

**NORTH BEACH WATER DISTRICT  
PACIFIC COUNTY, WASHINGTON**

**RESOLUTION NO. 04-2014**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE  
NORTH BEACH WATER DISTRICT, PACIFIC COUNTY,  
WASHINGTON, APPROVING A CONTRACT FOR PROFESSIONAL  
SERVICES WITH GRAY & OSBORNE, INC.**

**WHEREAS**, North Beach Water District is required by chapter 246-290-100(2) WAC to submit a water system plan to the Washington State Department of Health for review and approval; and

**WHEREAS**, North Beach Water District is required by chapter 246-290-100(10) WAC to update its water system plan and obtain Washington State Department of Health approval of its updated water system plan at least every six years; and

**WHEREAS**, North Beach Water District's current water system plan was last updated and approved by the Washington State Department of Health in 2008; and

**WHEREAS**, North Beach Water District's 2014 Operating Budget included \$61,000 for a water system plan revision; and

**WHEREAS**, Gray and Osborne, Inc. has an excellent understanding of North Beach Water District's water system, having designed two Drinking Water State Revolving Fund project in 2013, comes with a professional reputation for quality in preparing water system plans, and charges rates comparable to other engineering firms providing similar services and that are usual, customary, and reasonable; now, therefore,

**BE IT RESOLVED** by the Board of Commissioners of the North Beach Water District that the Contract for Professional Engineering Services attached hereto and incorporated herein as "Exhibit A" is hereby adopted; and

# "EXHIBIT A"

## CONTRACT FOR PROFESSIONAL ENGINEERING SERVICES

THIS Contract, entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between the NORTH BEACH WATER DISTRICT, Washington, hereinafter called the "Agency"; and GRAY & OSBORNE, INC., Consulting Engineers, Seattle, Washington, hereinafter called the "Engineer".

### WITNESSETH:

WITNESSETH THAT, the Agency now finds that it is in need for the engagement of professional engineering services. The purpose of this Contract is to define the scope of work to be performed, the conditions under which it shall be performed, and method of payment for professional engineering services authorized by the Agency.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto do mutually agree as follows:

### ARTICLE 1

#### EMPLOYMENT OF THE ENGINEER

The Agency, acting pursuant to its vested authority, does hereby engage the Engineer and the Engineer agrees to furnish the engineering services as requested by the Agency in connection with the Water System Plan Update project, hereinafter also called the "Project." These services are outlined in this Contract and shall be undertaken upon request by the Agency to the Engineer.

### ARTICLE 2

#### CHARACTER & EXTENT OF ENGINEERING SERVICES

Upon execution of this Contract, and authorization of the Agency to proceed, the Engineer shall provide engineering services more fully described in Exhibit "A."

#### SPECIAL SERVICES

The Engineer may employ competent professionals to assist in the completion of the work as described as scope of work and budget herein.

The information so secured shall be made available to the Agency and the Engineer for the use and development of the Agency's projects.

### ARTICLE 3

#### SCOPE OF OWNER SERVICES

The AGENCY shall provide or perform the following:

Provide full information as to the Agency's requirements for the Project. Assist the Engineer by placing at his disposal all available information pertinent to the site of the Project, including previous reports, drawings, plats, surveys, utility records, and any other data relative to the Project. Absent specific written direction to the contrary, the Engineer shall be entitled to rely upon the completeness and accuracy of such documentation.

Examine all studies, reports, sketches, estimates, specifications, drawings, proposals, and other documents presented by the Engineer.

### ARTICLE 4

#### COMPENSATION

It is mutually agreed that the Agency will compensate the Engineer for services furnished based on the cost reimbursement method.

The total cost of these services shall not exceed the amount shown in Exhibit "B" without further written authorization by the Agency.

Total compensation is based on the following:

- (a) Cost Ceiling: The total amount of compensation for engineering services as described herein, and as further defined in letters or exhibits to this Contract including profit (fee), out-of-pocket expenses, direct labor costs, direct overhead and indirect overhead shall not exceed the total dollar cost agreed upon, without a formal amendment to this Contract.
- (b) Compensation Determination: Payment for work accomplished is on the basis of the Engineer's fully burdened labor cost plus direct non-salary costs.
  - 1. Fully burdened labor costs are determined by multiplying the hours spent by employees on the project, times the employee's fully burdened billing rate. The fully burdened billing rates are identified on Exhibit "C" and include direct salary cost, overhead, and profit. Overhead includes federal, state, and local taxes; insurance and medical; professional development and education;

vacations and holidays; secretarial and clerical work; GIS, CADD, and computer equipment; owned survey equipment and tools; attendance at non-project-specific public meetings for the purpose of keeping the public informed in regard to infrastructure improvements in the community and how the public will be affected; rent, utilities, and depreciation; office expenses; recruiting; professional services; incentive and retirement; and facilities cost of capital.

2. The direct non-salary costs are those costs directly incurred in fulfilling the terms of this Contract including, but not limited to travel, reproduction, supplies and fees for special professional services of outside consultants. If the Engineer is directed to employ special, professional expertise, the Agency will be billed by the Engineer for the special service invoiced amount plus ten percent (10%) for administrative overhead.

Payment of compensation shall be upon submittal to the Agency of a bill by the Engineer at approximate monthly intervals for services rendered during the preceding time period, plus a proportionate percentage of the fee amount stipulated above.

The cost records and accounts pertaining to this Contract are to be kept available for inspection by representatives of the Agency for a period of three (3) years after final payment. In the event any audit or inspection identifies any discrepancy in the financial records, the Engineer shall provide clarification and/or make adjustments accordingly.

## **ARTICLE 5**

### **ADDITIONAL WORK**

If during the performance of this contract, or subsequent to completion of the work under this contract, other or additional services other than those previously specified, including but not limited to additions or revisions by the Agency are ordered in writing by the Agency, the Engineer agrees to provide the services and the Agency agrees to compensate the Engineer under the same method of Compensation Determination described herein, to be determined at the time the additional services are ordered. The Engineer agrees not to proceed with the additional services until such time as the costs for the additional services have been approved by the Agency.

## **ARTICLE 6**

### **MAJOR REVISIONS**

If, after the design has been approved by the Agency, and the Engineer has proceeded with the final design, and has performed work in processing same and the Agency authorizes new or substantially alters the design, the Agency will pay the Engineer a just and equitable compensation as mutually agreed upon by the Agency and the Engineer, or if an agreement cannot be reached within thirty (30) days, the equitable compensation shall be determined by mediators.

## **ARTICLE 7**

### **COST ESTIMATE**

The Agency is herewith advised that the Engineer has no control over the cost of labor, material, and equipment, including the contractors' and suppliers' methods of producing and delivering such goods and services; or over the methods and styles of competitive bidding or market conditions; and, accordingly, the Engineer's cost estimates are made and furnished on the basis of his experience and qualifications and represent only his best judgment as a design professional and within his familiarity with the construction industry, and, as such, the Engineer cannot and does not warrant, in any other manner or style, the accuracy of the cost estimates, nor that the estimates will or will not vary significantly with bids received by or construction costs realized by the Agency.

## **ARTICLE 8**

### **FACILITIES TO BE FURNISHED BY THE ENGINEER**

The Engineer shall furnish and maintain a central office, work space and equipment suitable and adequate for the prosecution of the work that is normal to the functioning of an established operating engineering practice.

## **ARTICLE 9**

### **OWNERSHIP OF PLANS**

All reports, designs, drawings and specifications prepared by the Engineer, as provided under this Contract shall be and do become the property of the Agency upon payment to the Engineer of his compensation as set forth in this Contract. Reuse of any of the instruments of services of the Engineer by the Agency on extensions of this project or on any other project without the written permission of the Engineer shall be at the Agency's risk and the Agency agrees to defend, indemnify and hold harmless the Engineer from all claims, damages and expenses including attorney's fees arising out of such unauthorized

reuse of the Engineer's instruments of service by the Agency or by others acting through the Agency.

#### **ARTICLE 10**

##### **SEVERABILITY**

If any provision of this Contract is held invalid, the remainder of this Contract shall not be affected thereby, if such remainder would then continue to conform to the terms and requirements of the applicable law.

#### **ARTICLE 11**

##### **MEDIATION**

All claims, disputes and other matters in question between Agency and Engineer shall, in the first instance, be subject to mediation. Either party may notify the other, by certified mail, of the existence of a claim or dispute. If such claim or dispute cannot promptly be resolved by the parties, the Engineer shall promptly contact the Judicial Arbitration and Mediation Service, Inc., or any other recognized mediation service agreed to by the parties, to arrange for the engagement and appointment of a mediator for the purpose of assisting the parties to amicably resolve the claim or dispute. The cost of the mediator shall be borne equally by the parties. The Agency and Engineer further agree to cooperate fully with the appointed mediator's attempt to resolve the claim or dispute, and also agree that litigation may not be commenced, by either party, for a period of ninety calendar days following the receipt by the other party of the written notice of claim or dispute. This mediation provision may be asserted by either party as grounds for staying such litigation.

#### **ARTICLE 12**

##### **ASSIGNABILITY**

The Engineer shall not assign nor transfer any interest in this Contract without the prior written consent of the Agency.

#### **ARTICLE 13**

##### **EQUAL EMPLOYMENT OPPORTUNITY**

The Engineer agrees that it will not discriminate against any employee or applicant for employment because of race, religion, color, sex, age or national origin.

## **ARTICLE 14**

### **COVENANT AGAINST CONTINGENT FEES**

The Engineer warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fees, excepting bona fide employees. For breach or violation of this warranty, the Agency shall have the right to annul this Contract without liability or in its discretion to deduct from the Contract price or consideration or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

## **ARTICLE 15**

### **SAFETY**

The duty and/or Services furnished hereunder by the Engineer, does not include a review of the adequacy of any contractor's safety measures in, on, or near a project construction site. The contractor alone shall have the responsibility and liability thereof, and shall be insured accordingly. Neither the activities of the Engineer, nor the presence of the Engineer's employees at a site, shall relieve the contractor of their obligations, duties, and responsibilities with any health or safety precaution required to ensure the safety of the jobsite.

## **ARTICLE 16**

### **INDEMNITY AGREEMENT**

The Engineer shall hold the Agency harmless from, and shall indemnify the Agency against, any and all claims, demands, actions or liabilities caused by or occurring by reason of any negligent act or omission of the Engineer, its agents, employees or subcontractors, arising out of or in connection with the performance of this Contract.

The Engineer shall be required to indemnify the Agency in those cases where damages have been caused by the concurrent negligence of the Agency and Engineer, its agents, employees or subcontractors. In those cases, the liability of the Engineer for indemnifications shall be limited to that portion of the damages caused by the negligence of the Engineer, its agents, employees or subcontractors.

The Engineer has no duty to indemnify the Agency where damages were caused by the negligence of the Agency.

## ARTICLE 17

### INSURANCE

#### A. Public Liability

The Engineer shall provide evidence of comprehensive Public Liability and Property Damage Insurance which includes but is not limited to, operations of the Engineer, commercial general liability, and blanket limited contractual liability with limits of not less than:

#### COMPREHENSIVE GENERAL LIABILITY

Bodily Injury & Property Damage:   \$1,000,000 each person  
  \$1,000,000 each occurrence  
  \$1,000,000 each aggregate

#### AUTOMOBILE LIABILITY

Bodily Injury:                               \$1,000,000 each person  
  \$1,000,000 each occurrence

Property Damage:                       \$1,000,000 single limit

The Agency shall be named as an additional insured as respects this Contract. In conjunction therewith, the Engineer shall furnish a certificate of such insurance to the Agency at the time of execution of this Contract.

#### B. Professional Liability

The Engineer shall provide Professional Errors and Omissions Liability Insurance which shall provide coverage for any negligent professional acts, errors or omissions for which the Engineer is legally responsible, with limits of not less than:

PROFESSIONAL ERRORS               \$1,000,000 each occurrence  
AND

OMISSIONS LIABILITY               \$1,000,000 aggregate

The Engineer shall furnish a certificate of such insurance to the Agency at the time of execution of this Contract.

## **ARTICLE 18**

### **STATUS OF ENGINEER**

The Engineer is an independent contractor operating for its own account, and is in no way and to no extent an employee or agent of the Agency. The Engineer shall have the sole judgment of the means, mode or manner of the actual performance of this Contract. The Engineer, as an independent contractor, assumes the entire responsibility for carrying out and accomplishing this Contract.

## **ARTICLE 19**

### **CERTIFICATION OF ENGINEER**

Attached hereto is Exhibit "D" Certification Regarding Debarment, Suspension and Other Responsibility Matters.

## **ARTICLE 20**

### **CHOICE OF LAW/JURISDICTION/VENUE**

This Contract shall be governed as to validity, interpretation, construction and effect, and in all other respects, by the laws of the State of Washington. Jurisdiction of any suit or action arising out of or in connection with this Contract shall be in the State of Washington, and the venue thereof be in the same County as the Agency.

## **ARTICLE 21**

### **NOTICES**

In every case where, under any of the provisions of this Contract or in the opinion of either the Agency or the Engineer or otherwise, it shall or may become necessary or desirable to make, give, or serve any declaration, demand, or notice of any kind or character or for any purpose whatsoever, the same shall be in writing, and it shall be sufficient to either (1) deliver the same or a copy thereof in person to the District Manager, if given by the Engineer, or to the President or Secretary of the Engineer personally, if given by the Agency; or (2) mail the same or a copy thereof by registered or certified mail, postage prepaid, addressed to the other party at such address as may have theretofore been designated in writing by such party, by notice served in the manner herein provided, and until some other address shall have been so designated, the address of the Agency for the purpose of mailing such notices shall be as follows:

NORTH BEACH WATER DISTRICT  
P.O. Box 618  
Ocean Park, Washington 98640

and the address of the Engineer shall be as follows:

GRAY & OSBORNE, INC.  
701 Dexter Ave. North  
Suite 200  
Seattle, Washington 98109-4339

## ARTICLE 22

### ATTORNEY'S FEES

The parties agree that in the event a civil action is instituted by either party to enforce any of the terms and conditions of this Contract, or to obtain damages or other redress for any breach hereof, the prevailing party shall be entitled to recover from the other party, in addition to its other remedies, its reasonable attorney's fees in such suit or action and upon any appeal therefrom.

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the day and year written below.

**ENGINEER: Gray & Osborne, Inc.**

**AGENCY: North Beach Water District**

By: \_\_\_\_\_

(Signature)

By: \_\_\_\_\_

(Signature)

Name/Title: Thomas M. Zerkel, P.E., President

Name/Title: \_\_\_\_\_

(Print)

Date: \_\_\_\_\_

12/30/2013

Date: \_\_\_\_\_

"Equal Opportunity/Affirmative Action Employer"

## **EXHIBIT "A"**

### **SCOPE OF WORK**

#### **NORTH BEACH WATER DISTRICT WATER SYSTEM PLAN UPDATE**

Gray & Osborne proposes to complete the Water System Plan update for North Beach Water District. The Water System Plan update will be prepared to meet the requirements of WAC 246-290-100. The following scope of work was developed based on our understanding of the project. The scope of work has been broken into milestones to identify intermediate deliverables. At each milestone, the deliverable will be submitted for review and comment.

#### **Milestone 1 – Data Collection, Planning and Projections**

##### Data Collection and Review

- A. Develop list of required information.
- B. Review information provided including historical operating data and water consumption/production data.
- C. Conduct inspection of all water system facilities and meet with North Beach Water District operations staff to discuss issues of concern.

##### Chapter 1 – System Background

- A. Describe system ownership and management.
- B. Complete an inventory of existing facilities.
- C. Prepare updated maps of the existing water system facilities and distribution system.
- D. Review related planning documents.
- E. Identify and describe the existing retail water service area.
- F. Identify service area agreements and policies.
- G. Identify future retail water service area.
- H. Identify and discuss policies relating to management of the water system.

- I. Provide a description of North Beach Water District's service area policies.

#### Chapter 2 – Planning Data and Projections

- A. Quantify historical and current service population, service connections, water consumption, water production, and non-revenue water.
- B. Determine existing water needs and use by customer type, including average day, maximum day, and maximum instantaneous demands.
- C. Determine existing average day, maximum day, and maximum instantaneous demand for the service area.
- D. To the extent feasible, estimate distribution system leakage.
- E. Develop projections for future population, water consumption, water production, and distribution system leakage. Discuss the potential impacts of conservation and water rate structure on water demand projections.

#### **Milestone 2 – System Analysis, Conservation and Water Rights**

#### Chapter 3 – System Analysis

- A. Performance and Design Criteria
  - Summarize the minimum performance and design criteria established by DOH and the North Beach Water District.
  - Describe how these criteria, standards, and policies will be applied to existing and future system components.
- B. Water Quality Analysis
  - Summarize source water quality data from available test results.
  - Compare the water quality to Federal and State standards, and the water quality criteria developed in Performance and Design Criteria.
  - Review, assess, and describe anticipated requirements of the Safe Drinking Water Act. Summarize anticipated impacts to the water system.

- Describe the water system's efforts to satisfy customer concerns and complaints about water quality.

C. System Analysis

- Evaluate the condition and capacity of the existing water system facilities including the following components:
  - Source
  - Treatment
  - Storage
- Provide an evaluation of the sufficiency of the District's existing water rights.
- Determine the capacity of the system in terms of ERUs.
- Identify any current or projected future deficiencies in water system facilities.
- Identify potential projects to address any deficiencies.
- Evaluate alternatives for addressing deficiencies.

D. Hydraulic Modeling and Distribution Analysis

- Review and summarize current fire flow requirements.
- Construct a computerized hydraulic model of the water system and perform field calibration of the model.
- Perform peak hour and fire flow analysis using current, 6-year and 20-year demand projections.
- Develop and analyze hydraulic considerations for different water supply scenarios.
- Identify any current or projected future deficiencies in water system facilities.
- Identify potential projects to address any deficiencies.
- Evaluate alternatives for addressing deficiencies.

E. Facility Analysis

- Assess existing water system facilities and determine their adequacy for current and future water system needs. Identify any deficiencies and evaluate alternatives for correcting deficiencies.

Chapter 4 – Water Use Efficiency Program and Source of Supply Analysis

A. Water Use Efficiency Program

- Prepare a Water Use Efficiency Program.
- Identify Water Use Efficiency Goals and Measures. Evaluate appropriate measures for the system.
- Indicate current water use efficiency and education programs and estimate their impact on future water demand.
- Include current regulations requiring water conserving appliances and fixtures, and the conservation impact on future water demand.
- Evaluate water reclamation opportunities.

B. Source of Supply Analysis

- Describe water rights.
- Perform Water Right Self-Assessment.
- Evaluate water supply reliability.
- Describe any potential to intertie with other water systems.
- Identify any current or projected future deficiencies in water supply.
- Identify potential projects to address any deficiencies.
- Evaluate alternatives for addressing deficiencies.

### **Milestone 3 – Source Protection and Operations Program**

#### **Chapter 5 – Source Protection**

##### **A. Wellhead Protection Program**

- Confirm and/or update wellhead protection area boundaries.
- Describe land use and ownership within the wellhead protection area.
- Reference the DOH susceptibility assessment for the existing sources.
- Describe the NBWD spill response plan.
- Update potential contaminant sources within the wellhead protection area that may adversely impact source water quality.
- Describe the NBWD contingency plan for providing alternate sources of drinking water in the event that contamination occurs.
- Identify system operational protocol including emergency provisions.
- Describe the monitoring program used to assess/maintain wellhead protection.
- Provide recommendations for improved wellhead protection.

#### **Chapter 6 – Operations Program**

- A. Review organization and certification.
- B. Provide a list of current personnel and responsibilities.
- C. Review current certification requirements and DOH compliance status.
- D. Update major system components and outline maintenance and responsible personnel.
- E. Include routine and preventive maintenance procedures provided by the District.
- F. Reference DOH water quality monitoring schedule.

- G. Reference DOH reporting requirements and public notification procedures.
- H. Include updated emergency response plan provided by the District.
- I. Describe the cross connection control program used by the District.
- J. Describe the customer complaint response program used by the District.
- K. Provide recommendations for operations improvements.

#### Chapter 7 – Design and Construction Standards

- A. Summarize project review procedures.
- B. Update the District's design and construction standards.
- C. Describe the District's policies and requirements for development by outside parties.
- D. Reference the District's construction certification procedures.

#### **Milestone 4 – Improvement Program and Financial Program**

#### Chapter 8 – Improvement Program

- A. Develop a prioritized list of system deficiencies and needs, including capital improvements and operations and maintenance items.
- B. Describe, assess, and justify detailed alternatives to correct system deficiencies and accommodate projected growth, including cost analyses.
- C. Describe, assess, and justify detailed alternatives to correct system deficiencies related to condition of infrastructure, including cost analyses.
- D. Develop a service area map that details proposed improvement alternatives.
- E. Prepare detailed engineering cost estimates for each system improvement.

## Chapter 9 – Financial Program

We understand that NBWD will be completing a water rate study using a separate consultant. The results of this rate study will be incorporated in the financial program to comply with DOH water system planning requirements.

- A. Describe and assess the current financial status of the utility.
- B. Describe historical revenues and expenses.
- C. List and discuss the available and potential revenue sources for system improvements.
- D. Include projected utility revenues and expenses for the 6-year planning period.
- E. Assess the District's capability to obtain potential sources of revenue.
- F. Assess the impact of the financial program to existing water rates.

## SEPA

- A. Prepare a SEPA Checklist for the Water System Plan Update.

## **Milestone 5 – Complete Draft Plan**

- A. Distribute draft plan to North Beach Water District, Pacific County, DOH and other affected agencies and groups. DOH will submit the Plan to the Department of Ecology.
- B. Present the Plan at a public meeting and record and respond to questions and comments.

## **Milestone 6 – Complete Final Plan**

- A. Incorporate comments from various agencies in the final document.
- B. Assemble complete final document.
- C. Distribute final document.

## **DELIVERABLES**

Project deliverables will include the following:

1. Three copies of deliverables for each Milestone
2. Five copies of complete draft plan
3. Five copies of the final plan
4. Two copies of a CD-Rom with all electronic files included in the Plan
5. Two copies of a CD-Rom with the hydraulic model

## **ANTICIPATED SCHEDULE**

Notice to Proceed	January 20, 2014
Obtain System Data from NBWD	February 10, 2014
Submit Milestone 1	March 24, 2014
Submit Milestone 2	May 26, 2014
Submit Milestone 3	July 28, 2014
Submit Milestone 4	September 29, 2014
Submit Milestone 5	October 27, 2014
Submit Milestone 6	30 days within receipt of comments

## **ASSUMPTIONS**

1. It has been assumed that the North Beach Water District Water System Plan will be completed within a similar time-frame as the Surfside HOA Water System Plan to reduce costs by allowing meetings and site visits for both plans to be completed on the same days.

## EXHIBIT "B"

### ENGINEERING SERVICES SCOPE AND ESTIMATED COST

#### *North Beach Water District - Water System Plan Update*

TASKS	Principal Hours	Project Mgr. Hours	Civil Eng. Hours	CADD Tech. Hours
<b>Milestone 1</b>				
Data Collection and Review	1	8	8	
Chapter 1 - System Background		4	8	40
Chapter 2 - Planning and Projections	1	8	24	
<b>Milestone 2</b>				
Chapter 3 - System Analysis	2	20	80	24
Chapter 4 - Water Use Efficiency	1	4	16	
<b>Milestone 3</b>				
Chapter 5 - Source Protection	1	4	16	16
Chapter 6 - Operations Program	1	4	8	
Chapter 7 - Design and Construction Standards	1	2	8	12
<b>Milestone 4</b>				
Chapter 8 - Improvement Program	1	16	32	8
Chapter 9 - Financial Program	1	8	16	
SEPA		1	4	
<b>Milestone 5</b>				
Complete Draft Plan	1	4	8	4
<b>Milestone 6</b>				
Complete Final Plan	1	2	4	4
QA/QC	8	4	4	
Meetings and Site Visits		20	15	
Hour Estimate:	20	109	251	108
Fully Burdened Billing Rate Range:*	\$112 to \$188	\$112 to \$188	\$75 to \$130	\$45 to \$85
Estimated Fully Burdened Billing Rate:*	\$165	\$145	\$120	\$65
Fully Burdened Labor Cost:	\$3,300	\$15,805	\$30,120	\$7,020

Total Fully Burdened Labor Cost: \$ 56,245

Direct Non-Salary Cost:

Mileage & Expenses (Mileage @ \$0.56/mile) \$ 400

Printing \$ 1,500

**TOTAL ESTIMATED COST: \$ 58,145**

\* Actual labor cost will be based on each employee's actual rate. Estimated rates are for determining total estimated cost only. Fully burdened billing rates include direct salary cost, overhead, and profit.

## EXHIBIT "C"

### GRAY & OSBORNE

#### PROFESSIONAL ENGINEERING SERVICES CONTRACT FULLY BURDENED BILLING RATES\* THROUGH JUNE 15, 2014\*\*

<u>Employee Classification</u>	<u>Fully Burdened Billing Rates</u>		
AutoCAD/GIS Technician/Engineering Intern	\$ 45.00	to	\$ 90.00
AutoCAD/GIS Manager/Graphic Artist	\$ 92.00	to	\$115.00
Senior Electrical Engineer	\$140.00	to	\$171.00
Senior Structural Engineer	\$114.00	to	\$158.00
Electrical Engineer	\$102.00	to	\$139.00
Structural Engineer	\$ 98.00	to	\$128.00
Environmental Technician/Specialist	\$ 80.00	to	\$105.00
Geomorphologist/Geologist	\$116.00	to	\$125.00
Civil Engineer	\$ 75.00	to	\$114.00
Project Engineer	\$110.00	to	\$139.00
Project Manager	\$115.00	to	\$165.00
Principal-in-Charge	\$112.00	to	\$190.00
Resident Engineer	\$123.00	to	\$155.00
Field Inspector	\$ 86.00	to	\$129.00
Field Survey (2 Person)***	\$144.00	to	\$210.00
Field Survey (3 Person)***	\$219.00	to	\$274.00
Professional Land Surveyor	\$109.00	to	\$123.00
Secretary/Word Processor***	N/A		

\* Fully Burdened Billing Rates include overhead and profit.

\*\* Updated annually, together with the overhead.

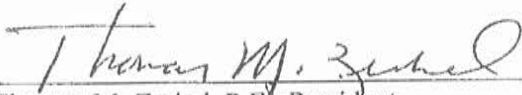
All actual out-of-pocket expenses incurred directly on the project are added to the billing. The billing is based on direct out-of-pocket expenses; meals, lodging, laboratory testing and transportation. The transportation rate is \$0.56 per mile or the current maximum IRS rate without receipt IRS Section 162(a).

\*\*\* Administration expenses include secretarial and clerical work; GIS, CADD, and computer equipment; owned survey equipment and tools (stakes, hubs, lath, etc. -- Note: mileage billed separately at rate noted); miscellaneous administration tasks; facsimiles; telephone; and printing costs, which are less than \$150.

## EXHIBIT "D"

### CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS

- I. The Engineer, Gray & Osborne, Inc., certifies to the best of its knowledge and belief, that it and its principals:
- A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
  - B. Have not within a 3-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission or fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
  - C. Are not presently indicated for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (I)(B) of this certification; and
  - D. Have not within a 3-year period preceding this application/proposal had one or more public transactions (federal, state, or local) terminated for cause or default.

  
\_\_\_\_\_  
Thomas M. Zerkel, P.E., President  
Gray & Osborne, Inc.

12/30/2013  
\_\_\_\_\_  
Date

The Agency may confirm the Engineer's suspension or debarment status on General Services Administration Excluded Parties List System website: [www.epls.gov](http://www.epls.gov).

**BE IT FURTHER RESOLVED** by the Board of Commissioners of the North Beach Water District that the general manager is hereby authorized to execute the contract without delay.

**ADOPTED** by the Board of Commissioners of the North Beach Water District's, Pacific County, Washington, at its regular meeting held on the 21th day of January, 2014.

  
\_\_\_\_\_  
Brian Sheldon  
Position #1

  
\_\_\_\_\_  
Gwen Brake  
Position #2

  
\_\_\_\_\_  
Glenn Ripley  
Position #3

