Shoreline City Clerk

Receiving # 1476

I-01-0I1

Public Works Board

I-01-011 Receiving No 1476

Washington State
Public Works Board
Post Office Box 48319
Olympia, Washington 98504-8319

June 21, 2001

FILED
JUN 28 2001
CITY CLERK
CITY OF SHORELINE

Mr. Chuck Purnell
City of Shoreline
17544 Midvale Ave North
Shoreline, WA 98133

Regarding: Public Works Trust Fund Loan Agreement
Number PW-01-691-056

Dear Mr. Purnell:

Enclosed is a fully executed copy of Public Works Trust Fund Loan Agreement Number PW-01-691-056 between the Public Works Board and the City of Shoreline. Please keep this copy with other local records related to your approved Public Works Trust Fund project.

The loan agreement contains one inaccuracy in Section 4.05, Time of Performance. The maximum allowable time for project completion should be 48 months, not 36 months, as stated in the loan agreement. The enclosed amendment corrects this section. If you anticipate needing the extra 12 months to complete your project, please sign and return all three copies of the amendment, to my attention. I will return a fully executed copy to you for your records. Also, please note that the contract number has been changed, per the correction on the first page.

If you have any questions please call, Isaac Huang, your Regional Account Executive, at (360) 725-5009 or you may call me at (360) 725-5004.

Sincerely;

Susan Butz
Contracts Manager

SB:sb
Enclosure

\\Pwb01\shared\Contracting\Contracting Letters\PWTF Executed LA 2001 Construction.dot

FILED

JUN 28 2001

CITY CLERK
CITY OF SHORELINE

CITY OF SHORELINE
Clerk's Receiving
No: 1476
Date: 6/7/01

PUBLIC WORKS TRUST FUND
CONSTRUCTION LOAN AGREEMENT

NUMBER PW-01-~~791~~ 691-056
CITY OF SHORELINE

PART I: ENTIRE AGREEMENT

This agreement, and incorporated attachments, contains all terms and conditions agreed to by the PUBLIC WORKS BOARD and the LOCAL GOVERNMENT and no other statements or representations written or oral, shall be deemed a part thereof. This contract consists of ten pages and two attachments. An attachment to this agreement, ATTACHMENT I: SCOPE OF WORK, consists of a description of local project activities, certification of the project's useful life, and identification of estimated project costs and fund sources and is, by this reference, incorporated into this agreement as though set forth fully herein. In addition, ATTACHMENT II: ATTORNEY'S CERTIFICATION, is by this reference incorporated into this agreement.

The PUBLIC WORKS BOARD and the LOCAL GOVERNMENT have executed this agreement as of the date and year last written below.

DEPARTMENT OF COMMUNITY, TRADE AND ECONOMIC DEVELOPMENT

Steve Wells

Steve Wells

Director, Local Government Division
Title

6/18/01
Date

LOCAL GOVERNMENT

Name

CITY MANAGER
Title

6.7.01
Date

APPROVED AS TO FORM ONLY
5th Day of February, 2001
Christine O. Gregorie
Attorney General

By: Signature on File
Assistant Attorney General

Jeanne A. Cushman
(Print Name)

91-1683888
Federal Taxpayer Identification Number

Approved as to form:
Shoreline City Attorney

PART II: INTRODUCTION

This loan agreement is made and entered into by and between the PUBLIC WORKS BOARD, or its successor, (referred to as the "BOARD"), a department of the state of Washington, and CITY OF SHORELINE (referred to as the "LOCAL GOVERNMENT").

Acting under the authority of Chapter 43.155 RCW, the BOARD has selected the LOCAL GOVERNMENT to receive a Public Works Trust Fund loan for an approved public works project.

PART III: PURPOSE

The BOARD and the LOCAL GOVERNMENT have entered into this agreement to undertake a local public works project that furthers the goals and objectives of the Washington State Public Works Trust Fund Program. The project will be undertaken by the LOCAL GOVERNMENT and will include the activities described in ATTACHMENT I: SCOPE OF WORK. The project must be undertaken in accordance with PART IV: TERMS AND CONDITIONS, and all applicable state and local laws and ordinances, which by this reference are incorporated into this agreement as though set forth fully herein.

PART IV: TERMS AND CONDITIONS

The parties to this agreement agree as follows:

4.01 Rate and Term of Loan

The BOARD, using funds appropriated from the Public Works Assistance Account, shall loan the LOCAL GOVERNMENT a sum not to exceed $4,055,500.00. The interest rate shall be one-half percent (1/2%) per annum on the outstanding principal balance. The term of the loan shall not exceed 20 years, with the final payment due July 1, 2021.

4.02 Local Project Share

The LOCAL GOVERNMENT pledges an amount of locally-generated revenue not less than fifteen percent (15%) of the total eligible portion of the project cost not funded by federal or state grants as identified in ATTACHMENT I: SCOPE OF WORK, to be verified at the time of project close-out. Any change in the percentage of locally-generated funds may require an adjustment in the loan amount or interest rate charged, or both. In such event, the LOCAL GOVERNMENT agrees to execute an amendment to this agreement adjusting the loan amount or interest rate, as appropriate.

Local project share must consist of expenditures eligible under WAC 399-30-030(3) and be related only to project activities described in ATTACHMENT I: SCOPE OF WORK. These expenditures may be made up to twelve (12) months prior to the execution of the loan agreement and verified at the time of project close-out.

PUBLIC WORKS TRUST FUND MONIES MAY NOT BE USED TO REIMBURSE THE LOCAL GOVERNMENT FOR ANY COSTS INCURRED PRIOR TO EXECUTION OF THIS LOAN AGREEMENT.

4.03 Disbursement of Loan Proceeds

Warrants shall be issued to the LOCAL GOVERNMENT for payment of allowable expenses incurred by the LOCAL GOVERNMENT while undertaking and administering approved project activities in accordance with ATTACHMENT I: SCOPE OF WORK. In no event shall the total Public Works Trust Fund loan exceed eighty five percent (85%) of the eligible actual project costs. The disbursement of loan proceeds shall be initiated by the LOCAL GOVERNMENT on a Washington State Invoice Voucher form. The loan funds will be disbursed to the LOCAL GOVERNMENT as follows:

Within thirty (30) days of the formal execution of this agreement, a sum not to exceed fifteen percent (15%) of the approved Public Works Trust Fund loan shall be disbursed to the LOCAL GOVERNMENT.

Within thirty (30) days of the execution of a Notice to Proceed which follows the formal award of a construction contract, a sum not to exceed eighty percent (80%) of the approved Public Works Trust Fund loan shall be disbursed to the LOCAL GOVERNMENT, except in the case of engineering services contracts. If the approved project described in ATTACHMENT I: SCOPE OF WORK is solely for the completion of engineering studies, a sum not to exceed eighty percent (80%) of the approved Public Works Trust Fund loan shall be disbursed to the LOCAL GOVERNMENT within thirty (30) days of the execution of a Notice to Proceed following the formal award of a contract for engineering services.

At the time of project completion, a Close-out Report, (refer to Section 4.19 for Close-out Report), shall be submitted to the BOARD by the LOCAL GOVERNMENT certifying total actual project costs.

The final Public Works Trust Fund loan disbursement shall not bring the total loan in excess ofeighty five percent (85%) of the eligible project costs or the total of $4,055,500.00 whichever is less. The Close-out Report shall serve as a contract AMENDMENT for determining the final loan amount, interest rate, and local share.

In the event that the final costs identified in the Close-out Report indicate that the LOCAL GOVERNMENT has received Public Works Trust Fund monies in excess of eighty five percent (85%) of eligible costs, all funds in excess of eighty five percent (85%) shall be repaid to the Department of Community, Trade and Economic Development, or its successor, within thirty (30) days of submission of the Close-out Report.

4.04 Interest Earned on Public Works Trust Fund Monies

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

1. Reduce the amount of the Public Works Trust Fund loan.

2. Pay any part of eligible project costs that are in excess of ATTACHMENT I: SCOPE OF WORK estimates, if there is an overrun of project costs.

The LOCAL GOVERNMENT shall establish procedures to ensure that all monies received from the Public Works Trust Fund loan can be readily identified and accounted for at any time during the life of this loan

agreement. Such procedures shall consist of the establishment of a separate fund, account, sub-account or any other method meeting generally accepted accounting principles.

4.05 Time of Performance

The LOCAL GOVERNMENT shall begin the activities identified within ATTACHMENT I: SCOPE OF WORK no later than three months after loan agreement execution, and reach project completion no later than thirty-six (36) months after the date of agreement execution.

Failure to perform within the time frame described in the preceding paragraph may constitute default of this agreement and require the immediate repayment of any loan funds disbursed. In the event of extenuating circumstances, the LOCAL GOVERNMENT may request, in writing, that the BOARD extend the deadline for project completion. The BOARD may, by a two-thirds vote, extend the deadline.

The term of this agreement shall be for the entire term of the loan, irrespective of actual project completion, unless terminated sooner as provided herein.

4.06 Repayment

The first loan repayment under this agreement is due July 1, 2002, and subsequent installments are due on July 1 of each year during the term of the loan. The first repayment under this agreement shall consist of interest only at the rate of one-half percent (1/2%) per annum, calculated on a 360-day year of twelve 30-day months, applied to funds received. Interest will begin to accrue from the date each warrant is issued to the LOCAL GOVERNMENT. Subsequent repayments shall consist of the principal balance due divided by the loan term remaining plus interest on the unpaid balance of the loan. The final payment shall be an amount sufficient to bring the loan balance to zero.

The LOCAL GOVERNMENT has the right to repay the unpaid balance of the loan in full at any time, and the right to repay at a faster rate than is provided in this agreement, provided that any such payment must equal or exceed the principal amount normally due on an annual basis.

The LOCAL GOVERNMENT will repay the loan in accordance with the preceding conditions through the use of a check, money order, or equivalent means made payable to the Department of Community, Trade and Economic Development, or its successor, and sent to:

Department of Community, Trade and Economic Development
Administrative Services Division/Fiscal Unit
906 Columbia Street S.W.
P.O. Box 48300
Olympia, Washington 98504-8300

4.07 Repayment Account

The LOCAL GOVERNMENT shall repay the loan solely from utility revenues, general obligation revenues, or a combination thereof. The name of the fund, account, or sub-account shall be Surface Water Management

4.08 Default in Repayment

Loan repayments shall be made on the loan in accordance with Section 4.06 of this agreement. A payment not received within thirty (30) days of the due date shall be declared delinquent. Delinquent payments shall be assessed a daily penalty beginning on the thirty-first (31) day past the due date. The penalty will be assessed on the entire payment amount. The penalty will be twelve percent (12%) per annum calculated on a 360-day year.

Upon default in the payment of any annual installment, the BOARD may declare the entire remaining balance of the loan, together with interest accrued, immediately due and payable.Failure to exercise its option with respect to any such repayment in default shall not constitute a waiver by the BOARD to exercise such option for any succeeding installment payment which may then be in default. The LOCAL GOVERNMENT shall pay the costs and reasonable legal fees incurred by the BOARD in any action undertaken to enforce its rights under this section.

The same penalty terms shall apply to delinquent repayment of funds paid in excess of eligible costs as provided for in Section 4.03.

4.09 Loan Security

The LOCAL GOVERNMENT must select **one** of the following options for securing repayment of the loan. **Please initial the appropriate option.**

1. _____ **General Obligation:** This loan is a general obligation of the LOCAL GOVERNMENT.

OR

2. ✓ **Revenue Obligation:** This option may be used only if the entire project is a domestic water, sanitary sewer, storm sewer or solid waste utility project. LOCAL GOVERNMENTS performing a storm sewer project that have not created a storm sewer utility or a combined sanitary sewer/storm sewer utility may not use this option. Projects providing for a mixture of bridge, road, domestic water, sanitary sewer, and storm sewer activities may not use this option.

This loan is a revenue obligation of the LOCAL GOVERNMENT payable solely from the net revenue of the utility system indicated below. Payments shall be made from the net revenue of the utility after the payment of the principal and interest on any revenue bonds, notes, warrants or other obligations of the utility having a lien on that net revenue. As used here, "net revenue" means gross revenue minus expenses of maintenance and operations. The BOARD grants the LOCAL GOVERNMENT the right to issue future bonds and notes that constitute a lien and charge on net revenue superior to the lien and charge of this loan agreement.

Please choose and initial one of the following utility systems:

_____ Water

_____ Sanitary Sewer (Wastewater)

✓ Stormwater

_____ Water/Sanitary Sewer

_____ Stormwater/Sanitary Sewer

_____ Solid Waste

OR

3. _____ **Local Improvement District:** Pursuant to RCW 35.51.050, the LOCAL GOVERNMENT pledges to repay this loan from assessments collected from a Local Improvement District, Local Utility District or other similar special assessment district in which the improvements financed by this loan are located. The name of the special assessment district is _____.

Nothing in this section shall absolve the LOCAL GOVERNMENT of its obligation to make loan repayments when due, and to adjust rates, fees, or surcharges, if necessary, to meet its obligations under this agreement.

4.10 Recordkeeping and Access to Records

The BOARD, the BOARD's agents, and duly authorized officials of the State shall have full access and the right to examine, copy, excerpt, or transcribe any pertinent documents, papers, records, and books of the LOCAL GOVERNMENT and of persons, firms, or organizations with which the LOCAL GOVERNMENT may contract, involving transactions related to this project and this agreement.

The LOCAL GOVERNMENT agrees to retain all records pertaining to this project and this agreement for a period of six years from the date of project close-out.

4.11 Reports

The LOCAL GOVERNMENT, at such times and on such forms as the BOARD may require, shall furnish the BOARD with such periodic reports as it may request pertaining to the activities undertaken pursuant to this agreement including, but not limited to, quarterly progress reports, the Close-Out Report, and any other matters covered by this agreement. Failure to file periodic reports as requested may result in termination of this agreement as per Section 4.14.

4.12 Indemnification

The LOCAL GOVERNMENT will defend, protect, indemnify, save, and hold harmless the BOARD, 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 tangible property, arising from the acts or omissions of the LOCAL GOVERNMENT or any of its contractors or subcontractors, or any employees or agents in the performance of this agreement, however caused. In the case of negligence of both the BOARD and the LOCAL GOVERNMENT, any damages allowed shall be levied in proportion to the percentage of negligence attributable to each party.

4.13 Amendments, Modifications, and Waivers

Except for an increase in the amount of the loan governed by this agreement, the LOCAL GOVERNMENT may request an amendment to this agreement for the purpose of modifying the SCOPE OF WORK or for extending the time of performance as provided for in Section 4.05. No modification or amendment resulting in an extension of time shall take effect until a request in writing has been received and approved by the BOARD in accordance with Section 4.05. No amendment or modification shall take effect until approved in writing by both the BOARD and the LOCAL GOVERNMENT and attached hereto. No conditions or provisions of this agreement may be waived unless approved by the BOARD in writing.

4.14 Termination for Cause

If the LOCAL GOVERNMENT fails to comply with the terms of this agreement, or fails to use the loan proceeds only for those activities identified in ATTACHMENT I: SCOPE OF WORK, the BOARD may terminate the agreement in whole or in part at any time. The BOARD shall promptly notify the LOCAL GOVERNMENT in writing of its determination to terminate, the reason for such termination, and the effective date of the termination. Upon termination of the loan agreement, the BOARD may declare the entire remaining balance of the loan, together with any interest accrued, immediately due and payable.

4.15 Termination For Convenience

The BOARD may terminate this agreement in the event that federal or state funds are no longer available to the BOARD, or are not allocated for the purpose of meeting the BOARD'S obligations under this agreement. Termination will be effective when the BOARD sends written notice of termination to the LOCAL GOVERNMENT.

4.16 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 Thurston County, Washington. The prevailing party is entitled to recover costs in accordance with Washington State Law (Chapter 4.84 RCW).

4.17 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.

4.18 Project Completion

The BOARD will require and notify the LOCAL GOVERNMENT to initiate a Close-out Report when the activities identified in ATTACHMENT I: SCOPE OF WORK are completed. In the report, the LOCAL GOVERNMENT will provide the following information to the BOARD:

1. A certified statement of the actual dollar amounts spent, from all fund sources, in completing the project as described.

2. A certified statement that the project, as described in the Loan Agreement's Scope of Work, is complete and has been designed/constructed to required standards.

3. Certification that all costs associated with the project have been incurred. Costs are incurred when goods and services are received and/or contract work is performed.

4.19 Project Close-Out

In accordance with Section 4.03 of this agreement, the LOCAL GOVERNMENT will submit, together with the Close-out Report, a request for a sum not to exceed the final five percent (5%) of the loan amount. This disbursement shall not occur prior to the completion of all project activities. The LOCAL GOVERNMENT shall be responsible to ensure that their contractor(s) are in compliance with the Department of Revenue and the Department of Labor & Industries requirements.

4.20 Audit

Audits of the LOCAL GOVERNMENT'S project activities may be conducted by the Municipal Division of the State Auditor's Office in accordance with state law and any guidelines the Department of Community, Trade and Economic Development, or its successor, may prescribe. Payment for the audit shall be made by the LOCAL GOVERNMENT.

4.21 Project Signs

If the LOCAL GOVERNMENT 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 Washington State Public Works Trust Fund as a participant in the project.

4.22 Utilization of Minority and Women's Business Enterprises (MWBE)

In accordance with legislative findings and policies set forth in Chapter 39.19 RCW, the BOARD encourages participation by Minority and Women's Business Enterprise firms certified by OMWBE. Voluntary goals for participation are:

Construction/Public Works	10% MBE	6% WBE
Architect/Engineering	10% MBE	6% WBE
Purchased Goods	8% MBE	4% WBE
Purchased Services	10% MBE	4% WBE
Professional Services	10% MBE	4% WBE

4.23 Nondiscrimination Provision

During the performance of this contract, the LOCAL GOVERNMENT shall comply with all federal and state nondiscrimination laws, including, but not limited to Chapter 49.60 RCW, Washington's Law Against Discrimination, and 42 U.S.C. 12101 et seq, the Americans with Disabilities Act (ADA).

In the event of the LOCAL GOVERNMENT'S noncompliance or refusal to comply with any applicable nondiscrimination law, regulation, or policy, this contract may be rescinded, canceled, or terminated in whole or in part, and the LOCAL GOVERNMENT may be declared ineligible for further contracts with the BOARD. The LOCAL GOVERNMENT shall, however, be given a reasonable time in which to cure this noncompliance.

4.24 Historical and Cultural Artifacts

The LOCAL GOVERNMENT agrees that if historical or cultural artifacts are discovered during construction, the LOCAL GOVERNMENT shall immediately stop construction and notify the local historical preservation officer and the state's historical preservation officer at the Washington State Office of Archeology and Historic Preservation.

The LOCAL GOVERNMENT shall require this provision to be contained in all contracts for work or services related to ATTACHMENT ONE: SCOPE OF WORK.

PART V: SPECIAL ASSURANCES

The LOCAL GOVERNMENT assures compliance with all applicable state and local laws, requirements, and ordinances as they pertain to the design, implementation, and administration of the approved project. Of particular importance are the following:

5.01 RCW 43.155.060

The LOCAL GOVERNMENT shall comply with the provisions of RCW 43.155.060 regarding competitive bidding requirements for projects assisted in whole or in part with money from the Public Works Trust Fund program.

5.02 WAC 399-30-030(3)

The LOCAL GOVERNMENT assures compliance with WAC 399-30-030(3) which identifies eligible costs for projects assisted with Public Works Trust Fund loans.

PUBLIC WORKS TRUST FUND

ATTACHMENT 1: SCOPE OF WORK

PW-01-~~791~~ 641-056

CITY OF SHORELINE
(Jurisdiction)

RONALD BOG SUBBASIN DRAINAGE IMPROVEMENTS PROJECTS
(Project Title)

1. Provide a clear description of the project to be financed in part by a Public Works Trust Fund loan. (Attach additional sheets if necessary):

The project will evaluate, design and construct drainage improvements to address flooding within the Ronald Bog Subbasin. The first phase (year 2000/early 2001) will perform a drainage study of the area and develop recommendations to address local flooding. The evaluation will include review of previous studies performed by King County. Also part of the study is drainage modeling of the area under existing and future development and the resulting potential impacts downstream. Conceptual designs and cost estimates for the recommended alternative will be developed and used to better define future costs. The study will include public involvement (Citizen and Technical Advisory Committees, 3 newsletters, and 2 open houses) and coordination with other resource agencies such as Seattle, King County, Army Corp of Engineers, State Fish and Wildlife, and the Muckleshoot Tribe.

Alternatives under review include additional retention/detention and infiltration upstream of Ronald Bog. The opportunity to impact how Ronald Bog operates is also under review at this time. It may be possible to improve the capacity of the Bog during rainy months. Our intent is to reduce flash flooding in the north fork of Thornton Creek and improve summer baseline flows as well as eradicate flooding in the previously stated locations. Positive impacts to salmon and wildlife habitat will result.

Subsequent phases of the project include design of recommended alternatives (2001), right of way acquisition as needed, and construction (as early as 2002).

2. The term of this loan will be based on an engineer's certification of the expected useful life of the improvements, as stated below, or 20 years, whichever is less. If the local government prefers the term of its loan to be less than either 20 years or the useful life of the improvements, the preferred loan term should be indicated: 20 years.

3. I, Charles J. Purnell, licensed engineer, certify that the average expected useful life for the improvements described above is 20 years.

Signed: Charles J. Purnell

Date: Jan 3, 2001

Telephone: 206.546.8887

Scope of Work
Page Two
PW-01-791-056

Estimated Project Costs:

		Total Costs
Preliminary Engineering		$ 233,000
Environmental Review		$ 150,000
Design Engineering		$ 492,000
Land/R-O-W Acquisition		$ 452,000
Sales or Use Taxes		$
Other Fees		$
Construction Inspection		$ 432,000
Start-Up Costs		$
Relocation Costs		$
Financing Costs		$
Contingency (_10_%)		$ 375,000
Construction		$ 3,750,000
1. Other (Admin)		$ 70,000
2. Other (Specify)		$
TOTAL ESTIMATED COSTS		$ 5,954,000

Anticipated Fund Sources:

A. Federal **Grants**		$ 0
State **Grants**		$ 0
B. Locally Generated Revenue		
General Funds	$	
Capital Reserves	$ 1,898,500	
Other Fund	$	
Rates	$	
Assessments (LID, RID, ULID)	$	
Special Levies	$	
Federal **Loan(s)** from: (identify all)		
	$	
	$	
State **Loan(s)** from: (identify all)		
Public Works Trust Fund Loan	$	
	$	
Other: (identify sources)		
	$	
	$	
TOTAL LOCAL REVENUE		$ 1,898,500
C. PUBLIC WORKS TRUST FUND LOAN		$ 4,055,500

Calculating Local Percentage:

Notes: 1. Grant funds can not be counted as local match.

Calculate as follows:

$$\frac{\text{Total Local Revenue}}{\text{PWTF Loan + Total Local Revenue}} = \text{Local Percentage } \_\_32\%\_\_$$

The local contribution must be at least:

Five percent (5%)	for a loan interest rate of	2%
Ten percent (10%)	for a loan interest rate of	1%
Fifteen percent (15%)	for a loan interest rate of	.5%

Public Works Trust Fund

ATTACHMENT II: ATTORNEY'S CERTIFICATION

I, Ian Sievers, hereby certify:

I am an attorney at law admitted to practice in the State of Washington and the duly appointed attorney of the City of Shoreline

(the LOCAL GOVERNMENT); and

I have also examined any and all documents and records which are pertinent to the loan agreement, including the application requesting this financial assistance.

Based on the foregoing, it is my opinion that:

1. The LOCAL GOVERNMENT is a public body, properly constituted and operating under the laws of the State of Washington, empowered to receive and expend federal, state and local funds, to contract with the State of Washington, and to receive and expend the funds involved to accomplish the objectives set forth in their application.

2. The LOCAL GOVERNMENT is empowered to accept the Public Works Trust Fund financial assistance and to provide for repayment of the loan as set forth in the loan agreement.

3. There is currently no litigation in existence seeking to enjoin the commencement or completion of the above-described public facilities project or to enjoin the LOCAL GOVERNMENT from repaying the Public works Trust Fund loan extended by the DEPARTMENT with respect to such project. The LOCAL GOVERNMENT is not a party to litigation which will materially affect its ability to repay such loan on the terms contained in the loan agreement.

4. Assumption of this obligation would not exceed statutory and administrative rule debt limitations applicable to the LOCAL GOVERNMENT.

Signature of Attorney

6/3/01
Date

Ian Sievers
Name

17544 Midvale Ave. N. Shoreline WA 98133
Address

Receiving No. 1476

CITY OF SHORELINE

MEMORANDUM

DATE: May 18, 2001

TO: Steven C. Burkett, City Manager

VIA: William L. Conner, Public Works Director WLC

FROM: Chuck Purnell, City Engineer CP

SUBJECT: Public Works Trust Fund Loan Agreements

Attached find Public Works Trust Fund Loan (PWTF) Agreements for the 3rd Avenue NW Drainage Improvements (PW-01-791-055) and Ronald Bog Subbasin Improvements Drainage Projects (PW-01-791-056). These projects are included in the 2001 – 2006 Capital Improvement Program. These loan agreements were approved by City Council at their May 14, 2001 meeting.

The PWTF loan amount for the 3rd Avenue NW Drainage Improvements Project is $1,959,500.00. The 2001 Budget for this project is $1,722,000. The loan agreement specifies that 15 percent of the loan may be disbursed within 30 days of the date of execution of the agreement.

The PWTF loan amount for the Ronald Bog Subbasin Improvements Drainage Project is $4,055,500.00. The 2001 Budget for this project is $2,589,000. This loan also specifies that 15 percent of the loan may be disbursed within 30 days of the date of execution of the agreement.

Each of the loans requires that the City specify a revenue obligation for each of the two projects. Since each of the projects includes mediation of storm water drainage issues, the City has chosen the stormwater utility system.

Please execute the attached agreements and return them to me at your earliest convenience.

I-01-011
Receiving No. 1476 Tracking # 0010002
(Assigned by Purchasing)

CITY OF SHORELINE

CONTRACT REVIEW/APPROVAL

FILED
JUN 08 2001
CITY CLERK
CITY OF SHORELINE

INSTRUCTIONS:

1. Three (3) copies of the agreement document must be attached to this worksheet.
2. Amendments/change orders to agreements must include one (1) copy of the original agreement, along with two (2) copies of the actual amendment/change order.
3. All copies of the agreement should be signed by the consultant/contractor after review by the City Attorney.
4. All data requested on the worksheet must be provided, including expiration date and the authorized original total dollar amount (estimate both, if necessary).
5. Upon completion of the review process, three (3) copies of the agreement will be distributed as follows: (1) to the department, who should then forward the copy back to the contractor. (2) copies forwarded to the City Clerk's Office.

CONTRACT DESCRIPTION

Contract Originator: Chuck Purnell
Department/Division: Public Works Date: May 23, 2001

Type of Contract:
- ☐ (C) Construction
- ☐ (P) Personal Svcs
- ☐ (A) Addendum
- ☐ (G) Purchase of Goods
- ☐ (L) Lease Agreement
- ☐ (W) Public Works
- ☐ (I) Intergov't Agreement
- ☒ (O) Other
- ☐ (S) Purchase of Services *(all types)*
- ☐ (GR) Grants

Contract Modification: N/A

Bid/RFP Number: N/A Escrow Acct. Set Up: ☐ Yes ☐ No

Brief Description: Ronald Bog Subasin Drainage Improvements Project (PW-01-791-056)

Name of Contractor, Lessor, Vendor: ~~N/A~~ Public Works Board

Employer ID or SS # *(required for Professional Services Contracts)*:

Effective Date: Upon Execution Termination Date: July 1,2021

Total Amount of Contract: $4,055,500.00 Program # and Object: 3017109 SW102330
(including reimbursable expenses)

Source of Funds: To be included in 2001 Budget and the adopted CIP

Payment Terms *(monthly installments, progress payments, etc.)*: As scheduled

Remarks: This is an approved Public Works Trust Fund Loan.

SIGNATURE ROUTE: (Determined by Purchasing)		Date
☒ 1. Department Head	CP	24 May 01
☒ 2. Purchasing	CHR	5/29
☒ 3. Budget		5/24 6/3
☒ 4. City Attorney		
☒ 5. Purchasing	CHR	6/6
☒ 6. City Council *(if required)*		May 14, 2001
☒ 7. ~~Interim~~ City Manager		GS for SB 6-10
☒ 8. City Clerk Manager		6/8/01

\\CITY_HALL\SYS\USERS\pramon\PWTF_Ronald Bog Drainage.doc

Project Budget and Current Cost Estimate

Project:	3rd Avenue NW Drainage Improvements
Project Manager:	Jon Jordan
Agreement Description:	
Original Contract Approved On:	
Change Order Number:	
Program and Object Code:	3017110 - SW102230

Budget Line Items	Council Approved Budget	Original Contract Amount	Project Amendment / Change Order	Expenditure to Date	Total Contract / Project Estimate	Budget versus Project Estimate
Administration	$10,000					$10,000
Study - Predesign						
Design	$390,000					$390,000
Environmental	$20,000					$20,000
R.O.W.						
Construction	$1,720,000					$1,720,000
Construction Contingency	$172,000					$172,000
Construction Admin	$277,000					$277,000
Tax						
TOTAL	$2,589,000	$0	$0	$0	$0	$2,589,000

Difference between Approved Budget and Total Contract / Project Estimate $2,589,000

Rev. 04/24/2001

Project Budget and Current Cost Estimate

Project:	Ronald Bog Drainage Improvements
Project Manager:	Kris Stouffer - Overleese
Agreement Description:	
Original Contract Approved On:	
Change Order Number:	
Program and Object Code:	3017109 - SW102330

Budget Line Items	Council Approved Budget	Original Contract Amount	Project Amendment / Change Order	Expenditure to Date	Total Contract / Project Estimate	Budget versus Project Estimate
Administration	$25,000					$25,000
Study - Predesign	$43,000					$43,000
Design	$492,000					$492,000
Environmental	$150,000					$150,000
R.O.W.	$452,000					$452,000
Construction	$500,000					$500,000
Construction Contingency	$50,000					$50,000
Construction Admin	$10,000					$10,000
Tax						
TOTAL	$1,722,000	$0	$0	$0	$0	$1,722,000

Difference between Approved Budget and Total Contract / Project Estimate $1,722,000

Receiving No 1476

Washington State
Public Works Board
Post Office Box 48319
Olympia, Washington 98504-8319

March 13, 2001

Mr. Chuck Purnell
Shoreline
17544 Midvale Ave North
Shoreline, WA 98133

Regarding: PWTF Loan Agreement Number PW-01-791-056

Dear Mr. Purnell:

Enclosed are the original and two copies of the Public Works Trust Fund Loan Agreement, PW-01-791-056, between Shoreline and the Public Works Board. The agreement details the terms and conditions that will govern the contract between us, which includes the project's Scope of Work and an Attorney's Certification as formal attachments.

Instructions for drawing the loan funds are included, as are the necessary forms for the first two draws. The loan agreement specifies that the first 15 percent of the loan may be disbursed within 30 days of the date of execution of this agreement. It is recommended that you submit the first voucher form with the executed agreements and related documents.

The face amount of the loan is $4,055,500.00. A change in any element of the loan agreement will require an amendment and may necessitate an adjustment in the loan amount or the interest rate.

Please review the terms and conditions of the loan agreement carefully, as well as the attachments. Please note - Section 4.09 must be filled out before the loan can be executed. Also, please provide the account name information in the space provided on page five, Section 4.07.

When you have obtained the appropriate signatures, including the Attorney's Certification, please return all three of the agreements to the Public Works Board. ***Agreements will be executed if and when the Legislature passes and the Governor signs SHB 1001, which authorizes the loans. This process for executing agreements is different than previous years. Please call me if you have any questions.***

If your project involves utility work, you are encouraged to review your applicable comprehensive plan to assure compliance. Under Washington law, some utilities may not engage in construction unless such work is in compliance with the system's comprehensive plan. Consultation with your in-house legal advisor or your bond counsel may be warranted.

The Washington Administrative Code (WAC) 399-30-060(5) requires the loan agreements be signed by you and returned to the Department within 90 calendar days of the date of this letter. Failure to comply with this section may result in your loan offer being withdrawn.

We are looking forward to working with you over the course of your successful public works project. If you have any questions about the loan agreement, please call me at (360) 725-5004. You may also call Isaac Huang, the Regional Account Executive for your area at (360) 725-5009, or by e-mail at Isaac.Huang@pwb.wa.gov.

Sincerely,

Susan Butz
Contracts Manager

SB:sb
Enclosures

PUBLIC WORKS TRUST FUND LOAN AGREEMENT PACKET

Enclosed Please Find:

- Loan Agreements to be filled-in, signed and returned
- PWTF Loan Agreement Checklist
- Eligible Project Costs
- Voucher # 1
- Voucher # 2
- Voucher Instructions
- Notice To Proceed (Attached To Voucher #2)
- Reporting Requirements

PUBLIC WORKS TRUST FUND LOAN AGREEMENT CHECKLIST

Items to Return to the Public Works Board

Completed Loan Agreements: an original and two copies.

- ✓ Signatures on page one.
- ✓ Taxpayer Identification Number (TIN) on page one.
- ✓ Provide requested information on fund, account, or sub-account name or number in Section 4.07 on page 5.
- ✓ Provide requested information on loan security in Section 4.09 on page 6. Designate a utility system if appropriate.
- ✓ Attorney's Signature on Attorney's Certification

Mail to: Public Works Board
Post Office Box 48319
Olympia, Washington 98504-8319

PUBLIC WORKS TRUST FUND
SUMMARY OF ELIGIBLE PROJECT COSTS

(as excerpted from WAC 399-30-30)

(3) Direct costs eligible for public works loans are those costs which are directly attributable to a specific project and include:

(a) Work done by employees of the applicant, or by other government employees under an inter-local agreement or contract limited to:

(A) engineering;
(B) environmental review
(C) design activities
(D) acquisition of rights-of-way or property
(E) construction inspection activities
(F) roadway seal coating (if bids from private sector contractors have been solicited and compared with the inter-local agreement proposals); and
(G) cleaning, sterilization, or bacteriological testing of water system components prior to public use

(i) Salaries and wages (at actual or average rates), including related employee benefits, covering productive labor hours of the local government employees (excluding the administrative organization of the operating unit involved). The cost of services rendered by employees generally classified as administrative are considered a direct cost only when such employees are assigned for short periods of time to perform on a full-time basis the types of services described above and when similar procedures are followed.

(ii) Employee benefits relating to direct labor are considered a direct cost of construction projects. The following items may be included as employee benefits:

(A) F.I.C.A. (Social Security) – employer's share;
(B) Retirement benefits;
(C) Hospital, health, dental, and other welfare insurance;
(D) Life insurance;
(E) Industrial and medical insurance;
(F) Vacation;
(G) Holiday;
(H) Sick leave; and
(I) Military leave and jury duty.

Employee benefits shall be calculated as a percentage of direct labor dollars. The computation of predetermined percentage rates to be applied to current labor costs shall be based upon the average of total employee benefits and total labor costs for the prior fiscal year and adjusted by known current year variations.

(b) Contract engineering, planning, legal, and financial planning services. The board reserves the right to declare ineligible legal costs that are unreasonable and disproportionate to the project.

(c) Right-of-way acquisition costs including:

(i) Purchase of land and easements acquired for and devoted to the project;
(ii) Purchase of improvements;
(iii) Adjustment or re-establishment of improvements;
(iv) Salaries, expenses or fees of appraisers, negotiators or attorneys;
(v) Removal or demolition of improvement;
(vi) Other direct costs in connection with the acquisition.

Amounts received from the sale of excess real property or improvements and from any rentals shall be a reduction of the direct cost.

(d) Contract construction work.

(e) Direct vehicle and equipment charges at the actual rental cost paid for the equipment or, in the case of city or county-owned equipment, at the rental rates established by the local government's "equipment rental and revolving fund" following the methods prescribed by the division of municipal corporations. However, such costs shall be charged on a uniform basis to equipment used for all projects regardless of the source of funding. Cities with a population of eight thousand or less which may not use this type of fund shall be allowed the same rates as used by the department of transportation.

(f) Direct materials and supplies.

(i) An overhead rate or "loading factor" is not considered an appropriate additive to the actual cost of materials and supplies used on construction projects unless the factor is readily and properly supportable by the governmental unit's accounting records.
(ii) The cost, or reasonable estimate thereof, of materials paid for as contract estimate items, but not used, will be considered a reduction of direct costs. Any material that is salvaged in connection with a project will be assigned a reasonable value and considered a reduction of direct costs.
(iii) Wetland plants and other materials used for wetland planting, wildlife habitat, or fish habitat may be provided to a public or nonprofit organization without a reduction of direct costs.

(g) Interdepartmental charges for work performed by the local government for the benefit of specific construction projects is limited to direct costs plus an allocation of indirect costs based on ten percent of direct labor dollars, excluding employee benefits.

(h) Other direct costs incurred for materials or services acquired for a specific project are eligible for participation by public works loan funds and may include, but are not limited to such items as:

(i) Telephone charges;
(ii) Reproduction and photogrammetry costs;
(iii) Video and photography for project documentation;
(iv) Computer usage; and
(v) Printing and advertising.

INSTRUCTIONS FOR COMPLETING PUBLIC WORKS TRUST FUND VOUCHERS

General Information

Section 4.03 of the Loan Agreement describes the three points at which portions of your loan will be disbursed to you:

1) 15 percent of the loan amount may be disbursed upon execution of the loan agreement;

2) 80 percent of the loan amount may be disbursed within 30 days of the execution of a Notice to Proceed following the formal award of a construction contract; and

3) The final 5 percent may be disbursed upon project close-out, including completion of all project activities.

Attached are Invoice Vouchers (Forms A 19-1A) for the first two loan draws. To make the process easier, the forms have been completed, reflecting the appropriate amounts for each draw.

Invoice Voucher #1

Voucher #1 reflects 15 percent of your approved loan. The voucher should be signed and dated by the individual authorized by your jurisdiction to sign vouchers.

Send the voucher to the Public Works Board at the address indicated on the voucher. Be sure to keep a copy for your local records. You should receive a Washington State warrant approximately 14 days from the time you mail the voucher to DCTED.

Invoice Voucher #2

The voucher reflects 80 percent of your approved loan. Sign and date the voucher and complete the "Notice Of Contract Award and Notice To Proceed." This form ensures compliance with the program's requirement that projects assisted with Public Works Trust Fund loans are competitively bid. Submit the "Notice Of Contract Award and Notice To Proceed" form along with the Invoice Voucher to the Public Works Board.

Final Payment

The final loan payment will be withheld until your project has closed-out. Again, please review the terms of the Loan Agreement. When your project is near completion, call the Public Works Trust Fund to obtain a copy of the Final Project Report and the final (and final) Invoice Voucher.

FORM
A19-1A

STATE OF WASHINGTON

INVOICE VOUCHER

AGENCY USE ONLY	
AGENCY NO.	CONTRACT NO. OR GA AUTH. NO.
1030	001

AGENCY NAME

ATTN: Public Works Board
Post Office Box 48319
Olympia, Washington 98504-8319

VENDOR OR CLAIMANT (warrant is to be payable to)

SHORELINE
17544 MIDVALE AVE N

SHORELINE , WA 98133

INSTRUCTIONS TO VENDOR OR CLAIMANT:

In the absence of a detailed invoice, submit this form to claim payment for materials, merchandise or services. Show complete detail for each item.

Vendor's Certificate:

I hereby certify under penalty of perjury that the items and totals listed to the State of Washington, and that all goods furnished and/or services rendered have been provided without discrimination because of age, sex, marital status, race, creed, color, national origin, handicap, religion, or Vietnam era or disabled veteran status.

By:

(Sign in ink)

(Title) (Date)

FEDERAL I.D. NO. OR SOCIAL SECURITY NO.	RECEIVED BY	DATE RECEIVED

DATE	DESCRIPTION	QUANTITY	UNIT PRICE	AMOUNT
	Public Works Trust Fund Loan Number PW-01-791-056 VOUCHER #1			
	LOAN AMOUNT			$4,055,500.00
	FIRST DRAW			$608,325.00
	BALANCE			$3,447,175.00
	TOTAL FIRST DRAW			**$608,325.00**

PREPARED BY (Fiscal)	DATE	SERVICE AREA APPROVAL	DATE

DOC DATE	CURRENT DOC NO	REF DOC NO	VENDOR NUMBER	VENDOR MESSAGE

SUF	TRANS CODE	MOD	FUND	APPN INDEX	PROGRAM INDEX	SUB OBJ	SUB SUB OBJ	CNTY	CITY	PROJECT	AMOUNT	INVOICE NUMBER	GENERAL LEDGER

APPROVED FOR PAYMENT BY FISCAL	DATE	WARRANT TOTAL

FORM
A19-1A

STATE OF WASHINGTON

INVOICE VOUCHER

AGENCY USE ONLY	
AGENCY NO.	CONTRACT NO. OR GA AUTH. NO.
1030	001

AGENCY NAME

ATTN: Public Works Board
Post Office Box 48319
Olympia, Washington 98504-8319

VENDOR OR CLAIMANT (warrant is to be payable to)

SHORELINE
17544 MIDVALE AVE N

SHORELINE , WA 98133

INSTRUCTIONS TO VENDOR OR CLAIMANT:

In the absence of a detailed invoice, submit this form to claim payment for materials, merchandise or services. Show complete detail for each item.

Vendor's Certificate:

I hereby certify under penalty of perjury that the items and totals listed to the State of Washington, and that all goods furnished and/or services rendered have been provided without discrimination because of age, sex, marital status, race, creed, color, national origin, handicap, religion, or Vietnam era or disabled veteran status.

By: _____
(Sign in ink)

_____
(Title) (Date)

FEDERAL I.D. NO. OR SOCIAL SECURITY NO.	RECEIVED BY	DATE RECEIVED

DATE	DESCRIPTION	QUANTITY	UNIT PRICE	AMOUNT
	Public Works Trust Fund Loan Number PW-01-791-056			
	VOUCHER #2			
	LOAN AMOUNT			$4,055,500.00
	PREVIOUS DRAWS			$608,325.00
	SECOND DRAW			$3,244,400.00
	DRAWN TO DATE			$3,852,725.00
	BALANCE			$202,775.00
	TOTAL SECOND DRAW			**$3,244,400.00**

PREPARED BY (Fiscal)	DATE	SERVICE AREA APPROVAL	DATE

DOC DATE	CURRENT DOC NO	REF DOC NO	VENDOR NUMBER	VENDOR MESSAGE

SUF	TRANS CODE	MOD	FUND	APPN INDEX	PROGRAM INDEX	SUB OBJ	SUB SUB OBJ	CNTY	CITY	PROJECT	AMOUNT	INVOICE NUMBER	GENERAL LEDGER

APPROVED FOR PAYMENT BY FISCAL	DATE	WARRANT TOTAL

Public Works Trust Fund
Notice of Contract Award and Notice to Proceed

Jurisdiction: _____

Contract Number: _____

Date Bid Solicitation Published: ____/_____/_____

Bidding Opening Date: ____/____/____

Number of Bids Received: _____

Date Contract Awarded: ____/____/____ Contract Amount: $_____

Name of Contractor: _____

Notice to Proceed Issued: _____

Start of Construction Date: ____/____/____

Submitted by:

_____
Signature

_____
Name

_____
Title

_____
Address

_____
City Zipcode

_____
Phone

PUBLIC WORKS BOARD
REPORTING REQUIREMENTS

At the direction of the Public Works Board, [illegible] project administration [illegible] the Public Works Board [illegible] agreement, [illegible] activities are complete.

The Loan Agreement

The chief executive officer of each [illegible] by signing the loan agreement [illegible] application. The quantified [illegible] loan agreement.

Written amendments to the Public Works [illegible] parties to the loan agreement. Amendments [illegible]

- Changes to the Scope of Work, including [illegible] original agreement, and
- Extend the time for the completion of project [illegible] loan agreement.

The Quarterly Report

Routine review of progress [illegible] the task of completing the [illegible] local review [illegible] instructions for completing the report [illegible]

The Close-Out Report

Please contact the Public Works Board [illegible] Close-Out Report [illegible] accounting [illegible] voucher form [illegible]

PENDING

CITY OF SHORELINE
Clerk's Receiving
No: 1476
Date: 6/7/01

PUBLIC WORKS TRUST FUND
CONSTRUCTION LOAN AGREEMENT

NUMBER PW-01-791-056
CITY OF SHORELINE

COPY

PART I: ENTIRE AGREEMENT

This agreement, and incorporated attachments, contains all terms and conditions agreed to by the PUBLIC WORKS BOARD and the LOCAL GOVERNMENT and no other statements or representations written or oral, shall be deemed a part thereof. This contract consists of ten pages and two attachments. An attachment to this agreement, ATTACHMENT I: SCOPE OF WORK, consists of a description of local project activities, certification of the project's useful life, and identification of estimated project costs and fund sources and is, by this reference, incorporated into this agreement as though set forth fully herein. In addition, ATTACHMENT II: ATTORNEY'S CERTIFICATION, is by this reference incorporated into this agreement.

The PUBLIC WORKS BOARD and the LOCAL GOVERNMENT have executed this agreement as of the date and year last written below.

DEPARTMENT OF COMMUNITY, TRADE AND ECONOMIC DEVELOPMENT

Steve Wells

Director, Local Government Division
Title

Date

LOCAL GOVERNMENT

Name

CITY MANAGER
Title

6·7·01
Date

APPROVED AS TO FORM ONLY
5th Day of February, 2001
Christine O. Gregorie
Attorney General

By: Signature on File
Assistant Attorney General

Jeanne A. Cushman
(Print Name)

Federal Taxpayer Identification Number

Approved as to form:
Shoreline City Attorney

PART II: INTRODUCTION

This loan agreement is made and entered into by and between the PUBLIC WORKS BOARD, or its successor, (referred to as the "BOARD"), a department of the state of Washington, and CITY OF SHORELINE (referred to as the "LOCAL GOVERNMENT").

Acting under the authority of Chapter 43.155 RCW, the BOARD has selected the LOCAL GOVERNMENT to receive a Public Works Trust Fund loan for an approved public works project.

PART III: PURPOSE

The BOARD and the LOCAL GOVERNMENT have entered into this agreement to undertake a local public works project that furthers the goals and objectives of the Washington State Public Works Trust Fund Program. The project will be undertaken by the LOCAL GOVERNMENT and will include the activities described in ATTACHMENT I: SCOPE OF WORK. The project must be undertaken in accordance with PART IV: TERMS AND CONDITIONS, and all applicable state and local laws and ordinances, which by this reference are incorporated into this agreement as though set forth fully herein.

PART IV: TERMS AND CONDITIONS

The parties to this agreement agree as follows:

4.01 Rate and Term of Loan

The BOARD, using funds appropriated from the Public Works Assistance Account, shall loan the LOCAL GOVERNMENT a sum not to exceed $4,055,500.00. The interest rate shall be one-half percent (1/2%) per annum on the outstanding principal balance. The term of the loan shall not exceed 20 years, with the final payment due July 1, 2021.

4.02 Local Project Share

The LOCAL GOVERNMENT pledges an amount of locally-generated revenue not less than fifteen percent (15%) of the total eligible portion of the project cost not funded by federal or state grants as identified in ATTACHMENT I: SCOPE OF WORK, to be verified at the time of project close-out. Any change in the percentage of locally-generated funds may require an adjustment in the loan amount or interest rate charged, or both. In such event, the LOCAL GOVERNMENT agrees to execute an amendment to this agreement adjusting the loan amount or interest rate, as appropriate.

Local project share must consist of expenditures eligible under WAC 399-30-030(3) and be related only to project activities described in ATTACHMENT I: SCOPE OF WORK. These expenditures may be made up to twelve (12) months prior to the execution of the loan agreement and verified at the time of project close-out.

PUBLIC WORKS TRUST FUND MONIES MAY NOT BE USED TO REIMBURSE THE LOCAL GOVERNMENT FOR ANY COSTS INCURRED PRIOR TO EXECUTION OF THIS LOAN AGREEMENT.

4.03 Disbursement of Loan Proceeds

Warrants shall be issued to the LOCAL GOVERNMENT for payment of allowable expenses incurred by the LOCAL GOVERNMENT while undertaking and administering approved project activities in accordance with ATTACHMENT I: SCOPE OF WORK. In no event shall the total Public Works Trust Fund loan exceed eighty five percent (85%) of the eligible actual project costs. The disbursement of loan proceeds shall be initiated by the LOCAL GOVERNMENT on a Washington State Invoice Voucher form. The loan funds will be disbursed to the LOCAL GOVERNMENT as follows:

Within thirty (30) days of the formal execution of this agreement, a sum not to exceed fifteen percent (15%) of the approved Public Works Trust Fund loan shall be disbursed to the LOCAL GOVERNMENT.

Within thirty (30) days of the execution of a Notice to Proceed which follows the formal award of a construction contract, a sum not to exceed eighty percent (80%) of the approved Public Works Trust Fund loan shall be disbursed to the LOCAL GOVERNMENT, except in the case of engineering services contracts. If the approved project described in ATTACHMENT I: SCOPE OF WORK is solely for the completion of engineering studies, a sum not to exceed eighty percent (80%) of the approved Public Works Trust Fund loan shall be disbursed to the LOCAL GOVERNMENT within thirty (30) days of the execution of a Notice to Proceed following the formal award of a contract for engineering services.

At the time of project completion, a Close-out Report, (refer to Section 4.19 for Close-out Report), shall be submitted to the BOARD by the LOCAL GOVERNMENT certifying total actual project costs.

The final Public Works Trust Fund loan disbursement shall not bring the total loan in excess ofeighty five percent (85%) of the eligible project costs or the total of $4,055,500.00 whichever is less. The Close-out Report shall serve as a contract AMENDMENT for determining the final loan amount, interest rate, and local share.

In the event that the final costs identified in the Close-out Report indicate that the LOCAL GOVERNMENT has received Public Works Trust Fund monies in excess of eighty five percent (85%) of eligible costs, all funds in excess of eighty five percent (85%) shall be repaid to the Department of Community, Trade and Economic Development, or its successor, within thirty (30) days of submission of the Close-out Report.

4.04 Interest Earned on Public Works Trust Fund Monies

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

1. Reduce the amount of the Public Works Trust Fund loan.

2. Pay any part of eligible project costs that are in excess of ATTACHMENT I: SCOPE OF WORK estimates, if there is an overrun of project costs.

The LOCAL GOVERNMENT shall establish procedures to ensure that all monies received from the Public Works Trust Fund loan can be readily identified and accounted for at any time during the life of this loan

agreement. Such procedures shall consist of the establishment of a separate fund, account, sub-account or any other method meeting generally accepted accounting principles.

4.05 Time of Performance

The LOCAL GOVERNMENT shall begin the activities identified within ATTACHMENT I: SCOPE OF WORK no later than three months after loan agreement execution, and reach project completion no later than thirty-six (36) months after the date of agreement execution.

Failure to perform within the time frame described in the preceding paragraph may constitute default of this agreement and require the immediate repayment of any loan funds disbursed. In the event of extenuating circumstances, the LOCAL GOVERNMENT may request, in writing, that the BOARD extend the deadline for project completion. The BOARD may, by a two-thirds vote, extend the deadline.

The term of this agreement shall be for the entire term of the loan, irrespective of actual project completion, unless terminated sooner as provided herein.

4.06 Repayment

The first loan repayment under this agreement is due July 1, 2002, and subsequent installments are due on July 1 of each year during the term of the loan. The first repayment under this agreement shall consist of interest only at the rate of one-half percent (1/2%) per annum, calculated on a 360-day year of twelve 30-day months, applied to funds received. Interest will begin to accrue from the date each warrant is issued to the LOCAL GOVERNMENT. Subsequent repayments shall consist of the principal balance due divided by the loan term remaining plus interest on the unpaid balance of the loan. The final payment shall be an amount sufficient to bring the loan balance to zero.

The LOCAL GOVERNMENT has the right to repay the unpaid balance of the loan in full at any time, and the right to repay at a faster rate than is provided in this agreement, provided that any such payment must equal or exceed the principal amount normally due on an annual basis.

The LOCAL GOVERNMENT will repay the loan in accordance with the preceding conditions through the use of a check, money order, or equivalent means made payable to the Department of Community, Trade and Economic Development, or its successor, and sent to:

Department of Community, Trade and Economic Development
Administrative Services Division/Fiscal Unit
906 Columbia Street S.W.
P.O. Box 48300
Olympia, Washington 98504-8300

4.07 Repayment Account

The LOCAL GOVERNMENT shall repay the loan solely from utility revenues, general obligation revenues, or a combination thereof. The name of the fund, account, or sub-account shall be Surface Water Management.

4.08 Default in Repayment

Loan repayments shall be made on the loan in accordance with Section 4.06 of this agreement. A payment not received within thirty (30) days of the due date shall be declared delinquent. Delinquent payments shall be assessed a daily penalty beginning on the thirty-first (31) day past the due date. The penalty will be assessed on the entire payment amount. The penalty will be twelve percent (12%) per annum calculated on a 360-day year.

Upon default in the payment of any annual installment, the BOARD may declare the entire remaining balance of the loan, together with interest accrued, immediately due and payable.Failure to exercise its option with respect to any such repayment in default shall not constitute a waiver by the BOARD to exercise such option for any succeeding installment payment which may then be in default. The LOCAL GOVERNMENT shall pay the costs and reasonable legal fees incurred by the BOARD in any action undertaken to enforce its rights under this section.

The same penalty terms shall apply to delinquent repayment of funds paid in excess of eligible costs as provided for in Section 4.03.

4.09 Loan Security

The LOCAL GOVERNMENT must select **one** of the following options for securing repayment of the loan. **Please initial the appropriate option.**

1. _____ **General Obligation:** This loan is a general obligation of the LOCAL GOVERNMENT.

OR

2. DT ✓ **Revenue Obligation:** This option may be used only if the entire project is a domestic water, sanitary sewer, storm sewer or solid waste utility project. LOCAL GOVERNMENTS performing a storm sewer project that have not created a storm sewer utility or a combined sanitary sewer/storm sewer utility may not use this option. Projects providing for a mixture of bridge, road, domestic water, sanitary sewer, and storm sewer activities may not use this option.

This loan is a revenue obligation of the LOCAL GOVERNMENT payable solely from the net revenue of the utility system indicated below. Payments shall be made from the net revenue of the utility after the payment of the principal and interest on any revenue bonds, notes, warrants or other obligations of the utility having a lien on that net revenue. As used here, "net revenue" means gross revenue minus expenses of maintenance and operations. The BOARD grants the LOCAL GOVERNMENT the right to issue future bonds and notes that constitute a lien and charge on net revenue superior to the lien and charge of this loan agreement.

Please choose and initial one of the following utility systems:

_____ Water

_____ Sanitary Sewer (Wastewater)

DT ✓ Stormwater

_____ Water/Sanitary Sewer

_____ Stormwater/Sanitary Sewer

_____ Solid Waste

OR

3. _____ **Local Improvement District:** Pursuant to RCW 35.51.050, the LOCAL GOVERNMENT pledges to repay this loan from assessments collected from a Local Improvement District, Local Utility District or other similar special assessment district in which the improvements financed by this loan are located. The name of the special assessment district is _____.

Nothing in this section shall absolve the LOCAL GOVERNMENT of its obligation to make loan repayments when due, and to adjust rates, fees, or surcharges, if necessary, to meet its obligations under this agreement.

4.10 Recordkeeping and Access to Records

The BOARD, the BOARD's agents, and duly authorized officials of the State shall have full access and the right to examine, copy, excerpt, or transcribe any pertinent documents, papers, records, and books of the LOCAL GOVERNMENT and of persons, firms, or organizations with which the LOCAL GOVERNMENT may contract, involving transactions related to this project and this agreement.

The LOCAL GOVERNMENT agrees to retain all records pertaining to this project and this agreement for a period of six years from the date of project close-out.

4.11 Reports

The LOCAL GOVERNMENT, at such times and on such forms as the BOARD may require, shall furnish the BOARD with such periodic reports as it may request pertaining to the activities undertaken pursuant to this agreement including, but not limited to, quarterly progress reports, the Close-Out Report, and any other matters covered by this agreement. Failure to file periodic reports as requested may result in termination of this agreement as per Section 4.14.

4.12 Indemnification

The LOCAL GOVERNMENT will defend, protect, indemnify, save, and hold harmless the BOARD, 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 tangible property, arising from the acts or omissions of the LOCAL GOVERNMENT or any of its contractors or subcontractors, or any employees or agents in the performance of this agreement, however caused. In the case of negligence of both the BOARD and the LOCAL GOVERNMENT, any damages allowed shall be levied in proportion to the percentage of negligence attributable to each party.

4.13 Amendments, Modifications, and Waivers

Except for an increase in the amount of the loan governed by this agreement, the LOCAL GOVERNMENT may request an amendment to this agreement for the purpose of modifying the SCOPE OF WORK or for extending the time of performance as provided for in Section 4.05. No modification or amendment resulting in an extension of time shall take effect until a request in writing has been received and approved by the BOARD in accordance with Section 4.05. No amendment or modification shall take effect until approved in writing by both the BOARD and the LOCAL GOVERNMENT and attached hereto. No conditions or provisions of this agreement may be waived unless approved by the BOARD in writing.

4.14 Termination for Cause

If the LOCAL GOVERNMENT fails to comply with the terms of this agreement, or fails to use the loan proceeds only for those activities identified in ATTACHMENT I: SCOPE OF WORK, the BOARD may terminate the agreement in whole or in part at any time. The BOARD shall promptly notify the LOCAL GOVERNMENT in writing of its determination to terminate, the reason for such termination, and the effective date of the termination. Upon termination of the loan agreement, the BOARD may declare the entire remaining balance of the loan, together with any interest accrued, immediately due and payable.

4.15 Termination For Convenience

The BOARD may terminate this agreement in the event that federal or state funds are no longer available to the BOARD, or are not allocated for the purpose of meeting the BOARD'S obligations under this agreement. Termination will be effective when the BOARD sends written notice of termination to the LOCAL GOVERNMENT.

4.16 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 Thurston County, Washington. The prevailing party is entitled to recover costs in accordance with Washington State Law (Chapter 4.84 RCW).

4.17 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.

4.18 Project Completion

The BOARD will require and notify the LOCAL GOVERNMENT to initiate a Close-out Report when the activities identified in ATTACHMENT I: SCOPE OF WORK are completed. In the report, the LOCAL GOVERNMENT will provide the following information to the BOARD:

1. A certified statement of the actual dollar amounts spent, from all fund sources, in completing the project as described.

2. A certified statement that the project, as described in the Loan Agreement's Scope of Work, is complete and has been designed/constructed to required standards.

3. Certification that all costs associated with the project have been incurred. Costs are incurred when goods and services are received and/or contract work is performed.

4.19 Project Close-Out

In accordance with Section 4.03 of this agreement, the LOCAL GOVERNMENT will submit, together with the Close-out Report, a request for a sum not to exceed the final five percent (5%) of the loan amount. This disbursement shall not occur prior to the completion of all project activities. The LOCAL GOVERNMENT shall be responsible to ensure that their contractor(s) are in compliance with the Department of Revenue and the Department of Labor & Industries requirements.

4.20 Audit

Audits of the LOCAL GOVERNMENT'S project activities may be conducted by the Municipal Division of the State Auditor's Office in accordance with state law and any guidelines the Department of Community, Trade and Economic Development, or its successor, may prescribe. Payment for the audit shall be made by the LOCAL GOVERNMENT.

4.21 Project Signs

If the LOCAL GOVERNMENT 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 Washington State Public Works Trust Fund as a participant in the project.

4.22 Utilization of Minority and Women's Business Enterprises (MWBE)

In accordance with legislative findings and policies set forth in Chapter 39.19 RCW, the BOARD encourages participation by Minority and Women's Business Enterprise firms certified by OMWBE. Voluntary goals for participation are:

Construction/Public Works	10% MBE	6% WBE
Architect/Engineering	10% MBE	6% WBE
Purchased Goods	8% MBE	4% WBE
Purchased Services	10% MBE	4% WBE
Professional Services	10% MBE	4% WBE

4.23 Nondiscrimination Provision

During the performance of this contract, the LOCAL GOVERNMENT shall comply with all federal and state nondiscrimination laws, including, but not limited to Chapter 49.60 RCW, Washington's Law Against Discrimination, and 42 U.S.C. 12101 et seq, the Americans with Disabilities Act (ADA).

In the event of the LOCAL GOVERNMENT'S noncompliance or refusal to comply with any applicable nondiscrimination law, regulation, or policy, this contract may be rescinded, canceled, or terminated in whole or in part, and the LOCAL GOVERNMENT may be declared ineligible for further contracts with the BOARD. The LOCAL GOVERNMENT shall, however, be given a reasonable time in which to cure this noncompliance.

4.24 Historical and Cultural Artifacts

The LOCAL GOVERNMENT agrees that if historical or cultural artifacts are discovered during construction, the LOCAL GOVERNMENT shall immediately stop construction and notify the local historical preservation officer and the state's historical preservation officer at the Washington State Office of Archeology and Historic Preservation.

The LOCAL GOVERNMENT shall require this provision to be contained in all contracts for work or services related to ATTACHMENT ONE: SCOPE OF WORK.

PART V: SPECIAL ASSURANCES

The LOCAL GOVERNMENT assures compliance with all applicable state and local laws, requirements, and ordinances as they pertain to the design, implementation, and administration of the approved project. Of particular importance are the following:

5.01 RCW 43.155.060

The LOCAL GOVERNMENT shall comply with the provisions of RCW 43.155.060 regarding competitive bidding requirements for projects assisted in whole or in part with money from the Public Works Trust Fund program.

5.02 WAC 399-30-030(3)

The LOCAL GOVERNMENT assures compliance with WAC 399-30-030(3) which identifies eligible costs for projects assisted with Public Works Trust Fund loans.

PUBLIC WORKS TRUST FUND

ATTACHMENT 1: SCOPE OF WORK

PW-01-791-056

CITY OF SHORELINE
(Jurisdiction)

RONALD BOG SUBBASIN DRAINAGE IMPROVEMENTS PROJECTS
(Project Title)

1. Provide a clear description of the project to be financed in part by a Public Works Trust Fund loan. (Attach additional sheets if necessary):

The project will evaluate, design and construct drainage improvements to address flooding within the Ronald Bog Subbasin. The first phase (year 2000/early 2001) will perform a drainage study of the area and develop recommendations to address local flooding. The evaluation will include review of previous studies performed by King County. Also part of the study is drainage modeling of the area under existing and future development and the resulting potential impacts downstream. Conceptual designs and cost estimates for the recommended alternative will be developed and used to better define future costs. The study will include public involvement (Citizen and Technical Advisory Committees, 3 newsletters, and 2 open houses) and coordination with other resource agencies such as Seattle, King County, Army Corp of Engineers, State Fish and Wildlife, and the Muckleshoot Tribe.

Alternatives under review include additional retention/detention and infiltration upstream of Ronald Bog. The opportunity to impact how Ronald Bog operates is also under review at this time. It may be possible to improve the capacity of the Bog during rainy months. Our intent is to reduce flash flooding in the north fork of Thornton Creek and improve summer baseline flows as well as eradicate flooding in the previously stated locations. Positive impacts to salmon and wildlife habitat will result.

Subsequent phases of the project include design of recommended alternatives (2001), right of way acquisition as needed, and construction (as early as 2002).

2. The term of this loan will be based on an engineer's certification of the expected useful life of the improvements, as stated below, or 20 years, whichever is less. If the local government prefers the term of its loan to be less than either 20 years or the useful life of the improvements, the preferred loan term should be indicated: 20 years.

3. I, Charles J. Purnell, licensed engineer, certify that the average expected useful life for the improvements described above is 20 years.

Signed: Charles J. Purnell

Date: Jan 3, 2001

Telephone: 206.546.8887

Scope of Work
Page Two
PW-01-791-056

Estimated Project Costs:

		Total Costs
Preliminary Engineering		$ 233,000
Environmental Review		$ 150,000
Design Engineering		$ 492,000
Land/R-O-W Acquisition		$ 452,000
Sales or Use Taxes		$
Other Fees		$
Construction Inspection		$ 432,000
Start-Up Costs		$
Relocation Costs		$
Financing Costs		$
Contingency (_10_%)		$ 375,000
Construction		$ 3,750,000
1. Other (Admin)		$ 70,000
2. Other (Specify)		$
TOTAL ESTIMATED COSTS		$ 5,954,000

Anticipated Fund Sources:

A. Federal **Grants**		$ 0
State **Grants**		$ 0
B. Locally Generated Revenue		
General Funds	$	
Capital Reserves	$ 1,898,500	
Other Fund	$	
Rates	$	
Assessments (LID, RID, ULID)	$	
Special Levies	$	
Federal **Loan(s)** from: (identify all)		
	$	
	$	
State **Loan(s)** from: (identify all)		
Public Works Trust Fund Loan	$	
	$	
Other: (identify sources)		
	$	
	$	
TOTAL LOCAL REVENUE		$ 1,898,500
C. PUBLIC WORKS TRUST FUND LOAN		$ 4,055,500

Calculating Local Percentage:

Notes: 1. Grant funds can not be counted as local match.

Calculate as follows:

$$\frac{\text{Total Local Revenue}}{\text{PWTF Loan + Total Local Revenue}} = \text{Local Percentage } \_\_32\%\_\_$$

The local contribution must be at least:

Five percent (5%)	for a loan interest rate of	2%
Ten percent (10%)	for a loan interest rate of	1%
Fifteen percent (15%)	for a loan interest rate of	.5%

Public Works Trust Fund

ATTACHMENT II: ATTORNEY'S CERTIFICATION

I, Ian Sievers, hereby certify:

I am an attorney at law admitted to practice in the State of Washington and the duly appointed attorney of the City of Shoreline (the LOCAL GOVERNMENT); and

I have also examined any and all documents and records which are pertinent to the loan agreement, including the application requesting this financial assistance.

Based on the foregoing, it is my opinion that:

1. The LOCAL GOVERNMENT is a public body, properly constituted and operating under the laws of the State of Washington, empowered to receive and expend federal, state and local funds, to contract with the State of Washington, and to receive and expend the funds involved to accomplish the objectives set forth in their application.

2. The LOCAL GOVERNMENT is empowered to accept the Public Works Trust Fund financial assistance and to provide for repayment of the loan as set forth in the loan agreement.

3. There is currently no litigation in existence seeking to enjoin the commencement or completion of the above-described public facilities project or to enjoin the LOCAL GOVERNMENT from repaying the Public works Trust Fund loan extended by the DEPARTMENT with respect to such project. The LOCAL GOVERNMENT is not a party to litigation which will materially affect its ability to repay such loan on the terms contained in the loan agreement.

4. Assumption of this obligation would not exceed statutory and administrative rule debt limitations applicable to the LOCAL GOVERNMENT.

Signature of Attorney

6/3/01
Date

Ian Sievers
Name

17544 Midvale Ave. N. Shoreline, WA 98133
Address

I-01-011

Receipt No. ~~[illegible]~~ 1476

CITY OF SHORELINE

SHORELINE CITY COUNCIL

Scott Jepsen
Mayor

Ron Hansen
Deputy Mayor

Kevin Grossman

Rich Gustafson

Cheryl Lee

Linda Montgomery

Robert Ransom

June 11, 2001

Ms. Susan Butz
Contract Specialist
Washington State Public Works Board
Post Office Box 48319
Olympia, WA 98504-8319

FILED
JUN 12 2001
CITY CLERK
CITY OF SHORELINE

Dear Ms. Butz:

Enclosed find three copies of the Ronald Bog Subbasin Drainage Improvement Project (PW-01-791-056) Agreement and the 3rd Avenue NW Drainage Improvement Project (PW-01-791-055) Agreement between the Washington State Public Works Board and the City of Shoreline. Please sign and execute each of the Agreements and return them to the following by June 30, 2001.

Arleen Tan
Administrative Assistant III
City of Shoreline
Public Works Department
17544 Midvale Avenue, North
Shoreline, WA 98133 – 4921

If you have any questions or comments, please feel free to call me at (206) 546 -1700 at your convenience.

Sincerely,

Phil Ramon
Management Analyst
Public Works Department

C: Chuck Purnell, City Engineer
Carol Shenk, Deputy City Clerk

17544 Midvale Avenue North • Shoreline, Washington 98133-4921
Telephone: (206) 546-1700 • www.cityofshoreline.com