

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Authorizing the City Manager to Amend the Vehicle Maintenance, Repair and Upfitting Interlocal Agreement with the City of Mountlake Terrace by Increasing the Authorization Limit to \$184,465.15 Annually

DEPARTMENT: Administrative Services

PRESENTED BY: Sara Lane, Administrative Services Director
Dan Johnson, Fleet & Facilities Manager

ACTION: ☐ Ordinance ☐ Resolution ☒ Motion
 ☐ Discussion ☐ Public Hearing

PROBLEM/ISSUE STATEMENT:

Staff is requesting City Council approval to authorize the City Manager to amend the Agreement for Vehicle Maintenance, Repair, and Upfitting Services between the Cities of Shoreline and Mountlake Terrace (MLT) (Attachment A) to increase the annual contract authorization limit by \$60,000. With the proposed amendment, the agreement would increase from \$124,465.15 to \$184,465.15 annually. The proposed amendment (Attachment B) is the sixth amendment to this agreement, which currently expires December 31, 2019, but may be extended for an additional year.

The City of Shoreline began its partnership with the City of MLT for vehicle maintenance and repair services in August 2010. The City of MLT has provided excellent service by properly maintaining, repairing and upfitting Shoreline fleet vehicles and equipment. Due to an increase of City vehicles and equipment in the City's Fleet Program, staff is requesting an increase in the authorization limit. The increase is due to the following:

- Addition of vehicles and equipment to support existing City operations.
- Addition of vehicles and equipment for the new Grounds Maintenance Program.
- Addition of Ronald Wastewater District vehicles and equipment.

RESOURCE/FINANCIAL IMPACT:

The 2019 Vehicle Operations Budget includes budget funding for the requested increase of \$60,000 per year.

RECOMMENDATION

Staff recommends that Council authorize the City Manager to enter into the Sixth Amendment of the Agreement for Vehicle Maintenance, Repair and Upfitting Services Between the City of Shoreline and the City of Mountlake Terrace to increase the authorization limit of the agreement by \$60,000 from \$124,465.15 to \$184,465.15 annually.

Approved By: City Manager **DT** City Attorney **MK**

BACKGROUND

In 2010, the City began a partnership with the City of Mountlake Terrace (MLT) for vehicle maintenance and repair services. Subsequently, upfitting services were added to the agreement to create fleet ready vehicles and equipment. The City of MLT provides excellent services at competitive mechanic labor rates. The current interlocal agreement (Attachment A) with the City of MLT for these services began on January 1, 2016 and expires on December 31, 2019 but may be extended for an additional year at the sole option of the City. This agreement has also been amended administratively five times for specific work and rate adjustments during the term of the agreement.

DISCUSSION

The current authorization limit of the interlocal agreement of \$124,465.15 is not enough to adequately maintain vehicles and equipment assets in the City's Fleet Program. Staff is requesting City Council approval to increase the annual authorization limit of the agreement by \$60,000, resulting in a new annual authorization amount of \$184,465.15

The City's Fleet Program includes 111 vehicles and equipment assets. This includes 82 existing City vehicle and equipment assets, 18 fleet assets from the transition of the Ronald Wastewater District to City operations in 2017, and 11 fleet assets for the newly created Public Works Grounds Maintenance Program in 2019.

As can be seen below, an increase in agreement expenditures has occurred this year. This increase predominately stems from:

- Adding vehicles and equipment for the new Grounds Maintenance Program,
- Increasing upfitting services to add cellular boosters to vehicles to improve communication, and
- Integration of wastewater vehicles and equipment to an annual maintenance schedule.

The following provides a summary of annual expenditures of the interlocal agreement for 2017 through May 2019:

Year	Agreement Expenditures
2017	\$82,000
2018	\$68,000
2019*	\$80,625

** Expenditures recorded through May 2019*

The proposed amendment (Attachment B), which is the sixth amendment to this agreement, would provide for the authorization limit increase of \$60,000.

RESOURCE/FINANCIAL IMPACT

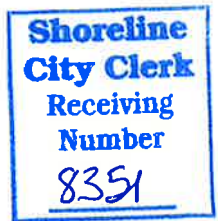
The 2019 Vehicle Operations Budget includes budget funding for the requested increase of \$60,000 per year.

RECOMMENDATION

Staff recommends that Council authorize the City Manager to enter into the Sixth Amendment of the Agreement for Vehicle Maintenance, Repair and Upfitting Services Between the City of Shoreline and the City of Mountlake Terrace to increase the authorization limit of the agreement by \$60,000 from \$124,465.15 to \$184,465.15 annually.

ATTACHMENTS

- Attachment A: Agreement for Vehicle Maintenance, Repair and Upfitting Services
Between the Cities of Shoreline and Mountlake Terrace
- Attachment B: Sixth Amendment to the Agreement for Vehicle Maintenance, Repair
and Upfitting Services



Contract No. 8351

Brief Description: Vehicle Maintenance, Repair and Uplifting

**AGREEMENT FOR VEHICLE MAINTENANCE, REPAIR AND UPFITTING SERVICES
BETWEEN THE CITIES OF SHORELINE AND MOUNTLAKE TERRACE**

This Agreement is entered into by and between the City of Shoreline, Washington, a municipal corporation hereinafter referred to as the "Shoreline" and the City of Mountlake Terrace, Washington, a municipal corporation, hereinafter referred to as "Mountlake Terrace," collectively referred to as the "Parties" and individually as "Party."

WHEREAS, Shoreline desires to retain the services of Mountlake Terrace for vehicle repair, maintenance and upfitting services; and

WHEREAS, Mountlake Terrace has the necessary personnel and equipment and is willing to provide said vehicle repair, maintenance and upfitting work as described in this Agreement;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, it is mutually agreed as follows:

1. Scope of Services to be Performed by Mountlake Terrace.

Mountlake Terrace shall perform the services outlined in Exhibit A, which is attached hereto and incorporate by reference. In performing these services, Mountlake Terrace shall at all times comply with all federal, state and local statutes, rules and ordinances applicable to the performance of such services. In addition, these services and all duties incidental or necessary therefore, shall be performed diligently and completely and in accordance with professional standards of conduct and performance.

2. Compensation.

- A. Services will be paid at the rate set forth in Exhibit A. Shoreline's requests for services, including costs for parts, materials and supplies, shall not exceed a maximum value of \$75,000 in a calendar year and increase to \$90,000 per calendar year effective in 2018. Rates set forth in Exhibit A may be increased by providing Shoreline with 30 days' advance written notice of the actual increase in labor costs for Mountlake Terrace personnel providing the services.
- B. Shoreline shall pay Mountlake Terrace for services rendered after receipt of a billing voucher in the form set forth on Exhibit B, which is attached hereto and incorporated by reference. NO PAYMENT WILL BE ISSUED WITHOUT A BILLING VOUCHER. Payments will be processed within 30 (thirty) days from receipt of billing voucher. Mountlake Terrace shall complete and return Exhibit C, Taxpayer Identification Number, to Shoreline prior to or along with the first billing voucher. No payment will be issued without a Taxpayer Identification Number on file. Mail all billing vouchers to: the attention of the contract manager identified in Section 14, 17500 Midvale Avenue North, Shoreline, Washington 98133-4905.

3. Term.

- A. The term of this Agreement shall commence on January 1, 2016 and end at midnight on the 31st day of December, 2018. Shoreline may, at its sole option, extend this Agreement for two additional one-year terms upon thirty (30) days written notice to Mountlake Terrace.

4. Termination.

- A. Shoreline reserves the right to terminate this Agreement at any time, with or without cause by giving thirty (30) days notice to Mountlake Terrace in writing. In the event of such termination or

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suspension, all finished or unfinished documents, data, studies, worksheets, models and reports, or other material prepared by Mountlake Terrace pursuant to this Agreement shall be submitted to Shoreline.

- B. In the event this Agreement is terminated by Shoreline, Mountlake Terrace shall be entitled to payment for all hours worked and reimbursable expenses incurred to the effective date of termination, less all payments previously made. This provision shall not prevent Shoreline from seeking any legal remedies it may have for the violation or nonperformance of any of the provisions of this Agreement and any such charges due Shoreline shall be deducted from the final payment due Mountlake Terrace. No payment shall be made by Shoreline for any expenses incurred or work done following the effective date of termination unless authorized in advance in writing by Shoreline.
- C. Mountlake Terrace reserves the right to terminate this Agreement at any time, with or without cause by giving thirty (30) days notice to Shoreline in writing. In the event of such termination or suspension, all finished or unfinished documents, data, studies, worksheets, models and reports, or other material prepared by Shoreline pursuant to this Agreement shall be submitted to Mountlake Terrace.
- D. Mountlake Terrace reserves the right to terminate this Agreement with not less than thirty (30) days written notice.
- E. If Mountlake Terrace is unavailable to perform the scope of services, Shoreline may, at its option, cancel this Agreement immediately.

5. Ownership of Documents.

- A. All documents, data, drawings, specifications, software applications and other products or materials produced by Mountlake Terrace in connection with the services rendered under this Agreement shall be the property of Shoreline whether the project for which they are made is executed or not. All such documents, products and materials shall be forwarded to Shoreline at its request and may be used by Shoreline as it sees fit. Shoreline agrees that if the documents, products and materials prepared by Mountlake Terrace are used for purposes other than those intended by the Agreement, Shoreline does so at its sole risk and agrees to hold Mountlake Terrace harmless for such use.
- B. All or portions of materials, products and documents produced under this Agreement may be used by Mountlake Terrace if Shoreline confirms that they are subject to disclosure under the Public Disclosure Act.
- C. Mountlake Terrace shall preserve the confidentiality of all Shoreline documents and data accessed for use in Mountlake Terrace's work product. Any requests for Shoreline documents and data held by Mountlake Terrace shall be forwarded to Shoreline which solely shall be responsible for responding to the request.

6. Independent Contractor Relationship.

- A. Mountlake Terrace is retained by Shoreline only for the purposes and to the extent set forth in this Agreement. The nature of the relationship between Mountlake Terrace and Shoreline during the period of the services shall be that of an independent contractor, not employee. Mountlake Terrace, not Shoreline, shall have the power to control and direct the details, manner or means of services. Specifically, but not by means of limitation, Mountlake Terrace shall have no obligation to work any particular hours or particular schedule, unless otherwise indicated in the Scope of Work where scheduling of attendance or performance is critical to completion, and shall retain the right to designate the means of performing the services covered by this Agreement, and Mountlake Terrace shall be entitled to employ other workers at such compensation and on such other conditions as it may deem proper, provided, however, that any contract so made by Mountlake Terrace is to be paid by it alone, and that employing such workers, it is acting individually and not as an agent for Shoreline.

- B. Shoreline shall not be responsible for withholding or otherwise deducting federal income tax or Social Security or contributing to the State Industrial Insurance Program, or otherwise assuming the duties of an employer with respect to Mountlake Terrace or any employee of Mountlake Terrace.

7. Hold Harmless.

Each Party agrees to be responsible and assume liability for its own wrongful and negligent acts or omissions, and/or those of its officers, agents, or an employee to the fullest extent allowed by law and thus agrees to save, indemnify, defend and hold harmless the other Party from any such liability. In the case of negligence of more than one Party, any damages allowed shall be levied in proportion to the percentage of negligence attributable to each Party, and each Party shall have the right to seek contribution from the other Party in proportion to the percentage of negligence attributable to that Party.

8. Gifts.

Shoreline's Code of Ethics and Washington State law prohibit City employees from soliciting, accepting, or receiving any gift, gratuity or favor from any person, firm or corporation involved in a contract or transaction. To ensure compliance with Shoreline's Code of Ethics and state law, Mountlake Terrace shall not give a gift of any kind to City employees or officials.

9. Insurance.

Mountlake Terrace shall obtain insurance of the types described below during the term of this agreement and extensions or renewals thereof, or provide proof of equivalent self-insurance or risk pool coverage.

- A. Commercial General Liability insurance covering premises, operations, independent contractors' liability and damages for personal injury and property damage with combined single limits not less than \$1,000,000.
- B. Automobile Liability insurance with combined single limits of liability not less than \$1,000,000 for bodily injury, including personal injury or death and property damage shall be required if delivery of service directly involves Mountlake Terrace use of motor vehicles.

10. Delays.

- A. Mountlake Terrace shall perform services to the extent of its available excess capacity and subject to Mountlake Terrace priorities as required to maintain Mountlake Terrace's own vehicles and subject to the priority for repair outlined in Exhibit A. In the event Mountlake Terrace determines it is not able to timely complete the requested work, due to work load, capacity and/or complexity of the anticipated work, Mountlake Terrace will as soon as reasonably practical notify Shoreline accordingly.
- B. Mountlake Terrace is not responsible for delays caused by factors beyond Mountlake Terrace's reasonable control. When such delays beyond Mountlake Terrace's reasonable control occur, Shoreline agrees Mountlake Terrace shall not be liable or responsible for any loss or damages, nor shall Mountlake Terrace be deemed to be in default of the Agreement.

11. Successors and Assigns.

Neither Shoreline nor Mountlake Terrace shall assign, transfer or encumber any rights, duties or interests accruing from this Agreement without the written consent of the other; provided, however, nothing in this Agreement shall restrict or limit Mountlake Terrace, in its sole discretion, from having diagnostic, repair, maintenance and/or upfitting work performed by subcontractors. Mountlake Terrace may also perform diagnostic, repair, maintenance and upfitting work in accordance with services outlined in Exhibit A at any location determine by Mountlake Terrace, in its sole discretion, to be most efficient and practical.

12. Nondiscrimination.

In hiring or employment made possible or resulting from this Agreement, there shall be no unlawful discrimination against any employee or applicant for employment because of sex, age, race, color, creed,

national origin, marital status or the presence of any sensory, mental, or physical handicap, unless based upon a bona fide occupational qualification. This requirement shall apply to but not be limited to the following: employment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. No person shall be denied or subjected to discrimination in receipt or the benefit of any services or activities made possible by or resulting from this Agreement on the grounds of sex, race, color, creed, national origin, age except minimum age and retirement provisions, marital status, or in the presence of any sensory, mental or physical handicap.

13. Notices.

Any notice required under this Agreement will be in writing, addressed to the appropriate party at the address which appears below (as modified in writing from time to time by such party), and given personally, by registered or certified mail, return receipt requested, by facsimile or by a nationally recognized overnight courier service. All notices shall be effective upon the date of receipt.

City of Shoreline
Debbie Tarry
17500 Midvale Avenue N
Shoreline, WA 98133-4905
(206) 801-2700

Mountlake Terrace
Chad Schulhauser
PO Box 72
Mountlake Terrace, WA 98043
(425) 744-6293

- 14. Filing with Auditor and Interlocal Cooperation Act Compliance.** This Agreement shall be filed with the King County Auditor or Snohomish County Auditor, or, alternatively, listed by subject on either of the party's website or other electronically retrievable public source, pursuant to RCW 39.34.040. No separate legal entity has been created pursuant to this Agreement, and the Parties do not intend to acquire, hold, or dispose of real or personal property for the purposes of this Agreement.

15. Governing Law and Venue.

This Agreement shall be construed and enforced in accordance with the laws of the State of Washington. Venue of any suit between the parties arising out of this Agreement shall be Snohomish County Superior Court.

16. General Administration and Management.

Shoreline's contract manager shall be Phil Ramon.

17. No Third Party Beneficiary.

It is the intent of the Parties, and all Parties agree, that this Agreement shall not confer third party beneficiary status on any non-party.

18. No Joint Venture.

This Agreement does not create a partnership or joint venture, and in carrying out this Agreement, the Parties shall act in their individual capacities and not as agents, employees, or partner of one another.

19. Attorneys' Fees.

In the event either Party brings a lawsuit to enforce the terms of this Agreement, or arising from a breach of this Agreement, the prevailing Party shall be entitled to its costs and attorneys' fees for bringing or defending against the action.

20. Severability.

Any provision or part of the Agreement held to be void or unenforceable under any law or regulation shall be deemed stricken and all remaining provisions shall continue to be valid and binding upon Shoreline and Mountlake Terrace, who agree that the Agreement shall be reformed to replace such

stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

21. Entire Agreement.

This agreement contains the entire Agreement between the parties hereto and no other agreements, oral or otherwise, regarding the subject matter of this agreement, shall be deemed to exist or bind any of the parties hereto. Either party may request changes in the agreement. Proposed changes which are mutually agreed upon shall be incorporated by written amendment to this agreement.

This agreement is executed by:

CITY OF SHORELINE

By: 
Debbie Tarry, City Manager

Date: 12/29/15

Approved as to form:

By: 
City of Shoreline Attorney

MOUNTLAKE TERRACE

By: 

Date: 12/21/15

Approved as to form:

By: 
City of Mountlake Terrace Attorney

Attachments: Exhibits A, B, W-9 (Request for Taxpayer Identification Number and Certification)

Exhibit A

Scope of Services and Limited Warranty

The scope of services includes vehicle repair, maintenance and upfitting services for the City of Shoreline by the City of Mountlake Terrace. Shoreline vehicles identified for repair, maintenance or upfitting service will be delivered to the City of Mountlake Terrace Maintenance Shop, 6204 215th ST SW, Mountlake Terrace, WA 98043.

1. **Rates, Charges, and Payment.** Mountlake Terrace shall charge and Shoreline shall pay Mountlake Terrace for the services rendered pursuant to this Agreement as follows:
 - A. Labor. Labor will be charged at the hourly rate in half hour increments as follows:
 - i. \$85.29/hour for calendar year 2016
 - ii. \$86.57/hour for calendar year 2017
 - B. Parts and Materials. Parts, materials and supplies used in connection with the services rendered pursuant to this Agreement shall be charged at Mountlake Terrace's invoice costs plus ten percent (10%).
 - C. Sales/Use Tax: Washington State Sale or Use Tax shall be applied as applicable.

MOUNTLAKE TERRACE Fleet Maintenance Shop Rate

	2016	2017
Labor charge:	\$85.29/Hour	\$86.57/Hour

Parts and Materials Overhead: **Original invoice plus 10%**

2. **Priorities for Repair.** The repair, maintenance or upfitting services provided by Mountlake Terrace shall be performed to vehicles or equipment in substantially the order of priorities for repair as follows:
 - A. Mountlake Terrace emergency vehicle or critical vehicle repairs
 - B. Shoreline emergency vehicle or critical vehicle repairs
 - C. Other Mountlake Terrace vehicle repairs
 - D. Other Shoreline vehicle repairs

Mountlake Terrace will provide a good faith estimate of time to complete work upon a request for services under this contract.

3. **Limited Warranty.** Mountlake Terrace will repair or replace, at its option, any new part(s) installed and/or provide labor for service due to defects in part(s) or labor if notified within ninety (90) days from the date of the repair, maintenance or upfitting, or 3,000 miles after the date of repair, maintenance and/or upfitting, or at the expiration of the factory warranty pertaining to the respective part, whichever occurs first.

This warranty does not cover loss of time, use, inconvenience, normal wear, abuse, misuse, used parts or other matters not specified and there shall be no liability for consequential, incidental, or commercial damages.

Mountlake Terrace disclaims any implied warranty of merchantability and fitness for a particular purpose, and neither assumes nor authorizes any other person to assume for it any liability in connection with the repair and/or maintenance work.

No warranty, whether expressed or implied, extends beyond ninety (90) days from the date of repair, maintenance, or upfitting.

CITY OF SHORELINE BILLING VOUCHER

17500 Midvale Ave N, Shoreline, WA 98133-4905 ♦ (206) 801-2700 ♦ Fax (206) 546-7870

Contract No. 8351

Firm Name: City of Mountlake Terrace

Mailing Address: PO Box 72, Mountlake Terrace, WA 98043

Invoice No.: _____

Invoice Date: _____

Amount of Invoice: \$ _____

Contract Expiration Date: December 31, 2018

Current Invoice Period: _____

Description of services performed this period, attach a separate sheet if necessary (if applicable, submit a separate voucher for each program which is funded by your City of Shoreline contract):

BUDGET SUMMARY:

Total Contract Amount (including amendments)	<u>\$75,000.00</u>
Previously Billed	\$ _____
Current Invoice Request	\$ _____
Total Payments Requested to date	\$ _____
Contract Balance Remaining	\$ _____

Payments will be processed within thirty (30) days from receipt of approved billing voucher.

Mountlake Terrace Signature

For Department Use Only

Approved for Payment:

City of Shoreline

Date: _____



Receiving #8351.06

SIXTH AMENDMENT TO CONTRACT FOR SERVICES (ORIGINAL CONTRACT NUMBER:8351)

Whereas an agreement was entered into by and between the City of Shoreline, Washington, and the City of Mountlake Terrace on December 29, 2015; and said agreement was last amended on July 1, 2019.

Whereas the parties desire to amend said agreement once again in order to reflect a change of circumstances, to wit:

Increase the contract authorization limit by \$60,000 from \$124,465.15 to \$184,465.15 to provide additional vehicle maintenance, repairs and upfitting services.

Now, therefore, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. Existing Agreement Amended:

The City and the City of Mountlake Terrace entered into an agreement on December 29, 2015 identified as: Agreement for Vehicle Maintenance, Repair and Upfitting Services Between the Cities of Shoreline and Mountlake Terrace, Shoreline City Clerk Receiving No. 8351.

The City and the City of Mountlake Terrace entered into an amendment to said agreement, identified as First Amendment No. 1, dated October 30, 2017.

The City and the City of Mountlake Terrace entered into an amendment to said agreement, identified as Second Amendment No. 2, dated November 13, 2017.

The City and the City of Mountlake Terrace entered into an amendment to said agreement, identified as Third Amendment No. 3, dated August 22, 2018.

The City and the City of Mountlake Terrace entered into an amendment to said agreement, identified as Fourth Amendment No. 4, dated December 10, 2018.

The City and the City of Mountlake Terrace entered into an amendment to said agreement, identified as Fifth Amendment No. 5, dated July 1, 2019.

The parties hereby amend the original agreement as amended.

2. Amendment to Existing Agreement: The agreement is amended in the following respect(s):

Section 2 A. increases the contract authorization limit by \$60,000 from \$124,465.15 to \$184,465.15 to provide additional vehicle maintenance, repair and upfitting services as shown on Exhibit A-4.

3. **Terms and Conditions of Existing Agreement Remain the Same:** The parties agree that, except as specifically provided in this amendment, the terms and conditions of the existing agreement continue in full force and effect.

EXECUTED, this the day of , 20 .

CITY OF SHORELINE

CONSULTANT

Name:
Title:

Name:
Title:

EXHIBIT A-4

Scope of Services

Vehicle Maintenance, Repair and Upfitting Services

The City of Mountlake Terrace shall provide the labor, equipment, materials and supplies to provide additional vehicle maintenance, repair, and upfitting services for the City of Shoreline Fleet Program. The existing Interlocal Agreement with the City of Mountlake Terrace is amended to increase the authorization limit by an amount not to exceed \$60,000 from \$124,465.15 to \$184,465.15.