



CITY COUNCIL AGENDA

July 23, 2018

7:00 p.m.

1. **SWEAR-IN CHIEF FOR A DAY**
2. **PUBLIC HEARING**
3. **PROCLAMATION**
4. **COMMUNICATIONS**
 - a. Vickie Raines, Grays Harbor County Commissioner
 - b. Port of Grays Harbor
 - c. We Care Daily Clinic

Public Comment: This is the time for anyone wishing to speak before the council in relation to items on the agenda to do so. **PLEASE LIMIT YOUR COMMENTS TO 5 MINUTES.**

3. **CONSENT AGENDA**
 - a. Council Minutes of July 9, 2018 -- No action, item held until August 9, 2018.
 - b. Claims & Payroll
4. **COUNCIL ACTION/DISCUSSION**
 - a. **COMMITTEE REPORTS**
 - b. **OFFICER REPORTS**
 1. Parking on Levee Street and Blocking Fire Hydrants
 - c. **MAYORS REPORTS**
 - d. **COUNCIL REPORTS**
5. **LEGAL BUSINESS**
 - a. **ORDINANCES**
 - b. **RESOLUTIONS**
 1. 2017/18 Supplemental Budget
 - c. **OTHER LEGAL**
6. **OLD BUSINESS**
7. **NEW BUSINESS**
 - a. HDR Biosolids Management Plan
8. **SECOND PUBLIC COMMENT**
9. **EXECUTIVE SESSION**
 - a. Potential Litigation
10. **ADJOURN**

*****REGULATORY COMMITTEE MEETING 6:15 p.m. *****

ORDINANCE NO. 2018-_____

AN ORDINANCE adopting Supplemental Budget No. 18-1 and appropriating funds.

THE CITY COUNCIL OF THE CITY OF HOQUIAM, WASHINGTON, DO ORDAIN AS FOLLOWS:

SECTION 1. Supplemental Budget No. 18-1 is hereby adopted.

SECTION 2. The total of estimated revenues and expenditures for each separate fund of the City and the aggregate totals for all such funds combined as set out in Supplemental Budget No. 18-1 are set forth and shown on the following schedule:

FUND NUMBER	FUND NAME	TOTAL REVENUES/ EXPENDITURES
001	General Fund	\$3,668
106	Street	\$136,265
109	Ambulance	\$1,220
110	Ambulance Equipment	\$188,635
210	2016Ambulance Equipment Bond	\$80,135
401	Water, Sewer, Storm	\$246,588
402	Watershed Reserve	\$787,685
TOTAL SUPPLEMENTAL BUDGET 18-1		\$1,444,196

SECTION 3. The Mayor and Finance Director are authorized and directed to write checks upon the supplemental budget as authorized by the statutes of the State of Washington.

Passed by the City Council and approved by the Mayor on _____.

JASMINE DICKHOFF-Mayor

ATTEST:

CORRINE SCHMID – Finance Director

PUBLISHED: _____

City of Hoquiam Supplemental Budget No. 18-1

ACCOUNT #	DESCRIPTION	2017-2018 Budget with one Supp	Adjustment #3 Required	Revised 2017-2018 Budget	DESCRIPTION
001-00	General Fund Revenues				
395-20-00-00	Insurance /Restitution-Cap Asset	2,325	50,115	52,440	Replace Police car #309 (WCIA funded)
334-04-20-01	Dept of Critical Are rev	0	4,500	4,500	To perform critical areas update. Grant from Wa Dept of commerce funded
342-21-02-00	Haz Material Response	970	1,782	2,752	From EFR
367-17-17-01	Donation for Stadium Architect	5,000	4,100	9,100	Comcast donation
367-00-00-00	Donation from Private Sources	6,800	2,271	9,071	Sierra Pacific Donation
367-16-16-00	Donation Library Renovation	0	10,000	10,000	Anonymous Donation Library restoration
395-20-00-00	Insurance /Restitution-Cap Asset	2,325	900	3,225	From prop damage 2012 Dodge charger police
381-10-21-00	Loan from 402 for police roof	70,000	(70,000)	0	to remove item from budget, no need for a loan
Total 001	Total General Fund Revenues		<u><u>3,668</u></u>		
	General Fund Expenditures				
001-00	Non-Departmental				
508-80-00-02	Undesignated Ending Balance	1,352,190	(33,668)	1,318,522	adjust to balance changes
Total 001-00	Total Non-Departmental Expenditures		<u><u>(33,668)</u></u>		
001-01	Legislative Services				
553-70-50-00	Itergov Serv-natural resources	8,000	5,038	13,038	Increase on ORCAA fro 2018
Total 001-00	Total Legislative Services Expenditures		<u><u>5,038</u></u>		
001-08	Police Department				
594-21-64-45	Repl Veh #309 WCIA funded	0	50,115	50,115	for Vehicle #309 WCIA to reimb; PD to absorb ded
521-10-48-03	Repair Damage vehicles	3,325	900	4,225	
591-21-78-00	Police Station roof Loan Principle	46,615	(46,615)	0	to remove item from budget, not need for a loan
592-21-82-00	Police Station roof Loan Int	255	(255)	0	to remove item from budget, not need for a loan
			<u><u>4,145</u></u>		

City of Hoquiam Supplemental Budget No. 18-1

ACCOUNT #	DESCRIPTION	2017-2018 Budget with one Supp	Adjustment #3 Required	Revised 2017-2018 Budget	DESCRIPTION
001-09	Fire Department				
594-22-64-09	Misc Donated and Grant Funded Eq	5,255	2,271	7,526	
522--20-31-02	Haz-Mat mitigation supplies	970	1,782	2,752	Haz Materials Mitigation supplies
			4,053		
001-11	Plan Reviews				
558-60-41-03	Critical Areas Review	0	4,500	4,500	To perform critical areas update. Grant from Wa Dept of commerce funded
001-16	Library				
594-72-62-01	Library restoration Project CDBG	390,600	10,000	400,600	Anonymous Donation
001-17	Plan Reviews				
575-28-41-01	stadium Architect Services	5,000	4,100	9,100	Architect services
001-23	Economic Development				
558-70-49-98	Greater GH Service agreement	4,000	5,500	9,500	Add cost of Municipal membership with Grater GH
	Total General Fund Expenditures		3,668		
106-00	Street Fund Revenues				
334-03-60-01	DOT Grant Simpson traf Signal Radar	0	136,265	136,265	WSDOT traffic camaras
106-19	Street Funds Expenditures				
595-64-60-01	Simpson traffic Signal radar	0	136,265	136,265	to purch radar traffic signals

City of Hoquiam Supplemental Budget No. 18-1

ACCOUNT #	DESCRIPTION	2017-2018 Budget with one Supp	Adjustment #3 Required	Revised 2017-2018 Budget	DESCRIPTION
109-00	Ambulance Fund Revenues				
334-04-91-00	St Health Dept trauma grant	1,270	1,220	2,490	2018 trauma grant
Total 109-00	Total Ambulance fund Revenues		<u><u>1,220</u></u>		
109-21	Ambulance Fund Expenditures				
594-22-64-08	Trauma Grant funded Equipment	1,270	1,220	2,490	2018 trauma grant
Total 109-21	Total Ambulance Fund Expenditures		<u><u>1,220</u></u>		
110-00	Ambulance Equipment Fund Revenues				
00-397-00-00-01	Trf Bond Proceeds from Amb Fund 109	0	188,635	188,635	For ambulance Purchase
Total 110-00	Total Ambulance Equipment Revenues		<u><u>188,635</u></u>		
110-00	Ambulance Equipment Fund Expenditures				
594-22-64-01	Bond Funded Amb purch	0	188,635	188,635	Amb Purchase
Total 110-00	Total Ambulance Equipment Expenditures		<u><u>188,635</u></u>		
210-00	Ambulance Equipment Bond Fund Revenues				
311-10-00-00	Property tax	0	80,135	80,135	Property tax Bond proceeds
Total 210-00	Total Ambulance Equipment Bond Revenues		<u><u>80,135</u></u>		
210-00	Ambulance Equipment Bond Expenditures				
591-22-71-00	Debt Service Principal	0	73,710	73,710	2018 trauma grant
592-22-83-00	Debt Service Interest	0	6,425	6,425	Ambulance share of 911 cost increase
Total 109-21	Total Ambulance Fund Expenditures		<u><u>80,135</u></u>		
401-25	Water Revenues				
361-40-00-03	Police Station roof Lean Int	255	(255)	0	to remove item from budget, not need for a loan
397-00-05-00	Er Reserve Trf for Vehicles	0	82,843	82,843	to cover water expenditures shown below

City of Hoquiam Supplemental Budget No. 18-1

ACCOUNT #	DESCRIPTION	2017-2018 Budget with one Supp	Adjustment #3 Required	Revised 2017-2018 Budget	DESCRIPTION
401-26	Sewer Revenues				
397-00-01-00	Transfer from Watershed Fund 402	1,224,345	164,000	1,388,345	to cover sewer expenditures shown below
	Total Water/Sewer/Storm Revenues		<u>246,588</u>		
401-00	Water/Sewer/Storm Fund				
508-80-00	Ending Fund Balance	3,100,140	(58,369)	3,041,771	adjust to balance fund
401-25	Water Department Expenditures				
594-34-63-18	Woodlawn River Crossing	0	24,900	24,900	Study for woodlawn wtr line route alternatives
594-34-63-01	Simpson Water Main Replacement	1,800,000	8,054	1,808,054	watershed funded
594-34-64-05	Replace backhoe	0	82,843	82,843	to replace backhoe.
594-34-64-21	Summer Haven Controls Upgrade	0	7,100	7,100	Water pump Motor Controls equipment upgrade
Total 401-25	Total Water Dept Expenditures		<u>122,897</u>		
401-26	Sewer Department Expenditures				
594-35-64-01	WWTP Biosolids/gas/power study	0	164,000	164,000	HDR biosolids/reliability/disinfection study
Total 401-26	Total Sewer Dept Expenditures		<u>164,000</u>		

City of Hoquiam Supplemental Budget No. 18-1

ACCOUNT #	DESCRIPTION	2017-2018 Budget with one Supp	Adjustment #3 Required	Revised 2017-2018 Budget	DESCRIPTION
401-27	Stormwater Expenditures				
594-31-63-03	Simpson/Ontario Stormwater Main	195,000	18,060	213,060	watershed funded
Total 401-27	Total Stormwater Expenditures		<u>18,060</u>		
	Total Water/Sewer/Storm Fund Expenditures		<u><u>246,588</u></u>		
Fund 402-00	Watershed Reserve Revenues				
381-20-00-00-03	Police Station roof Loan Princ	46,615	(46,615)	0	to remove item from budget, not need for a loan
395-10-01-00	Lump Sum Timber Sale Payments	3,900,000	834,300	4,734,300	Payment received
			<u>787,685</u>		
402-00	Watershed Reserve Expenditures				
508-80-00-00	Ending Fund Balance	1,627,980	667,571	2,295,551	adjust to balance
581-10-00-03	Interfund loan police sta Roof	70,000	(70,000)	0	to remove item from budget, no need for a loan
597-00-00-01	Transfer to Water/Sewer/Storm Fund	6,021,590	190,114	6,211,704	all non grant funded Water & Storm exp this time!
Total 402	Total Watershed Expenditures		<u><u>787,685</u></u>		
505-00	Equipment Rental Reserve Expenditures				
508-80-00-00	Ending Fund Balance	2,109,990	(82,843)	2,027,147	adjust to balance
597-00-00-34	Trf to water dept	0	82,843	82,843	purchase of Backhoe
Total 505-00	Total Equipment Rental Reserve Expenditures		<u><u>0</u></u>		
	Total Supplemental Budget Revenues		1,444,196		
	Total Supplemental Budget Expenditures		1,444,196		

**SHORT FORM AGREEMENT BETWEEN OWNER AND HDR ENGINEERING,
INC. FOR PROFESSIONAL SERVICES**

THIS AGREEMENT is made as of this _____ day of July, 2018, between City of Hoquiam (“OWNER”), and HDR ENGINEERING, INC., (“ENGINEER”) a Nebraska corporation, with principal offices at 8404 Indian Hills Drive, Omaha, Nebraska, 68114 for services in connection with the project known as Interim Biosolids Management Program (“Project”);

WHEREAS, OWNER desires to engage ENGINEER to provide professional engineering, consulting and related services (“Services”) in connection with the Project; and

WHEREAS, ENGINEER desires to render these Services as described in SECTION I, Scope of Services.

NOW, THEREFORE, OWNER and ENGINEER in consideration of the mutual covenants contained herein, agree as follows:

SECTION I. SCOPE OF SERVICES

ENGINEER will provide Services for the Project, which consist of the Scope of Services as outlined on the attached Exhibit A-1.

SECTION II. TERMS AND CONDITIONS OF ENGINEERING SERVICES

The HDR Engineering, Inc. Terms and Conditions, which are attached hereto in Exhibit B, are incorporated into this Agreement by this reference as if fully set forth herein.

SECTION III. RESPONSIBILITIES OF OWNER

The OWNER shall provide the information set forth in paragraph 6 of the attached “HDR Engineering, Inc. Terms and Conditions for Professional Services.”

SECTION IV. COMPENSATION

Compensation for ENGINEER’S services under this Agreement shall be on a time and material basis of a not-to-exceed amount of \$69,200.00, per the breakdown shown in Exhibit A-2.

SECTION V. PERIOD OF SERVICE

Upon receipt of written authorization to proceed, ENGINEER shall perform the services described in Exhibit A-1 by December 31, 2018.

Unless otherwise stated in this Agreement, the rates of compensation for ENGINEER’S services have been agreed to in anticipation of the orderly and continuous progress of the

project through completion. If any specified dates for the completion of ENGINEER'S services are exceeded through no fault of the ENGINEER, the time for performance of those services shall be automatically extended for a period which may be reasonably required for their completion and all rates, measures and amounts of ENGINEER'S compensation shall be equitably adjusted.

SECTION VI. SPECIAL PROVISIONS

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

City of Hoquiam
"OWNER"

BY: _____
NAME: _____
TITLE: _____
ADDRESS: _____

HDR ENGINEERING, INC.
"ENGINEER"

BY: *John P. Hales*
NAME: *Patrick Hales*
TITLE: *Vice President*
ADDRESS: 929 108th Ave NE #1300
Bellevue, WA 98004

Exhibit A

Scope of Services

City of Hoquiam Wastewater Treatment Plant

Interim Biosolids Management Program

July 2018



905 Plum Street SE, Suite 200
Town Square 3
Olympia, WA 98501-1516
(360) 570-4400

EXHIBIT A-1
SCOPE OF SERVICES
CITY OF HOQUIAM
WASTEWATER TREATMENT PLANT
INTERIM BIOSOLIDS MANAGEMENT PROGRAM

The City of Hoquiam (City) owns and operates the Hoquiam Wastewater Treatment Plant, an oxidation ditch facility constructed in 1978. The treatment plant has an average annual flow capacity of 3.3 million gallons per day (mgd), but summer flow typically averages 0.75 mgd and wet weather peak influent flow can exceed 10 mgd. Based on planned improvements identified in the City's General Sewer Plan, and the Wastewater Facilities Plan, projects have recently been completed or are currently underway to upgrade some of the original treatment plant equipment, including the secondary clarifier mechanism, oxidation ditch aeration equipment and return activated sludge pumps.

A long-range planning study concluded that conveyance of waste solids to the City of Aberdeen's Wastewater Treatment Plant was the most cost-effective biosolids management approach. In 2011, The City constructed an interim Facultative Sludge Lagoon to store solids. This lagoon is now filling with solids and removal and beneficial reuse of the solids is required.

In 2018, the City commenced discussions with the City of Aberdeen to accept harvested solids from the sludge lagoon. Aberdeen staff indicated that they would be willing to accept raw waste solids, but not solids that had been partially stabilized in the lagoon. The City of Hoquiam therefore needs to make other arrangements for harvesting, dewatering, and beneficial use of the solids.

The goal of these services is to develop construction contract documents to harvest the solids from the lagoon, thicken them, transport and use the materials.

Approach

The City desires to retain the services of HDR Engineering, Inc. (Consultant) to develop final and interim biosolids plans and prepare contract document for solids removal.

Consultant will make all reasonable efforts to contain project-related costs limited within the authorized funding, and notify the City of any changes in scope, outstanding issues, concerns or other considerations that may influence the actual project costs or require a change in scope or an amendment to Consultant's authorized budget.

Approach

Bidding and construction support services are not included in the agreement, but may be added by an amendment.

Scope of Services

The project work will be organized under the tasks listed below.

- Task 1. Interim Biosolids Management Plan
- Task 2. Facultative Sludge Lagoon Solids Removal Contract Documents
- Task 3. Permitting Support
- Task 4. Project Management
- Task 5. Contingency for Professional Services

Task 1. Interim Biosolids Management Plan

Objective: Develop an interim plan for harvesting and beneficially using biosolids currently stored in the facultative sludge lagoon.

Approach: Review current biosolids plan requirements, and quantify and characterize the materials. Discuss potential biosolids harvesting approaches with prospective contractors, and with agricultural users.

To meet beneficial use regulations, the biosolids harvested from the lagoon must be at least Class B. An interim plant solids handling approach may be required.

Consultant Services: The following subtasks will be performed:

- 1.01 Biosolids Management Permit Review:** Review the City's current General Permit for Biosolids Management to understand requirements.
- 1.02 Solids Characterization:** To develop a plan for managing the solids, the quality and quantity of solids within the lagoon must be estimated. Prepare a solids characterization plan to collect data that is adequate to describe lagoon biosolids so that they can be properly managed according to regulatory requirements. Review solids analytical data, including, but not limited to, total solids, volatile solids, nutrients, fecal coliform organisms, metals and trace organics in order to satisfy regulatory requirements for lagoon biosolids management.
- 1.03 Contractor Interviews:** Contact at least two prospective specialty cleaning contractors by telephone and discuss potential lagoon cleaning approaches. Discuss potential methods, regulatory issues, and cleaning times.
- 1.04 Interim Plant Solids Management:** Develop a plan for managing new raw solids while the existing lagoon is being cleaned.
- 1.05 Draft Interim Biosolids Management Plan:** Information developed in subtasks above will be collated into a brief biosolids management plan that describes sampling and harvesting the solids from the Facultative Sludge Lagoon, any required processing, transportation, and acceptance of the solids.
- 1.06 Interim Plan Review:** Conduct meeting with City staff to review draft interim biosolids management plan.
- 1.07 Final Interim Biosolids Management Plan:** Based on comments received from the City, finalize the Interim Biosolids Management Plan.

Assumptions: Assumptions are as follows:

- 1. Harvested biosolids will not be able to be processed at the City of Aberdeen Wastewater Treatment Plant.

2. There are no toxics present in the City biosolids that would prohibit beneficial reuse of the solids.
3. The scope of services does not include work for permanently closing the existing Facultative Sludge Lagoon.
4. Interim Plan Review will be attended by two consultant staff and be held at the City of Hoquiam.

City Responsibilities: City responsibilities are as follows:

1. Provide data on current solids accumulation within lagoon.
2. Review draft biosolids plan.
3. Participate in review conference call.
4. City to find a site that can accept Class B material. Provide to HDR a memorandum from the Beneficiary Use Facility stating material type accepted.
5. Provide most recent analytical data on solids characteristics, including nutrients, total solids, volatile solids, fecal coliform, trace organics, and metals. If data are not available, arrange for necessary sample collection and analysis to meet regulatory requirements.

Deliverables: The deliverable product from this task is as follows:

1. Solids Characterization Plan, emailed in PDF format
2. Draft Interim Biosolids Management Plan, e-mailed in PDF format.
3. Final Interim Biosolids Management Plan, e-mailed in PDF format.

Task 2. Facultative Sludge Lagoon Solids Removal Contract Documents

Objective: Execute the Interim Solids Management Plan developed in Task 1 above. Construction contract documents are required to describe removal of solids from the existing Facultative Sludge Lagoon.

Approach: Prepare bidding documents, general conditions, technical specifications and drawings to show the general scope, extent and character of the Work to be furnished and performed by a Contractor. The 2011 lagoon cleaning documents will be used as a basis for the design documents.

2.01 Construction Sequencing and Scheduling: Consultant will coordinate with the City to identify facility constraints to lagoon biosolids removal and management and Contractor's work sequence.

2.02 Technical Specifications: The Consultant will prepare the following specification sections:

- 00 01 07 Seals and Signatures
- 00 02 00 Advertisement for Bids
- 00 32 00 Bid Bond Form
- 00 41 00 Bid Form
- 00 48 00 Subcontractors
- 00 50 10 Performance Bond

06 25 00 Certificate of Substantial Completion
00 72 13 General Conditions
00 73 00 Supplementary Conditions
01 11 20 Job Conditions
01 14 14 Work Sequence
01 29 73 Schedule of Values
01 30 00 Special Conditions
01 32 17 Construction Progress Schedule
01 33 00 Submittals
02 59 40 Biosolids Removal and Management

2.03 Contract Drawings: The Consultant will prepare the following general and civil drawings depicting overall project.

G1 Cover Sheet and Location Map
G2 General Abbreviations
G3 General Legend
G4 Solids Profile
C1 Site Plan

2.04 Cost Estimate: At the 90-percent design stage, prepare a construction cost estimate.

2.05 90-Percent Design Submittal: Consultant will prepare a 90-percent complete submittal.

2.06 90-Percent Review: Three members of consulting team will conduct a two-hour conference call with the City to review the draft documents and receive comments.

2.07 100-Percent Design Submittal: Consultant will prepare a 100-percent submittal.

2.08 Regulatory Requirements: Regulatory requirements such as Interim biosolids management permit and SEPA checklist will be assessed. Activities under this task are limited to the identified budget. Additional activities beyond the base budget may be supported by the management reserve, at the City's discretion.

City Responsibilities: City responsibilities are as follows:

1. Provide timely and coordinated review comments on 90- and 100- percent Contract Documents.
2. Publish advertisement for bids.
3. Distribute Bid Documents.
4. Publish, print, and transmit all addenda.
5. Schedule and attend bid opening.
6. Select successful bidder.

Assumptions: Assumptions are as follows:

1. Bidding and construction administration support activities are not included, but may be added by amendment at the City's request
2. Two HDR Consultants will perform one site visit prior to preparation of design documents.

3. Consultant will attempt to provide cost estimate in a range of accuracy based upon AACE International Recommended Practice No. 17R-97, Class 4, 1- to 15- percent project definition, +50% to -25% Range of Accuracy)

3. The project is not funded by the United States Department of Agriculture (USDA) Rural Development.

Deliverables: The deliverable product from this task is as follows:

1. 90-percent construction documents for City review, e-mailed in PDF format.
2. 100-percent construction documents, e-mailed in PDF format.
3. Construction cost estimate, e-mailed in PDF format.

Task 3. Permitting Support

Objective: The Consultant shall research appropriate permitting requirements and coordinate with anticipated agency staff to determine the proper permit path for this project. Actual permit application preparation is not anticipated; however specific construction related permit acquisition may be included as a requirement in the construction bid document(s).

Approach: The Consultant will work on permitting activities during final design.

Consultant Services: The following subtasks will be performed:

- 3.01 City of Hoquiam Coordination:** The Consultant will meet with City of Hoquiam representatives by phone for up to two permit coordination discussions to identify local permits required for the solids removal implementation.
- 3.02 Federal Aviation Administration Coordination:** Consultant will discuss proposed improvements by email and/or phone with the FAA to incorporate design changes that avoid the need for acquiring FAA permits or approvals.
- 3.03 Coordinate with Washington Department of Ecology:** Working with City staff, one member of the Consultant's staff will attend one two-hour meeting with Washington Department of Ecology staff in Olympia to review design status or by a conference call.
- 3.04 Permit Application Preparation:** Anticipated permits include a City Shoreline Permit Exemption and Grading Permit. Compile an information package of the project for submittal to FAA for their review. A SEPA checklist will be prepared for review and issuance of a determination if required. GIS graphics (up to 4) will be prepared to support the SEPA checklist and application packages.

Assumptions: Assumptions are as follows:

1. Permit fees will be paid for by the City.
2. The City will issue the SEPA determination (if required), provide public notice and posting as required.
3. The permit application packages will be reviewed and processed by the City.

City Responsibilities: City responsibilities are as follows:

4. The City will act as the focal point for coordination with the regulatory agencies. The City will coordinate with the agencies to determine necessary submittal requirements, collect available permitting information, and coordinate with the consultant team in responding to the agency requests.

Deliverables: The deliverable product from this task is as follows:

1. Shoreline Permit Exemption Request
2. Grading Permit Application
3. SEPA Checklist
4. FAA project information letter

Task 4. Project Management

Objective: The purpose of this task is to manage and coordinate project technical resources to a level of service and responsiveness consistent with the project schedule and budget.

Approach: A designated Consultant project manager will prepare, monitor, and update the project work plan throughout the project. The project manager will participate in monthly conference calls with the City and provide a brief cost, and schedule status report for each task.

The project manager will coordinate team activities with the City in relation to scheduling site visits and meetings with City staff. The project manager will also supervise the engineering team, and review monthly invoices and project budget.

Consultant Services: The following subtasks will be performed:

- 4.01 Project Guide:** Prepare a Project Guide following Notice to Proceed. The guide shall identify project scope, individual work elements, budget for each element, responsible individuals for each work element, staffing plan and schedule. The Project Guide will be updated periodically when significant events impact the scope and/or schedule of the project.
- 4.02 Project Management Review:** Conduct a business review with senior management at project commencement.
- 4.03 Project Schedule:** Develop a project schedule. Identify deliverables as milestones. Identify City input activities.
- 4.04 Project Management Meetings:** The Consultant shall schedule one project meeting every month, as needed, assume total of 5, via conference call. Participants in the project meetings will include the Wastewater Superintendent and Consultant project manager. The purpose of the meeting is to track time and budget, work elements accomplished, work items planned for the next period, staffing needs, and scope issues.
- 4.05 Invoices and Status Reports:** Prepare monthly project status reports that compare work accomplished with scheduled activities, provide support documentation for the invoices, compare expenditures with budgets, and describe changes to the scope that have occurred. Reports shall be submitted to the City with the monthly invoices.
- 4.06 Engineering Team Management:** Supervise the design team over the course of the project, and review technical content of work products. The Project Manager will monitor team's work in terms of product, quality, schedule and budget.
- 4.07 Contract Close-Out:** Close-out project.

Assumptions: Assumptions are as follows:

1. Project management is assumed to last for a total of five months (July 2018 through November 2018), including contract close-out.

2. A single monthly invoice including labor costs and expenses will be sent to City for review and payment.
3. Consultant will coordinate with City to schedule monthly conference calls/meetings at mutually-agreeable date and times.
4. Meetings will be held at the Hoquiam Wastewater Treatment Plant or City offices.
5. Consultant attendee will be the project manager and one additional consultant staff.

City Responsibilities: City responsibilities are as follows:

1. Facilitate monthly conference calls (as needed).
2. Provide comments on meeting agenda and meeting minutes.
3. Review and approve monthly invoices and authorize payment.

Deliverables: The deliverable product from this task is as follows:

1. Monthly project status report.
2. Monthly invoices.
3. Emailed PDF of meeting notes and action log.

Task 5. Contingency for Professional Services

Objective: To allow the City a discretionary task budget, to cover additional professional services not currently included in this scope.

Approach: Provide professional services at the request of the City as mutually agreed and defined.

Consultant Services: The following subtask will be performed:

5.01 Additional Services: Conduct additional services as mutually agreed by the City and Consultant.

Assumptions: Assumptions are as follows:

1. Agreement for the services to be performed under the contingency task and budget will be documented and agreed upon by the City and Consultant prior to proceeding.

City Responsibilities: City responsibilities are as follows:

1. Identify professional services deemed necessary that are not expressly included in this scope of services.

Deliverables: The deliverable product from this task is as follows:

1. To be determined and agreed upon by the City and Consultant.

Exhibit A-2

Fee Estimate for Professional Services

The estimated fee to complete the professional services identified in this Scope of Services is offered on a **time-and-materials basis not-to-exceed \$69,200.00**.

Professional services rendered in connection with this scope of services will be billed on a time and materials basis for actual hours rendered by Consultant employees up to the estimated total contract amount in accordance with the terms and conditions outlined in the signed Agreement.

The following table is provided to show the City an approximate breakdown of estimated costs.

Task	Task Description	Total
1	Interim Biosolids Management Plan	\$14,300.00
2	Facultative Sludge Lagoon Solids Removal Contract Documents	\$29,000.00
3	Permitting Support	\$11,700.00
4	Project Management	\$9,200.00
5	Contingency for Professional Services	\$5,000.00
Total		\$69,200.00

Notes:

(1) Direct Expenses are included in the estimated task costs, and may include mileage, reproduction, lodging, meals, phone, and postage.

Exhibit A-3

Schedule

Key Milestone dates are as follows:

Milestone	Weeks from NTP	Days from NTP	Date
Notice to Proceed	0	0	July 16, 2018
Submit Draft Interim Biosolids Management Plan	8	56	September 10, 2018
Submit Final Interim Biosolids Management Plan	12	84	October 8, 2018
Submit Draft Lagoon Cleaning Documents	16	112	November 5, 2018
Submit Final Lagoon Cleaning Document	20	140	December 3, 2018

Exhibit B

HDR Engineering, Inc. Terms and Conditions for Professional Services

1. STANDARD OF PERFORMANCE

The standard of care for all professional engineering, consulting and related services performed or furnished by ENGINEER and its employees under this Agreement will be the care and skill ordinarily used by members of ENGINEER's profession practicing under the same or similar circumstances at the same time and in the same locality. ENGINEER makes no warranties, express or implied, under this Agreement or otherwise, in connection with ENGINEER's services.

2. INSURANCE/INDEMNITY

ENGINEER agrees to procure and maintain, at its expense, Workers' Compensation insurance as required by statute; Employer's Liability of \$250,000; Automobile Liability insurance of \$1,000,000 combined single limit for bodily injury and property damage covering all vehicles, including hired vehicles, owned and non-owned vehicles; Commercial General Liability insurance of \$1,000,000 combined single limit for personal injury and property damage; and Professional Liability insurance of \$1,000,000 per claim for protection against claims arising out of the performance of services under this Agreement caused by negligent acts, errors, or omissions for which ENGINEER is legally liable. If flying an Unmanned Aerial System (UAS or drone), ENGINEER will procure and maintain aircraft unmanned aerial systems insurance of \$1,000,000 per occurrence. OWNER shall be made an additional insured on Commercial General and Automobile Liability insurance policies and certificates of insurance will be furnished to the OWNER. ENGINEER agrees to indemnify OWNER for third party personal injury and property damage claims to the extent caused by ENGINEER's negligent acts, errors or omissions. However, neither Party to this Agreement shall be liable to the other Party for any special, incidental, indirect, or consequential damages (including but not limited to loss of use or opportunity; loss of good will; cost of substitute facilities, goods, or services; cost of capital; and/or fines or penalties), loss of profits or revenue arising out of, resulting from, or in any way related to the Project or the Agreement from any cause or causes, including but not limited to any such damages caused by the negligence, errors or omissions, strict liability or breach of contract.

3. OPINIONS OF PROBABLE COST (COST ESTIMATES)

Any opinions of probable project cost or probable construction cost provided by ENGINEER are made on the basis of information available to ENGINEER and on the basis of ENGINEER's experience and qualifications, and represents its judgment as an experienced and qualified professional engineer. However, since ENGINEER has no control over the cost of labor, materials, equipment or services furnished by others, or over the contractor(s)' methods of determining prices, or over competitive bidding or market conditions, ENGINEER does not guarantee that proposals, bids or actual project or construction cost will not vary from opinions of probable cost ENGINEER prepares.

4. CONSTRUCTION PROCEDURES

ENGINEER's observation or monitoring portions of the work performed under construction contracts shall not relieve the contractor from its responsibility for performing work in accordance with applicable contract documents. ENGINEER shall not control or have charge of, and shall not be responsible for, construction means, methods, techniques, sequences, procedures of construction, health or safety programs or precautions connected with the work and shall not manage, supervise, control or have charge of construction. ENGINEER shall not be responsible for the acts or omissions of the contractor or other parties on the project. ENGINEER shall be entitled to review all construction contract documents and to require that no provisions extend the duties or liabilities of ENGINEER beyond those set forth in this Agreement. OWNER agrees to include ENGINEER as an indemnified party in OWNER's construction contracts for the work, which shall protect ENGINEER to the same degree as OWNER. Further, OWNER agrees that ENGINEER shall be listed as an additional insured under the construction contractor's liability insurance policies.

5. CONTROLLING LAW

This Agreement is to be governed by the law of the state where ENGINEER's services are performed.

6. SERVICES AND INFORMATION

OWNER will provide all criteria and information pertaining to OWNER's requirements for the project, including design objectives and constraints, space, capacity and performance requirements, flexibility and expandability, and any budgetary limitations. OWNER will also provide copies of any OWNER-

furnished Standard Details, Standard Specifications, or Standard Bidding Documents which are to be incorporated into the project.

OWNER will furnish the services of soils/geotechnical engineers or other consultants that include reports and appropriate professional recommendations when such services are deemed necessary by ENGINEER. The OWNER agrees to bear full responsibility for the technical accuracy and content of OWNER-furnished documents and services.

In performing professional engineering and related services hereunder, it is understood by OWNER that ENGINEER is not engaged in rendering any type of legal, insurance or accounting services, opinions or advice. Further, it is the OWNER's sole responsibility to obtain the advice of an attorney, insurance counselor or accountant to protect the OWNER's legal and financial interests. To that end, the OWNER agrees that OWNER or the OWNER's representative will examine all studies, reports, sketches, drawings, specifications, proposals and other documents, opinions or advice prepared or provided by ENGINEER, and will obtain the advice of an attorney, insurance counselor or other consultant as the OWNER deems necessary to protect the OWNER's interests before OWNER takes action or forebears to take action based upon or relying upon the services provided by ENGINEER.

7. SUCCESSORS, ASSIGNS AND BENEFICIARIES

OWNER and ENGINEER, respectively, bind themselves, their partners, successors, assigns, and legal representatives to the covenants of this Agreement. Neither OWNER nor ENGINEER will assign, sublet, or transfer any interest in this Agreement or claims arising therefrom without the written consent of the other. No third party beneficiaries are intended under this Agreement.

8. RE-USE OF DOCUMENTS

All documents, including all reports, drawings, specifications, computer software or other items prepared or furnished by ENGINEER pursuant to this Agreement, are instruments of service with respect to the project. ENGINEER retains ownership of all such documents. OWNER may retain copies of the documents for its information and reference in connection with the project; however, none of the documents are intended or represented to be suitable for reuse by OWNER or others on extensions of the project or on any other project. Any reuse without written verification or adaptation by ENGINEER for the specific purpose intended will be at OWNER's sole risk and without liability or legal exposure to ENGINEER, and OWNER will defend, indemnify and hold harmless ENGINEER from all claims, damages, losses and expenses, including attorney's fees, arising or resulting therefrom. Any such verification or adaptation will entitle ENGINEER to further compensation at rates to be agreed upon by OWNER and ENGINEER.

9. TERMINATION OF AGREEMENT

OWNER or ENGINEER may terminate the Agreement, in whole or in part, by giving seven (7) days written notice to the other party. Where the method of payment is "lump sum," or cost reimbursement, the final invoice will include all services and expenses associated with the project up to the effective date of termination. An equitable adjustment shall also be made to provide for termination settlement costs ENGINEER incurs as a result of commitments that had become firm before termination, and for a reasonable profit for services performed.

10. SEVERABILITY

If any provision of this agreement is held invalid or unenforceable, the remaining provisions shall be valid and binding upon the parties. One or more waivers by either party of any provision, term or condition shall not be construed by the other party as a waiver of any subsequent breach of the same provision, term or condition.

11. INVOICES

ENGINEER will submit monthly invoices for services rendered and OWNER will make payments to ENGINEER within thirty (30) days of OWNER's receipt of ENGINEER's invoice.

ENGINEER will retain receipts for reimbursable expenses in general accordance with Internal Revenue Service rules pertaining to the support of expenditures for income tax purposes. Receipts will be available for inspection by OWNER's auditors upon request.

If OWNER disputes any items in ENGINEER's invoice for any reason, including the lack of supporting documentation, OWNER may temporarily delete the disputed item and pay the remaining amount of the invoice. OWNER will promptly notify ENGINEER of the dispute and request clarification and/or correction. After any dispute has been settled, ENGINEER will include the disputed item on a subsequent, regularly scheduled invoice, or on a special invoice for the disputed item only.

OWNER recognizes that late payment of invoices results in extra expenses for ENGINEER. ENGINEER retains the right to assess OWNER interest at the rate of one percent (1%) per month, but not to exceed the maximum rate allowed by law, on invoices which are not paid within thirty (30) days from the date OWNER receives ENGINEER's invoice. In the event undisputed portions of ENGINEER's invoices are not paid when due, ENGINEER also reserves the right, after seven (7) days prior written notice, to suspend the performance of its services under this Agreement until all past due amounts have been paid in full.

12. CHANGES

The parties agree that no change or modification to this Agreement, or any attachments hereto, shall have any force or effect unless the change is reduced to writing, dated, and made part of this Agreement. The execution of the change shall be authorized and signed in the same manner as this Agreement. Adjustments in the period of services and in compensation shall be in accordance with applicable paragraphs and sections of this Agreement. Any proposed fees by ENGINEER are estimates to perform the services required to complete the project as ENGINEER understands it to be defined. For those projects involving conceptual or process development services, activities often are not fully definable in the initial planning. In any event, as the project progresses, the facts developed may dictate a change in the services to be performed, which may alter the scope. ENGINEER will inform OWNER of such situations so that changes in scope and adjustments to the time of performance and compensation can be made as required. If such change, additional services, or suspension of services results in an increase or decrease in the cost of or time required for performance of the services, an equitable adjustment shall be made, and the Agreement modified accordingly.

13. CONTROLLING AGREEMENT

These Terms and Conditions shall take precedence over any inconsistent or contradictory provisions contained in any proposal, contract, purchase order, requisition, notice-to-proceed, or like document.

14. EQUAL EMPLOYMENT AND NONDISCRIMINATION

In connection with the services under this Agreement, ENGINEER agrees to comply with the applicable provisions of federal and state Equal Employment Opportunity for individuals based on color, religion, sex, or national origin, or disabled veteran, recently separated veteran, other protected veteran and armed forces service medal veteran status, disabilities under provisions of executive order 11246, and other employment, statutes and regulations, as stated in Title 41 Part 60 of the Code of Federal Regulations § 60-1.4 (a-f), § 60-300.5 (a-e), § 60-741 (a-e).

15. HAZARDOUS MATERIALS

OWNER represents to ENGINEER that, to the best of its knowledge, no hazardous materials are present at the project site. However, in the event hazardous materials are known to be present, OWNER represents that to the best of its knowledge it has disclosed to ENGINEER the existence of all such hazardous materials, including but not limited to asbestos, PCB's, petroleum, hazardous waste, or radioactive material located at or near the project site, including type, quantity and location of such hazardous materials. It is acknowledged by both parties that ENGINEER's scope of services do not include services related in any way to hazardous materials. In the event ENGINEER or any other party encounters undisclosed hazardous materials, ENGINEER shall have the obligation to notify OWNER and, to the extent required by law or regulation, the appropriate governmental officials, and ENGINEER may, at its option and without liability for delay, consequential or any other damages to OWNER, suspend performance of services on that portion of the project affected by hazardous materials until OWNER: (i) retains appropriate specialist consultant(s) or contractor(s) to identify and, as appropriate, abate, remediate, or remove the hazardous materials; and (ii) warrants that the project site is in full compliance with all applicable laws and regulations. OWNER acknowledges that ENGINEER is performing professional services for OWNER and that ENGINEER is not and shall not be required to become an "arranger," "operator," "generator," or "transporter" of hazardous materials, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1990 (CERCLA), which are or may be encountered at or

near the project site in connection with ENGINEER's services under this Agreement. If ENGINEER's services hereunder cannot be performed because of the existence of hazardous materials, ENGINEER shall be entitled to terminate this Agreement for cause on 30 days written notice. To the fullest extent permitted by law, OWNER shall indemnify and hold harmless ENGINEER, its officers, directors, partners, employees, and subconsultants from and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) caused by, arising out of or resulting from hazardous materials, provided that (i) any such cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or injury to or destruction of tangible property (other than completed Work), including the loss of use resulting therefrom, and (ii) nothing in this paragraph shall obligate OWNER to indemnify any individual or entity from and against the consequences of that individual's or entity's sole negligence or willful misconduct.

16. EXECUTION

This Agreement, including the exhibits and schedules made part hereof, constitute the entire Agreement between ENGINEER and OWNER, supersedes and controls over all prior written or oral understandings. This Agreement may be amended, supplemented or modified only by a written instrument duly executed by the parties.

17. ALLOCATION OF RISK

OWNER AND ENGINEER HAVE EVALUATED THE RISKS AND REWARDS ASSOCIATED WITH THIS PROJECT, INCLUDING ENGINEER'S FEE RELATIVE TO THE RISKS ASSUMED, AND AGREE TO ALLOCATE CERTAIN OF THE RISKS, SO, TO THE FULLEST EXTENT PERMITTED BY LAW, THE TOTAL AGGREGATE LIABILITY OF ENGINEER (AND ITS RELATED CORPORATIONS, SUBCONSULTANTS AND EMPLOYEES) TO OWNER AND THIRD PARTIES GRANTED RELIANCE IS LIMITED TO THE LESSER OF \$1,000,000 OR ITS FEE, FOR ANY AND ALL INJURIES, DAMAGES, CLAIMS, LOSSES, OR EXPENSES (INCLUDING ATTORNEY AND EXPERT FEES) ARISING OUT OF ENGINEER'S SERVICES OR THIS AGREEMENT REGARDLESS OF CAUSE(S) OR THE THEORY OF LIABILITY, INCLUDING NEGLIGENCE, INDEMNITY, OR OTHER RECOVERY.

18. LITIGATION SUPPORT

In the event ENGINEER is required to respond to a subpoena, government inquiry or other legal process related to the services in connection with a legal or dispute resolution proceeding to which ENGINEER is not a party, OWNER shall reimburse ENGINEER for reasonable costs in responding and compensate ENGINEER at its then standard rates for reasonable time incurred in gathering information and documents and attending depositions, hearings, and trial.

19. NO THIRD PARTY BENEFICIARIES

No third party beneficiaries are intended under this Agreement. In the event a reliance letter or certification is required under the scope of services, the parties agree to use a form that is mutually acceptable to both parties.

20. UTILITY LOCATION

If underground sampling/testing is to be performed, a local utility locating service shall be contacted to make arrangements for all utilities to determine the location of underground utilities. In addition, OWNER shall notify ENGINEER of the presence and location of any underground utilities located on the OWNER's property which are not the responsibility of private/public utilities. ENGINEER shall take reasonable precautions to avoid damaging underground utilities that are properly marked. The OWNER agrees to waive any claim against ENGINEER and will indemnify and hold ENGINEER harmless from any claim of liability, injury or loss caused by or allegedly caused by ENGINEER's damaging of underground utilities that are not properly marked or are not called to ENGINEER's attention prior to beginning the underground sampling/testing.

21. UNMANNED AERIAL SYSTEMS

If operating UAS, ENGINEER will obtain all permits or exemptions required by law to operate any UAS included in the services. ENGINEER's operators have completed the training, certifications and licensure as required by the applicable jurisdiction in which the UAS will be operated. OWNER will obtain any necessary permissions for ENGINEER to operate over private property, and assist, as necessary, with all other necessary permissions for operations.