OF WORK.** The City shall pay Service Provider as set forth in the Scope of Work.

- ☒ **METHOD CONTAINED IN ATTACHED PAGE(S).** The City shall pay Service Provider as set forth in the spreadsheets or other documents attached to this Exhibit B.

Schedule

The project NTP is anticipated March 25th, 2024, and will be completed within the calendar year.



Budget

The estimated budget for this effort is \$230,774.76. The assumptions for the labor hours and staff are provided in the table below.

Phase	Task	Description	Name	Damon Roth	Emily Palmer	Diane Yan	Joanna Wilson	Kirk Olds	Lynn Stephens	Lance Salerno	Mike Simms	Savannah Wujastyk	Mia Vijandereran	Chris Somerlot	David Hardy	Laurie Sullivan	Lee Lambert	Liz Minyard	Wendy Pare
			Role	Project Manager	Co-Project Manager / Engineer	PA	Billing	Technical Advisor	Technical Advisor	Technical Advisor	eOM Lead	Project Engineer	Project Engineer	eOM QAQC	Treatment O&M SME	Treatment O&M SME	AM and Maintenance Lead	Maintenance SME	Tech Editing
				\$278	\$197	\$110	\$114	\$360	\$301	\$348	\$193	\$114	\$159	\$237	\$276	\$358	\$279	\$330	\$135
			Hours Total																
100	100	Project Management	40	30	40	16		8											
	201	Review Existing WPCF eOM Structure	8	4				2			12	8	8	4					
200	202	Configure WFP eOM Platform	8	4				4			28	40	40	8					4
	203	Content Ingestion Support and Quality Control	8					4			24	12	12	6	4				
	204	Final Testing, Training, and Closeout Documentation	8					4			30	30	30	6					4
300	301	WFP O&M Gap Assessment	8	8				20	4			12	12		20	4	2		4
	302	WFP O&M Content Development [Future]																	
400	401	Current State Assessment	8	24			16	6	2			48	48				36	8	
	402	Future State Visioning	8	16			16	4	2			12	12				16	4	
	403	Gap Analysis and Roadmap	8	16			24	4	2			60	60				40	12	12
Grand Total			108	102	40	16	56	60	10	94	222	222	24	24	4	94	24	24	1,124

Project title: Adopt a Resolution Declaring a 2003 Freightliner FL70 5-Yard Dump Truck (J0063) with a 1996 Monroe Sander (N0008) and a 2011 Henke Snowplow (N0030) Surplus and Authorizing Sale at Public Auction

Council Bill # *interoffice use*

Agenda dates requested:

March 27, 2024

Briefing

Proposed action

Consent ☒ X

Action

Ordinance

Public hearing

Yes ☒ X No

Budget amendment:

Yes ☒ X No

PowerPoint presentation:

Yes ☒ X No

Attachments:

Resolution

Department(s) involved:

Procurement & Motor Vehicles

Contact person:

Theresa Bauccio-Teschlog

Phone number:

(425) 257-8901

Email:

tbauccio@everettwa.gov

Initialed by:

sh

Department head

Administration

Council President

Project: Resolution declaring a 2003 Freightliner FL70 5-Yard Dump Truck (J0063) with a 1996 Monroe Sander (N0008) and a 2011 Henke Snowplow (N0030) Surplus

Partner/Supplier:

Location:

Preceding action:

Fund: 401 Utilities

Fiscal summary statement

Funds received from this surplus sale will be returned to Fund 401 Utilities.

Project summary statement:

The Public Works Department, Utilities Sewer Division owns a 2003 Freightliner FL70 5-Yard Dump Truck (J0063) with a 1996 Monroe MV1208450 sander and spreader (N0008) and a 2011 Henke 30R10IS Snowplow (N0030). J0063 has 125,873 miles and is scheduled to be replaced based on age, mileage, cost to maintain, and maintenance cost scoring.

J0063 has been replaced by J0191, a 2023 Peterbilt 548 5-yard dump truck.

The estimated surplus value of the truck, sander and snowplow is \$29,000.

Recommendation (exact action requested of Council):

Adopt a Resolution declaring a 2003 Freightliner FL70 5-Yard Dump Truck (J0063) with a 1996 Monroe Sander (N0008) and a 2011 Henke Snowplow (N0030) surplus and authorizing sale at public auction.



RESOLUTION NO. _____

A RESOLUTION declaring a 2003 Freightliner FL70 5-Yard Dump Truck (J0063) with a 1996 Monroe Sander (N0008) and 2011 Henke Snowplow (N0030) surplus and authorizing for sale at public auction.

WHEREAS,

1. The City has a 2003 Freightliner FL70 5-Yard Dump Truck (J0063) with a 1996 Monroe Sander (N0008) and a 2011 Henke Snowplow (N0030); and
2. The above-referenced equipment is no longer of value or use to the City; and
3. Ordinance 2963-06 establishes a procedure and methods for surplus or disposition of City-owned personal property; and
4. Based on the guidelines set forth in EMC 3.88.020, a public auction is the disposition method that best meets the City's interests and
5. The City's Procurement Manager has reported the basis for the estimated value of the surplus property and has recommended the surplus of the above-referenced vehicle and equipment by public auction.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND EVERETT CITY COUNCIL THAT:

1. The City has a 2003 Freightliner FL70 5-yard Dump Truck (J0063) with a 1996 Monroe Sander (N0008) and a 2011 Henke Snowplow (N0030);
2. The disposition of this equipment at a public auction is hereby authorized.

Councilmember introducing Resolution

Passed and approved this _____ day of _____, 2024.

Council President

Project title: Call for Bids for the construction of Reservoir 3 Phase 1 Replacement Project

Council Bill # *interoffice use*

Agenda dates requested:

Briefing
Proposed action
Consent 03/27/24
Action
Ordinance
Public hearing

Yes X No

Budget amendment:

Yes X No

PowerPoint presentation:

Yes X No

Attachments:

None

Department(s) involved:

Public Works

Contact person:

Souheil Nasr

Phone number:

425-257-7210

Email:

snasr@everettwa.gov

Initialed by:

RLS

Department head

Administration

Council President

Project: Reservoir 3 Phase 1 Replacement

Partner/Supplier: N/A

Location: 6107 Berkshire Dr, East of Evergreen Way

Preceding action: Plans and Systems Ordinance approved on 3/27/2024

Fund: 336 - Water and Sewer System Improvements Fund

Fiscal summary statement:

The funding source for the design phase of Reservoir 3 Replacement project will be Fund 401 – Water and Sewer Utility Fund. The programmed available funding for the project is \$62,300,000.

Project summary statement:

Reservoir 3 is a key terminal reservoir which was constructed in 1923. A cover was added to the reservoir in 1987. The 100-Year-old reservoir has exceeded its expected life. The 2020 Comprehensive Water Plan called for a structural assessment on Reservoir 3 to determine its resiliency to seismic events and current structural codes. The study found that the structure is susceptible to structural failure of the reservoir during a significant seismic event. The analysis indicated that structural improvements to the reservoir cover, which was also considered, would not address the overall seismic deficiency of the reservoir. Also, the interface between the concrete cover that was installed in 1987 and the original 1923 reservoir is failing and the cover is in serious risk of collapsing into the reservoir. In August 2023, Public Works completed a temporary emergency support of the failing concrete cover. Phase 1 of this project would eliminate the imminent risk of the cover falling into the reservoir and is needed as expeditiously as possible.

Based on this structural analysis and inspection, the criticality of the reservoir, and the age of the reservoir (100+ years), the City decided to replace the reservoir with two new reservoirs, in two phases, with total volume equals at least the existing 20 million gallon (MG) reservoir 3, designed to current standards, located at the current reservoir site.

In 2023, the City selected the HDR team led by HDR, Inc. as the prime consultant for both design phases. Phase 1 of the project, which is for an 8 MG reservoir, is ready to advertise for construction bids.

Recommendation (exact action requested of Council):

Authorize the Call for Bids for the construction of Reservoir 3 – Phase 1 Replacement Project.

Project title: Authorize the Mayor to sign Amendment No. 2 to the Professional Services Agreement with Commonstreet Consulting LLC

Council Bill # *interoffice use*

Agenda dates requested:

Briefing
Proposed action
Consent 3/27/2024
Action
Ordinance
Public hearing
Yes X No

Budget amendment:
Yes X No

PowerPoint presentation:
Yes X No

Attachments:
Amendment No. 2

Department(s) involved:
Community Development
Legal

Contact person:
Julie Willie

Phone number:
425-257-7120

Email:
jwillie@everettwa.gov

Initialed by:

Department head

Administration

Council President

Project: Waits Motel Relocation Services

Partner/Supplier: Commonstreet Consulting LLC

Location: Waits Motel

Preceding action: [Ordinance](#), 8.2.23, 12.11.23

Fund: Fund 162 – CIP4

Fiscal summary statement:

[Original agreement dated 8.23.23](#) had a maximum compensation amount of \$45,000. In 2023, Council approved [Amendment No. 1](#) to amend the scope of work, increase the total compensation to \$260,349, and extend the completion date to April 1, 2024.

The proposed Amendment No. 2 is only to extend the completion date to August 1, 2024. It makes no changes to compensation or scope of work.

Project summary statement:

The City Council adopted an ordinance on August 2, 2023, to exercise eminent domain to condemn the Waits Motel under the blight condemnation statute, RCW 35.80A. As part of the process, the City is providing assistance to the Waits Motel's long-term residents using Commonstreet Consulting LLC. Almost all of those residents have moved out. However, there may be a limited number of residents who may need some additional assistance over the next couple of months or so.

Recommendation (exact action requested of Council):

Authorize the Mayor to sign Amendment No. 2 to the Professional Services Agreement with Commonstreet Consulting, LLC.



**AMENDMENT NO. 2
PROFESSIONAL SERVICES AGREEMENT**

This Amendment to Professional Services Agreement ("**Amendment**") is effective as of the date of the Mayor's signature below, and is between the City of Everett, a Washington municipal corporation (the "**City**"), and the person identified as the Service Provider below ("**Service Provider**"). The City and Service Provider are parties to the Professional Services Agreement described below, as may be previously amended ("**Agreement**"). In consideration of the covenants, terms and conditions set forth below, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Service Provider agree to amend the Agreement as set forth below:

Service Provider	Commonstreet Consulting, LLC
City Project Manager	Julie Willie
	jwillie@everettwa.gov
Original Agreement Date	8/23/2023

AMENDMENTS	
New Completion Date	The new Completion Date is 8/1/2024. This Amendment only changes the Completion Date and no other provision of the Agreement.
Standard Amendment Provisions	Regardless of the date(s) on which this Amendment is signed by the parties, and regardless of any Agreement completion date(s) that may have been in the Agreement prior to this Amendment, the parties agree that the Agreement is deemed continuously in effect since the Original Agreement Date.
	This Amendment may be signed in counterparts, each of which shall be deemed an original, and all of which, taken together, shall be deemed one and the same document. AdobeSign signatures are fully binding. Any ink, electronic, faxed, scanned, photocopied, or similarly reproduced signature on this Amendment will be deemed an original signature and will be fully enforceable as an original signature.
	All provisions in the Agreement shall remain in effect except as expressly modified by this Amendment.

IN WITNESS WHEREOF, the City and Service Provider have executed this Amendment.

**CITY OF EVERETT
WASHINGTON**

COMMONSTREET CONSULTING, LLC

Cassie Franklin, Mayor

Signature: _____

Name of Signer: Chris LaBonte

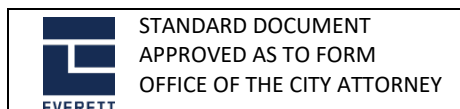
Signer's Email Address: chris@csrow.com

Title of Signer: Principal/COO

Date

ATTEST

Office of the City Clerk





City Council Agenda Item Cover Sheet

Project title: Everett Mall Bus Station Platform

Council Bill # *interoffice use*

Agenda dates requested:

Briefing
Proposed action
Consent 03/27/24
Action
Ordinance
Public hearing
Yes X No

Budget amendment:

Yes X No

PowerPoint presentation:

Yes X No

Attachments:

PSA

Department(s) involved:

Transit/Legal

Contact person:

Melinda Adams

Phone number:

425-257-8915

Email:

madams@everettwa.gov

Initialed by:

MAA

Department head

Administration

Council President

Project: Everett Mall Bus Station Platform

Partner/Supplier: Pace Engineers, Inc.

Location: Everett Mall

Preceding action: RFQ 2024-019

Fund: 425/Transit

Fiscal summary statement:

The project engineering cost is \$262,552.25 through Everett Transit funding.

Project summary statement:

Pace Engineers, Inc. will design and engineer the Everett Mall bus station platform. Pace will provide construction bid set and bid drawings for the construction of the bus platform.

Recommendation (exact action requested of Council):

Authorize the Mayor to sign the PSA with Pace Engineers, Inc. in the amount of \$262,552.25.



PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement ("**Agreement**") is effective as of the date of the Mayor's signature below and is between the City of Everett, a Washington municipal corporation (*the "City"*), and the Service Provider identified in the Basic Provisions below ("**Service Provider**"). This Agreement is for the purpose of the Service Provider providing services to the City as set forth in the Agreement. This Agreement includes and incorporates the Basic Provisions, the attached General Provisions, the attached scope of work (Exhibit A), and the attached method of compensation (Exhibit B).

BASIC PROVISIONS	
Service Provider	Pace Engineers Inc
	3501 Colby Ave, Suite 101 Everett, WA 98201
	darrells@paceengrs.com
City Project Manager	Vincent Bruscas
	City of Everett – Transit 3201 Smith Ave Suite 200 Everett, WA 98201
	vbruscas@everettwa.gov
Brief Summary of Scope of Work	Design and engineer bus platform.
Completion Date	December 31, 2025
Maximum Compensation Amount	\$262,552.25

BASIC PROVISIONS	
Service Provider Insurance Contact Information	Allison Braga
	360.626.2007
	Allison.braga@assuredpartners.com
State Retirement Systems (must answer both questions)	<p>Does Service Provider have 25 or more employees?</p> <p>Answer: Yes</p> <p>If Service Provider has less than 25 employees, did any Service Provider Personnel who will work under this Professional Services Agreement retire under a DRS retirement system?</p> <p>Answer: N/A - Service Provider has 25 or more employees</p> <p>“DRS retirement system” refers to any of the following Public Employers’ Retirement System (PERS), School Employees’ Retirement System (SERS), Teachers’ Retirement System (TRS), and Law Enforcement Officers and Fire Fighters plan (LEOFF).</p> <p>“Service Provider Personnel” includes Service Provider employees and owners (such as shareholders, partners or members). If Service Provider is a sole proprietor, then “Service Provider Personnel” refers to the sole proprietor.</p>

END OF BASIC PROVISIONS

IN WITNESS WHEREOF, the City and Service Provider have executed this Agreement, which includes and incorporates the above Basic Provisions, the attached General Provisions, the attached scope of work (Exhibit A), and the attached method of compensation (Exhibit B).

CITY OF EVERETT
WASHINGTON

Pace Engineers Inc

Cassie Franklin, Mayor

Signature: _____

Name of Signer: Darrell Smith

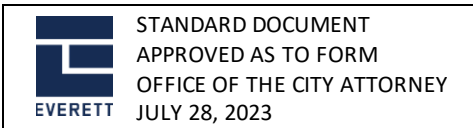
Signer's Email Address: darrells@paceengrs.com

Title of Signer: Civil Engineering Director

Date

ATTEST

Office of the City Clerk



ATTACHMENT
PROFESSIONAL SERVICES AGREEMENT
(GENERAL PROVISIONS v.071423.1)

1. **Engagement of Service Provider.** The City hereby agrees to engage Service Provider, and Service Provider hereby agrees, to perform the work in a competent and professional manner and provide the services described in the Scope of Work attached as Exhibit A. The Scope of Work so identified is hereafter referred to as “Work”. Without a written directive of an authorized representative of the City, Service Provider shall not perform any services that are in addition to, or beyond the scope of, the Work. If Service Provider’s proposal or other document generated by Service Provider is incorporated or attached as an exhibit or part of any exhibit to this Agreement or in any amendment or task or work order pursuant to this Agreement, then such proposal or document is part of this Agreement solely to the extent that it describes the Work, the Work schedule, and the amounts or rates to be paid for such Work, and Service Provider expressly agrees that no terms or conditions from such proposal or document are incorporated or included into this Agreement. In the event of difference or conflict between parts of this Agreement, Service Provider shall be bound by whichever is more stringent on Service Provider. If, and to the extent, the Work includes the design of a public work or improvement, in whole or in part, Service Provider’s design shall be reasonably accurate, adequate and suitable for its intended purpose.
2. **Intellectual Property Rights.** Reports, drawings, plans, specifications and any other intangible property created in furtherance of the Work are property of the City for all purposes, whether the project for which they are made is executed or not, and may be used by the City for any purpose. Unless otherwise expressly agreed in writing, all intellectual property rights in such documents or intangible property created pursuant to this Agreement, or for the City, belong to the City. Service Provider retains any intellectual property rights in documents and intangible property created by Service Provider prior to engagement, or not created by Service Provider for its performance of this Agreement.
3. **Time of Beginning and Completion of Performance.** This Agreement shall commence as of the date of mutual execution of this Agreement and the Work shall be completed by Completion Date stated in the Basic Provisions.
4. **Compensation.**
 - A. The City shall pay Service Provider only for completed Work and for services actually rendered which are described herein. Such payment shall be full compensation for Work performed or services rendered, including, but not limited to, all labor, materials, supplies, equipment and incidentals necessary to complete the Work.
 - B. Service Provider shall be paid such amounts and in such manner as described in Exhibit B.
 - C. Service Provider may receive payment as reimbursement for Eligible Expenses actually incurred. “Eligible Expenses” means those expenses as set forth in an exhibit to this Agreement or such expenses as are approved for reimbursement by the City in writing prior to the expense being incurred. An expense shall not be reimbursed if: (1) the expense is not identified as an Eligible Expense; (2) the expense exceeds the per item or cumulative limits for such expense if it is identified as an Eligible Expense; or (3) the expense was not approved in writing by an authorized City representative prior to Service Provider incurring the expense. If, and to the extent, overnight lodging in western Washington is authorized, Service Provider is strongly encouraged to lodge within the corporate limits of City. When authorized, Service Provider will be reimbursed 100% of lodging expense, if lodged within the corporate limits of the City, but Service Provider will be reimbursed 50% of lodging

- expense when lodged outside the corporate limits of the City. If authorized, the City may (at its sole option) obtain or arrange air travel for Service Provider.
- D. Total compensation, including all services and expenses, shall not exceed the Maximum Compensation Amount in the Basic Provisions.
 - E. If Service Provider fails or refuses to correct its work when so directed by the City, the City may withhold from any payment otherwise due an amount that the City in good faith believes is equal to the cost to the City of correcting, re-procuring, or remedying any damage caused by Service Provider's conduct.
5. **Method of Payment.**
- A. To obtain payment, Service Provider shall (a) file its request for payment, accompanied by evidence satisfactory to the City justifying the request for payment; (b) submit a report of Work accomplished and hours of all tasks completed; (c) to the extent reimbursement of Eligible Expenses is sought, submit itemization of such expenses and, if requested by the City, copies of receipts and invoices; and (d) comply with all applicable provisions of this Agreement. Service Provider shall be paid no more often than once every thirty days.
 - B. All requests for payment should be sent to the City Project Manager Address in the Basic Provisions or to an address designated by the City Project Manager in writing.
6. **Submission of Reports and Other Documents.** Service Provider shall submit all reports and other documents as and when specified in the Scope of Work. This information shall be subject to review by the City, and if found to be unacceptable, Service Provider shall correct and deliver to the City any deficient Work at Service Provider's expense with all practical dispatch. Service Provider shall abide by the City's determinations concerning acceptability of Work.
7. **Termination of Contract.** City reserves the right to terminate this Agreement at any time by sending written notice of termination to Service Provider ("Notice"). The Notice shall specify a termination date ("Termination Date"). The Notice shall be effective ("Notice Date") upon the earlier of either actual receipt by Service Provider (whether by email, mail, delivery or other method reasonably calculated to be received by Service Provider in a reasonably prompt manner) or three calendar days after issuance of the Notice. Upon the Notice Date, Service Provider shall immediately commence to end the Work in a reasonable and orderly manner. Unless terminated for Service Provider's material breach, Service Provider shall be paid or reimbursed for: (a) all hours worked and Eligible Expenses incurred up to the Notice Date, less all payments previously made; and (b) those hours worked and Eligible Expenses incurred after the Notice Date, but prior to the Termination Date, that were reasonably necessary to terminate the Work in an orderly manner. The City does not by this Section waive, release or forego any legal remedy for any violation, breach or non-performance of any of the provision of this Agreement. At its sole option, and without limitation of or prejudice to any other available remedy or recourse, the City may deduct from the final payment due Service Provider (a) any damages, expenses or costs arising out of any such violations, breaches, or non-performance and (b) any other backcharges or credits.
8. **Changes.** The City may, from time to time, unilaterally change the scope of the services of Service Provider to be performed hereunder. Such changes, including any increase or decrease in the scope of work (and resulting increase or decrease in compensation), shall: (a) be made only in writing and signed by an authorized City representative, (b) be explicitly identified as an amendment to this Agreement and (c) become a part of this Agreement.
9. **Subletting/Assignment of Contracts.** Service Provider shall not sublet or assign any of the Work without the express, prior written consent of the City.
10. **Indemnification.** Except as otherwise provided in this Section, Service Provider hereby agrees to defend and indemnify and save harmless the City from any and all Claims arising out of, in

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

11. Insurance.

- A. Service Provider shall comply with the following conditions and procure and keep in force during the term of this Agreement, at Service Provider's own cost and expense, the policies of insurance as set forth in this Section with companies authorized to do business in the State of Washington, which are rated at least "A-" or better and with a numerical rating of no less than seven (7), by A.M. Best Company and which are acceptable to the City.
1. Workers' Compensation Insurance as required by Washington law and Employer's Liability Insurance with limits not less than \$1,000,000 per occurrence. If the City authorizes sublet work, Service Provider shall require each subcontractor to provide Workers' Compensation Insurance for its employees, unless Service Provider covers such employees.
 2. Commercial General Liability Insurance on an occurrence basis in an amount not less than \$1,000,000 per occurrence and at least \$2,000,000 in the annual aggregate, including but not limited to: premises/operations (including off-site operations), blanket contractual liability and broad form property damage.
 3. Business Automobile Liability Insurance in an amount not less than \$1,000,000 per occurrence, extending to any automobile. A statement certifying that no vehicle

will be used in accomplishing this Agreement may be substituted for this insurance requirement.

4. Professional Errors and Omissions Insurance in an amount not less than \$2,000,000 per occurrence and \$2,000,000 in the annual aggregate. Such coverage may be written on a claims made basis.
- B. The above CGL and auto liability policies shall be primary as to the City and shall contain a provision that the policy shall not be canceled or materially changed without 30 days prior written notice to the City. No cancellation provision in any insurance policy shall be construed in derogation of the continuous duty of Service Provider to furnish the required insurance during the term of this Agreement.
- C. Upon written request by the City, the insurer or its agent will furnish, prior to or during any Work being performed, a copy of any policy cited above, certified to be a true and complete copy of the original.
- D. The Description of Operations on the Certificate of Insurance must substantially read as follows: "The above commercial general and auto liability policies are primary as to the City of Everett; have the City of Everett, its officers, employees, agents, and volunteers as additional insureds; and contain a provision that the policy shall not be canceled or materially changed without 30 days prior written notice to the City of Everett."
- E. Prior to Service Provider performing any Work, Service Provider shall provide the City or the City's designee with a Certificate of Insurance acceptable to the City Attorney evidencing the required insurance. Service Provider shall provide the City or the City's designee with either (1) a true copy of an endorsement naming the City of Everett, its officers, employees, agents and volunteers as Additional Insureds on the Commercial General Liability Insurance policy and the Business Automobile Liability Insurance policy with respect to the operations performed and services provided under this Agreement and that such insurance shall apply as primary insurance on behalf of such Additional Insureds or (2) a true copy of the blanket additional insured clause from the policies. Receipt by the City or the City's designee of any certificate showing less coverage than required is not a waiver of Service Provider's obligations to fulfill the requirements.
- F. If the policy listed above, Professional Errors and Omissions Insurance, is on a claims made policy form, the retroactive date on the policy shall be the effective date of this Agreement or prior. The retroactive date of any subsequent renewal of such policy shall be the same as the original policy provided. The extended reporting or discovery period on a claims made policy form shall not be less than 36 months following expiration of the policy.
- G. Service Provider certifies that it is aware of the provisions of Title 51 of the Revised Code of Washington that requires every employer to be insured against liability of Workers' Compensation, or to undertake self-insurance in accordance with the provisions of that Title. Service Provider shall comply with the provisions of Title 51 of the Revised Code of Washington before commencing the performance of the Work. Service Provider shall provide the City with evidence of Workers' Compensation Insurance (or evidence of qualified self-insurance) before any Work is commenced.
- H. In case of the breach of any provision of this Section, the City may, at its option and with no obligation to do so, provide and maintain at the expense of Service Provider, such types of insurance in the name of Service Provider, and with such insurers, as the City may deem proper, and may deduct the cost of providing and maintaining such insurance from any sums which may be found or become due to Service Provider under this Agreement or may demand Service Provider to promptly reimburse the City for such cost.

12. **Risk of Loss.** Service Provider shall be solely responsible for the safety of its employees, agents and subcontractors in the performance of the work hereunder and shall take all protections reasonably necessary for that purpose. All work shall be done at Service Provider's own risk, and Service Provider shall be solely responsible for any loss of or damage to Service Provider's materials, tools, or other articles used or held for use in connection with the work.
13. **Independent Contractor.**
- A. This Agreement neither constitutes nor creates an employer-employee relationship. Service Provider must provide services under this Agreement as an independent contractor. Service Provider must comply with all federal and state laws and regulations applicable to independent contractors including, but not limited to, the requirements listed in this Section. Service Provider agrees to indemnify and defend the City from and against any claims, valid or otherwise, made against the City because of these obligations.
 - B. In addition to the other requirements of this Section, if Service Provider is a sole proprietor, Service Provider agrees that Service Provider is not an employee or worker of the City under Chapter 51 of the Revised Code of Washington, Industrial Insurance for the service performed in accordance with this Agreement, by certifying to the following:
 - (1) Service Provider is free from control or direction over the performance of the service; and
 - (2) The service performed is outside the usual course of business for the City, or will not be performed at any place of business of the City, or Service Provider is responsible for the costs of the principal place of business from which the service is performed; and
 - (3) Service Provider is customarily engaged in an independently established business of the same nature as the service performed, or has a principal place of business for the service performed that is eligible for a business deduction for federal income tax purposes; and
 - (4) On the effective date of this Agreement, Service Provider is responsible for filing a schedule of expenses, for the next applicable filing period, with the internal revenue service for the type of service performed; and
 - (5) By the effective date of this Agreement or within a reasonable time thereafter, Service Provider has established an account with the department of revenue and other state agencies, where required, for the service performed for the payment of all state taxes normally paid by employers and businesses and has registered for and received a unified business identifier number from the state of Washington; and
 - (6) By the effective date of this Agreement, Service Provider is maintaining a separate set of records that reflect all items of income and expenses of the services performed.
 - C. Any and all employees of Service Provider, while engaged in the performance of any Work, shall be considered employees of only Service Provider and not employees of the City. Service Provider shall be solely liable for any and all claims that may or might arise under the Worker's Compensation Act on behalf of such employees or Service Provider, while so engaged and for any and all claims made by a third party as a consequence of any negligent act or omission on the part of Service Provider's employees, while so engaged on any of the Work.
 - D. Service Provider shall comply with all applicable provisions of the Fair Labor Standards Act and other legislation affecting its employees and the rules and regulations issued thereunder insofar as applicable to its employees and shall at all times save the City free, clear and

- harmless from all actions, claims, demands and expenses arising out of such act, and rules and regulations that are or may be promulgated in connection therewith.
- E. Service Provider assumes full responsibility for the payment of all payroll taxes, use, sales, income, or other form of taxes (such as state and, city business and occupation taxes), fees, licenses, excises or payments required by any city, federal or state legislation which are now or may during the term of the Agreement be enacted as to all persons employed by Service Provider and as to all duties, activities and requirements by Service Provider in performance of the Work and Service Provider shall assume exclusive liability therefor, and meet all requirements thereunder pursuant to any rules or regulations that are now or may be promulgated in connection therewith.
14. **Employment/Conflict of Interest**. Service Provider warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for Service Provider, to solicit or secure this Agreement and that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for Service Provider, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, the City shall have the right to annul this Agreement without liability or, in its discretion, to deduct from the Agreement price or consideration or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee. Further, it is recognized that Service Provider may or will be performing professional services during the term of this Agreement for other parties; however, such performance of other services shall not conflict with or interfere with Service Provider's ability to perform the Work. Service Provider agrees to resolve any such conflicts of interest in favor of the City.
15. **Audits and Inspections**. At any time during normal business hours and as often as the City may deem necessary, Service Provider shall make available to the City for the City's examination all of Service Provider's records and documents with respect to all matters covered by this Agreement and, furthermore, Service Provider will permit the City to audit, examine and make copies, excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement.
16. **City of Everett Business License**. Service Provider agrees to obtain a City of Everett business license prior to performing any work pursuant to this Agreement.
17. **State of Washington Requirements**. Service Provider agrees to register and obtain any State of Washington business licenses, Department of Revenue account and/or unified business identifier number as required by RCW 50.04.140 and 51.08.195 prior to performing any work pursuant to this Agreement.
18. **Compliance with Federal, State and Local Laws**. Service Provider shall comply with and obey all federal, state and local laws, regulations, and ordinances applicable to the operation of its business and to its performance of work hereunder.
19. **Compliance with the Washington State Public Records Act**. Service Provider acknowledges that the City is subject to the Public Records Act, chapter 42.56 RCW (the "Act"). All records owned, used or retained by the City are public records subject to disclosure unless exempt under the Act, whether or not such records are in the possession or control of the City or Service Provider. Service Provider shall cooperate with the City so that the City may comply with all of its obligations under the Act. Within ten (10) days after receipt of notice from the City, Service Provider shall deliver to the City copies of all records relating to this Agreement or relating to the Work that the City determines qualify as the City's public records under the Act. If the City receives a public records request relating to this Agreement or relating to the Work, the City shall seek to provide

notice to Service Provider at least ten (10) days before the City releases records pursuant to such public records request, but in no event will the City have any liability to Service Provider for any failure of the City to provide such notice. In addition to its other indemnification and defense obligations under this Agreement, Service Provider shall indemnify and defend the City from and against any and all losses, penalties, fines, claims, demands, expenses (including, but not limited to, attorney's fees and litigation expenses), suits, judgments, or damage arising from or relating to any failure of Service Provider to comply with this Section.

20. **Compliance with Grant/Loan Terms and Conditions.** Service Provider shall comply with any and all terms, conditions, terms and requirements of any federal, state or other agency grant or loan that wholly or partially funds Service Provider's work hereunder. If the grant or loan requires that the agency be a third party beneficiary to this Agreement, then the agency is a third party beneficiary to this Agreement.
21. **Equal Employment Opportunity.** Service Provider shall not discriminate against any employee, applicant for employment, or other person on the basis of race, color, religion, sex, age, disability, marital state, or national origin or other circumstance prohibited by applicable federal, state, or local law or ordinance. Service Provider shall comply with and shall not violate any applicable provisions of Chapter 49.60 RCW, Title VI of the Civil Rights Act of 1964, and all applicable federal, state, or local law or ordinance regarding non-discrimination.
22. **Waiver.** Any waiver by Service Provider or the City or the breach of any provision of this Agreement by the other party will not operate, or be construed, as a waiver of any subsequent breach by either party or prevent either party from thereafter enforcing any such provisions.
23. **Complete Agreement.** This Agreement contains the complete and integrated understanding and agreement between the parties and supersedes any understanding, agreement or negotiation whether oral or written not set forth herein.
24. **Modification of Agreement.** This Agreement may only be modified as provided in Section 8, or by a writing explicitly identified as a modification or amendment of this Agreement that is signed by authorized representatives of the City and Service Provider.
25. **Severability.** If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void, insofar as it is in conflict with said laws, and the remainder of the Agreement shall remain in full force and effect.
26. **Notices.**
 - A. Notices to the City shall be sent to the City Project Manager address in the Basic Provisions.
 - B. Notices to Service Provider shall be sent to its address in the Basic Provisions.
27. **Venue.** Venue for any lawsuit arising out of this Agreement shall be in the Superior Court of Snohomish County, Washington.
28. **Governing Law.** The laws of the State of Washington, without giving effect to principles of conflict of laws, govern all matters arising out of or relating to this Agreement.
29. **City Marks.** Service Provider will not use any trade name, trademark, service mark, or logo of the City (or any name, mark, or logo confusingly similar thereto) in any advertising, promotions, or otherwise, without the City's express prior written consent.
30. **No Personal Liability.** No officer, agent or employee of the City shall be personally responsible for any liability arising under this Agreement, whether expressed or implied, nor for any statement or representation made or in any connection with this Agreement.
31. **Federal Debarment.** Service Provider shall immediately notify the City of any suspension or debarment or other action that excludes Service Provider or any Service Provider subcontractor from participation in Federal contracting. Service Provider shall verify all subcontractors that are intended and/or used by Service Provider for performance of Work are in good standing and are not debarred, suspended or otherwise ineligible by the Federal Government. Debarment shall be verified at

<https://www.epls.gov/epls/search.do>. Service Provider shall keep proof of such verification within Service Provider records.

32. **Signature/Counterparts**. This Agreement and any amendment thereto may be signed in counterparts, each of which shall be deemed an original, and all of which, taken together, shall be deemed one and the same document. AdobeSign signatures are fully binding. Any ink, electronic, faxed, scanned, photocopied, or similarly reproduced signature on this Agreement or any amendment hereto will be deemed an original signature and will be fully enforceable as an original signature.
33. **Standard Document**. This General Provisions document is a standard City form document. No changes by Service Provider are authorized to the General Provisions. Notwithstanding anything to the contrary in this Agreement, in the event that Service Provider makes unauthorized changes to the General Provisions, such changes are deemed to have never been made and the contract between the City and Service Provider is deemed to be the unchanged standard City form General Provisions in version stated below, regardless of whether the City signs this Agreement in a form that may contain the unauthorized changes.

**END OF GENERAL PROVISIONS
(v.071423.1)**

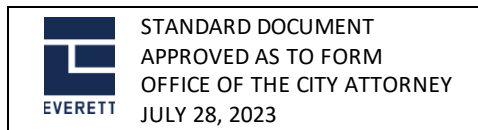


EXHIBIT A
PROFESSIONAL SERVICES AGREEMENT
(SCOPE OF WORK -- ATTACHED)

SCOPE OF WORK

Click or tap here to enter text.

**EXHIBIT B
PROFESSIONAL SERVICES AGREEMENT**

**SELECT ONE OF THE FOLLOWING METHODS OF COMPENSATION, EACH OF WHICH IS
SUBJECT TO THE MAXIMUM COMPENSATION AMOUNT**

- ☐ **HOURLY RATE.** The City shall pay Service Provider a sum equal to the amount of hours actually worked multiplied by the rate identified below for staff performing the Work.

Name	Title	Rate
enter name	enter title	enter rate
enter name	enter title	enter rate
enter name	enter title	enter rate
enter name	enter title	enter rate
enter name	enter title	enter rate
enter name	enter title	enter rate
enter name	enter title	enter rate

If there are more staff than rows in the table above, then those staff names, titles, and rates shall be provided in the Scope of Work.

- ☐ **PROGRESS PAYMENTS.** The City shall pay Service Provider the following amounts upon the completion of the following tasks.

Task	Amount Paid on Task Completion
enter task	enter amount
enter task	enter amount
enter task	enter amount
enter task	enter amount
enter task	enter amount
enter task	enter amount
enter task	enter amount

If there are more tasks than rows in the table above, then those tasks and payment amounts shall be provided in the Scope of Work.

- ☐ **LUMP SUM.** The City shall pay Service Provider \$ enter amount upon the completion of the Work.

- ☒ **METHOD CONTAINED IN SCOPE OF WORK.** The City shall pay Service Provider as set forth in the Scope of Work.

- ☐ **METHOD CONTAINED IN ATTACHED PAGE(S).** The City shall pay Service Provider as set forth in the spreadsheets or other documents attached to this Exhibit B.

March 8, 2024

Vincent Bruscas,
Project Coordinator
City of Everett
2930 Wetmore Avenue, Suite 1-A
Everett, Washington 98201
vbruscas@everettwa.gov

**Subject: Everett Mall Bus Platform
 Proposal for Professional Civil Engineering and Planning Services
 PACE Proposal No. P24-046**

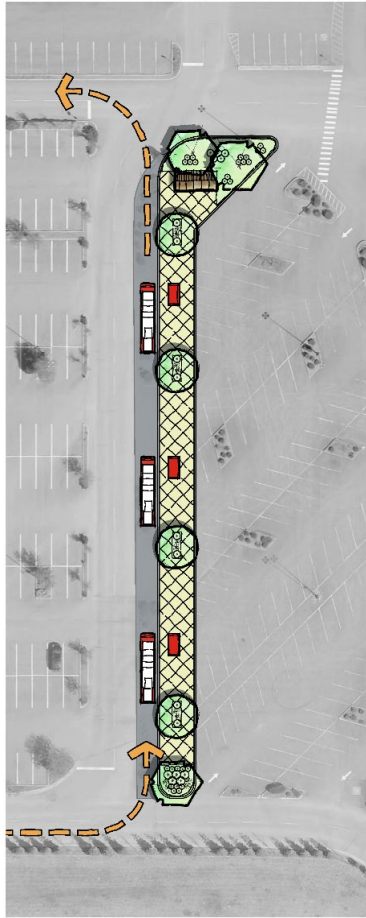
Dear Vince and Tom,

PACE Engineers, Inc. (PACE) would like to thank you for this opportunity to provide this Scope and Budget proposal for providing professional engineering and planning services for Everett Mall Bus Station Platform design (the project).

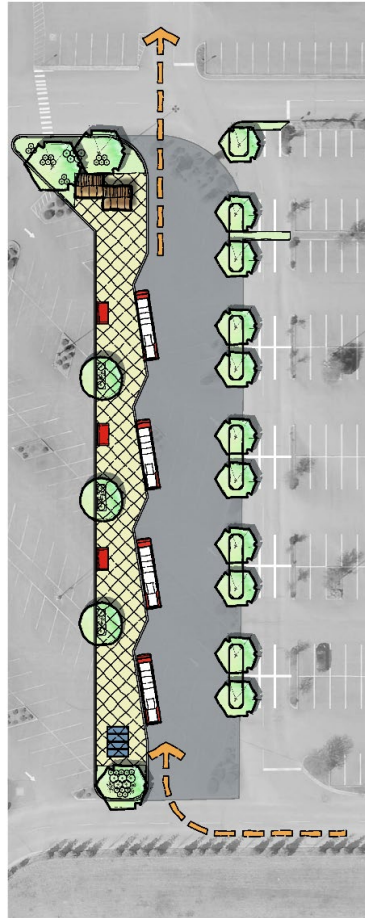
PROJECT DESCRIPTION

PACE understands the following:

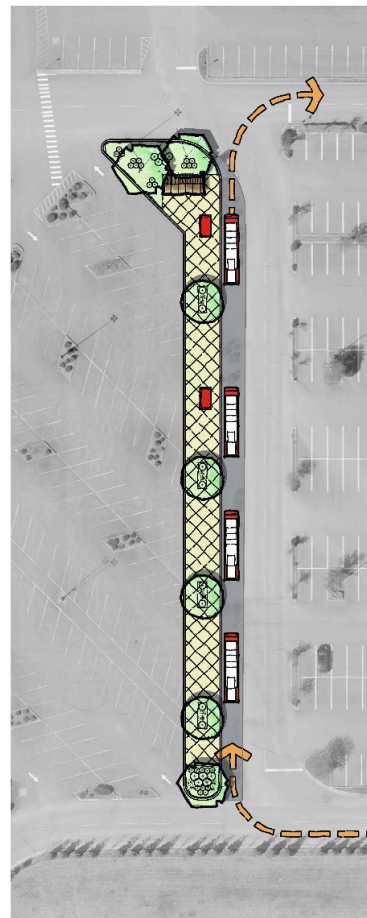
The existing transit center is proposed to be relocated approximately 400 feet to the west, to make room for redevelopment efforts at the mall. Everett Transit aims to construct a single-sided bus platform to serve four bus stops with standard shelters and two additional bus layover bays. Everett Transit also wishes to construct a 400-SF operator comfort building. Everett Transit has about 360 LF, south to north frontage, to work with. For buses to have independent arrival and departure, they must be parked approximately 60 feet from each other so arriving buses can adequately turn in and line up paralleled to a straight curb line. A sawtooth configured transit center, illustrated in the center graphic below, is more efficient and allows for more bus bays and only requires buses to be parked approximately 20 feet apart. Single-sided transit platforms can be designed and constructed narrower (approximately 20 feet wide) than traditional double-sided transit loop platforms. Optimizing the transit center bus bay layout will be critical in addition to coordinating bus bay program/needs.



Independent arrival



Sawtooth



Modified arrival

It is anticipated that the operator comfort building will provide two restrooms and a breakroom (approximately 400 SF in size). The building must be durable and readily available to be delivered to the project site. It's important to be aware that modular buildings have a long lead time. Typically, they can be produced, delivered, and installed within 10 to 12 months from the time the order is placed. Procurement of the modular building is a critical path element for this project.

SCOPE OF SERVICES

To commence with the development of the Project, and to guide the Project to its completion based on our current understanding, PACE proposes to provide the following services:

1. Project Management

PACE will lead and manage the overall design phase of the project.

- ◆ Prepare work plan
- ◆ Hold project kickoff meeting

- ♦ Hold weekly project coordination meetings (maximum of 20) combination of virtual and in-person meetings.
- ♦ Manage subconsultant activities
- ♦ Prepare monthly progress reports
- ♦ Prepare project schedule and a maximum of one (1) update.

2. Survey

Area of coverage:

A portion of two Snohomish County Parcels, Numbers 28051800401800 and 28051800402400, containing approximately 8,000 square feet. The site is 200 feet by 400 feet of a parking lot and driveway approaches for the Everett Mall, locate on the south side of the mall, north of the detention pond.

Scope of Services:

- ♦ Topographic mapping of the driveway and parking lot. The survey will include paved areas, islands, parking stripes, walkways, fences, storm drainage structures along with visible utilities and utilities obtained from available records and a private locating company.
- ♦ An AutoCAD drawing along with a signed original and pdf files will be provided at completion of the project.

Assumptions:

- ♦ If a Title Report is provided, we will compute and show plottable easements.
- ♦ No permit or recording fees will be required.

3. Geotechnical (HWA)

Based on a review of the available geotechnical information the project site is anticipated to be underlain by dense/hard glacial till soils which would likely be sufficient to support the proposed platform and structures. However, glacial till is generally a Natural Resource Conservation Service (NRCS) type D soil and would likely be unsuitable for infiltration.

Our understanding is that the design of the new bus platform will need to be completed within about two months of signing a contract with the City. Based on this schedule, our understanding of the project, and our experience on other similar projects, we propose to conduct a geotechnical and pavement engineering study that includes the following scope of services to support developing this design:

SCOPE OF WORK

- ♦ Project Setup: HWA will set up the project in our accounting software for billing throughout the project.

- ♦ Kickoff and Project Coordination Meetings: HWA will participate in up to one project kickoff meeting. HWA will also meet with the City and/or design team to present our findings and discuss alternatives (1 kickoff and up to 2 virtual coordination meetings).
- ♦ Project and Contract Management: HWA will prepare monthly invoices, and progress reports. We will correspond with the design team in the form of emails, and telephone calls, as necessary. We will provide project management for our engineering subtasks, and we will coordinate with and manage all our subcontractors.
- ♦ Review Available Geotechnical Information: Upon notice to proceed, HWA will review available geotechnical information from and in the vicinity of the project site to improve our understanding of the local geological conditions at the site and surrounding areas. This will include a review of geologic maps, HWA's library of geotechnical information in the area, and data from online databases.
- ♦ Site Reconnaissance and Utility Locates: HWA will conduct a site reconnaissance of the project site. This reconnaissance will be used to identify geotechnical challenges at the proposed improvements and to assist in planning the geotechnical exploration program. During the site reconnaissance, HWA will mark pavement core locations with white paint and notify the one-call utility service. An additional site visit will be performed to verify if the proposed locations of the pavement cores are clear of utilities prior to mobilizing our equipment.
- ♦ Plan and Coordinate Subsurface Exploration Program: HWA will plan and coordinate the geotechnical exploration program. We propose to conduct up to four (4) pavement cores at the site. Hand auger borings and Dropweight Cone Penetrometer (DCP) testing will be advanced to identify subgrade soil and groundwater conditions in the vicinity of the bus platform. Our understanding is that explorations are to be located within the parking stalls of the existing parking lot or landscape areas where possible. Traffic control and street use permits are not anticipated to be required.
- ♦ Generate Geotechnical Subsurface Exploration Plan (SEP): HWA will prepare a geotechnical SEP for the proposed work. The SEP will detail the type, location, and extent of proposed field explorations along with logistics necessary to perform the work such as work zones and staging areas. The work plan will also be used for utility locating clearances and permitting that may be necessary to access the exploration locations. The SEP will be submitted to the City for review and approval. We assume the City, in support of this project, will acquire and provide any required permits or rights of entry at no cost to HWA.
- ♦ Conduct Pavement Cores: Up to four (4), 6-inch diameter pavement cores will be conducted within the existing pavement to identify existing pavement thickness and subgrade conditions. DCP testing and hand auger borings will be

advanced within the pavement cores to further evaluate soil conditions. Upon completion of each pavement core exploration, the pavement is to be patched with aquaphalt cold. No hot mix asphalt patching is proposed, and additional costs will be required if the City requires different patching materials.

- ♦ **Generate Core Logs and Assign Laboratory Testing:** HWA will generate summary core logs for each pavement core and associated hand exploration. Samples retrieved from our explorations will be sealed in plastic bags and taken to our Bothell, Washington laboratory for further examination and testing. Selected samples will be tested to determine relevant engineering and index properties. Depending on the type of soils encountered, laboratory testing performed may include moisture content, grain-size distribution, and/or Atterberg limits test. Soil and laboratory test information will be presented in summary core logs that will be generated upon completion of our exploration program.
- ♦ **Generate Seismic Design Parameters:** Based on the geologic information obtained from our field exploration program in the vicinity of the improvements, HWA will determine the Site Class for seismic design and will generate seismic design parameters.
- ♦ **Develop Recommendations for Luminaires and Foundations:** HWA will provide recommendations for bearing capacity and the foundation design of the cantilevered structures and the prefabricated building. Additionally, HWA will provide recommendations for luminaire foundations, assuming the use of WSDOT standard plan foundations.
- ♦ **Pavement Engineering Analysis and Recommendations:** HWA will use the collected information regarding soil and groundwater conditions observed at the site to develop recommendations for the pavements at the proposed bus station platform such as subgrade preparation, aggregate base course, and minimum section thicknesses.
- ♦ **HWA QA/QC:** HWA will have all design calculations and geotechnical recommendations reviewed by a senior principal prior to distribution to the design team or the City.
- ♦ **Draft Preliminary Geotechnical Engineering Report:** HWA will prepare draft preliminary geotechnical report to support 30% design. This report will present the results of our field explorations, also it will include:
 - A description of the geotechnical site exploration program.
 - The logs of the site investigations, including any existing subsurface geotechnical data and pavement cores.
 - A description of the geologic and seismic setting for the corridor.
 - Results of all field tests conducted.

- A description of all laboratory tests conducted and the test results, as well as any previous geotechnical laboratory test results that are relevant for the project.
- A site plan showing pavement core locations and other pertinent features.
- ◆ Respond to Review comments: HWA will respond to review comments in the form of emails to the design team.
- ◆ Final Geotechnical Engineering Report: The report will be finalized after comments from the City and design team are received.

ASSUMPTIONS/CONDITIONS

The following assumptions were made as part of the development of this scope of work:

- All exploration locations will be within City of Everett's rights-of-way or private property for which rights of entry have been previously secured. All required permits will be provided by the City.
- Pavement coring will be accomplished during normal daylight workdays and hours, with at least a minimum of 8 hours available per day for on-street work. Coring is estimated to be completed within 1 day.
- Glacial till soils are anticipated at the site, which is a NRCS type D soil; therefore, field testing to evaluate stormwater infiltration should not be required. No PITs or EPA falling head (percolation) tests will be completed as part of this scope of work.
- Glacial till soils are anticipated at the site, which would likely provide enough lateral capacity for use of WSDOT's standard luminaire foundation design and for shallow foundations or a gravel pad to support the proposed improvements.
- Traffic control such as flaggers, arrow boards, or other similar equipment will not be required. Work zones are anticipated to be located within parking stalls or landscape islands of the existing parking lot and can be delineated with traffic cones.
- Utility locates will be comprehensive and accurate enough to allow reliable and safe location of pavement cores. Vacuum extraction at the pavement cores is not included.
- Coring locations will be field located using handheld GPS and measurement from existing known features. Surveying of actual exploration locations is not included.
- The geotechnical explorations proposed herein will not be used to assess site environmental conditions. However, visual or olfactory observations regarding potential contamination will be noted. Analysis, testing, storage, and handling of potentially contaminated soil and ground water (either sampled or spoils from drilling) are beyond this scope of services. If contaminated soils and/or ground water are encountered, the material will be properly contained on-site for disposal as mutually agreed upon without additional cost to HWA.

- All field explorations conducted through the pavement will be patched with aquaphalt. Saw cutting of the pavement or hot mix asphalt patches will not be completed.
- One round of review of the Geotechnical and Pavement Engineering Report will be required.
- Following delivery of the draft report, all soil samples will be disposed of, unless otherwise mutually agreed upon. Long-term storage of soil samples by HWA is not included.

DELIVERABLES

- Geotechnical Subsurface Exploration Plan (PDF)
- Draft Preliminary Geotechnical Engineering Report (PDF)
- Preliminary Geotechnical Engineering Report (PDF)

Client Responsibilities

- Provide access to the site to perform site reconnaissance, utility locates, and pavement coring.
- Provide necessary permits and rights of entry at no cost to HWA

4. Conceptual Design

The extent of the conceptual design task to develop two to four transit center schematic site options, gain City and mall developer input and create one preferred site plan.

- ♦ Prepare two to four site options.
- ♦ Prepare one preferred site plan.

Site layout options will be sketched on aerial based GIS files. Formal CAD files will not be prepared until the 60% design phase.

5. Mall Coordination

Hold up to four (4) virtual meetings with the Mall Developer to gain transit center relocation and design consensus.

6. Restroom Building Coordination

Hold up to four (4) virtual meetings to review design needs and procurement of the project restroom building. Public Restroom Company seems to provide a modular design that addresses Everett Transit needs.

7. 60% Design

In addition to the design elements described in other tasks, the following work elements will occur during the 60% design phase:

Site Preparation

Identify work which must be conducted prior to beginning construction of the proposed facilities. This work generally includes elements like tree removal/protection, onsite infrastructure to be removed/ protected/ reused, pavement removal, and temporary security measures.

Erosion Control

Prepare erosion control design to minimize the discharge of sediment from the site. Erosion control measures will be designed in accordance with the current version of the Washington Department of Ecology's Stormwater Management Manual, Volume II.

Grading and Earthwork

Identify proposed finished grades throughout the site which provide both surface drainage and user comfort. Grading will be based on the recommendations of the geotechnical report and the Everett grading requirements. Finished grades will be identified by contours at 1' intervals with spot elevations given at critical locations to ensure that the design is adequately conveyed to a contractor.

Utility Plans

Water and sewer service connections will be provided to the comfort station. Water service for irrigation flows will also be provided. No additional water and sewer facilities are anticipated, including no fire suppression. Plans will show the layout of proposed services, as well as the location of underground utilities designed by other disciplines (such as electrical systems and video cameras) for cross checking.

Utility Coordination

Contact all utility purveyors within the vicinity of the project and share the design concept with them to determine if their facilities will be impacted and to what extent. Prepare a summary of the contacts to be provided to Everett Transit for documentation.

Paving

Identify surfacing and surface features. It is anticipated that the majority of the site will be constructed using concrete pavement. The paving plans will also identify surfacing materials for platforms and landscaping areas.

Signage, Striping, and Site Amenities

Identify striping, traffic signage, and site features necessary for the operation of the park and ride facility. Signage will be limited to standard signage available in the MUTCD or other sources, except for the site monument signs. Design of site identification signs, bus route flags and other transit specific signage will be provided by Everett Transit.

Survey Control and Horizontal Control Plan

Identify the locations and dimensions of proposed site features in a manner that allows the contractor to correctly locate the facilities. Location information will be a combination of coordinates, Station/Offset callouts and measured dimensions as best conveys the intent of the design. The Survey Control Plan will be prepared by an engineer based on previously completed site survey. It will not be a boundary survey or recordable survey document.

Opinion of Probable Construction Cost

Prepare an opinion of the probable construction cost for the project based on the 60% design plans. The opinion will capture all significant project costs to the extent known and provide sufficient contingency to gauge the final cost of the project.

Specifications

Specifications will be prepared in WSDOT/ APWA format for the project. The 60% specifications will address significant design elements but will leave some details for later completion. Bid forms will not be prepared at the 60% level.

Document Assembly

Assemble all deliverables from team members into a cohesive package for delivery to Everett Transit.

A maximum of twenty (20) civil plans will be prepared. Most plan sheets will be scaled at 1" = 20' for full size drawings (22" x 34") and 1" = 40' for half size drawings (11" x 17"). This scale allows the most efficient breakdown of the site while providing sufficient detail to convey the design intent. The anticipated plans are as follows:

- Cover (1 plan sheet)
- Legend and Abbreviations (1 plan sheet)
- Site Plan (1 plan sheet)
- Horizontal Control Plan (1 plan sheet)
- Survey Control Plan (1 plan sheet)
- Site Preparation and Erosion Control (1 plan sheet)
- Site Preparation and Erosion Control Details (1 sheet)
- Grading Plan (2 plan sheets)

- Grading Details and Sections (1 plan sheet)
- Drainage Plan (2 plan sheets)
- Drainage Details and Facility Plans (1 sheet)
- Utility Plan (1 plan sheet)
- Paving, Signage and Channelization Plan (2 plan sheets)
- Paving, Signage and Channelization Details (1 plan sheet)
- Restroom Building Utility Connection (1 plan sheet)
- Illumination Plans (2 plan sheets)

In addition, plans by other disciplines will be prepared at 60% as described herein.

Assumptions:

- The project configuration selected in conceptual plan development phase will not be substantially revised during the course of the design efforts.
- Design will be in accordance with City of Everett Development Standards.
- No additional water and sewer work will be required except for service lines as described herein. No utility main extensions will be provided.
- Specifications will be in WSDOT/APWA format.
- Everett Transit will provide boilerplate contract language to be included with the specifications.
- A project opinion of cost will be prepared in PACE standard format.
- There are no sensitive or contaminated areas on site.
- A maximum of twenty-two civil plan sheets will be prepared.
- Color rendering graphics will not be produced under this task.

Deliverables:

- 60% Plans (PDF)
- 60% Opinion of Cost (PDF)
- 60% Specifications (PDF)

8. Stormwater Analysis

The intent of this task is to prepare a draft and final stormwater analysis report.

Drainage Design

- Early on we will provide a conceptual design for the stormwater based on the site layout and the geotechnical engineering report (prepared by others)
- Provide onsite stormwater conveyance, flow control mitigation, water quality treatment facilities and LID design for the project site in accordance with agency requirements.

- The work will include a preliminary hydraulic report supporting the design at the 60% submittal and a final report at the 100% submittal.
- We are assuming that additional flow control measures will not be required because the increase from the existing site conditions to the proposed site conditions will be less than 0.15 cfs using 15-minute time steps and an approved continuous runoff model.
- We are anticipating that Modular Wetlands or an equivalent system will be used to meet the water quality requirements.
- We are assuming that a suitable stormwater discharge point exists on or adjacent to the site and no offsite stormwater conveyance improvements will be required by the project.

SWPPP Documentation

- At 90% PACE will prepare a Stormwater Pollution Prevention Plan (SWPPP) for the project site in compliance with Ecology Guidelines to supplement the Temporary Erosion and Sediment Control Plan (TESC).

9. Final Design

The Information to Bidders (ITB) will incorporate comments from the review of the 60% design documents and City permitting comments. This plan set may be utilized as an addendum or a conforming plan set depending upon when final permit comments come in from the City.

Work Elements:

In addition to the design elements described in other tasks, the following work elements will occur during the TIB design phase:

- Update plan set based on Everett Transit 60% design comments and City permitting review comments.
- Opinion of Probable Construction Cost

Prepare an opinion of the probable construction cost for the project based on the ITB design plans. The opinion will capture all significant project costs to the extent known, and provide sufficient contingency to gauge the final costs of the project.

- Specifications

Specifications will be prepared in WSDOT/APWA format for the project.

- Document Assembly

Assemble all deliverables from the team members into a cohesive package for delivery to Everett Transit.

- ♦ A maximum of twenty (20) civil plans will be prepared. Plan sheets will be scaled at 1" = 20' for full size drawings (22" x 34") and 1" = 40' for half size drawings (11"

x 17"). This scale allows the most efficient breakdown of the site while providing sufficient detail to convey the design intent. The anticipated plans are as follows:

- Cover (1 plan sheet)
- Legend and Abbreviations (1 plan sheet)
- Site Plan (1 plan sheet)
- Horizontal Control Plan (1 plan sheet)
- Survey Control Plan (1 plan sheet)
- Site Preparation and Erosion Control (1 plan sheet)
- Site Preparation and Erosion Control Details (1 sheet)
- Grading Plan (2 plan sheets)
- Grading Details and Sections (1 plan sheet)
- Drainage Plan (2 plan sheets)
- Drainage Details and Facility Plans (1 sheet)
- Utility Plan (1 plan sheet)
- Paving, Signage and Channelization Plan (2 plan sheets)
- Paving, Signage and Channelization Details (1 plan sheet)
- Restroom Building Utility Connection (1 plan sheet)
- Illumination Plans (2 plan sheets)

In addition, plans by other disciplines will be provided at ITB as described herein.

Assumptions:

- Major design changes as a result of City permit review are excluded from the Scope of Services.
- Comments on 60% plans will be provided to the Consultant in a consolidated, non-conflicting format. Either plan markups or tabulated comments are acceptable.
- The project configuration selected in 60% plan development phase will not be substantially revised during the course of the design efforts.
- Design will be in accordance with City of Everett Development Standards.
- The project configuration selected in conceptual plan development phase will not be substantially revised during the course of the design efforts.
- Design will be in accordance with City of Everett Development Standards.
- No additional water and sewer work will be required except for service lines as described herein. No utility main extensions will be provided.
- Specifications will be in WSDOT/APWA format.
- Everett Transit will provide boilerplate contract language to be included with the specifications.

- A project opinion of cost will be prepared in PACE standard format.
- There are no sensitive or contaminated areas on site.
- A maximum of twenty-two civil plan sheets will be prepared.
- Color rendering graphics will not be produced under this task.
- All reproduction costs will be billed directly to Everett Transit.

Deliverables:

- Responses to 60% comments
- ITB Plans (PDF)
- ITB Opinion of Probable Cost (PDF)
- ITB Specifications (PDF)

10. Illumination & Security System Design (TRANSPO)

Task 10.01 – Illumination Design

Transpo will participate in meetings and other coordination efforts with the Client, Everett Transit, and/or utility representatives, as necessary. The projected fee assumes one (1) remotely attended meeting and one (1) site visit will be required.

Transpo will prepare illumination plans, Electrical Special Provisions, and an engineer's opinion of probable costs for the relocated bus platform and bus loading/unloading zone within the Everett Mall Parking Lot. Illumination will be designed to meet current Everett Transit standards. Supporting light level calculations will also be prepared and submitted as required for Everett Transit plan approval. It is anticipated that the illumination plan set would include the following plan sheets:

- ♦ Illumination Plans at 1"=40' scale (1 sheet)
- ♦ Illumination Details (1 sheet)

Task 10.02—Security Camera System Design

Transpo will participate in meetings and other coordination efforts with the Client and Everett Transit, as necessary. The projected fee assumes two (2) remotely attended meetings will be required. It is anticipated that an initial meeting will be held to understand the existing system and needs of the relocated system. Topics may include camera coverage requirements, camera makes/models, power and communications requirements, network/storage/recording requirements, etc.

Transpo will prepare plans, Electrical Special Provisions, and an engineer's opinion of probable costs for relocating the existing security camera system (camera and recording equipment) to the new bus platform within the Everett Mall Parking Lot. It is anticipated that the security camera system plan set would include the following plan sheets:

- ♦ Security Camera System Plan at 1"=40' scale (1 sheet)
- ♦ Security Camera System Details (2 sheets)

Assumptions:

Transpo is entitled to rely upon the completeness and accuracy of information and services furnished by the Client and their representatives.

Transpo assumes the following as the basis for this Scope of Services and Fee

- ◆ The Client and/or their representatives are responsible for all submittals to the reviewing agency.
- ◆ Others will prepare all civil-related plans not described in Exhibit A. This includes, but is not limited to, the design of curbs, sidewalks, paving, grading, utilities, drainage, structures, geotechnical design, and related work.
- ◆ One site visit will be needed to review existing lighting conditions and the existing security camera system. Representatives from Everett Transit will provide access to the security camera system during the site visit.
- ◆ The Everett Transit will provide types/models for luminaires.
- ◆ Transformer and/or electrical service connection design will be provided by the electrical utility provider, if needed.
- ◆ Temporary illumination design is not required.
- ◆ Special Provisions will be prepared in APWA/WSDOT format.
- ◆ Security camera design assumptions:
 - Everett Transit will provide types/models for security cameras, if needed.
 - Security cameras will be used for general surveillance purposes (i.e., detection and observation).
 - Camera coverage will be limited to on-site exterior spaces.
- ◆ Architectural design will be provided by others, if needed.
- ◆ The project site will be approximately 400-ft long by 150-ft wide

The Client shall provide the following information and/or services to Transpo:

1. Soils investigation and pit logs with respect to luminaire pole foundation design, if required.
2. Right-of-way acquisitions, easements, and/or legal descriptions, if required.
3. Electronic copies of the final roadway basemaps and plans, including existing and proposed features in an AutoCAD format. Topographic survey basemaps within the project limits shall include an as-built of existing features and proposed features including overhead and underground utilities, structures, ditches, roadway centerline with stationing, and right-of-way and easement boundaries.

Deliverables:

Submittals of the complete plan set, Special Provisions, and engineer's opinion of probable costs for the channelization and traffic signal improvements will be prepared to the 60-percent and final completion levels. Comments from the Client and Everett Transit will be reflected in each submittal. Two (2) submittals are included in this scope of work.

11. Permitting

SEPA Checklist

- Research and prepare the SEPA environmental checklist, if required.

Permitting

- PACE anticipates the following permits and will prepare the applications and materials for submittals:
 - ♦ A public works permit for site development
 - ♦ A building permit for the proposed restroom building
- The materials will be provided to the client for review and signature where needed.
- The final approved materials will be submitted to the City of Everett using the city's permitting portal.

12. Construction Bid Support

The ultimate goal of this task is to receive competitive bids that meet the project requirements, deliver value to stakeholders, and ultimately secure the contract for the facility's construction. PACE will assist with the public bid process, including attending pre-bid meetings and responding to design questions. We anticipate attending one public construction pre-bid meeting, answering questions through Requests for Information (RFIs), and revising drawings as needed.

Deliverables:

- ♦ RFI Response
- ♦ Revised Drawings
- ♦ Addendum Support
- ♦ Bid Analysis

13. Management Resource

Most projects, particularly fast paced projects experience change and need to analyze an unanticipated issue or make a design modification. The traditional supplemental process takes time and would have negative impacts on this project. PACE proposes a \$15,000 management reserve task that can only be accessed by the consultant when written direction to do so is issued by the City's Project Manager.

GENERAL ASSUMPTIONS

- City will secure all rights of entry
- 30% Civil Plans or Estimates will not be prepared
- Wetland delineations and buffer reviews are excluded from this Scope of Services
- Traffic analysis is excluded and will not be prepared
- Cultural resource investigation is excluded and will not be prepared
- All other permits and regulatory approvals not specifically identified in this Scope will be secured by others.
- Property encumbrance exhibit will be prepared by others (Mall Surveyor)
- If required, stormwater detention vault sizing and control structure will be specified. Structural vault design will be a deferred submittal that low bid contractor will be required to prepare.
- Existing transit center will be demolished/removed by others.
- Civil design and design support is limited to the area at Everett Mall, depicted by the graphics presented under the project understanding. Off-site improvements outside of that view are excluded.
- Construction management and inspection services are excluded at this time and have not been budgeted for.
- Standard Everett Transit shelters will be incorporated into the project. Shelter design is excluded from this project.
- City to provide title reports to the consultant.
- Utilities are readily available, located within 100 LF of the site.

PROJECT SCHEDULE

The project will be fully designed in four months from notice to proceed, with the assumption that timely revisions and decisions will be made by the City. Everett Transit is responsible for coordinating other City Department reviews of plans and permit applications.

OWNER PROVIDED MATERIAL

- Site Right-of-Entry
- Standard Bus Shelter Plans & Specifications
- Transit Bay Flag Plan & Specifications

Project Estimates should consider a 10% to 15% contingency for unknown conditions where applicable.
Project Estimates should consider escalation for projects extending over one calendar year.

Select this
column to
add more

Rev. 12/15/2023

STANDARD

Free Form Input - Project Budgeter can define work item descriptions, expense and subconsultant as required
Defined Input - Project budgeter must use defined Labor Codes and Staff Type from Deltek FMS Project Mgmt System (Tables Attached)

PACE Engineers

Project Budget Worksheet - 2024

Project Name: **Everett Mall Bus Platform** Location: **Everett, WA**
Project #: **P24-046** Billing Group #: Task #:

Darrell Smith
3/8/2024

Labor Hours by Classification																		
Staff Type # (See Labor Rates Table) Staff Type Hourly Rate Staff Name	Labor Code	1	10	14	5	33	15	16	74	70	40	43	58	113	92			
		\$288	\$272	\$209	\$222	\$194	\$194	\$166	\$166	\$194	\$252	\$222	\$252	\$166	\$120			
		Darrell	Tyler	Tara	Brian Way	Eilean	Cathy	Jared	Aaron J	Ben M								
Drawing/Task Title	Job Title	Sr. Principal Engineer	Principal Engineer	Project Engineer	Sr. Landscape Architect	Sr. Planner	Engineering Staff IV	Engineering Staff II	CAD Tech III	CAD Manager	Sr. Principal Surveyor	Survey Project Manager	Two-Person Crew	Survey Tech V	Sr. Office Tech	Hour Total	Dollar Total	
Project Management		32	8	2	4		2	2							12	62.0	\$14,858.00	
Survey		2									4	4	8	8		26.0	\$5,816.00	
Geotechnical (HWA)		2							2							4.0	\$908.00	
Conceptual Design		24		8	8				40						2	82.0	\$17,240.00	
Mall Coordination		8														8.0	\$2,304.00	
Restroom Coordination		1	2				8									11.0	\$2,384.00	
60% Design		16	24	24	16		32	60	144	4					20	340.0	\$62,952.00	
Stormwater Analysis		2	4	40					4							50.0	\$10,688.00	
Final Design		12	24	20	12		32	60	124	4					20	308.0	\$56,756.00	
Illumination & Security System Design		4							4							8.0	\$1,816.00	
Permitting		2	4	4		34	6									50.0	\$10,260.00	
Bid Support		8						8	8						2	26.0	\$5,200.00	
Management Resource		4	30				12		20							66.0	\$14,960.00	
Hours Total		117.0	96.0	98.0	40.0	34.0	92.0	130.0	346.0	8.0	4.0	4.0	8.0	8.0	56.0	1041.0		
Labor Total		\$33,696	\$26,112	\$20,482	\$8,880	\$6,596	\$17,848	\$21,580	\$57,436	\$1,552	\$1,008	\$888	\$2,016	\$1,328	\$6,720		\$206,142.00	

Expenses	rate/unit	Reimbursable	
		Quantity	Cost
Project Administration (enter estimated months)	\$60.00	9	\$540.00
Postage/Courier			
Printing Costs			
Photo/Video			
Mileage/Travel/Per Diem	\$0.66	400	\$262.00
Miscellaneous			
Total			\$802.00

Subconsultants	
Utility Locate	\$500
Illumination (Transpo)	\$25,000
Geotechnical Engineer (HWA)	\$22,855
Subconsultant Subtotal	48,355.00
Markup	15%
Total	\$55,608.25

PACE Billed Labor Total	\$206,142.00
Reimbursable Expenses	\$802.00
Subconsultants	\$55,608.25
Total Project Budget	\$262,552.25

Project title: An Ordinance closing a special improvement project entitled “Everett Mall Way – 4th Ave to East Mall Drive Intersection Safety” Fund 303, Program 106, as established by Ordinance No. 3835-21.

Council Bill #

CB 2403-89

Agenda dates requested:

Briefing
 1st Reading 03/27/24
 2nd Reading 04/03/24
 Consent
 Action 04/10/24
 Ordinance X
 Public hearing
 Yes X No

Budget amendment:

Yes X No

PowerPoint presentation:

Yes X No

Attachments:

Proposed Ordinance

Department(s) involved:

Public Works, Admin

Contact person:

Tom Hood

Phone number:

(425) 257-8809

Email:

thood@everettwa.gov

Initialed by:

RLS

Department head

Administration

Council President

Consideration: Closing Ordinance

Project: Everett Mall Way – 4th Ave to East Mall Drive Intersection Safety

Partner/Supplier: Washington State Department of Transportation

Location: Everett Mall Way

Preceding action: Rejection of Bid [5/2/2018](#)

Fund: 303 – Public Works Improvements

Fiscal summary statement:

This project incurred costs of \$130,014 and a balance transfer to Fund 119 – Street Improvements Fund in the amount of \$453,220 for total costs of \$583,234.

Project summary statement:

The Public Works department applied for a 2014 federal grant to design and construct traffic improvements on Everett Mall Way from 4th Ave to East Mall Drive. New electrical and fiber optic conduits were installed, along with upgrades to associated ADA ramps.

Bids opened in Spring of 2018, with low interest from the contracting community. The City received one bid, which was 45% (\$780,000) above Engineer’s Estimate. A competitive bid result was not achieved, and the Washington State Department of Transportation (WSDOT) concurred with the City’s recommendation to reject the sole bid. Subsequent to council’s rejection of the sole bid, the department conducted an in-depth Value Engineering (VE) analysis, and an exhaustive review of the project scope. In consultation with WSDOT, it was concluded that the project scope could not be narrowed sufficiently to meet the available funding and the intent of the grant award, while maintaining constructability. The City plans to rescope and pursue external funding in the near future.

Recommendation (exact action requested of Council):

An Ordinance closing a Special Improvement Project entitled “Everett Mall Way – 4th Ave to East Mall Drive Intersection Safety” Fund 303, Program 106, as established by Ordinance No. 3835-21.



ORDINANCE NO. _____

An ORDINANCE closing a special improvement project entitled “Everett Mall Way - 4th Ave to East Mall Drive Intersection Safety” Fund 303, Program 106, as established by Ordinance No. 3835-21.

WHEREAS,

- A.** The special improvement project entitled “Everett Mall Way - 4th Ave to East Mall Drive Intersection Safety” Fund 303, Program 106, was established to provide for identified improvements.
- B.** The purpose of the project has been abandoned and there are neither outstanding obligations to be paid nor uncollected revenues to be received.

NOW, THEREFORE, THE CITY OF EVERETT DOES ORDAIN:

Section 1. The special improvement project entitled “Everett Mall Way - 4th Ave to East Mall Drive Intersection Safety” Fund 303, Program 106, as established by Ordinance No. 3835-21 be closed.

Section 2. That the final expenses and revenues for the “Everett Mall Way - 4th Ave to East Mall Drive Intersection Safety” Fund 303, Program 106 are as follows.

A. Expense		
Design		\$ 130,014
Remaining Balance Transfer to Fund 119		<u>453,220</u>
Total Expenses		\$ 583,234
B. Source of Funds		
Federal Highway Safety Improvement Program (HSIP) Grant		\$ 47,825
Fund 119 – Street Improvements		<u>535,409</u>
Total Funds		<u>\$ 583,234</u>

Section 3. There are no financial transactions remaining.

Section 4. The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance including, but not limited to, the correction of scrivener’s/clerical errors, references, ordinance numbering, section/subsection numbers, and any internal references.

Section 5. The City Council hereby declares that should any section, paragraph, sentence, clause or phrase of this ordinance be declared invalid for any reason, it is the intent of the City Council that it would have passed all portions of this ordinance independent of the elimination of any such portion as may be declared invalid.

Section 6. The enactment of this Ordinance shall not affect any case, proceeding, appeal or other matter currently pending in any court or in any way modify any right or liability, civil or criminal, which may be in existence on the effective date of this Ordinance.

Section 7. It is expressly the purpose of this Ordinance to provide for and promote the health, safety and welfare of the general public and not to create or otherwise establish or designate any particular class or group of persons who will or should be especially protected or benefited by the terms of this Ordinance. It is the specific intent of this Ordinance that no provision or any term used in this Ordinance is intended to impose any duty whatsoever upon the City or any of its officers or employees. Nothing contained in this Ordinance is intended nor shall be construed to create or form the basis of any liability on the part of the City, or its officers, employees or agents, for any injury or damage resulting from any action or inaction on the part of the City related in any manner to the enforcement of this Ordinance by its officers, employees or agents.

Cassie Franklin, Mayor

ATTEST:

Marista Jorve, City Clerk

PASSED: _____

VALID: _____

PUBLISHED: _____

EFFECTIVE DATE: _____

Project title: Citizen Advisory Committee Restructuring Ordinance

Council Bill # *interoffice use*

CB 2403-87

Agenda dates requested:

Briefing
Proposed action 03/13/24
Proposed action 03/20/24
Consent
Action 03/27/24
Ordinance - X
Public hearing
Yes X No

Budget amendment:

Yes X No

PowerPoint presentation:

Yes X No

Attachments:

Citizen Advisory Committee Restructuring Ordinance

Department(s) involved:

Community Development

Contact person:

Kembra Landry
Julie Willie

Phone number:

425-257-7155

Email:

klandry@everettwa.gov

Initialed by:

JW

Department head

Administration

Council President

Project: Citizen Advisory Committee Restructuring Ordinance

Partner/Supplier: n/a

Location: n/a

Preceding action: n/a

Fund: n/a

Fiscal summary statement:

No fiscal impact anticipated.

Project summary statement:

The Citizen's Advisory Committee (CAC) was formed under [Ordinance 3652-18](#) to integrate the Housing and Community Development Citizen Advisory Committee and Human Needs Citizen's Advisory Committee. The CAC advises City Council on state and federal funding programs and/or projects that benefit low-income community members, including HUD Community Development Block Grant (CDBG) and HOME Investment Partnership funds and 2060 Affordable Housing Trust Funds passed through from Snohomish County. The CAC also oversees applications and awards for locally allocated human needs funds servicing the community's basic needs for vulnerable residents.

The CAC is currently comprised of eleven (11) community members, which includes representation of persons with lived experience of low/moderate income status. To maintain timely allocation of funding, a reduction of the Committee structure from eleven members to nine (9) would further benefit establishing quorum under a lesser requirement of majority. Additionally, the City's Community Development Division has expanded in staff and scope, thereby establishing a need for the Committee to expand its scope of review for Council allocations and reflect this change in the naming of the committee.

Recommendation (exact action requested of Council):

Adopt an Ordinance reducing the number of members on the Citizen Advisory Committee and renaming the committee as the Community Development Advisory Committee.



ORDINANCE NO. _____

An ORDINANCE amending the structure and assignments of the Citizen's Advisory Committee, amending EMC 2.14.030 and 2.93.010

WHEREAS,

- A.** The Citizen's Advisory Committee (CAC) was formed under Ordinance 3652-18 to integrate the Housing and Community Development Citizen Advisory Committee and Human Needs Citizen's Advisory Committee.
- B.** The CAC advises City Council on matters relating to the preparation of the city's application for Title I Funds under the Housing and Community Development Act of 1974 and is an obligation on the City's approved Housing and Urban Development Citizen Participation Plan for entitlement jurisdictions.
- C.** The CAC advises City Council on additional state and federal funding programs and/or projects that benefit low-income community members, including HOME Investment Partnership and 2060 Affordable Housing Trust Funds passed through from Snohomish County, and locally allocated human needs funds servicing the community's basic needs for vulnerable residents.
- D.** The CAC is currently comprised of eleven (11) community members, which includes representation of persons with lived experience of low/moderate income status.
- E.** To maintain timely allocation of funding, a reduction of the Committee structure from eleven members to nine (9) would further benefit establishing quorum under a lesser requirement of majority.
- F.** The City's Community Development Division has expanded in staff and scope, thereby establishing a need for the Committee to expand its scope of review for Council allocations and reflect this change in the naming of the committee.

NOW, THEREFORE, THE CITY OF EVERETT DOES ORDAIN:

Section 1. EMC 2.93.010 is amended as follows:

- A.** *Committee Established.* There is hereby established an advisory committee herein called the ~~citizens' advisory~~ Community Development Advisory Committee for the purpose of advising the city council on policy, programs and funding matters related to community development, housing, and human needs and services ~~programs~~.

B. *Functions.* The functions of the ~~citizens' advisory~~ Community Development Advisory Committee shall include:

1. ~~Prepare~~ Advise and endorse recommendation to City Council, the city's five-year consolidated community development and housing plan, and annual action plans and fair housing plans to conform with the requirements of the U.S. Department of Housing and Urban Development (HUD).
2. ~~Develop~~ Advise staff and oversee the adherence to the city's annual citizen participation plan as required by HUD and involve neighborhoods and citizen representation in the annual funding allocation processes.
3. ~~Hold~~ Advise and oversee the process for public hearings on the draft plans to obtain citizen comments prior to recommending adoption by city council City Council.
4. ~~Make~~ Advise and endorse recommendation to City Council recommendations about funding priorities for community development activities, housing, social services, and human needs programs and projects and social services utilizing federal, state and city municipal resources.
5. ~~Evaluate and make funding recommendations~~ Review funding proposals and endorse recommendations to the mayor and city council for federal, state, and municipal pass-through or specially allocated funds using funding priorities as established by City Council.
6. ~~Make~~ Review funding proposals and endorse recommendations for funding to the mayor and city council City Council for local Human Needs grant funds using human needs funding priorities as established by the city council City Council.
Local Human Needs grant funds must meet the following criteria:
 - a. Only agencies who qualify for IRS 501(c)(3) nonprofit status and hold an active Everett Business License may apply for funding;
 - b. Priority funding consideration shall be given to those programs which apply requested funds to a direct public service rather than to the administration of a program; and
 - c. Priority funding consideration shall be given to programs that directly meet an established annual priority need.

~~Consideration shall be given to the size of the population who will benefit from a program or service; and~~

- d. ~~Agencies receiving human needs funding are not eligible for funding~~

~~from another city of Everett funding source for the same program in any given year.~~

7. Provide policy guidance and recommendations for community development, human services, homeless and special purpose grant programs applications and implementation as needed.
8. Represent the diverse constituencies that make up Everett's low- and moderate-income populations, service providers and needs and services for extremely-low-income persons and families.

Section 2.

EMC 2.14.030 is amended as follows:

The following establishes the membership for each of the boards regulated by Article V of the Charter:

- A. Animal shelter advisory committee—seven members;
- B. (Reserved);
- C. Board of appeals (review)—seven members;
- D. Board of park commissioners—seven members;
- E. ~~Citizens' advisory committee~~ Community Development Advisory Committee—~~eleven~~ nine members;
- F. Cultural commission—eleven members;
- G. Council of neighborhoods—not to exceed two members from each neighborhood (each member shall be appointed to a separate position);
- H. Emergency medical services advisory board—eleven members;
- I. Historic commission—nine members;
- J. (Reserved);
- K. Lodging tax advisory committee—five members;
- L. Museum board—seven members;
- M. Planning commission—seven members;
- N. Senior center advisory board—nine members;
- O. Sister cities advisory board—seven members;
- P. Solid waste advisory committee—seventeen members;
- Q. Transportation advisory committee—nine members; and
- R. Tree committee—seven members.

Additionally, each board may have a maximum of two individuals serving in the capacity of alternates. Alternates shall serve in the absence of members when asked by the board chairperson and, when serving, shall have the same powers and responsibilities as duly appointed board members.

Section 3. The following is provided for reference and may not be complete:

EMC Amended/Repealed by this Ordinance	Ordinance History of EMC Amended/Repealed by this Ordinance
EMC 2.93.010	(Ord. 3652-18 § 2, 2018; Ord. 342-74 § 1, 1974.)
EMC 2.14.030	(Ord. 3652-18 § 6, 2018; Ord. 2975-07 § 17, 2007; Ord. 2240-97 § 2, 1997; Ord. 2151-96 § 1, 1996; Ord. 2050-95 § 3, 1995.)

Section 4. The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers, and any internal references.

Section 5. The City Council hereby declares that should any section, paragraph, sentence, clause or phrase of this ordinance be declared invalid for any reason, it is the intent of the City Council that it would have passed all portions of this ordinance independent of the elimination of any such portion as may be declared invalid.

Section 6. The enactment of this Ordinance shall not affect any case, proceeding, appeal or other matter currently pending in any court or in any way modify any right or liability, civil or criminal, which may be in existence on the effective date of this Ordinance.

Section 7. It is expressly the purpose of this Ordinance to provide for and promote the health, safety and welfare of the general public and not to create or otherwise establish or designate any particular class or group of persons who will or should be especially protected or benefited by the terms of this Ordinance. It is the specific intent of this Ordinance that no provision or any term used in this Ordinance is intended to impose any duty whatsoever upon the City or any of its officers or employees. Nothing contained in this Ordinance is intended nor shall be construed to create or form the basis of any liability on the part of the City, or its officers, employees or agents, for any injury or damage resulting from any action or inaction on the part of the City related in any manner to the enforcement of this Ordinance by its officers, employees or agents.

Cassie Franklin, Mayor

ATTEST:

City Clerk

PASSED: _____

VALID: _____

PUBLISHED: _____

EFFECTIVE DATE: _____

Project title: An Ordinance creating a special improvement project entitled “Reservoir No. 3 Replacement” Fund 336, Program 016 and repealing Ordinance No. 3914-22.

Council Bill #

CB 2403-88

Agenda dates requested:

Briefing

1st and 2nd Reading 03/20/243rd Reading 03/27/24

Action

Ordinance X

Public hearing

Yes X No

Budget amendment:

Yes X No

PowerPoint presentation:

Yes X No

Attachments:

Proposed Ordinance

Department(s) involved:

Public Works, Admin

Contact person:

Souheil Nasr

Phone number:

(425) 257-7210

Email:

SNasr@everettwa.gov

Initialed by:

RLS

Department head

Administration

Council President

Consideration: Plans & Systems Ordinance**Project:** Reservoir No. 3 Replacement, Phase 1**Partner/Supplier:** N/A**Location:** Reservoir No. 3**Preceding action:** Ordinance No. 3914-22, approved [12/14/22](#)**Fund:** 336 – Water & Sewer System Improvements Fund**Fiscal summary statement:**

The funding source for this project will be Fund 401 Water and Sewer Utility Fund. The programmed available funding for the project is \$62,300,000.

Project summary statement:

Reservoir 3 serves most of Everett south of 41st Street as well as our wholesale customers south of the City that rely on our water supply system. Reservoir 3 was built in 1923 as an open-air concrete reservoir. A structural concrete cover was added over the reservoir in 1987. Public Works programmed a series of maintenance projects to address degradation of the interface between the concrete cover and the original concrete tank.

In 2021, it was determined that the reservoir was reaching the end of its service life and the Public Works Department undertook a design effort for the complete replacement of the facility. Ordinance No. 3914-22, approved by City Council on 12/14/22, provided funding for the design phase of the reservoir replacement project.

The interface between the concrete cover that was installed in 1987 and the original 1923 reservoir is failing and the cover is in serious risk of collapsing into the reservoir. In August 2023, Public works completed a temporary emergency support of the failing concrete cover. Phase 1 of this project would eliminate the imminent risk of the cover falling into the reservoir and is needed as expeditiously as possible.

At this time, it is necessary to return to City Council with a new funding ordinance to track and account for funding for the construction phase of the project. This proposed ordinance establishes funding for the construction of the first phase and Public Works will return to City Council with an ordinance for consideration when the second phase is ready for construction.

Recommendation (exact action requested of Council):

Adopt an Ordinance creating a Special Improvement Project entitled “Reservoir No. 3 Replacement” Fund 336, Program 016 and repealing Ordinance No. 3914-22.



ORDINANCE NO. _____

An ORDINANCE creating a special improvement project entitled “Reservoir No. 3 Replacement” Fund 336, Program 016, to accumulate all costs for the improvement and repealing Ordinance No. 3914-22.

WHEREAS,

- A.** The City of Everett is committed to a planned water system infrastructure maintenance improvement and replacement program.
- B.** The City of Everett has identified the need and obtained funds to construct a suitable replacement to the existing Reservoir No. 3.

NOW, THEREFORE, THE CITY OF EVERETT DOES ORDAIN:

Section 1. A special improvement project is hereby established as Fund 336, Program 016, entitled “Reservoir No. 3 Replacement” to accumulate all costs for the improvement. Authorization is hereby given to accumulate costs and distribute payments for the improvement project. Ordinance No. 3914-22 is hereby repealed.

Section 2. Authorization is hereby granted for the “Public Works Director” or “City Engineer” under the direction of the Mayor, to assume full and complete responsibility for conducting all tasks and doing all things to accomplish the actions authorized in this ordinance.

Section 3. The sum of \$62,300,000 is hereby appropriated to Fund 336, Program 016, “Reservoir No. 3 Replacement” as follows:

A. Estimated Project Design and Construction Costs	\$62,300,000
B. Source of Funds	
Fund 401 – Water/Sewer Utility Fund	\$62,300,000

Section 4. The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance including, but not limited to, the correction of scrivener’s/clerical errors, references, ordinance numbering, section/subsection numbers, and any internal references.

Section 5. The City Council hereby declares that should any section, paragraph, sentence, clause or phrase of this ordinance be declared invalid for any reason, it is the intent of the City Council that it would have passed all portions of this ordinance independent of the elimination of any such portion as may be declared invalid.

Section 6. The enactment of this Ordinance shall not affect any case, proceeding, appeal or other matter currently pending in any court or in any way modify any right or liability, civil or criminal, which may be in existence on the effective date of this Ordinance.

Section 7. It is expressly the purpose of this Ordinance to provide for and promote the health, safety and welfare of the general public and not to create or otherwise establish or designate any particular class or group of persons who will or should be especially protected or benefited by the terms of this Ordinance. It is the specific intent of this Ordinance that no provision or any term used in this Ordinance is intended to impose any duty whatsoever upon the City or any of its officers or employees. Nothing contained in this Ordinance is intended nor shall be construed to create or form the basis of any liability on the part of the City, or its officers, employees or agents, for any injury or damage resulting from any action or inaction on the part of the City related in any manner to the enforcement of this Ordinance by its officers, employees or agents.

Cassie Franklin, Mayor

ATTEST:

Marista Jorve, City Clerk

PASSED: _____

VALID: _____

PUBLISHED: _____

EFFECTIVE DATE: _____

Project title: Professional services agreement with HDR Engineering, Inc. for the 2024 Comprehensive Cost of Service Study.

Council Bill #**Consideration:** Professional Services Agreement**Project:** 2024 Comprehensive Cost of Service Study**Partner/Supplier:** HDR Engineering, Inc.**Location:** Public Works**Preceding action:** 2020 Comprehensive Cost of Service Study**Fund:** 401 – Water/Sewer Utility Fund**Agenda dates requested:**

Briefing

Proposed action

Consent

Action 3/27/24

Ordinance

Public hearing

Yes X No

Budget amendment:

Yes X No

PowerPoint presentation:

Yes X No

Attachments:

Proposed Agreement

Department(s) involved:

Public Works, Admin

Contact person:

Shaun Bridge

Phone number:

425-257-8823

Email:

sbridge@everettwa.gov

Initialed by:

RLS

Department head

Administration

Council President

Fiscal summary statement:

The funding source for this study will be Fund 401 Water & Sewer Utility Fund. The programmed available funding is \$185,625.

Project summary statement:

The City of Everett last completed a comprehensive cost of service study in 2020. The current water, sewer and stormwater rate ordinance expires on December 31, 2024. Currently, the Public Works Department needs to perform a comprehensive third-party analysis of all charges and fees to ensure the financial health of the water and sewer utility. HDR Engineering, Inc. was selected from the Municipal Research Services (MRSC) roster based on a high level of expertise to complete the cost of service study.

Recommendation (exact action requested of Council):

Authorize the Mayor to sign the professional services agreement (PSA) with HDR Engineering, Inc. for the 2024 Comprehensive Cost of Service Study.



PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement ("**Agreement**") is effective as of the date of the Mayor's signature below and is between the City of Everett, a Washington municipal corporation (*the "City"*), and the Service Provider identified in the Basic Provisions below ("**Service Provider**"). This Agreement is for the purpose of the Service Provider providing services to the City as set forth in the Agreement. This Agreement includes and incorporates the Basic Provisions, the attached General Provisions, the attached scope of work (Exhibit A), and the attached method of compensation (Exhibit B).

BASIC PROVISIONS	
Service Provider	HDR Engineering, Inc.
	929 108th Ave, Suite 1300 Bellevue, WA 98001
	Shawn.koorn@hdrinc.com
City Project Manager	Jamielee Graves
	City of Everett – Public Works 3200 Cedar Street Everett, WA 98201
	jgraves@everettwa.gov
Brief Summary of Scope of Work	2024 Water, Filtration, Sewer, and Stormwater Rate Study
Completion Date	December 31, 2025
Maximum Compensation Amount	\$185,625

BASIC PROVISIONS	
Service Provider Insurance Contact Information	Lockton Companies
	(816)-960-9000
	kcasu@lockton.com
State Retirement Systems (must answer both questions)	<p>Does Service Provider have 25 or more employees?</p> <p>Answer: Yes</p> <p>If Service Provider has less than 25 employees, did any Service Provider Personnel who will work under this Professional Services Agreement retire under a DRS retirement system?</p> <p>Answer: Click for Dropdown Menu</p> <p>“DRS retirement system” refers to any of the following Public Employers’ Retirement System (PERS), School Employees’ Retirement System (SERS), Teachers’ Retirement System (TRS), and Law Enforcement Officers and Fire Fighters plan (LEOFF).</p> <p>“Service Provider Personnel” includes Service Provider employees and owners (such as shareholders, partners or members). If Service Provider is a sole proprietor, then “Service Provider Personnel” refers to the sole proprietor.</p>
Agreed Amendments to General Provisions	<p>The attached General Provisions are amended as follows:</p> <p>The following is inserted after the first sentence of <u>Section 2</u>: “Any reuse by the City of these reports, drawings, plans, specifications and intangible property for purposes other than in connection with the Work is at the sole risk of the City.”</p> <p>The first sentence of <u>Section 10</u> is replaced with the following sentence: “To the extent of Service Provider’s negligence, breach of this Agreement, violation or law, or willful misconduct, and except as otherwise provided in this Section, Service Provider hereby agrees to defend and indemnify and save harmless the City from any and all Claims arising out of, in connection with, or incident to any acts, errors, omissions, or conduct by Service Provider (or its employees, agents, representatives or subcontractors/subconsultants) relating to this Agreement, whether such Claims sound in contract, tort, or any other legal theory.”</p> <p>The definition of Claims in <u>Section 10</u>-is replaced with the following: “(2) ‘Claims’ include, but is not limited to, any and all losses, penalties, fines, claims, demands, expenses (including, but not limited to, attorney’s fees and litigation expenses), suits, judgments, or damages, irrespective of the type of relief sought or demanded, such as money or injunctive relief, and whether</p>

	the damage alleged is bodily injury, damage to property, or other type of event or theory of recovery.”
--	---

END OF BASIC PROVISIONS

IN WITNESS WHEREOF, the City and Service Provider have executed this Agreement, which includes and incorporates the above Basic Provisions, the attached General Provisions, the attached scope of work (Exhibit A), and the attached method of compensation (Exhibit B).

**CITY OF EVERETT
WASHINGTON**

Enter Service Provider name – must match name in Basic Provisions

Cassie Franklin, Mayor

Signature: _____

Name of Signer: Enter signer's name

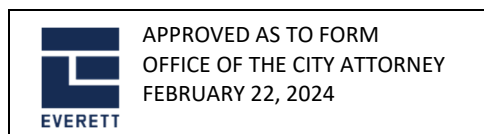
Signer's Email Address: Enter email address

Date

Title of Signer: Enter title

ATTEST

Office of the City Clerk



ATTACHMENT
PROFESSIONAL SERVICES AGREEMENT
(GENERAL PROVISIONS v.071423.1)

1. **Engagement of Service Provider.** The City hereby agrees to engage Service Provider, and Service Provider hereby agrees, to perform the work in a competent and professional manner and provide the services described in the Scope of Work attached as Exhibit A. The Scope of Work so identified is hereafter referred to as “Work”. Without a written directive of an authorized representative of the City, Service Provider shall not perform any services that are in addition to, or beyond the scope of, the Work. If Service Provider’s proposal or other document generated by Service Provider is incorporated or attached as an exhibit or part of any exhibit to this Agreement or in any amendment or task or work order pursuant to this Agreement, then such proposal or document is part of this Agreement solely to the extent that it describes the Work, the Work schedule, and the amounts or rates to be paid for such Work, and Service Provider expressly agrees that no terms or conditions from such proposal or document are incorporated or included into this Agreement. In the event of difference or conflict between parts of this Agreement, Service Provider shall be bound by whichever is more stringent on Service Provider. If, and to the extent, the Work includes the design of a public work or improvement, in whole or in part, Service Provider’s design shall be reasonably accurate, adequate and suitable for its intended purpose.
2. **Intellectual Property Rights.** Reports, drawings, plans, specifications and any other intangible property created in furtherance of the Work are property of the City for all purposes, whether the project for which they are made is executed or not, and may be used by the City for any purpose. Unless otherwise expressly agreed in writing, all intellectual property rights in such documents or intangible property created pursuant to this Agreement, or for the City, belong to the City. Service Provider retains any intellectual property rights in documents and intangible property created by Service Provider prior to engagement, or not created by Service Provider for its performance of this Agreement.
3. **Time of Beginning and Completion of Performance.** This Agreement shall commence as of the date of mutual execution of this Agreement and the Work shall be completed by Completion Date stated in the Basic Provisions.
4. **Compensation.**
 - A. The City shall pay Service Provider only for completed Work and for services actually rendered which are described herein. Such payment shall be full compensation for Work performed or services rendered, including, but not limited to, all labor, materials, supplies, equipment and incidentals necessary to complete the Work.
 - B. Service Provider shall be paid such amounts and in such manner as described in Exhibit B.
 - C. Service Provider may receive payment as reimbursement for Eligible Expenses actually incurred. “Eligible Expenses” means those expenses as set forth in an exhibit to this Agreement or such expenses as are approved for reimbursement by the City in writing prior to the expense being incurred. An expense shall not be reimbursed if: (1) the expense is not identified as an Eligible Expense; (2) the expense exceeds the per item or cumulative limits for such expense if it is identified as an Eligible Expense; or (3) the expense was not approved in writing by an authorized City representative prior to Service Provider incurring the expense. If, and to the extent, overnight lodging in western Washington is authorized, Service Provider is strongly encouraged to lodge within the corporate limits of City. When authorized, Service Provider will be reimbursed 100% of lodging expense, if lodged within the corporate limits of the City, but Service Provider will be reimbursed 50% of lodging

- expense when lodged outside the corporate limits of the City. If authorized, the City may (at its sole option) obtain or arrange air travel for Service Provider.
- D. Total compensation, including all services and expenses, shall not exceed the Maximum Compensation Amount in the Basic Provisions.
 - E. If Service Provider fails or refuses to correct its work when so directed by the City, the City may withhold from any payment otherwise due an amount that the City in good faith believes is equal to the cost to the City of correcting, re-procuring, or remedying any damage caused by Service Provider's conduct.
5. **Method of Payment.**
- A. To obtain payment, Service Provider shall (a) file its request for payment, accompanied by evidence satisfactory to the City justifying the request for payment; (b) submit a report of Work accomplished and hours of all tasks completed; (c) to the extent reimbursement of Eligible Expenses is sought, submit itemization of such expenses and, if requested by the City, copies of receipts and invoices; and (d) comply with all applicable provisions of this Agreement. Service Provider shall be paid no more often than once every thirty days.
 - B. All requests for payment should be sent to the City Project Manager Address in the Basic Provisions or to an address designated by the City Project Manager in writing.
6. **Submission of Reports and Other Documents.** Service Provider shall submit all reports and other documents as and when specified in the Scope of Work. This information shall be subject to review by the City, and if found to be unacceptable, Service Provider shall correct and deliver to the City any deficient Work at Service Provider's expense with all practical dispatch. Service Provider shall abide by the City's determinations concerning acceptability of Work.
7. **Termination of Contract.** City reserves the right to terminate this Agreement at any time by sending written notice of termination to Service Provider ("Notice"). The Notice shall specify a termination date ("Termination Date"). The Notice shall be effective ("Notice Date") upon the earlier of either actual receipt by Service Provider (whether by email, mail, delivery or other method reasonably calculated to be received by Service Provider in a reasonably prompt manner) or three calendar days after issuance of the Notice. Upon the Notice Date, Service Provider shall immediately commence to end the Work in a reasonable and orderly manner. Unless terminated for Service Provider's material breach, Service Provider shall be paid or reimbursed for: (a) all hours worked and Eligible Expenses incurred up to the Notice Date, less all payments previously made; and (b) those hours worked and Eligible Expenses incurred after the Notice Date, but prior to the Termination Date, that were reasonably necessary to terminate the Work in an orderly manner. The City does not by this Section waive, release or forego any legal remedy for any violation, breach or non-performance of any of the provision of this Agreement. At its sole option, and without limitation of or prejudice to any other available remedy or recourse, the City may deduct from the final payment due Service Provider (a) any damages, expenses or costs arising out of any such violations, breaches, or non-performance and (b) any other backcharges or credits.
8. **Changes.** The City may, from time to time, unilaterally change the scope of the services of Service Provider to be performed hereunder. Such changes, including any increase or decrease in the scope of work (and resulting increase or decrease in compensation), shall: (a) be made only in writing and signed by an authorized City representative, (b) be explicitly identified as an amendment to this Agreement and (c) become a part of this Agreement.
9. **Subletting/Assignment of Contracts.** Service Provider shall not sublet or assign any of the Work without the express, prior written consent of the City.
10. **Indemnification.** Except as otherwise provided in this Section, Service Provider hereby agrees to defend and indemnify and save harmless the City from any and all Claims arising out of, in

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

11. Insurance.

- A. Service Provider shall comply with the following conditions and procure and keep in force during the term of this Agreement, at Service Provider's own cost and expense, the policies of insurance as set forth in this Section with companies authorized to do business in the State of Washington, which are rated at least "A-" or better and with a numerical rating of no less than seven (7), by A.M. Best Company and which are acceptable to the City.
 1. Workers' Compensation Insurance as required by Washington law and Employer's Liability Insurance with limits not less than \$1,000,000 per occurrence. If the City authorizes sublet work, Service Provider shall require each subcontractor to provide Workers' Compensation Insurance for its employees, unless Service Provider covers such employees.
 2. Commercial General Liability Insurance on an occurrence basis in an amount not less than \$1,000,000 per occurrence and at least \$2,000,000 in the annual aggregate, including but not limited to: premises/operations (including off-site operations), blanket contractual liability and broad form property damage.
 3. Business Automobile Liability Insurance in an amount not less than \$1,000,000 per occurrence, extending to any automobile. A statement certifying that no vehicle

will be used in accomplishing this Agreement may be substituted for this insurance requirement.

4. Professional Errors and Omissions Insurance in an amount not less than \$2,000,000 per occurrence and \$2,000,000 in the annual aggregate. Such coverage may be written on a claims made basis.
- B. The above CGL and auto liability policies shall be primary as to the City and shall contain a provision that the policy shall not be canceled or materially changed without 30 days prior written notice to the City. No cancellation provision in any insurance policy shall be construed in derogation of the continuous duty of Service Provider to furnish the required insurance during the term of this Agreement.
- C. Upon written request by the City, the insurer or its agent will furnish, prior to or during any Work being performed, a copy of any policy cited above, certified to be a true and complete copy of the original.
- D. The Description of Operations on the Certificate of Insurance must substantially read as follows: "The above commercial general and auto liability policies are primary as to the City of Everett; have the City of Everett, its officers, employees, agents, and volunteers as additional insureds; and contain a provision that the policy shall not be canceled or materially changed without 30 days prior written notice to the City of Everett."
- E. Prior to Service Provider performing any Work, Service Provider shall provide the City or the City's designee with a Certificate of Insurance acceptable to the City Attorney evidencing the required insurance. Service Provider shall provide the City or the City's designee with either (1) a true copy of an endorsement naming the City of Everett, its officers, employees, agents and volunteers as Additional Insureds on the Commercial General Liability Insurance policy and the Business Automobile Liability Insurance policy with respect to the operations performed and services provided under this Agreement and that such insurance shall apply as primary insurance on behalf of such Additional Insureds or (2) a true copy of the blanket additional insured clause from the policies. Receipt by the City or the City's designee of any certificate showing less coverage than required is not a waiver of Service Provider's obligations to fulfill the requirements.
- F. If the policy listed above, Professional Errors and Omissions Insurance, is on a claims made policy form, the retroactive date on the policy shall be the effective date of this Agreement or prior. The retroactive date of any subsequent renewal of such policy shall be the same as the original policy provided. The extended reporting or discovery period on a claims made policy form shall not be less than 36 months following expiration of the policy.
- G. Service Provider certifies that it is aware of the provisions of Title 51 of the Revised Code of Washington that requires every employer to be insured against liability of Workers' Compensation, or to undertake self-insurance in accordance with the provisions of that Title. Service Provider shall comply with the provisions of Title 51 of the Revised Code of Washington before commencing the performance of the Work. Service Provider shall provide the City with evidence of Workers' Compensation Insurance (or evidence of qualified self-insurance) before any Work is commenced.
- H. In case of the breach of any provision of this Section, the City may, at its option and with no obligation to do so, provide and maintain at the expense of Service Provider, such types of insurance in the name of Service Provider, and with such insurers, as the City may deem proper, and may deduct the cost of providing and maintaining such insurance from any sums which may be found or become due to Service Provider under this Agreement or may demand Service Provider to promptly reimburse the City for such cost.

12. **Risk of Loss.** Service Provider shall be solely responsible for the safety of its employees, agents and subcontractors in the performance of the work hereunder and shall take all protections reasonably necessary for that purpose. All work shall be done at Service Provider's own risk, and Service Provider shall be solely responsible for any loss of or damage to Service Provider's materials, tools, or other articles used or held for use in connection with the work.
13. **Independent Contractor.**
- A. This Agreement neither constitutes nor creates an employer-employee relationship. Service Provider must provide services under this Agreement as an independent contractor. Service Provider must comply with all federal and state laws and regulations applicable to independent contractors including, but not limited to, the requirements listed in this Section. Service Provider agrees to indemnify and defend the City from and against any claims, valid or otherwise, made against the City because of these obligations.
 - B. In addition to the other requirements of this Section, if Service Provider is a sole proprietor, Service Provider agrees that Service Provider is not an employee or worker of the City under Chapter 51 of the Revised Code of Washington, Industrial Insurance for the service performed in accordance with this Agreement, by certifying to the following:
 - (1) Service Provider is free from control or direction over the performance of the service; and
 - (2) The service performed is outside the usual course of business for the City, or will not be performed at any place of business of the City, or Service Provider is responsible for the costs of the principal place of business from which the service is performed; and
 - (3) Service Provider is customarily engaged in an independently established business of the same nature as the service performed, or has a principal place of business for the service performed that is eligible for a business deduction for federal income tax purposes; and
 - (4) On the effective date of this Agreement, Service Provider is responsible for filing a schedule of expenses, for the next applicable filing period, with the internal revenue service for the type of service performed; and
 - (5) By the effective date of this Agreement or within a reasonable time thereafter, Service Provider has established an account with the department of revenue and other state agencies, where required, for the service performed for the payment of all state taxes normally paid by employers and businesses and has registered for and received a unified business identifier number from the state of Washington; and
 - (6) By the effective date of this Agreement, Service Provider is maintaining a separate set of records that reflect all items of income and expenses of the services performed.
 - C. Any and all employees of Service Provider, while engaged in the performance of any Work, shall be considered employees of only Service Provider and not employees of the City. Service Provider shall be solely liable for any and all claims that may or might arise under the Worker's Compensation Act on behalf of such employees or Service Provider, while so engaged and for any and all claims made by a third party as a consequence of any negligent act or omission on the part of Service Provider's employees, while so engaged on any of the Work.
 - D. Service Provider shall comply with all applicable provisions of the Fair Labor Standards Act and other legislation affecting its employees and the rules and regulations issued thereunder insofar as applicable to its employees and shall at all times save the City free, clear and

harmless from all actions, claims, demands and expenses arising out of such act, and rules and regulations that are or may be promulgated in connection therewith.

- E. Service Provider assumes full responsibility for the payment of all payroll taxes, use, sales, income, or other form of taxes (such as state and, city business and occupation taxes), fees, licenses, excises or payments required by any city, federal or state legislation which are now or may during the term of the Agreement be enacted as to all persons employed by Service Provider and as to all duties, activities and requirements by Service Provider in performance of the Work and Service Provider shall assume exclusive liability therefor, and meet all requirements thereunder pursuant to any rules or regulations that are now or may be promulgated in connection therewith.
14. **Employment/Conflict of Interest.** Service Provider warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for Service Provider, to solicit or secure this Agreement and that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for Service Provider, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, the City shall have the right to annul this Agreement without liability or, in its discretion, to deduct from the Agreement price or consideration or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee. Further, it is recognized that Service Provider may or will be performing professional services during the term of this Agreement for other parties; however, such performance of other services shall not conflict with or interfere with Service Provider's ability to perform the Work. Service Provider agrees to resolve any such conflicts of interest in favor of the City.
 15. **Audits and Inspections.** At any time during normal business hours and as often as the City may deem necessary, Service Provider shall make available to the City for the City's examination all of Service Provider's records and documents with respect to all matters covered by this Agreement and, furthermore, Service Provider will permit the City to audit, examine and make copies, excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement.
 16. **City of Everett Business License.** Service Provider agrees to obtain a City of Everett business license prior to performing any work pursuant to this Agreement.
 17. **State of Washington Requirements.** Service Provider agrees to register and obtain any State of Washington business licenses, Department of Revenue account and/or unified business identifier number as required by RCW 50.04.140 and 51.08.195 prior to performing any work pursuant to this Agreement.
 18. **Compliance with Federal, State and Local Laws.** Service Provider shall comply with and obey all federal, state and local laws, regulations, and ordinances applicable to the operation of its business and to its performance of work hereunder.
 19. **Compliance with the Washington State Public Records Act.** Service Provider acknowledges that the City is subject to the Public Records Act, chapter 42.56 RCW (the "Act"). All records owned, used or retained by the City are public records subject to disclosure unless exempt under the Act, whether or not such records are in the possession or control of the City or Service Provider. Service Provider shall cooperate with the City so that the City may comply with all of its obligations under the Act. Within ten (10) days after receipt of notice from the City, Service Provider shall deliver to the City copies of all records relating to this Agreement or relating to the Work that the City determines qualify as the City's public records under the Act. If the City receives a public records request relating to this Agreement or relating to the Work, the City shall seek to provide

notice to Service Provider at least ten (10) days before the City releases records pursuant to such public records request, but in no event will the City have any liability to Service Provider for any failure of the City to provide such notice. In addition to its other indemnification and defense obligations under this Agreement, Service Provider shall indemnify and defend the City from and against any and all losses, penalties, fines, claims, demands, expenses (including, but not limited to, attorney's fees and litigation expenses), suits, judgments, or damage arising from or relating to any failure of Service Provider to comply with this Section.

20. **Compliance with Grant/Loan Terms and Conditions.** Service Provider shall comply with any and all terms, conditions, terms and requirements of any federal, state or other agency grant or loan that wholly or partially funds Service Provider's work hereunder. If the grant or loan requires that the agency be a third party beneficiary to this Agreement, then the agency is a third party beneficiary to this Agreement.
21. **Equal Employment Opportunity.** Service Provider shall not discriminate against any employee, applicant for employment, or other person on the basis of race, color, religion, sex, age, disability, marital state, or national origin or other circumstance prohibited by applicable federal, state, or local law or ordinance. Service Provider shall comply with and shall not violate any applicable provisions of Chapter 49.60 RCW, Title VI of the Civil Rights Act of 1964, and all applicable federal, state, or local law or ordinance regarding non-discrimination.
22. **Waiver.** Any waiver by Service Provider or the City or the breach of any provision of this Agreement by the other party will not operate, or be construed, as a waiver of any subsequent breach by either party or prevent either party from thereafter enforcing any such provisions.
23. **Complete Agreement.** This Agreement contains the complete and integrated understanding and agreement between the parties and supersedes any understanding, agreement or negotiation whether oral or written not set forth herein.
24. **Modification of Agreement.** This Agreement may only be modified as provided in Section 8, or by a writing explicitly identified as a modification or amendment of this Agreement that is signed by authorized representatives of the City and Service Provider.
25. **Severability.** If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void, insofar as it is in conflict with said laws, and the remainder of the Agreement shall remain in full force and effect.
26. **Notices.**
 - A. Notices to the City shall be sent to the City Project Manager address in the Basic Provisions.
 - B. Notices to Service Provider shall be sent to its address in the Basic Provisions.
27. **Venue.** Venue for any lawsuit arising out of this Agreement shall be in the Superior Court of Snohomish County, Washington.
28. **Governing Law.** The laws of the State of Washington, without giving effect to principles of conflict of laws, govern all matters arising out of or relating to this Agreement.
29. **City Marks.** Service Provider will not use any trade name, trademark, service mark, or logo of the City (or any name, mark, or logo confusingly similar thereto) in any advertising, promotions, or otherwise, without the City's express prior written consent.
30. **No Personal Liability.** No officer, agent or employee of the City shall be personally responsible for any liability arising under this Agreement, whether expressed or implied, nor for any statement or representation made or in any connection with this Agreement.
31. **Federal Debarment.** Service Provider shall immediately notify the City of any suspension or debarment or other action that excludes Service Provider or any Service Provider subcontractor from participation in Federal contracting. Service Provider shall verify all subcontractors that are intended and/or used by Service Provider for performance of Work are in good standing and are not debarred, suspended or otherwise ineligible by the Federal Government. Debarment shall be verified at

<https://www.epls.gov/epls/search.do>. Service Provider shall keep proof of such verification within Service Provider records.

32. **Signature/Counterparts.** This Agreement and any amendment thereto may be signed in counterparts, each of which shall be deemed an original, and all of which, taken together, shall be deemed one and the same document. AdobeSign signatures are fully binding. Any ink, electronic, faxed, scanned, photocopied, or similarly reproduced signature on this Agreement or any amendment hereto will be deemed an original signature and will be fully enforceable as an original signature.
33. **Standard Document.** This General Provisions document is a standard City form document. No changes by Service Provider are authorized to the General Provisions. Notwithstanding anything to the contrary in this Agreement, in the event that Service Provider makes unauthorized changes to the General Provisions, such changes are deemed to have never been made and the contract between the City and Service Provider is deemed to be the unchanged standard City form General Provisions in version stated below, regardless of whether the City signs this Agreement in a form that may contain the unauthorized changes.

**END OF GENERAL PROVISIONS
(v.071423.1)**

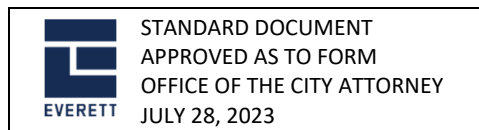


EXHIBIT A
PROFESSIONAL SERVICES AGREEMENT
(SCOPE OF WORK -- ATTACHED)

SCOPE OF WORK

This scope of services will provide a comprehensive review of the City's water, water filtration, sewer, and stormwater rates. It will result in updated rates for each utility for a multi-year period (e.g., 1-4 years). The tasks are identical for each utility unless otherwise specified. Provided below is a more detailed discussion of the scope of services for the City's study.

Task 1 – Data Collection and Kick-Off Meeting

A two-hour in person kick-off meeting will be held with City staff to discuss key issues and objectives and discuss the data and information necessary to complete the study. HDR will provide a written data request to the City in advance of the kick-off meeting. This request should be similar to the data and information provided to HDR as a part of the City's last comprehensive rate study. After the meeting, HDR will follow-up with City staff (via telephone / email) for any additional items or explanations, as necessary. As a part of the meeting, HDR will also review the City's current rate models to determine the updates and revisions to the rate models (Task 2).

Task 1 Assumptions:

- A two-hour in person kick-off meeting with the HDR project manager and technical lead.
- The City will provide the data necessary to complete the requested analyses.

Task 1 Deliverables:

- Electronic version of the written data request.

Task 2: Rate Model Update and Development

As a part of the prior rate studies, HDR developed and refined the City's rate models. This task will result in revised and updated rate model(s) for the City. HDR and City staff will collaborate and determine the model revisions and updates to meet the City's modeling goals and objectives. Given the input from Task 1, HDR will make the initial updates to the rate model. As part of this task, up to two, two-hour, virtual project meetings will be held to review and discuss the model and updates. A final two-hour in person project meeting will be held to review and discuss the development of the rate model(s). At the conclusion of this meeting, a final rate model(s) will be developed for the rate study analysis.

Task 2 Assumptions:

- Collaborate with City staff to develop the final rate model(s) to be developed for the rate study.
- Up to two, two-hour, virtual project meetings to review the development of the rate model(s).
- A two-hour in person project meeting to review draft rate model(s).

Task 2 Deliverables:

- An electronic copy of the rate model(s) developed for use in the development of the rate study.

Task 3: Financial Benchmarking Analysis

As a part of the prior comprehensive rate studies, a high-level financial benchmarking analysis was provided. The following financial performance indicators for business operations were reviewed in the prior study:

- ✓ Debt Ratio
- ✓ Return on Assets (%)

- ✓ Cash Reserves (Days)
- ✓ Debt Service Coverage Ratio
- ✓ Operating Ratio (%)
- ✓ Bond Rating

This study will use these same financial performance indicators (benchmarks) and update the information and calculations. This will help determine changes in cost patterns or financial health of the utilities since the prior rate study. HDR will review the benchmarking analysis with the City and develop a technical memorandum summarizing our findings and conclusions.

Task 3 Assumptions:

- The same financial indicators will be used as identified in the prior studies.

Task 3 Deliverables:

- A draft and final electronic technical memorandum summarizing the financial benchmarking findings and conclusions.

Task 4: Revenue Requirement Analysis

A revenue requirement analysis projects the revenues and expenses of each utility and determines the overall level of rate adjustments needed for each utility. The analysis considers the prudent and adequate funding of the operating and capital needs of each utility, while also incorporating the City's financial planning criteria (e.g., minimum reserves, debt service coverage, capital improvement funding from rates, etc.). The revenue requirement analyses will be developed and summarized on a stand-alone basis for each utility and also presented on a combined utility basis.

As a part of the prior comprehensive rate studies, the revenue requirement portion of the rate model was developed for a 10-year period. However, the focus of the revenue requirement was for the projected five-year time period and rates were adopted for a four-year period. For this study, a similar approach will be utilized. For each utility, the focus will be on the next four-year revenue requirement analysis, with proposed rates to be developed for the next four-year time period, and the models updated and developed for a 10-year period.

The analysis will identify the operating and capital infrastructure needs of each utility and provide a rate adjustment strategy (i.e. rate transition plan) to recover the total financial obligations for each utility. The analysis will be developed using the rate models developed as a part of the last comprehensive rate study for the City, and as updated per Task 2.

The forecast of operating expenses for each utility will identify and project the annual non-capital costs associated with operation, maintenance, and administration of the water, filtration, sewer, and stormwater systems over the study period. The City's current operating budgets will be relied upon as the baseline. The study will incorporate the City's planning growth forecasts and establish escalation factors for projected cost escalation. The projections of operational expenses will incorporate changes or additional O&M expenses resulting from known or anticipated changes in operational requirements (i.e., additional personnel, changes in levels of service).

The projection of the revenue requirements for each utility will include the development of a funding plan for the identified water, water filtration, sewer, and stormwater capital needs over the projected 10-year period. Working from the capital project lists provided by the City, the capital funding analysis will incorporate annual capital projects and associated costs for the

study period. The analysis for each utility will then consider the funding sources from current revenue streams (e.g., rates, connection charges, and capital cash reserves) and potential feasible revenue resources such as system reinvestment funding from rates, grants or contributions, low-interest loans, and/or revenue bonds. As a part of the capital funding plan, alternative capital funding strategies will be evaluated based on varying levels of CIP and/or alternative approaches to funding capital needs. The budget developed to conduct this task assumes and provides for up to two (2) capital funding scenarios for each utility.

Given the projection of operating and capital needs, a *test of sufficiency* will be provided to evaluate the adequacy of current rates and revenues in meeting the financial obligations for each utility, along with the City's financial policies (e.g., minimum reserve levels, debt service coverage, etc.). As a part of the analysis, each utility's forecasted financial requirements will be compared against forecasted revenue under existing rates to determine annual and cumulative revenue adjustments needed for each utility to provide financial sustainability over time.

As necessary, a rate transition strategy for each utility will be developed for the next four years that meets the utility's financial obligations over the planning horizon and, to the extent practical, provides a smooth impact to utility customers. The budget provides for up to two (2) revenue requirement scenarios for each utility.

Task 4 Assumptions:

- Develop the revenue requirement for each utility for a 10-year period which incorporates the operating and capital funding analysis for each utility.
- Rate transition strategy for the next four-year period for each utility.
- A review of the City's financial policies as developed in the revenue requirement analysis for each utility.

Task 4 Deliverables:

- An electronic copy of the rate model with the updated revenue requirement analysis for each utility.

Task 5: Cost of Service Analysis

A cost of service analysis differs from a revenue requirement analysis in that a revenue requirement analysis reviews the overall adequacy of a utility's rate revenues, while a cost of service analysis equitably allocates the revenue requirement of a utility to the various customer groups served by the utility. The cost of service provides a defensible basis for proportionally assigning costs and establishing "cost-based and equitable" retail and wholesale rates which reflect each customer group's unique facility requirements and the demands that they place upon each system.

For this task, a water and sewer cost of service analysis will be developed. The cost of service analysis developed for each utility is different and unique. Given that, a detailed discussion of each utility is provided below. HDR is not proposing any changes in the overall methodology that was used as a part of the prior comprehensive rate studies.

Water T&D – The water utility's costs are segregated between transmission & distribution (T&D) and filtration. The revenue requirement for water T&D is separate and distinct from filtration. The water T&D cost of service analysis will perform three distinct functions with the data; functionalization, allocation, and distribution. The water T&D costs are functionalized based

upon accounting codes (e.g., pumping, transmission, storage reservoirs). The functionalized data is then allocated into the cost components of commodity, demand, storage, pumped water volumes and number of connections. These allocated costs are equitably distributed to individual customers and then summarized into the following customer groups:

- ✓ City and City Metered
- ✓ Alderwood¹
- ✓ East of River = Marysville + Other Wholesale + Monroe + Tulalip + Class B water systems

A summary page of the cost of service for the water T&D indicates the cost responsibility of each of the major customer groups (City, and East of River).

Water Filtration – Water filtration costs are a separate set of costs from the Water T&D costs. At the same time, the water filtration cost of service methodology is much different from the Water T&D cost of service methodology. In the case of water filtration, Alderwood has a specific formula for filtration charges. Alderwood’s formula requires the use of historical (actual) data. There is a specific formula for the calculation, but in very simplified terms, it is essentially a “cash basis” calculation which includes Alderwood’s proportional share of the costs of O&M, debt service and capital costs for filtration. Given that the rate is based on actual/historical costs must be used, this study will not project the Alderwood filtration costs for the projected years of 2025 – 2028. As part of the review, a revision to the filtration rate structure for Alderwood may be necessary to stabilize the rates based on capital expenditure fluctuations and changes in the sinking fund minimum target. HDR will assist with the information provided to Alderwood as this will require an amendment to the water agreement between the City and Alderwood.

Filtration costs for all other water customers (i.e., retail and other wholesale) will be calculated as a part of this study. As a part of the prior comprehensive rate studies, the filtration charges were adjusted by the overall proposed annual filtration rate adjustments. This rate was then compared to a calculation which analyzed the total filtration costs, less Alderwood filtration revenues, to derive an average cost (rate) for filtration to retail and other wholesale customers. This same approach is proposed for this study to evaluate the filtration charges.

Sewer – This study will conduct a sewer cost of service study and equitably allocate costs to the various customer groups. The sewer cost of service study is important at this point in time, as the City is anticipating a change in their stormwater rate structures by moving to impervious area based stormwater rates in the near future. At the present time, the stormwater rates are incorporated into the City’s sewer rates. Movement to impervious area-based stormwater rates will segregate the costs of stormwater out of the City’s sewer rates. Hence, a sewer cost of service analysis will equitably allocate only sewer-related costs to each customer class of service.

The City currently serves the following sewer customer classes of service:

- ✓ Residential – Inside and Outside City (1.5 outside City rate multiplier)
- ✓ Non-Residential – Inside and Outside City (1.5 outside City rate multiplier)

¹ The cost allocation for Alderwood is not relevant in that their cost responsibility, in accordance with their wholesale agreement, is determined (calculated) each year and based upon their actual usage.

- ✓ Septage
- ✓ Wholesale – Alderwood
- ✓ Wholesale – Mukilteo
- ✓ Wholesale - Silver Lake

As a part of the sewer analysis, HDR will review and evaluate the sewer customer data to determine the number of accounts, equivalent residential units (ERUs), and wastewater volumes (water usage).

From the collection of sewer customer data and information, the City's sewer costs will be equitably distributed to each of the customer group, or class of service. Similar to the water T&D cost of service study, the cost information will be functionalized, allocated, and then distributed to the classes of service using generally accepted cost of service methodologies. The City's data is currently functionalized between the major categories of collection, treatment, bio-solids, and pretreatment. In allocating these costs, they will be segregated between volume-related, strength-related (BOD and TSS), and customer-related. Distribution factors will be developed for each of these specific cost-classifiers using the best available City and customer class specific data. The cost of service will be summarized to compare the current revenues of each customer class of service to their distributed cost of service. This will provide a measure of the relative equity between each of the customer classes of service. In addition, average unit costs will be developed (e.g., \$/CCF, \$/lb. for BOD and TSS, and \$/customer/month). Average unit costs are a useful starting point for rate design (further discussed in Task 5).

Task 5 Assumptions:

- Review of the customer classes and customer class characteristics.
- Equitable distribution of the water transmission and distribution costs to the applicable customers classes.
- Equitable distribution of the water filtration costs to the applicable customer classes of service.
- Average unit costs for each utility will be developed for use in developing proposed rates.

Task 5 Deliverables:

- An electronic copy of the rate model with the updated cost of service analysis for the water and sewer utility.

Task 6: Rate Design Analysis

This task will review and analyze the current utility rate structures for water, water filtration, sewer, and stormwater. HDR will recommend rate structure modifications reflective of the cost-of-service findings and the City's policy objectives for rate and revenue stability, customer equity, efficiency of use, and administrative practicality. For each proposed rate design, the revenues to be generated from the fixed and volume-based components of the rate structure will be identified to help better address the issue of revenue stability. Bill comparisons will be developed to numerically and graphically show the bill impacts of the proposed rates compared to the present rates.

The City has identified a number of specific issues to be addressed within the rate design task. These issues vary by utility and are discussed in more detail below.

Water and Filtration Charges – The City has a water rate structure which separates the filtration charges from the other water-related T&D charges. The City currently has four retail rate schedules. The present rate design for residential customers includes a minimum volume of water within the base (meter) charge. For a 1/2" – 3/4" meter, 5 hundred cubic feet (CCF) of water is included within the base charge. All usage, over and above 5 CCF is billed at the consumption charge (\$/CCF). The volume of water included within the minimum charge varies by meter size with larger meters receiving a larger volume allowance within the base charge. The City would like to review the issue of the inclusion of water within the base charge, as well as a review of the amount of water included within the base charge (i.e., the 5 CCF). For a variety of reasons, many utilities have transitioned away from the inclusion of water within base (fixed) charges.

In order to provide a comprehensive review of this issue, HDR will first review individual customer billing data to determine usage patterns and the impact of the volume allowance. At the same time, the value of 5 CCF of water must be viewed in the context of the fixed base charge. Elimination of the 5 CCF will have an impact upon the level of the base charge for each meter size and the amount of revenue collected regardless of the customer's total usage. HDR will discuss with the City our initial findings and conclusions regarding the inclusion of water within the base charge. Based upon that discussion and if deemed appropriate, HDR will develop alternative rate designs (structures) to transition the City to their desired approach. This will include a review of the fixed and variable charge revenue generation for the utility.

Sewer Charges – The City's sewer charges for non-residential and wholesale customers uses the concept of equivalent residential units (ERUs) to assess and charge customers. In the case of the City, an ERU is currently defined as 9 CCF. The City has used this definition for many years and desires to have it reviewed in more detail to confirm that it remains appropriate, and if not, what volume or amount would be more reflective of residential usage. As a part of the prior tasks, HDR will have already reviewed this issue in great detail and the cost of service analysis will be reflective of the appropriate definition of an ERU. Should the City decide to revise the definition of an ERU based upon HDR's findings and conclusions, new sewer rate structures will be developed accordingly.

Stormwater Charges – As noted, the City is anticipating the separation of stormwater charges from sewer charges and transition to stormwater rates based on impervious area. Given this future transition, it is anticipated that the current stormwater rate structure will be maintained during this study and only the level of the rate will be adjusted as noted as part of this study.

Task 6 Assumptions:

- Development of up to two water and sewer rate alternatives for each rate schedule.
- Develop water and sewer bill comparisons for the City to review customer bill impacts.
- Develop proposed stormwater rates while maintaining the current rate structure for future transition to future rate design alternatives.

Task 6 Deliverables:

- An electronic copy of the rate model with the updated rate design analysis for each utility.

Task 7: Miscellaneous Charges Review

HDR will review and update the City's miscellaneous charges. These charges were reviewed as a part of the prior comprehensive rate studies and HDR would propose that the same miscellaneous charges be reviewed and updated using a similar approach. Within the Everett Municipal Code, Title 14 Water and Sewer, Chapter 16 Water Rates and Regulations, Section 713 Rates and Charges the City has several types of charges listed. These were the charges updated as a part of the City's prior rate studies conducted by HDR. This review of fees does not include capacity or system development charges or industrial pretreatment charges.

Task 7 Assumptions:

- Review with City staff the miscellaneous charges to review and update.

Task 7 Deliverables:

- A draft and final electronic technical memorandum summarizing the review of existing miscellaneous utility charges and updates to be reflective of current costs.

Task 8: Rate Study Documentation – Written Report

Prepare/submit a study report summarizing assumptions, findings, and study recommendations for each utility. The supporting spreadsheet analyses for each utility will be included as technical appendices. Develop an electronic (PDF) draft final report and incorporate any City comments or corrections into the final electronic (PDF) written report.

Task 8 Assumptions:

- An electronic draft report will be provided to City staff for review and comments.

Task 8 Deliverables:

- A final electronic report which includes a technical appendices of the analyses completed.

Task 9: Project Meetings and Public Presentations

Prepare materials and attend the following meetings to review interim findings, obtain policy direction, and present draft and final study results. In addition to the kick-off meeting and any meetings noted in the prior tasks, the following review meetings and public presentations are anticipated:

- ✓ Up to eight two-hour virtual project meetings with City staff to review interim findings and receive policy direction.
- ✓ Up to three two-hour in person project meetings with City staff to review interim findings and receive policy direction.
- ✓ Up to two meetings with the City Council to assist in presenting the study results and recommendations.
- ✓ Up to two meetings with other Stakeholder groups as may be requested.

Should additional meetings be required, they will be provided on a time and material basis using the current hourly billing rates for the individuals involved.

Task 9 Assumptions:

- Eight virtual project meetings, three in person project meetings, two City Council meetings, and up to four public meetings/presentations.
- Attendance by the HDR Project Manager and/or task lead at all internal project meetings and public presentations.

Task 9 Deliverables:

- Development of presentation and meeting materials to support HDR's analyses.

Task 10: Ongoing Model Support

Since the development of the initial financial/rate models for the City, HDR has been assisting the City in resolving modeling issues, reviewing City developed analyses, and updating the models to meet the City's needs. This task will provide up to 80 hours of assistance by a senior financial analyst to assist the City in modeling efforts after the completion of the rate study. This will provide time for rate model assistance for future analyses and scenarios completed by City staff.

Task 10 Assumptions:

- Provide up to 80 hours of ongoing model support.

Task 10 Deliverables:

- Final Excel models.

Task 11: Project Management and Quality Control

Perform miscellaneous project set up activities, work paper documentation, internal scheduling / workload planning, invoicing, ongoing client correspondence, quality control, and other miscellaneous administrative / project management activities throughout the study.

Task 11 Assumptions:

- Provide quality control through HDR's QC process on all deliverables provided to the City.
- Provide overall project administration and management.

Task 11 Deliverables:

- Monthly invoicing and progress report.

Project Time Schedule

HDR's estimated project time schedule is, in part, driven by and based on the availability of data, the ability to schedule internal project meetings in a timely manner, and work with City staff to develop the study final recommendations. Based upon our experience working with the City, along with the complexity of these studies, the rate study will be completed by the end of 2024. The City is anticipating presenting the results of the study to City management and Council in October 2024, and implementing January of 2025.

Project Fee Estimate

The estimated project fees were developed based upon the previously discussed scope of work. For each task, the labor hours, by individual, was developed. The total labor hours were then applied to the current hourly billing rates for each individual. For the proposed study, the following hourly billing rates were used to establish the proposed fees for this study. These hourly billing rates will be in effect through December 31, 2024.

<u>Individual</u>	<u>Project Role</u>	<u>Hourly Rate</u>
Kevin Lorentzen	Project Manager	255.00/hour
Shawn Koorn	Technical Advisor	325.00/hour
Josiah Close	QA/QC	195.00/hour
Sara Anderson	Financial Analyst	135.00/hour
Various	Senior Engineering Assistance	290.00/hour
Various	Engineering Assistance	180.00/hour

Others Project Administrative/Clerical Support 135.00/hour

The billing rates shown above cover payroll cost, employee benefits, and HDR overhead and profit.

In-House Expenses:

Vehicle Mileage	Current Federal Travel Regulation (FTR)
Black/white Photocopies (per copy)	\$0.05 to \$0.09
Color Copies (per copy)	\$0.15 to \$0.30

Direct Expenses:

No markup on expenses. Other direct expenses (parking, mileage, meals, airfare, etc.) will be billed at cost.

Based on the above hourly billing rates, and the previously developed scope of services, provided below is a summary of the estimated fees for the services discussed above.

City of Everett 2024 Rate Study Fee Estimate	
Task Description	Total
Task 1: Data Collection / Kick-Off Meeting	\$4,810
Task 2: Rate Model Update and Development	16,680
Task 3: Financial Benchmarking Analysis	6,130
Task 4: Revenue Requirement Analysis	23,140
Task 5: Cost of Service Analysis	25,000
Task 6: Rate Design Analysis	16,120
Task 7: Miscellaneous Charges Review	7,760
Task 8: Rate Study Documentation – Written Report	12,540
Task 9: Project Meetings and Presentations	33,980
Task 10: Ongoing Model Support	20,400
Task 11: Project Management and Quality Control	<u>11,280</u>
Total Labor	\$177,840
Plus: Expenses	<u>\$7,785</u>
Grand Total Fees	<u>\$185,625</u>

EXHIBIT B
PROFESSIONAL SERVICES AGREEMENT

**SELECT ONE OF THE FOLLOWING METHODS OF COMPENSATION, EACH OF WHICH IS
SUBJECT TO THE MAXIMUM COMPENSATION AMOUNT**

- ☐ **HOURLY RATE.** The City shall pay Service Provider a sum equal to the amount of hours actually worked multiplied by the rate identified below for staff performing the Work.

Name	Title	Rate
enter name	enter title	enter rate
enter name	enter title	enter rate
enter name	enter title	enter rate
enter name	enter title	enter rate
enter name	enter title	enter rate
enter name	enter title	enter rate
enter name	enter title	enter rate

If there are more staff than rows in the table above, then those staff names, titles, and rates shall be provided in the Scope of Work.

- ☐ **PROGRESS PAYMENTS.** The City shall pay Service Provider the following amounts upon the completion of the following tasks.

Task	Amount Paid on Task Completion
enter task	enter amount
enter task	enter amount
enter task	enter amount
enter task	enter amount
enter task	enter amount
enter task	enter amount
enter task	enter amount

If there are more tasks than rows in the table above, then those tasks and payment amounts shall be provided in the Scope of Work.

- ☐ **LUMP SUM.** The City shall pay Service Provider \$ enter amount upon the completion of the Work.

- ☒ **METHOD CONTAINED IN SCOPE OF WORK.** The City shall pay Service Provider as set forth in the Scope of Work.

- ☐ **METHOD CONTAINED IN ATTACHED PAGE(S).** The City shall pay Service Provider as set forth in the spreadsheets or other documents attached to this Exhibit B.



City Council Agenda Item Cover Sheet

Project title: General Property Tax Levy Lid Lift Revenue Options Briefing

Council Bill # *interoffice use*

Agenda dates requested:

Briefing 3/27/24

Proposed action

Consent

Action

Ordinance

Public hearing

Yes X No

Budget amendment:

Yes X No

PowerPoint presentation:

X Yes No

Attachments:

Department(s) involved:

Finance

Contact person:

Susy Haugen

Phone number:

425-257-8612

Email:

shaugen@everettwa.gov

Initialed by:

sh

Department head

Administration

Council President

Project: 2024 General Levy Lid Lift ballot measure

Partner/Supplier:

Location:

Preceding action:

Fund: General Government Funds

Fiscal summary statement:

None

Project summary statement:

A briefing to present additional information regarding a general property tax levy lid lift that may be placed on a future ballot for voter approval.

Recommendation (exact action requested of Council):

No Council action will be requested on March 27, 2024.

City of Everett Revenue Options Briefing

March 27, 2024

Discussion Topics

- Property Tax – Exempt Properties
- Property Tax Assistance
 - Exemptions
 - Deferrals
- Property Tax Levy Lid Lift Options



Exempt Properties

- Government-Owned

- Federal
- Schools
- County
- City
- Port

- Non-profit

- Schools
- Churches
- Cemeteries
- Hospitals
- Social Service Agencies
- Character building organizations

- Non-profit

- Nursing Homes
- Homes for the Aging
- Museums
- Performing Arts Facilities
- Public Meeting Halls



Property Tax Assistance

- Tax assistance for widows or widowers of veterans
- Tax assistance for homeowners with limited income
- Tax deferral for senior citizens and people with disabilities
- Tax deferral for homeowners with limited income

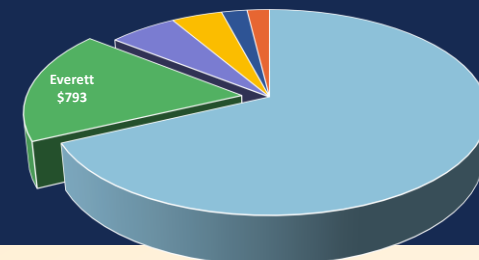


PROPERTY TAX LEVY LID LIFT

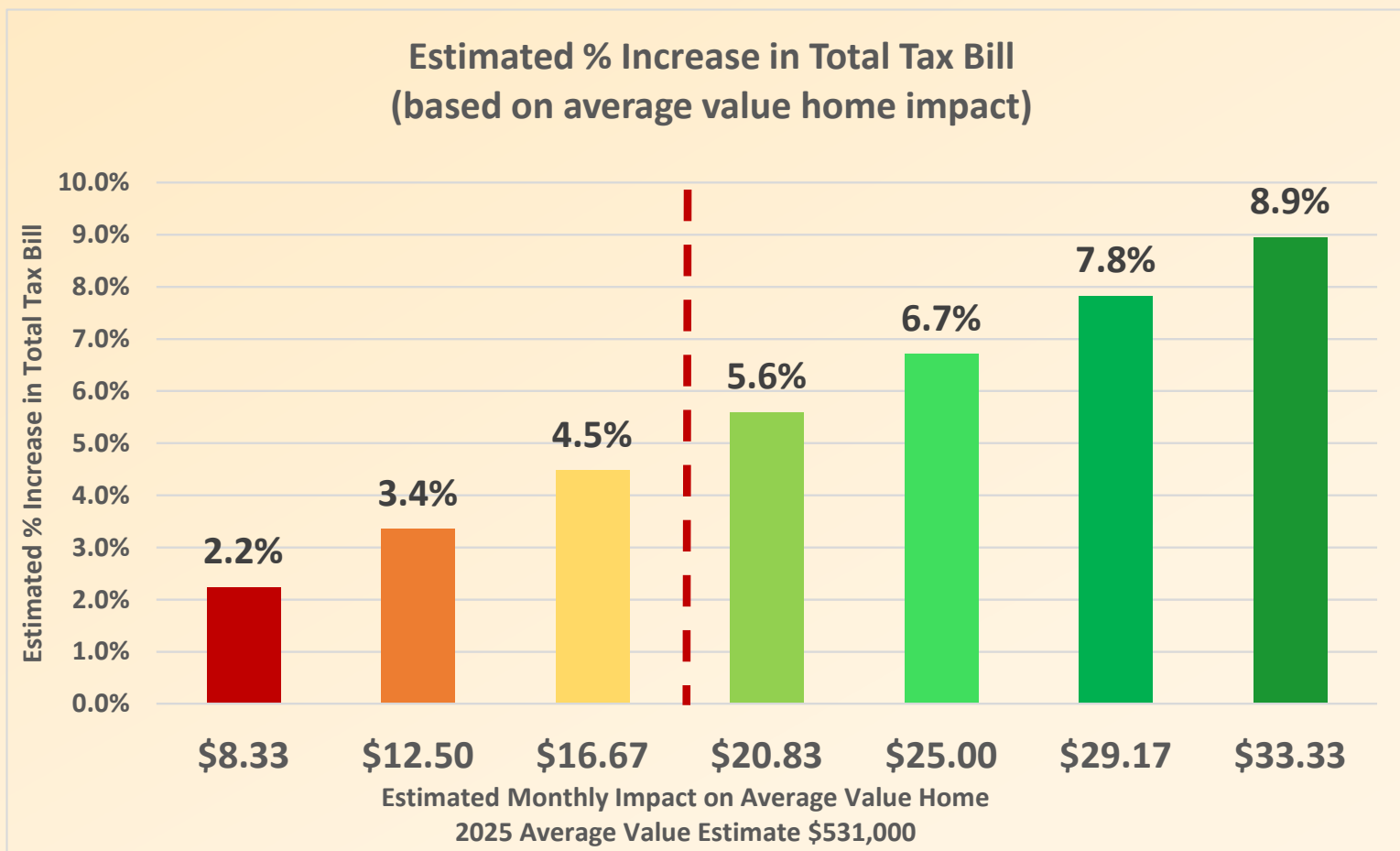


Property Tax Levy Lid Lift Impact Estimates

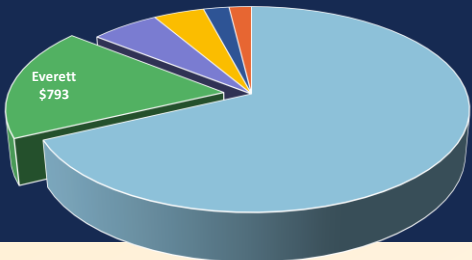
2024
Property Tax
Distribution



Schools	Everett	County
\$3,037	\$793	\$262
Everett EMS	Port	RTA
\$195	\$98	\$86

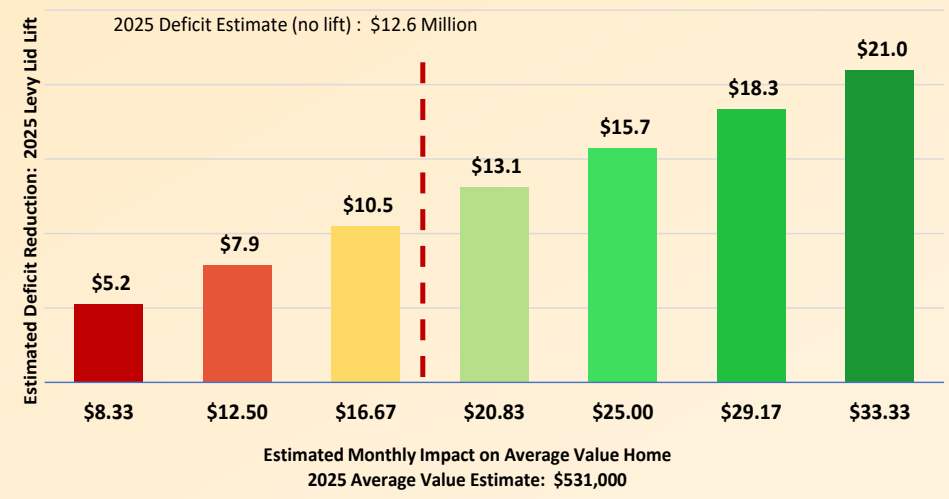


2024
Property Tax
Distribution

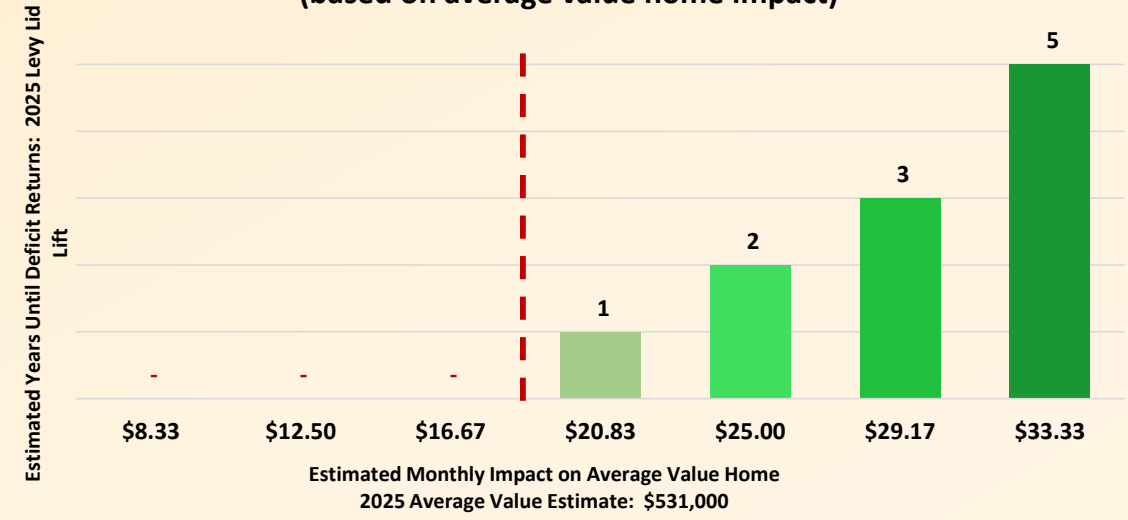


Schools	Everett	County
\$3,037	\$793	\$262
Everett EMS	Port	RTA
\$195	\$98	\$86

Estimated Deficit Reduction (millions): 2025
(based on average value home impact)

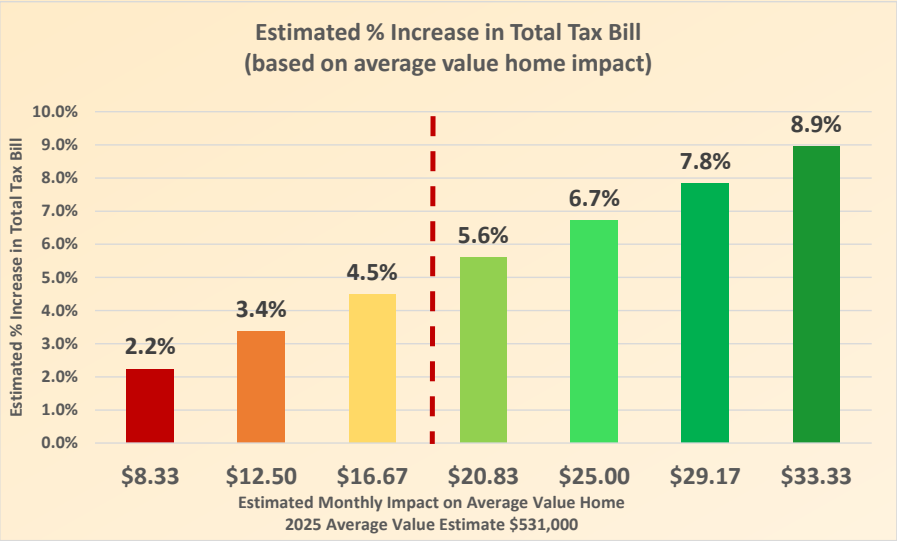
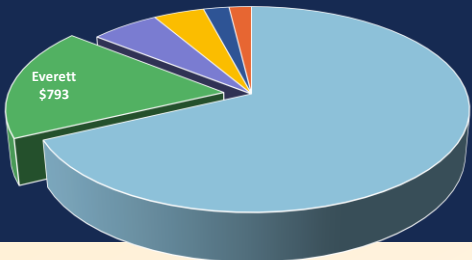


Estimated Years Until Deficit Returns: 2025 Levy
(based on average value home impact)

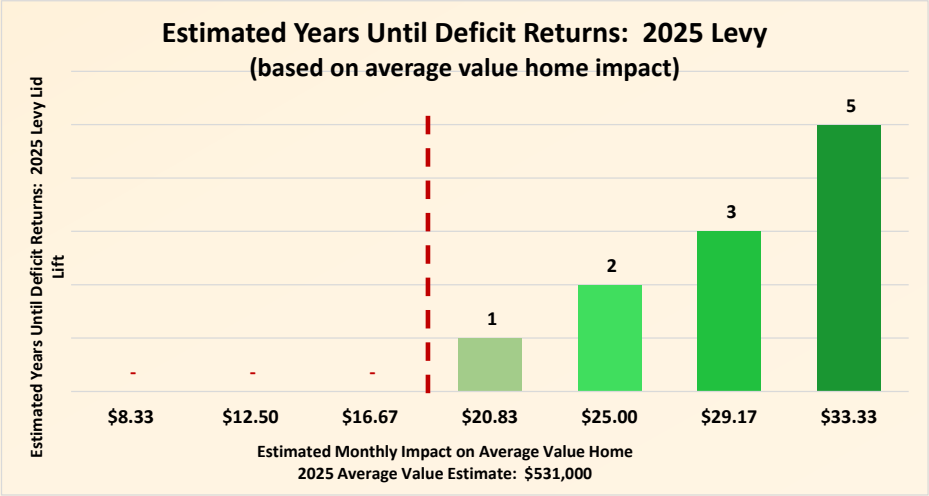
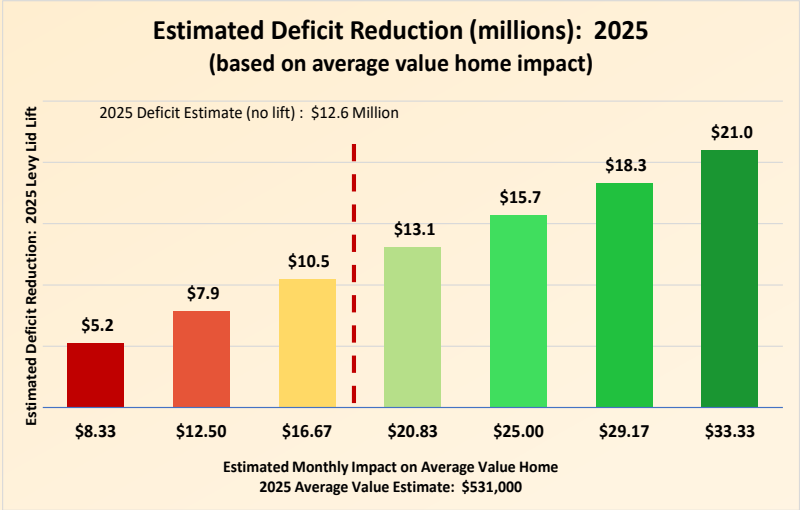


Property Tax Levy Lid Lift Impact Estimates

2024
Property Tax
Distribution



Schools	Everett	County
\$3,037	\$793	\$262
Everett EMS	Port	RTA
\$195	\$98	\$86



Recommendation

- 3-27-24: Provide direction regarding limiting the range of lid lift amounts to be considered
- 4-10-24: Select Lid Lift amount



From: Angela Ely
Sent: Wednesday, March 27, 2024 5:00 PM
To: Ashleigh Scott
Cc: DL-Council; David Hall; Jennifer Gregerson
Subject: FW: [EXTERNAL] EHA Park District Project
Attachments: 2024.03.27 Everett City Council Letter.pdf; 2024.02.28 Everett Housing Authority Letter.pdf

Category 2: Sensitive information

Hello,

Please submit the email below and its attachments as written comment for the record at our Council meeting this evening.

Thank you!
Angie

Category 2: For official use only / disclosure permissible by law.

From: Craig Skotdal <craig@skotdal.com>
Sent: Wednesday, March 27, 2024 9:05 AM
To: DL-Council <Council@everettwa.gov>
Cc: Cassie Franklin <CFranklin@everettwa.gov>; Dan Eernissee <DEernissee@everettwa.gov>; Yorik Stevens-Wajda <YStevens@everettwa.gov>; Dan Templeman <DTempleman@everettwa.gov>
Subject: [EXTERNAL] EHA Park District Project

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Councilmembers:

Attached, please find my letter regarding the Everett Housing Authority's Park District Project.

Sincerely,
Craig



Craig Skotdal
President | Asset Management
craig@skotdal.com

Skotdal Real Estate
P: 425 252 5400 | F: 425 258 2473 | M: 425 750 7000
1604 Hewitt Avenue, Suite 200 | Everett, WA 98201
Skotdal.com | [Facebook](https://www.facebook.com/SkotdalRealEstate) | [LinkedIn](https://www.linkedin.com/company/SkotdalRealEstate)



T 425 252 5400
F 425 258 2473
www.skotdal.com

1604 Hewitt Avenue, Suite 200
Post Office Box 5267
Everett Washington 98206

March 27, 2024

Everett City Council
2930 Wetmore Avenue, Suite 9-A
Everett, WA 98203

RE: EHA Park District Project

Dear Councilmembers:

As the City of Everett considers bringing a levy lid lift to voters later this year to help address its projected \$13.1 million shortfall in 2025, the importance of demonstrating its commitment to fiscal sustainability cannot be overstated. The due diligence that you undertake regarding the Everett Housing Authority's Park District Project will shine a spotlight on how the City manages its financial affairs. While there is a great sense of urgency to create more affordable housing as quickly as possible, doing the right thing in the wrong way will have adverse consequences.

I encourage you to get the facts and seek transparency as much as possible.

One of the key questions that remains unanswered is whether the EHA's Park District Project is, in fact, a viable development. In terms of scale, the Park District Project is comparable to the Everett Events Center or the proposed Aquasox Stadium. Both of those public sector projects were required to complete a feasibility study showing the projected costs, anticipated sources of revenue, and likely economic impacts to the community.

Given the potential consequences, it seems appropriate for the Everett Housing Authority to undertake a similar analysis (if it hasn't already) and be willing to share the findings publicly. The work should be undertaken by an independent, experienced consultant like BERK in Seattle, that wouldn't aim to tell a rosy story – just report the facts. The evaluation would show the anticipated construction costs, potential rental income, and financing and funding sources. Above all, it would verify the project's viability before asking the Everett community to invest.

Based on my own development experience, 15-story towers in Everett won't work.

In tandem with this analysis, the City Council needs to understand the anticipated revenue and expense impacts for Everett. Adding 1,500 units of housing will require the City to invest in significant infrastructure improvements, including fire and life safety. For example, Fire Station No. 2 will likely need to be expanded and staffed with additional firefighters, trucks, and equipment. The EHA may pledge to make payments in lieu of property taxes, but how will that revenue compare to what the City would receive from comparable private sector projects?

I include my February 28th letter highlighting some of the potential revenue impacts.

While the Planning Commission recently endorsed a comprehensive plan amendment and planned development overlay for the EHA's Park District Project, their recommendation doesn't consider the financial impacts to the City – that's your job. It would be easy to waive this project through under the mandate of "creating more affordable housing" without doing the required due diligence; however, doing so would undermine voters' trust in the City's fiscal management and set the stage for the failure of a levy lid lift later this year, if pursued.

In closing, I urge you to thoroughly investigate the project's feasibility and financial impact on the Everett community. Given the magnitude of this project and its long-term consequences, it is important to take the time to get it right. The Everett Housing Authority is currently without an Executive Director – whomever is hired should be tasked with analyzing the project's development assumptions and verifying their accuracy. Before bringing this matter to a vote, the Council must know and understand the revenue and expense impacts to Everett.

Sincerely,

Craig Skotdal

Craig Skotdal
President

CC: Mayor Cassie Franklin
Everett Planning Director Yorik Stevens-Wajda
Economic Development Director Dan Eernisse

Enclosure: 2024.02.28 Letter to Everett Housing Authority



T 425 252 5400
F 425 258 2473
www.skotdal.com

1604 Hewitt Avenue, Suite 200
Post Office Box 5267
Everett Washington 98206

February 28, 2024

Major Galloway, III - Executive Director
Everett Housing Authority
3107 Colby Avenue
Everett, WA 98201

RE: Everett Park District Project

Dear Mr. Galloway,

I am an advocate for the Everett Housing Authority's mission to serve the affordable housing needs of our community. As such, I am writing to share some questions and concerns about the Park District Project with a goal of ensuring the EHA can fulfill its purpose in Everett for decades to come. I don't pretend to have all the answers, but I do have some experience in developing market rate housing in Everett over the last 20 years.

- To start, the scope of this project is massive: 1,500 units to be developed in phases over ten years. For perspective, this is roughly equal to the number of market rate rental housing units that have been developed in North Everett over the last 20 years.¹ One potential concern is that if the EHA floods the market with more units than demand will support, it will make private sector projects less feasible. Excess supply could temporarily suppress rents, make financing less viable for existing properties and new construction, and require new projects in permitting to pause development until the market reaches equilibrium.
- The proposed height of the residential towers (15 stories!) is not supported in the Everett market. The most common type of multi-family construction in Everett's urban center is the 5-over-2 podium design (5 floors of wood frame over 2 floors of concrete) – the most effective method for increasing unit density and lowering construction costs. Development above eight stories requires concrete and steel construction, which is significantly more expensive. The only way to build such costly towers would be to charge rents comparable to Seattle and Bellevue's urban centers. While the EHA receives favorable financing terms and operates as a non-profit, there would still be a significant sustainability gap – especially if such funding comes with prevailing wage requirements.
- Leaving aside the feasibility of building 1,500 units in ten years or constructing 15-story residential towers, I wonder why the Everett Housing Authority is choosing to build market rate apartments itself versus making the land available for the private sector to accomplish the same objective. For example, the EHA could adopt the Port of Everett's successful

¹ Peninsula Apartments (62 Units), Library Place (200 Units), Lumen Apartments (108 Units), Waterline Apartments (221 Units) Aero Apartments (102 Units), Kinect @ Broadway (140 Units), Waterfront Place (266 Units), Marquee Apartments (77 Units), Nimbus Apartments (165 Units), Riverview Apartments (203 Units) / Total: 1,544 Units

approach in developing Waterfront Place by creating a master plan for the Park District and making parcels available for private development that fit the overall vision. Diversifying the buildout of the Park District among multiple experienced developers would reduce EHA's liability exposure, financial risk, and execution risk.

- Another argument for allowing the private sector to develop the market rate housing portion of the Park District is to ensure that our community benefits from the potential property tax revenue in the years ahead. To give you one example, here is the 2024 property tax benefit from Library Place, a 200-unit development in Downtown Everett:

District	2024 Rate	2024 Amount
Central Regional Transit Authority	0.16	\$6,031.29
City of Everett	1.90	\$69,409.38
Everett School District No. 2	3.58	\$131,064.48
Port of Everett	0.19	\$6,893.49
Snohomish County - CNT	0.50	\$18,461.00
State	2.25	\$82,387.51
Total	8.59	\$314,247.15

- Assuming 1,200 of the Park District's proposed 1,500 housing units (80%) are developed as market rate apartments by private sector partners, the non-EHA portion of the project could generate approximately \$1,885,482 per year in real estate tax revenue. In this scenario, the Everett School District would receive approximately \$786,386 per year and the City of Everett would receive \$416,456 per year – based on current property values.
- Separately, I understand the EHA is the only stakeholder in Downtown Everett that is not participating in the Downtown Improvement District. When the Business Improvement Area (BIA) was expanded in 2018 to include the Broadway Plaza complex, the Everett Housing Authority refused to join the City, County, Imagine Children's Museum, Historic Everett Theatre, Everett History Museum, non-profit organizations, faith-based organizations, and private property owners in funding the essential clean and safe programs that help make Everett's urban center a vibrant place to live and work. This doesn't reflect the high standard of stewardship that the EHA is promising to the Delta neighborhood.

Lastly, if I were serving as an EHA commissioner, here are a few questions I would ask:

- Have we completed a market analysis that supports the number and type of housing units that we propose to build in the desired time frame? Does the market analysis reflect current market rents in Everett or aspirational / inflation adjusted rents? Can the market absorb the proposed EHA units and private sector units at the same time?
- Have we obtained a per unit construction cost estimate for the different types of housing that we propose to build, e.g. townhome, 5-over-2 podium, concrete and steel tower, etc. Have we obtained a per stall construction cost of building underground parking versus surface parking? How do these estimated costs compare with the estimated income per unit that we expect to receive?

- Given the EHA's sources of financing, estimated construction costs, and projected revenue, does the project pencil out? If any of these variables changes by 10% - 20% is the project still financially sustainable? How will the EHA cover the financial burden if any phase of the project does not go as planned? What are the potential impacts to Everett taxpayers?
- Does the EHA team have the knowledge, experience, and capacity to successfully manage and implement a project at this scale without additional overhead costs associated with hiring outside experts or contracted personnel?
- Has the EHA considered the economic impact to the Everett community if the market rate housing portion of the project remains off the public tax rolls?

Again, I share these questions and concerns from a position of respect and support for the Everett Housing Authority's mission and role in our community.

David Packard, the co-founder of HP, frequently offered a warning to business school students that he mentored at Stanford University: "Most companies die of indigestion versus starvation." While this is an important business lesson, it also applies to individual investors, non-profit organizations, and government agencies. As someone who supports the EHA's long-term success, I ask that you be mindful of Packard's warning as well.

Sincerely,

Craig Skotdal

Craig Skotdal
President

CC: EHA Board of Commissioners
Mayor Cassie Franklin
Everett City Council
Everett Planning Director Yorik Stevens-Wajda
Economic Development Director Dan Eernisse

City of Everett Revenue Options Briefing

March 27, 2024

Discussion Topics

- Property Tax – Exempt Properties
- Property Tax Assistance
 - Exemptions
 - Deferrals
- Property Tax Levy Lid Lift Options



Exempt Properties

- Government-Owned

- Federal
- Schools
- County
- City
- Port

- Non-profit

- Schools
- Churches
- Cemeteries
- Hospitals
- Social Service Agencies
- Character building organizations

- Non-profit

- Nursing Homes
- Homes for the Aging
- Museums
- Performing Arts Facilities
- Public Meeting Halls



Property Tax Assistance

- Tax assistance for widows or widowers of veterans
- Tax assistance for homeowners with limited income
- Tax deferral for senior citizens and people with disabilities
- Tax deferral for homeowners with limited income

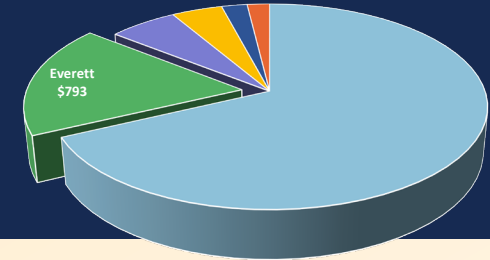


PROPERTY TAX LEVY LID LIFT

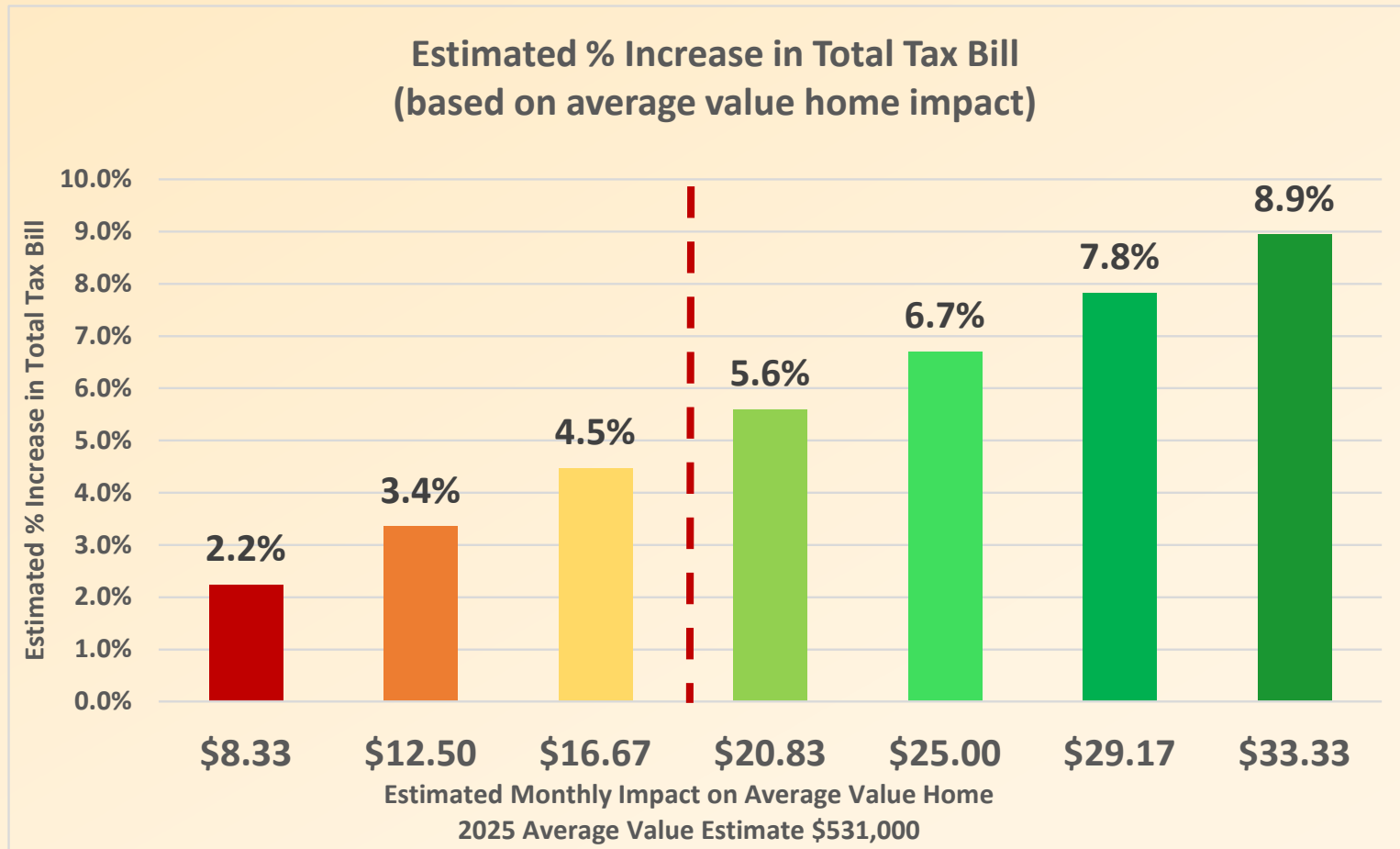


Property Tax Levy Lid Lift Impact Estimates

2024
Property Tax
Distribution

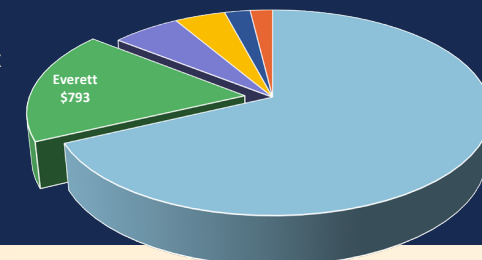


Schools	Everett	County
\$3,037	\$793	\$262
Everett EMS	Port	RTA
\$195	\$98	\$86



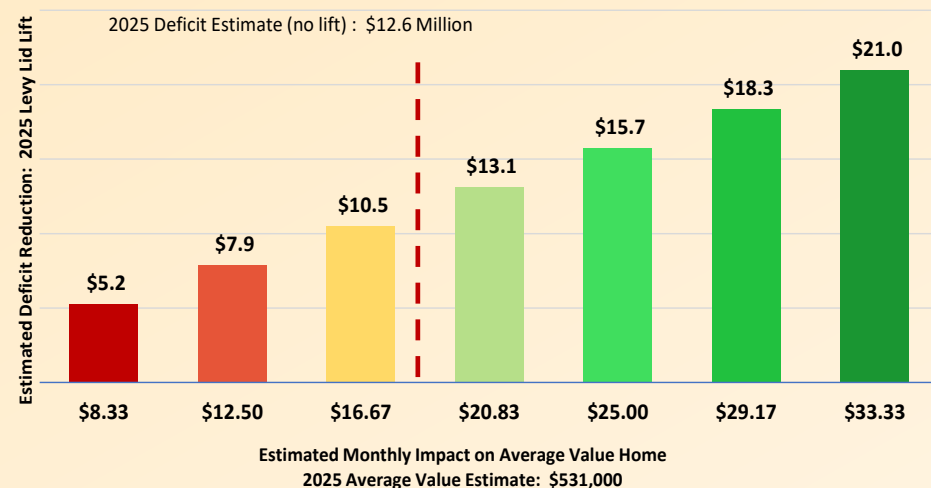
Property Tax Levy Lid Lift Impact Estimates

2024
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Distribution

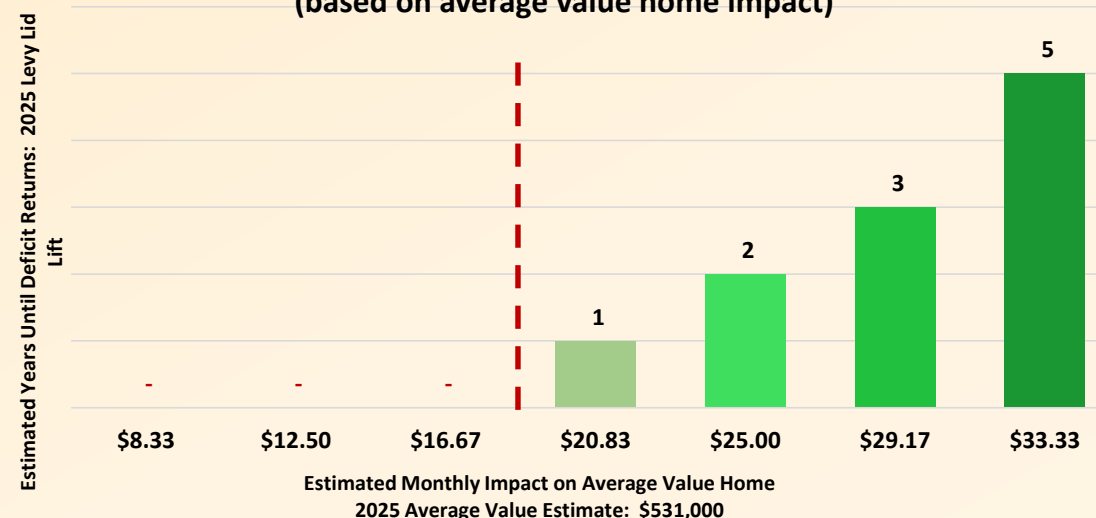


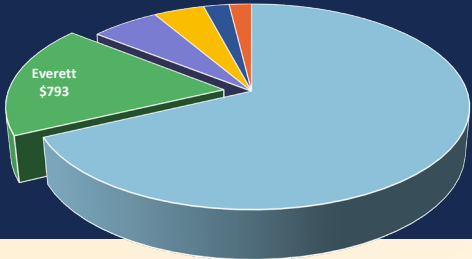
Schools	Everett	County
\$3,037	\$793	\$262
Everett EMS	Port	RTA
\$195	\$98	\$86

Estimated Deficit Reduction (millions): 2025
(based on average value home impact)

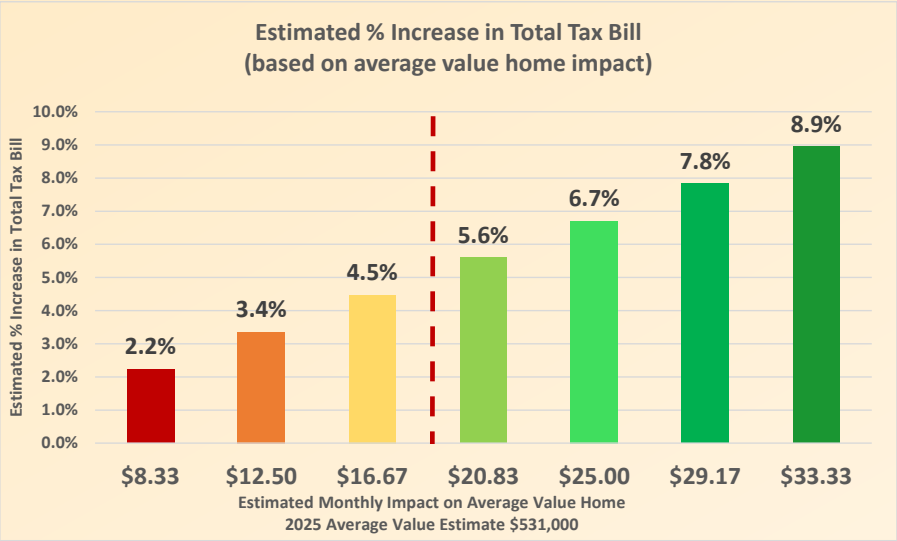


Estimated Years Until Deficit Returns: 2025 Levy
(based on average value home impact)

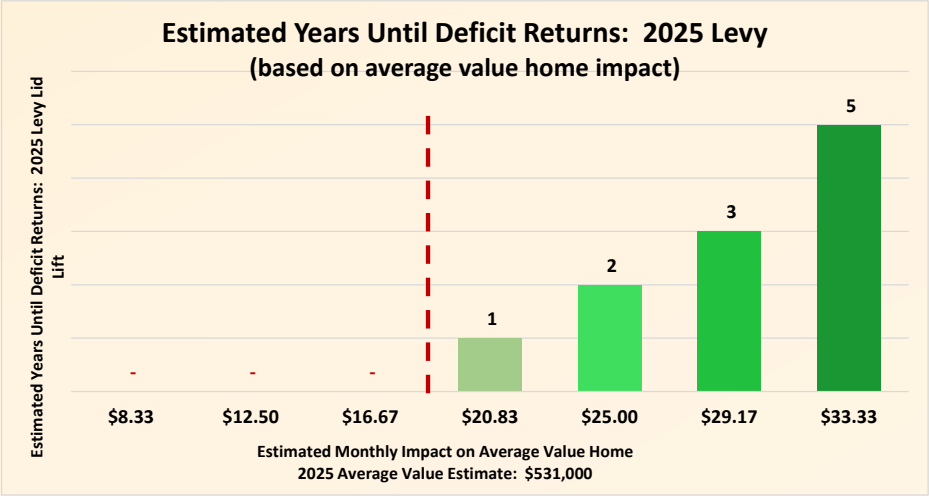
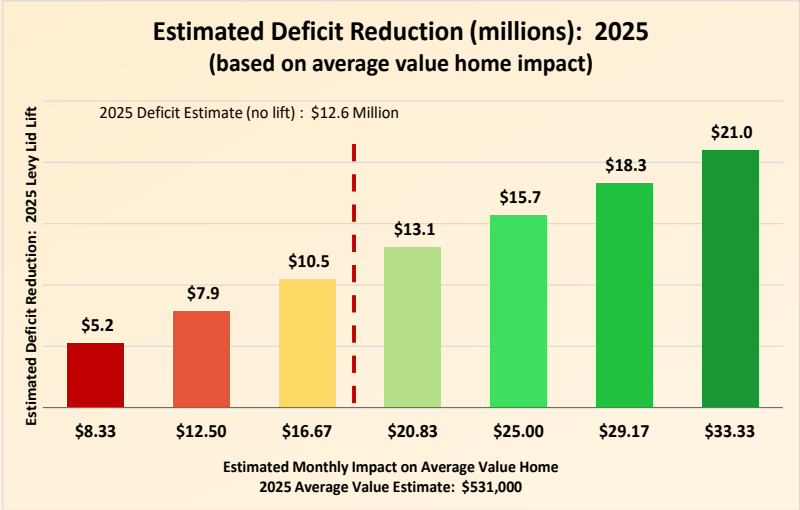




Property Tax Levy Lid Lift Impact Estimates



Schools	Everett	County
\$3,037	\$793	\$262
Everett EMS	Port	RTA
\$195	\$98	\$86



Recommendation

- 3-27-24: Provide direction regarding limiting the range of lid lift amounts to be considered
- 4-10-24: Select Lid Lift amount

