

SNOHOMISH COUNTY PUBLIC WORKS ASSISTANCE FUND

LOAN AGREEMENT

LOAN NUMBER 06-2019

This loan agreement (“AGREEMENT”) is made and entered into by and between Snohomish County, a political subdivision of the State of Washington, (“COUNTY”) and, the City of Bothell, a Washington municipal corporation (“BORROWER”).

I. PURPOSE

Pursuant to chapter 36.135 RCW, and chapter 4.117 SCC, the COUNTY has awarded the BORROWER a Public Works Assistance Fund loan. The COUNTY and the BORROWER enter into this AGREEMENT to memorialize the terms by which the COUNTY will make the loan to the BORROWER for the purpose of undertaking a public works project that furthers the goals and objectives of the Snohomish County Public Works Assistance Fund Program.

II. LOAN

2.1 Amount, Interest Rate, and Term of Loan.

2.1.1 The COUNTY promises to loan the BORROWER Seventy-five thousand dollars and no cents (\$75,000.00) and the BORROWER promises to repay this principal amount to the COUNTY, with interest payable on the unpaid principal at the rate of 1.5% per annum.

2.1.2 The BORROWER will repay the loaned amount over ten years in annual installments as required by Section 2.3.

2.2 Disbursement of Loan Proceeds.

Funds will be disbursed to BORROWER as follows:

- a. Twenty-five Percent (25%) upon formal execution of this AGREEMENT.
- b. Fifty Percent (50%) after the BORROWER has awarded the construction contract and provided its contractor with a Notice to Proceed.
- c. The final Public Works Assistance Fund loan disbursement shall be the lesser of the balance of the loan proceeds or an amount as determined after the BORROWER submits to the COUNTY a certification certifying the total actual costs to complete the Scope of Work. In the event the certification of total actual costs is less than the total amount of the loan stated above, the parties will amend the AGREEMENT to reflect the actual total costs, which will not exceed the amount listed above.

2.3 Repayment of Loan.

Loan repayment installments are due on or before July 1st of each year during the term of the loan. The first loan repayment is due on or before July 1, 2021, and will be for interest only. All subsequent payments shall consist of principal and accrued interest due on or before July 1st of each year during the remaining term of the loan.

Repayment of the loan under this AGREEMENT shall include an interest rate of 1.5% per annum based on a 360 day year of twelve 30 day months. Interest will begin to accrue from the date each warrant is issued to the BORROWER. The final payment shall be due on or before July 1, 2030, in an amount sufficient to bring the loan balance to zero.

The BORROWER has the right to repay the unpaid balance of the loan in full at any time or make accelerated payments without penalty.

The BORROWER will repay the loan in accordance with the preceding conditions through the use of a check, money order, or equivalent means made payable to Snohomish County, or its successor.

2.4 Loan Interest Earned.

All interest earned on Public Works Assistance Fund Monies held by the BORROWER shall accrue to the benefit of the BORROWER and be applied to the eligible costs of the approved project. Benefits shall accrue in one of two ways:

- a. Reduce the amount of the Public Works Assistance Fund loan, or
- b. Pay any part of eligible project costs in excess of ATTACHMENT I: SCOPE OF WORK estimates, if there is an overrun of project costs.

The BORROWER shall establish procedures to ensure that all monies received from the Public Works Assistance Fund loan can be readily identified and accounted for at any time during the life of this AGREEMENT. Such procedures shall consist of the establishment of a separate fund, account, sub-account or any other method meeting generally accepted accounting principles. In event of termination, all principal, interest earned on invested loan principal, and accrued interest payable shall be repaid in full within 30 days by the BORROWER.

2.5 Delinquent Payment

A payment not received within thirty (30) days of the due date shall be declared delinquent. Delinquent payments shall be assessed a monthly penalty beginning on the first (1st) day past the due date. The penalty will be assessed on the entire payment amount. The penalty will be one percent (1%) per month or twelve percent (12%) per annum.

2.6 Default

If the BORROWER defaults in the performance of any obligation under this Agreement, the COUNTY may declare the principal amount owing and interest due under this Agreement at that time to be immediately due and payable.

III. SCOPE OF WORK, TIME OF PERFORMANCE, and COMPLETION

3.1 Scope of Work and Time of Performance

In consideration of the loan, the BORROWER promises to use the borrowed funds solely for costs related to those activities identified in Attachment I, Scope of Work. The BORROWER shall begin the activities identified within Attachment I, Scope of Work, no later than three (3) months after mutual execution of this Agreement. The BORROWER must award a construction contract and issue a Notice to Proceed to the contractor performing the Scope of Work no later than twenty-four (24) months after mutual execution of this Agreement. The BORROWER must complete the Scope of Work no later than forty-eight (48) months after mutual execution of this Agreement.

3.2 Completion and Certification of Total Actual Costs

The BORROWER shall submit a certification of the total actual costs when the Scope of Work is complete.

At completion of the Scope of Work, BORROWER shall provide the following information to the COUNTY in the certification of total actual costs:

- a. A certified statement of the actual dollar amounts spent, from all fund sources, in completing the Scope of Work as described.
- b. A certified statement that the Scope of Work is complete and has been designed/constructed to required standards.
- c. Certification that all costs associated with the Scope of Work have been incurred; Costs are incurred when goods and services are received and/or contract work is performed.
- d. Provide status of performance measures identified in the Scope of Work as applicable.
- e. In accordance with Section 2.2 of this AGREEMENT, the BORROWER will submit, together with the certification of total actual costs, either (a) a request for a sum not to exceed the loan amount, or (b) a refund of any excess loan funds. Any final disbursement shall not occur prior to the completion of the Scope of Work.
- f. Repayment of excess loan funds disbursed to the BORROWER must be made within (30) days of completion of the Certified Closeout Amendment.

3.3 Contractor Compliance with Laws

BORROWER shall be responsible to ensure that all work its contractor(s) perform under this Agreement is performed in compliance with all applicable federal, state, and local laws.

3.4 Project Signs

If the BORROWER displays, during the period covered by this Agreement, signs or markers identifying those agencies participating financially in the approved project, the

sign or marker must identify the Snohomish County Public Works Assistance Fund as a participant in the project.

IV. INDEMNIFICATION & INSURANCE

BORROWER will defend, protect, indemnify, save, and hold harmless the COUNTY, and the state of Washington from and against any and all claims, costs, damages, expenses, or liability for any or all injuries to persons or property damage, arising from the acts or omissions of the BORROWER or any of its contractors or subcontractors, or any employees or agents in the performance of this AGREEMENT, however caused. In the case of concurrent negligence of both the COUNTY and the BORROWER, any damages allowed shall be levied in proportion to the percentage of negligence attributable to each party.

BORROWER will maintain its own insurance and/or self-insurance for its liabilities from damage to property and/or injuries to persons arising out of its activities associated with this AGREEMENT as it deems reasonably appropriate and prudent. The maintenance of, or lack thereof of insurance and/or self-insurance shall not limit the liability of the indemnifying party to the indemnified party(s). The BORROWER shall provide the COUNTY with a certificate of insurance or letter of self-insurance annually as the case may be. Further, the BORROWER shall assure that the contractor(s) associated with this AGREEMENT maintain its own insurance for its liabilities from damage to property and/or injuries to persons arising out of its activities and adds the BORROWER as an additional insured on said insurance.

V. SPECIAL CONDITIONS

There are no special conditions.

VI. SPECIAL ASSURANCES

BORROWER shall comply with all applicable federal, state and local laws, requirements, and ordinances as they pertain to public works projects.

VII. TERMINATION

7.1 Termination for Cause

If the BORROWER fails to comply with the terms of this Agreement, the COUNTY may declare the BORROWER in default and terminate the Agreement in whole or in part.

The COUNTY shall notify the BORROWER in writing of any default. The BORROWER shall have five (5) days to remedy said default. In the event the BORROWER fails to remedy the default within five (5) days of written notice, the COUNTY shall issue the BORROWER written notice of termination of this Agreement and declare the principal amount owing and interest due under this Agreement at that time to be immediately due and payable.

Nothing in this section shall affect the BORROWER's obligation to repay the unpaid balance of the loan. The BORROWER's obligations to repay the unpaid balance of the loan including any accrued interest shall survive early termination of this Agreement.

7.2 Termination for Convenience

The COUNTY may terminate this AGREEMENT in the event that COUNTY funds are no longer available to the COUNTY or are not appropriated for the purpose of meeting the COUNTY'S obligations under this Agreement. Termination will be effective when the COUNTY sends written notice of termination to the BORROWER.

Nothing in this section shall affect BORROWER's obligations to repay the unpaid balance of the loan. The BORROWER's obligations to repay the unpaid balance of the loan including any accrued interest shall survive early termination of this Agreement.

VIII. OTHER TERMS AND CONDITIONS

8.1 Recordkeeping and Access to Records

The COUNTY shall have full access and the right to examine, copy, excerpt, or transcribe any pertinent documents, papers, records, and books of the BORROWER and of persons, firms, or organizations with which the BORROWER may contract, involving transactions related to this Agreement.

The BORROWER agrees to retain all records pertaining to this project and this AGREEMENT for a period of six years from the date of project closeout or early termination of this Agreement. If any litigation, claim or audit is started before the expiration of the six-year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

8.2 Reports

The BORROWER shall furnish the COUNTY with quarterly progress reports, a Certified Closeout Amendment and other periodic reports at such times and on such forms as the COUNTY may require, pertaining to the activities undertaken pursuant to this Agreement.

8.3 Amendments, Modifications, Assignments, and Waivers

BORROWER may request an amendment to this AGREEMENT, which does not increase the amount of the loan, for the purpose of modifying the Scope of Work or for extending the time of performance as provided for in Section III. Neither this AGREEMENT nor any claims arising under this AGREEMENT may be transferred or assigned by the BORROWER without prior written consent of the COUNTY. No conditions or provisions of this AGREEMENT may be waived unless approved by the COUNTY in writing. No amendment or modification shall take effect until approved in writing by both the COUNTY and the BORROWER and attached hereto.

8.4 Governing Law and Venue

This AGREEMENT shall be construed and enforced in accordance with, and the validity and performance hereof shall be governed by, the laws of the state of Washington. Venue of any suit between the parties arising out of this AGREEMENT shall be the Superior Court of Snohomish County, Washington.

8.5 Severability

If any provision under this AGREEMENT or its application to any person or circumstances is held invalid by any court of rightful jurisdiction, this invalidity does not affect other provisions of the AGREEMENT which can be given effect without the invalid provision.

VIII. EXECUTION IN COUNTERPARTS

This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same agreement.

“COUNTY”

SNOHOMISH COUNTY

“BORROWER”

CITY OF BOTHELL

Signature

Signature

County Executive
Title

Title

Federal Taxpayer Identification Number

Approved as to Form:



Deputy Prosecuting Attorney

Approved as to Form:

BORROWER Attorney

ATTACHMENT I

SNOHOMISH COUNTY PUBLIC WORKS ASSISTANCE FUND LOAN AGREEMENT

LOAN NUMBER 06-2019

SCOPE OF WORK AND LOAN APPLICATION

Project Title: Camden Crest Sewer Lift Station #4 Replacement

Sewer Lift Station 4 is located within the 242nd Place SE cul-de-sac and services approximately 23 homes in the Camden Crest Basin. The station was built in 1984 and includes a Smith and Loveless wet-well/drywell vacuum assisted lift pump system. Replacement parts have been discontinued, station reliability has decreased and required maintenance and repairs have significantly increased as the equipment reaches the limits of its design life.

The City will reconstruct the existing sewer lift station with new submersible pumps, pump rails, pump controls, lift station Supervisory Control and Data Acquisition (SCADA), telemetry, pumping port, emergency backup power, and wet well restoration or lining as required. All work will occur within the existing footprint of the facility located within the 242nd Place SE cul-de-sac island.

Snohomish County Public Works Assistance Fund

2019 Loan Application

BORROWING AGENCY INFORMATION

Agency Name: **City of Bothell**

Agency Address: **18415 101st Ave NE, Bothell WA** City/Zip Code: **98011**

Agency Contact: **Eddie Lowe of Boyd E. Benson** Phone Number: **425-806-6789**

Contact E-Mail Address: **boyd.benson@bothellwa.gov**

Project Title: **Camden Crest Sewer Lift Station #4 Replacement**

PROJECT TYPE

Check all categories that apply to your project

- | | | |
|--|--|--|
| <input type="checkbox"/> Water Systems | <input checked="" type="checkbox"/> Sanitary Sewer | <input type="checkbox"/> Storm Sewer |
| <input type="checkbox"/> Streets/Roads | <input type="checkbox"/> Bridge | <input type="checkbox"/> Solid Waste or Recycling Facility |

APPLICATION ATTACHMENTS

- Detailed vicinity map showing project location
- Detailed project cost estimate signed by a Professional Engineer registered in WA State
- Typical road sections (if applicable)
- Utility Plan View (if applicable)
- Documentation of funding commitment from all funding partners

PROJECT DESCRIPTION

(Expand each section below as needed)

Project Title: **Camden Crest Sewer Lift Station #4 Replacement**

Project Description: (Please describe individual project components i.e. utility work, landscaping, geometrics, illumination etc.)

Replace the obsolete Camden Crest Sewer Lift Station 4 to provide reliable, safe, sewerage and decrease potential impacts to adjacent downslope residences, slopes, stream, and wetland areas within the City of Bothell North Creek Forest Park and Open Space Area. Project will reconstruct the existing station with a new lift station with new pumps, controls, emergency backup power and other lift station components utilizing the existing wet well within the existing lift station footprint.

Describe Existing Conditions:

Sewer Lift Station 4 is located within the 242nd Place SE cul-de-sac and serves approximately 23 homes in the Camden Crest Basin. The station was built in 1984 and includes a Smith and Loveless wet-well/drywell vacuum assisted lift pump system. Replacement parts for this system have been discontinued, station reliability has decreased, and required maintenance and repair has increased significantly as the equipment reaches the limits of its design life. The City evaluated feasibility of two options to address the issue: 1) Replace the Lift Station with a new lift station; and 2) install a gravity sewer conveyance system alignment through the City-owned North Creek Forest Park and Open Space Area that extends from the site of the current lift station and terminates at existing City sewer main located along 112th Avenue NE. Based on a recent feasibility and cost benefit analysis study completed by the City after the Snohomish County Public Works Assistance fund loan application loan was awarded, the City selected Option #1, Lift Station replacement.

Describe Proposed Improvements

Reconstruct the existing sewer lift station with new submersible pumps, pump rails, pump controls, lift station Supervisory Control and Data Acquisition (SCADA), telemetry, pumping port, emergency backup power, and wet well restoration or lining as required. All work will occur within the existing footprint of the facility located within the 242nd Place SE cul-de-sac island.

Describe Project Benefits:

Completion of the project will provide immediate benefits by reducing the risk of lift station failure above slopes, trails, stream channels, and wetlands located within City of Bothell North Creek Forest Park and Open Space Area. In addition, completion of the project will reduced operations and maintenance burden and provide a more resilient sewer utility with respect to day-to-day operations and emergency management.

POLICY OBJECTIVES

(Expand each section below as needed)

Applications for Snohomish County Public Works Assistance Funds (SCPWAF) shall include descriptions on how the project meets the following policy objectives if applicable:

1. Are you applying for assistance due to a severe fiscal distress resulting from a natural disaster or emergency public works need? No Yes (If yes, explain)

2. Does your project address a health or safety issue? No Yes (If yes, explain)

The lift station is obsolete and presents a potential health issue from possible sewer discharge to slopes, trails, stream channels, and wetlands located within City of Bothell North Creek Forest Park and Open Space Area. This open space area was partially purchased by Snohomish Conservation District grant funding.

The lack of replacement parts, deteriorating components, and confined space presents an employment safety issue and there have been periods where weekly maintenance and repair has been required to prevent a sewer release. Replacement of the lift station with a new lift station would address these health, safety, and maintenance issues.

3. Does your project address a gap in your system or correct an infrastructure deficiency? No Yes (If yes, explain)

The project addresses an existing infrastructure deficiency as identified in the adopted 2018 City of Bothell Wastewater Comprehensive Plan Update (Project GV-15) and the adopted City of Bothell 2019-2025 Capital Facilities Plan (Project S-12).

4. Does this project provide a long term solution or does it rely on other measures for full improvement?

The project provides a long-term solution by replacing the existing lift station with new components that are meet current standards and are maintainable and replaceable. No other measures are required for full improvement.

5. Does your project expand capacity in order to meet projected population and employment growth? No Yes (If yes, explain)

The project provides additional sewer conveyance capacity to accommodate possible future development and re-development within the sewer drainage basin.

6. Does your project promote and improve economic development? No Yes
(If yes, explain how, including the estimated number of housing units and/or additional jobs created)

Project completion allows utilization of Sewer Utility resources elsewhere within the City which indirectly promotes economic development, housing units and/or additional jobs elsewhere within the City's service area.

7. What % of the total population of your jurisdiction receives a benefit from this project?

Approximately 0.15 percent directly benefit from the project. In addition, the project directly benefits park and recreation users by decreasing potential impacts to the City of Bothell North Creek Forest Park and Open Space Area. Approximately 50 percent of the City's population resides within the City's Sewer Service Area and completing the project in the near-term benefits these users by reducing the risk of future failure and costly emergency repair that would impact service area rates.

8. Describe the type of users who will benefit from this project, including minority, low-income and/or other protected classes as identified

No protected classes have been identified that directly benefit from the project. Completing the project in the near-term reduces the risk of future failure and costly emergency repair that would impact all users, including protected classes, within the service area.

PROJECT SCHEDULE

Milestone	Date
Start Design Engineering	February 2020
Contract Advertisement	July 2020
Start Project Construction	September 2020
Project Substantial Completion	November 2020

PROJECT FUNDING

Amount of Funds Requested: \$75,000

Phase	Project Cost Breakdown			
	SCPWAF \$	Local \$	Other \$	Total Project \$
Design/Engineering/Planning	\$75,000	\$39,268		\$114,268
Right of Way				
Construction Engineering		\$114,268		\$114,268
Construction		\$457,074		\$457,074
<i>Total Project Costs</i>	\$75,000	\$610,610		\$685,610

FUNDING PARTNERS

Source	Public/Private	Amount

(Expand as needed)

BORROWING AGENCY CERTIFICATION

Certification is hereby given that the information provided is accurate and the applicable attachments are complete and included as part of the application package.

Agency Official Signature

Date



City of Bothell

**PUBLIC WORKS DEPARTMENT
CAPITAL IMPROVEMENT PROJECT
PRELIMINARY PLANNING LEVEL ENGINEER'S ESTIMATE
Camden Crest Sewer Lift Station #4 Replacement**

11/26/2019

RM

ITEMS				Engineer's Cost Estimate	
No.	Bid Item Description	Qty.	Unit Measure	Unit Price	Total Cost
1	Survey	1	LS	\$ 3,000.00	\$ 3,000.00
2	SPCC Plan	1	LS	\$ 3,000.00	\$ 3,000.00
3	Mobilization, Cleanup & Demobilization	1	LS	\$ 28,132.00	\$ 28,132.00
4	Project Temporary Traffic Control	1	LS	\$ 2,000.00	\$ 2,000.00
5	Demo Existing Lift Station	1	LS	\$ 6,000.00	\$ 6,000.00
6	Prepackaged Lift Station with Control Panel	1	LS	\$ 195,000.00	\$ 195,000.00
7	Install Lift Station	1	LS	\$ 50,000.00	\$ 50,000.00
8	Connect sewer/water pipes to lift station	125	LF	\$ 70.00	\$ 8,750.00
9	Connect electrical to lift station	1	LS	\$ 5,000.00	\$ 5,000.00
10	Crushed Surfacing Base Course	3	TN	\$ 50.00	\$ 150.00
11	Commercial HMA	8	TN	\$ 200.00	\$ 1,600.00
12	Trench Excavation Safety Systems	1	LS	\$ 5,000.00	\$ 5,000.00
13	Erosion/Water Pollution Control	1	LS	\$ 2,000.00	\$ 2,000.00
14	Bypass Pumping	1	LS	\$ 5,000.00	\$ 5,000.00
15	Vegetation Restoration and Permanent Erosion Control	1	LS	\$ 5,000.00	\$ 5,000.00
Subtotal Base Bid Schedule:				\$	319,632.00
Contingency (30%)				\$	95,889.60
Washington State King County Sales Tax 10%:				\$	41,552.16
Total Construction Contract Cost:				\$	457,073.76
Construction Management Cost (25% of Total Construction Contract Cost):				\$	114,268.44
Design Cost (25% of Total Construction Contract Cost):				\$	114,268.44
TOTAL PROJECT COST:				\$	685,610.64

