

When recorded return to:
City of Olympia
PO Box 1967
Olympia, WA 98507-1967

**INTERLOCAL AGREEMENT
BETWEEN
THE CITY OF OLYMPIA AND LOTT ALLIANCE
FOR
KAISER ROAD WATER MAIN EXTENSION**

This agreement is made and entered into this 28th day of April 2008, by and between the LOTT Alliance, herein referred to as the "LOTT," and the City of Olympia, herein referred to as the "CITY."

Whereas, RCW 39.34.010 permits local governmental units to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage and thereby to provide services and facilities in a manner and pursuant to forms of governmental organization that will accord best with geographic, economic, population and other factors influencing the needs and development of local communities; and

Whereas, pursuant to RCW 39.34.080, each party is authorized to contract with any one or more other public agencies to perform any governmental service, activity, or undertaking which each public agency entering into the contract is authorized by law to perform: provided, that such contract shall be authorized by the governing body of each party to the contract and shall set forth its purposes, powers, rights, objectives and responsibilities of the contracting parties;

NOW, THEREFORE, in consideration of the mutual promises contained herein and the documents incorporated herein, the parties agree as follows:

I. Purpose/Objective

The purpose of this Agreement is to incorporate construction of 2292 feet of 12-inch water main for the CITY, into LOTT's Kaiser Road Force Main Replacement and Water Main Extension Project and for LOTT to receive reimbursement by the CITY for LOTT's costs of the water main construction and inspection services.

II. Scope of Agreement/Work

A. LOTT agrees to perform, or cause to be performed, all work and furnish, or cause to be furnished, all materials and equipment required to design, bid, award and construct the project described in Exhibit A, attached hereto and incorporated by this reference. The project shall be bid and constructed in accordance with this Agreement and all applicable city, state, and federal laws and regulations.

III. Payment

A. LOTT agrees to complete the construction of the water main on a time and materials basis. The current Engineer's estimate of Five Hundred Nineteen Thousand, Seven Hundred Eighty and 17/100 (\$519,780.17) is shown in Exhibit B, attached hereto and incorporated by this reference. The CITY agrees to pay LOTT the actual costs for construction of the water main and actual costs for inspection services minus a credit of \$10,000. Because the new water main will provide potable water to the pump station and, because this allows LOTT to forego installation of a well, LOTT agrees to provide the CITY a \$10,000 credit against the actual cost of the water main.

B. The amounts paid shall include all applicable sales and use tax.

IV. Method of Payment

A. LOTT agrees to invoice the CITY for actual costs.

B. Upon completion of the work described in this Agreement, and upon inspection and acceptance by the City, LOTT will invoice the City and the City will pay such invoice within 30 days of receipt.

V. Indemnification

A. The CITY agrees to defend, indemnify and hold LOTT, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including reasonable attorney fees, arising out of or in connection with the CITY's performance of the Agreement, except to the extent such injuries and damages are caused by the negligence of the LOTT.

B. LOTT agrees to defend, indemnify and hold the CITY, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including reasonable attorney fees, arising out of or in connection with LOTT's performance of this Agreement, except to the extent such injuries and damages are caused by the negligence of the CITY.

VI. Joint Board

This Agreement creates no Joint Board and no separate legal entity.

VII. Duration of Agreement

This Agreement shall be effective until completion of work unless otherwise terminated in the manner described under the termination section of this Agreement.

VIII. Termination of Agreement

This Agreement may be terminated upon sixty (60) days notice to the other party using the method of notice provided for in this Agreement. If this Agreement is terminated by the CITY, it shall promptly reimburse LOTT for any expenditures incurred by LOTT related to the work described in this Agreement.

IX. Entire Agreement

This Agreement sets forth all terms and conditions agreed upon by the CITY and LOTT and supersedes any and all prior agreements oral or otherwise with respect to the subject matter addressed herein.

X. Recording

Prior to its entry into force, this Agreement shall be filed with the Thurston County Auditor's Office or posted upon the websites or other electronically retrievable public source as required by RCW 39.34.040.

XI. Notice

Any notice required under this Agreement shall be to the party at the address listed below and shall become effective three days following the date of deposit in the United States Postal Service.

CITY OF OLYMPIA
City of Olympia Public Works
Attn: Kaiser Road Water Main Replacement- CX95
PO Box 1967
Olympia, WA 98507-1967

LOTT ALLIANCE
Engineering Director
Re: Kaiser Road Force Main Replacement and Water Main Extension Project – CV0702
111 Market Street NE, Suite 250
Olympia, WA 98501

XII. Equal Opportunity to Draft

The parties have participated and had an equal opportunity to participate in the drafting of this Agreement, and the Exhibits, if any, attached. No ambiguity shall be construed against any party upon a claim that that party drafted the ambiguous language.

XIII. Interpretation and Venue

This Agreement shall be governed by the laws of the State of Washington as to interpretation and performance. The parties hereby agree that venue for enforcement of this agreement shall be the Superior Court of Thurston County.

XIV. Effective Date

This Agreement shall take effect on the date of the last authorizing signature affixed hereto.

CITY OF OLYMPIA



Doug Mah, Mayor

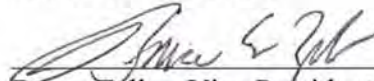
Date: 3-25-08

ATTEST: Jane Ragland Kirkemo
Jane Ragland Kirkemo, City Clerk

Approved as to form:

Annaliese Harksen
Annaliese, Harksen, Asst. City Attorney

LOTT ALLIANCE



Bruce Zeller, Vice President

Date: 4/23/08

ATTEST: Erin Michael
Erin Michael, Corporate Secretary

Approved as to form:

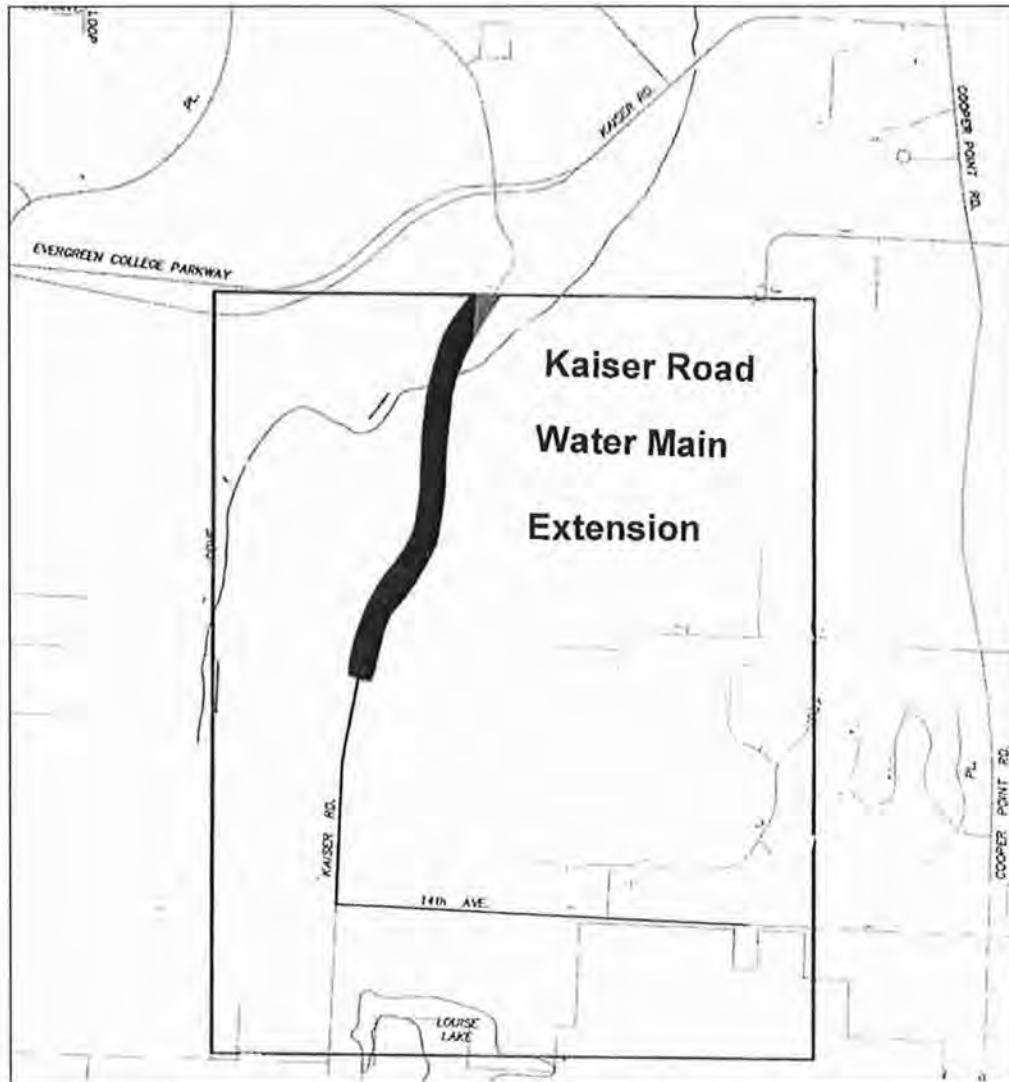
Rick Hughes
Rick Hughes, General Counsel

EXHIBIT A

Scope of Work

Project Location:

The water main extension will link to an existing 12-inch water main located beneath Kaiser Road and extend north 2290 feet to the Kaiser Road Sanitary Sewer Pump Station. Location of the Kaiser Road Water Main extension is shown on the map below.



Project Description:

The Kaiser Road Force Main Replacement and Water Main Extension Project is a cooperative effort between the LOTT ALLIANCE and the CITY of Olympia.

The water main extension will provide water to the LOTT sanitary sewer pump station facility for use during wash-down and other routine maintenance activities. Construction of the water main will be completed as designated in the project plans and specs, per LOTT project number CV0702. LOTT will advertise, bid, construct and inspect the water main extension as part of LOTT project.

Exhibit B

Cost Estimates

		Project No. 216-2717-008	Date February 26, 2008
Project Name Kaiser Road Force Main Replacement and Water Main Extension Project			
Location Olympia, WA			
Owner Schedule 2 - City of Olympia			
Estimated By:	Rick Hermes	Checked By:	
Date:	-2/26/08	Date:	

SCHEDULE 2 - KAISER ROAD WATER MAIN EXTENSION PROJECT						
1	1-04	Minor Change	1	Eq. Adj.	\$3,000.00	\$3,000.00
2	1-07	Property Restoration	1	ls	\$3,000.00	\$0.00
3	1-09	Mobilization	1	ls	\$25,000.00	\$25,000.00
4	1-10	Temporary Traffic Control Devices	1	ls	\$5,000.00	\$5,000.00
5	1-10	Traffic Control Labor	400	hr	\$40.00	\$16,000.00
6	2-02	Removal of Structures and Obstructions	1	ls	\$2,000.00	\$2,000.00
7	2-02	Remove Flexible pavement	2,550	sy	\$10.00	\$25,500.00
8	2-09	Shoring or Extra excavation Class B	1	ls	\$5,000.00	\$5,000.00
9	4-04	Crushed Surfacing, Top Course	300	tn	\$28.00	\$8,400.00
10	4-04	Crushed Surfacing, Base Course	1,200	tn	\$28.00	\$33,600.00
11	5-04	HMA Class 1/2 Inch, PG 64-22	610	tn	\$110.00	\$67,100.00
12	5-04	Asphalt Cold Patch	10	tn	\$100.00	\$1,000.00
13	7-08	Bedding Material	950	tn	\$25.00	\$23,750.00
14	7-08	Trench Backfill	1,800	tn	\$25.00	\$45,000.00
15	7-08	Extra Excavation	20	cy	\$40.00	\$800.00
16	7-08	Foundation Material	38	tn	\$40.00	\$1,520.00
17	7-08	20-Inch Steel Casing	20	lf	\$120.00	\$2,400.00
18	7-09	Ductile Iron Pipe for Water Main, 12-Inch Diameter	2,272	lf	\$81.00	\$184,032.00
19	7-12	Blowoff Assembly and Chamber	1	ea	\$2,500.00	\$2,500.00
20	7-12	Gate Valve, 12-Inch	3	ea	\$1,800.00	\$5,400.00
21	7-12	2-Inch Combination Air Valve and Chamber	2	ea	\$2,500.00	\$5,000.00
22	7-14	Hydrant Assembly	2	es	\$3,000.00	\$6,000.00
23	7-14	Hydrant Assemblyw/block Wall	2	es	\$4,000.00	\$8,000.00
24	7-15	Service Connection 1 1/2In. Diam.	1	ea	\$1,000.00	\$1,000.00
25	8-01	Erosion/Water Pollution Control	1	ls	\$2,500.00	\$2,500.00
					Subtotal Cost	\$479,502.00
					Sales tax (8.4%)	\$40,278.17
					TOTAL COST, Schedule 2	\$519,780.17

The CITY will pay LOTT Alliance for actual inspection costs.