

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Authorizing the City Manager to Execute a Joint Use Agreement with King County Fleet Services for Fueling Services at the North Maintenance Facility
<b>DEPARTMENT:</b>	Administrative Services Department
<b>PRESENTED BY:</b>	Sara Lane, Administrative Services Director Dan Johnson, Fleet & Facilities Manager
<b>ACTION:</b>	<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

**PROBLEM/ISSUE STATEMENT:**

The Joint Use Agreement with King County Fleet Services for fueling services at the North Maintenance Facility (NMF) was originally signed by the City and King County Fleet Services in July 2013 for fueling and vector decanting services at the NMF.

The agreement continues to demonstrate a strong partnership between the two agencies that permits King County Sheriff's Office (KCSO) and other County vehicles to fuel at the NMF facility. This has saved time for KCSO officers serving the City by providing a fueling service location that is closer to the City for faster police response time rather than for them to fuel at a distant location. The City has also received competitive fuel prices through the partnership.

The Agreement has been revised to permit King County to upgrade and replace its fuel management software, remote terminals, and fuel dispenser equipment at the NMF. The Agreement also permits the City to relocate the fueling system from the NMF to the Brightwater Portal facility in the future.

**RESOURCE/FINANCIAL IMPACT:**

In accordance with the Agreement, King County shall be responsible for the fuel software upgrade and remote terminals, and a portion of the cost for the replacement of the fuel dispensers. King County would pay for 70% of the replacement cost of the fuel dispensers and the City would be responsible for other 30%, which is estimated to be \$5,592. This percentage represents the amount of fuel used by the two agencies at the NMF. The City will be responsible for all costs when fueling services are relocated to the Brightwater Portal facility at some time in the future.

### **RECOMMENDATION**

Staff recommends that the City Council authorize the City Manager to execute the attached Joint Use Agreement with King County Fleet Services for fueling services at the North Maintenance Facility.

Approved By:        City Manager ***DT***    City Attorney ***JA-T***

## **BACKGROUND**

The Joint Use Agreement with King County Fleet Services for fueling services at the North Maintenance Facility (NMF) was originally signed by the City and King County Fleet Services in July 2013 for fueling and vector decanting services at the NMF. The agreement continues to demonstrate a strong partnership between the two agencies that permits King County Sheriff's Office (KCSO) and other County vehicles to fuel at the NMF facility. This has saved time for KCSO officers serving the City by providing a fueling service location that is closer to the City for faster police response time rather than for them to fuel at a distant location. The City has also received competitive fuel prices through the partnership.

## **DISCUSSION**

The City's Fleet and Facilities Division in partnership with the King County Fleet Services are requesting approval from City Council to execute the revised Fueling Services Agreement. Both agencies desire to revise the Agreement to provide for the following:

- **Equipment upgrades:** King County Fleet Services is upgrading its fuel management software, remote terminals, and fuel dispensers at all County fueling locations. King County Fleet Services is proposing to include the City's NMF because this facility is primarily used by KCSO to fuel police vehicles used to patrol the City of Shoreline.
- **Future relocation:** The City plans to relocate the fueling stations from the NMF to the Brightwater Portal facility in the future. The Agreement would allow King County to continue to partner with the City for fueling services at this new location.
- **Cost sharing:** Both agencies would share costs to upgrade the fuel dispensers. The City will also be responsible for removal and disposal of the existing fuel software and equipment from the NMF.

## **RESOURCE/FINANCIAL IMPACT**

In accordance with the Agreement, King County shall be responsible for the fuel software upgrade and remote terminals, and a portion of the cost for the replacement of the fuel dispensers. King County would pay for 70% of the replacement cost of the fuel dispensers and the City would be responsible for other 30%, which is estimated to be \$5,592. This percentage represents the amount of fuel used by the two agencies at the NMF. The City will be responsible for all costs when fueling services are relocated to the Brightwater Portal facility at some time in the future.

### **RECOMMENDATION**

Staff recommends that the City Council authorize the City Manager to execute the attached Joint Use Agreement with King County Fleet Services for fueling services at the North Maintenance Facility.

### **ATTACHMENT**

Attachment A: Joint Use Agreement for Fueling Services between King County Fleet Services and the City of Shoreline

**JOINT USE AGREEMENT**  
**For**  
**FUELING SERVICES**  
**Between**  
**KING COUNTY FLEET SERVICES AND THE CITY OF SHORELINE**

THIS JOINT USE AGREEMENT FOR SHARED FUELING SERVICES (the “Agreement”) is entered into by and between King County, a political subdivision of the State of Washington, through its Department of Executive Services, Fleet Services Division (the “County”) and the City of Shoreline (the “City”), a municipal corporation of the State of Washington located at 17500 Midvale Ave N, Shoreline, WA 98133. The County and City may be referred to hereinafter individually as “Party” or collectively as the “Parties.”

**A. RECITALS**

WHEREAS, the City owns certain real property located at 19547 25th Avenue NE in Shoreline that previously served as the County's North Maintenance Roads Services facility, and is now referred to as the City's North Maintenance Facility (“North Maintenance Facility”); and

WHEREAS, the North Maintenance Facility has a fueling station that has been used to support King County Sheriff's Office operations as well as other County functions; and

WHEREAS, the County is committed to high-quality, cost-effective customer service and whenever possible, strives to generate cost savings by directing drivers of County vehicles to obtain fuel at the County's own in-house fueling facilities; and

WHEREAS, the County no longer owns any in-house fueling facilities within the City; and

WHEREAS, in July 2013, the Parties entered into a Joint Use Agreement for Fueling Services and Vactor Decanting, referenced by City Receiving No. 8923, which was subsequently renewed in April 2016, referenced by City Receiving No. 8923.01 (the “Original Agreement”) to provide for shared fueling services and vactor truck decanting at the City's North Maintenance Facility; and

WHEREAS, the Parties desire to continue to collaborate on a mutually beneficial shared fueling services arrangement at the North Maintenance Facility that would allow County vehicles deployed in the Shoreline area to continue to obtain fuel at the North Maintenance Facility; and

WHEREAS, since incorporation, the City has contracted with the County for police services through the King County Sheriff's Office and providing County vehicles access to the North Maintenance Facility would help the City and the County to keep fueling costs down by having vehicles refuel at the North Maintenance Facility rather than traveling to outlying, contract fueling stations or paying local, retail gas pump rates; and

WHEREAS, the County's use of the North Maintenance Facility for fueling its police vehicles also benefits the City by reallocating the 30-45 minutes spent on travel for refueling at distant locations to additional law enforcement in the City; and

WHEREAS, the County is upgrading or replacing its in-house fuel management software and remote terminals ("Fuel Management System") and fuel dispensers to extend the life of its existing fuel sites; and

WHEREAS, the North Maintenance Facility has been part of the County's existing Fuel Management System since the facility was owned by the County; and

WHEREAS, the City has been compensating the County to track and bill fuel transactions for County and City vehicles using the North Maintenance Facility since 2013 when the North Maintenance Facility property was sold by the County to the City and the Original Agreement was executed; and

WHEREAS, from 2014 through 2018, County vehicles used over seventy percent (70%) of the total gallons of fuel dispensed at the North Maintenance Facility; and

WHEREAS, the City is planning to relocate its fueling facility to City-owned property located at 20031 Ballinger Way NE and identified by Tax Parcel 741770-0290 ("Brightwater Portal"); and

WHEREAS, the County has an express interest in continuing to have access to cost-effective fueling options for County vehicles in the City, and

WHEREAS, including the City in the County's project to upgrade the Fuel Management System and fuel dispensers will help both Parties to achieve a lower unit cost through economies of scale; and

WHEREAS, the new Fuel Management System can initially be installed at the North Maintenance Facility and relocated to the Brightwater Portal once construction of a fueling facility at that site is completed; and

WHEREAS, paying the County to continue managing the Fuel Management System for the City will allow the City and County to keep administrative costs low and continue their mutually beneficial relationship; and

WHEREAS, to realize the mutual benefits of shared use of the North Maintenance Facility, and once built, the fueling facility at the Brightwater Portal (both sites are hereinafter referred to as the "Facility"), the Parties now desire to discharge the Original Agreement by substitution and replace it with this Agreement to provide for inclusion of the Facility in the County's Fuel Management System and fuel dispenser upgrade project (the "Project") and their continued respective use of the Facility;

NOW, THEREFORE, in consideration of the terms, conditions, and mutual promises, covenants and agreements set forth herein, the Parties hereby agree as follows:

## **B. DISCHARGE AND SUBSTITUTION OF ORIGINAL AGREEMENT**

Upon the Effective Date of this Agreement, the Parties agree that the Original Agreement, as renewed, shall be deemed to be discharged in its entirety and shall become null and void and this substituted Agreement shall control and be binding on the Parties.

## **C. AGREEMENT**

### **1. Purpose of Agreement**

The purpose of this Agreement is memorialize the respective roles and responsibilities of the Parties as related to the inclusion of the Facility in the Project and continued shared fueling services at the Facility.

### **2. Effective Date and Duration of Agreement**

This Agreement shall take effect when fully executed by duly authorized representatives of both Parties (the “Effective Date”) and will remain in effect for three (3) years from the Effective Date. The Agreement will automatically renew for additional one (1) year terms unless terminated pursuant to the provisions hereof.

### **3. County Responsibilities**

The County shall:

- 3.1 Include the Facility in the Project to upgrade the County’s Fuel Management System and fuel dispensers. The County shall be responsible for all costs, including labor, related to the acquisition, configuration, and installation of the new Fuel Management System equipment and fuel dispensers at the North Maintenance Facility. The County will retain ownership of all Project-related improvements.
- 3.2 Procure fuel and have it delivered to the Facility under existing County fueling contracts; track and manage the fueling transactions for both City and County vehicles at the Facility; and bill the City for its share of the fuel dispensed at the Facility.
- 3.3 Be responsible for training County personnel on the proper use of the fueling station, site access, and safety protocols. The County shall inform the City if it becomes aware of faulty or damaged equipment.
- 3.4 Be responsible for repairing or replacing any City property at the Facility that is damaged by a County vehicle or County personnel, including but not limited to vehicles owned by the City, equipment owned by the City or for which the City is responsible, the Facility

itself, fencing, gate, landscaping, or any other property at the Facility owned by the City, but only to the extent such damage is proven to have been caused by the County as a direct result of its use of the Facility and, further, only to the extent the damage is not normal wear and tear of City property. The County shall have sole discretion in determining whether to repair or replace any damaged property; provided however, any such repair or replacement shall be of equivalent or better condition than the damaged property.

- 3.5 In the event the County's use of the Facility, specifically the fueling station, is proven to have caused a hazardous fuel spill, the County shall reimburse the City's reasonable costs associated with mitigation of the spill; provided that this provision is not intended to and shall not apply to the installation or relocation of any new Fuel Management System or fuel dispenser hardware or equipment.
- 3.6 As between the Parties, be responsible for fueling costs attributable to the unauthorized use or fraud by County employees fueling non-County owned or authorized vehicles or equipment.

#### **4. City Responsibilities**

The City shall:

- 4.1 Except as provided in this Agreement, have financial and operational responsibility for the Facility.
- 4.2 As between the Parties, be responsible for fueling costs attributable to the unauthorized use or fraud by City employees fueling non-City owned or authorized vehicles or equipment.
- 4.3 Be responsible for all costs, including labor, related to the removal and disposal of the existing Fuel Management System equipment and fuel dispensers at the North Maintenance Facility. The City shall be entitled to the scrap value of any such equipment and dispensers.
- 4.4 Ensure there is adequate network connectivity and power at the North Maintenance Facility, and subsequently the Brightwater Portal Facility, to operate the new Fuel Management System and fuel dispensers.
- 4.5 Be responsible for thirty percent (30%) of the total reasonable costs, including labor, related to the acquisition, installation, and/or relocation of new fuel dispensers at the North Maintenance Facility.
- 4.6 Be response for the total costs associated with relocating the fuel dispensers to the Brightwater Portal Facility.

- 4.7 Be responsible for training City personnel on the proper use of the fueling station, site access, and safety protocols. The City shall inform the County if it becomes aware of faulty or damaged equipment.
- 4.8 Be responsible for repairing or replacing any County property at the Facility that is damaged by a City vehicle or City personnel, including but not limited to vehicles owned by the County, equipment owned by the County or for which the County is responsible, or any other property at the Facility owned by the County but only to the extent such damage is proven to have been caused by the City as a direct result of its use of the Facility and, further, only to the extent the damage is not normal wear and tear of County property. The City shall have sole discretion in determining whether to repair or replace any damaged property however, any such repair or replacement shall be of equivalent or better condition than the damaged property.

## **5. Fuel Availability**

The County shall have access to the Facility at all times, unless unforeseen circumstances affect the availability of the Facility such as a supplier's inability to furnish fuel or Facility repairs or maintenance. The City shall provide at least fourteen (14) calendar days' notice to the County for anticipated disruptions in access, or as soon as reasonably possible in the event of unforeseen disruptions. In the event of a disruption in Facility availability, the City shall take all necessary and reasonable actions to restore access to the County as soon as reasonably possible. In no event shall the City be held liable for any damages to the County, economic or otherwise, for any disruption in Facility availability, provided any such disruption is attributable to circumstances beyond the City's control.

## **6. Billing and Payment**

- 6.1 For the duration of this Agreement, the City shall pay the County for all fuel purchased by the City at the Facility for use in City vehicles or equipment and any fuel dispensed other than to County vehicles as provided for in Subsection 3.2 of this Agreement. The cost of the fuel to the City shall include the County's actual fuel cost plus a mark-up fee to recoup the County's overhead expenses at the same rate as that applicable to County users. The 2020 mark-up fee is six percent (6%). The County will evaluate the mark-up fee on at least a biennial basis and adjust it accordingly, whether an increase or a decrease. The County will provide the City with the mark-up calculation when the mark-up fee is modified. Any modification to the mark-up fee shall be documented by a written addendum to this Agreement. Payment for the fuel purchased by the City shall be made according to the payment procedures set forth in this section.
- 6.2 Invoices and Billing. All invoices submitted by the County to the City shall be supported by appropriate documentation showing fueling transactions by date, vehicle or equipment number, quantity of fuel, and fuel type. The County shall submit invoices to the City using a monthly fuel-billing cycle. The City shall remit payment to the County within thirty (30) calendar days of receiving an invoice.

- 6.3 Invoicing Contact Information. Invoices and associated documentation from the County to the City may be mailed to: Accounts Payable, 17500 Midvale Avenue North, Shoreline, Washington 98133-4905 or submitted via email to [accountspayable@shorelinewa.gov](mailto:accountspayable@shorelinewa.gov)

## **7. Termination**

- 7.1 Termination for Cause. Either Party may terminate this Agreement in the event that the other Party materially breaches this Agreement and such breach is not corrected to the non-breaching Party's reasonable satisfaction in a timely manner. Written notice of such termination and a description of the breach must be given by the Party terminating this Agreement to the other Party as provided in Subsection 11.2 not less than sixty (60) calendar days prior to the effective date of termination. The breaching Party shall be given these sixty days in which to cure its material breach. If the breaching Party fails to cure within sixty days, this Agreement is immediately terminated. Upon termination, the Parties shall determine final costs and payments to be made by each Party.
- 7.2 Termination for Convenience. The Agreement may be terminated without cause by either Party by giving the other Party at least thirty (30) calendar days' written notice.
- 7.3 Termination for Non-Appropriation. Either Party may terminate this Agreement at any time during the term of the Agreement in the event that sufficient funds are not appropriated to cover performance of that Party's obligations under this Agreement.
- 7.4 Pre-termination Costs. Termination by either Party will not extinguish or release either Party from liability, claims or obligations to third parties existing as of the time of termination. Any costs incurred prior to proper notification of termination will be borne by the Parties in accordance with the terms of the Agreement.

## **8. Dispute Resolution**

The County and the City shall use good faith efforts to resolve any billing or other disputes pertaining to this Agreement. If a resolution cannot be reached, then either Party may seek any legal remedy it may have for violation or nonperformance of any provision of this Agreement.

## **9. Annual Review**

In order to assess whether any amendments are necessary, this Agreement may be reviewed by the Parties on an annual basis.

## **10. Entire Agreement and Amendments/Addenda**

- 10.1 Entire Agreement. This Agreement contains all terms, conditions and provisions agreed upon by the Parties hereto with respect to the subject matter covered by it, except as may be supplemented by subsequent written amendment to the Agreement made pursuant to

Subsection 10.2, and replaces and supersedes any prior oral or written negotiations, representations or agreements on this matter, whether in draft form or otherwise.

- 10.2 Amendments/Addenda. Either Party may request changes to the provisions of this Agreement. Any such proposed changes must be mutually agreed upon and incorporated into this Agreement by written amendment. No variation or alteration of the terms of this Agreement shall be valid unless made in writing and signed by authorized representatives of the Parties hereto. As set forth in Subsection 6.1, any addendum shall be incorporated as part of this Agreement.

## **11. Notification and Identification of Contacts**

- 11.1 Notice. Any notice or communication required or permitted to be given pursuant to this Agreement shall be in writing and shall be sent postage prepaid by registered or certified U.S. Mail, return receipt requested, or by a nationally recognized overnight courier service to the contact persons and addresses identified in Subsection 11.2 of this Agreement unless otherwise indicated or amended by the Parties in writing.

- 11.2 Notice under this Agreement shall be sent to:

Shoreline:

City Manager  
City of Shoreline  
17500 Midvale Avenue North  
Shoreline, WA 98133

Fleet:

Director  
King County Department of Executive  
Services, Fleet Services Division  
201 South Jackson St., Suite 822  
MS KSC-ES-0822  
Seattle, WA 98104

- 11.3 Contract Managers under this Agreement shall be:

Fleet and Facilities Manager  
City of Shoreline

Fleet Division Director  
King County

## **12. Indemnification**

The Parties agree to defend, indemnify, and hold harmless each other, their respective officials, officers, agents, and employees from and against any and all claims, damages, injuries, liabilities, actions, fines, penalties, costs and expenses (including reasonable attorney fees) that arise out of or are related to the negligent acts or omissions of the indemnifying Party (and its officials, officers, agents, and employees acting within the course and scope of their employment), and in the performance of said Party's obligations under this Agreement or the

exercise of a Party's rights and privileges under this Agreement. In the event any such liability arises from the concurrent negligence of the indemnifying Party and the other Party, the indemnity obligation of this section shall apply only to the extent of the negligence of the indemnifying Party and its actors.

The foregoing provisions specifically and expressly intend to constitute a waiver of each Party's immunity under industrial insurance, Title 51 RCW, as respects the other Party only, and only to the extent necessary to provide the indemnified Party with a full and complete indemnity of claims made by the indemnitor's employees. This waiver has been mutually negotiated.

The provisions of this Section 12 (Indemnification) will survive any expiration or termination of this Agreement.

### **13. Insurance**

Each Party shall maintain liability insurance, or a self-insurance program, for the protection and handling of its liabilities, including injuries to persons and damage to property. If either Party maintains a commercial general liability insurance policy, it must include the other Party as an additional insured, as respects their interest. Upon request by a Party, and within five (5) business days, the other Party must provide a certificate of insurance and additional insured endorsement(s), or a letter of self-insurance, evidencing such coverage.

### **14. Records**

- 14.1 Inspection. Upon request, the City and the County shall permit each other, and the State Auditor, to inspect and audit all records of the City and the County, any subconsultant, or any other person or entity that performed work in connection with or related to this Agreement. Inspection and audit may be at any and all times deemed reasonably necessary by the City or the County, including up to six (6) years after the final payment has been made under this Agreement. Such inspection and audit shall occur in King County, Washington or other such reasonable location as the City or the County selects. The City or the County shall supply the other with, or shall permit each other to make, a copy of any records, in whole or in part. The City or the County shall ensure that such inspection, audit and copying right of the City or the County is a condition of any subcontract, agreement or other arrangement under which any work is performed in direct connection with this Agreement.
- 14.2 Public Records. The Parties acknowledge that they are both local agencies subject to Washington's Public Records Act, chapter 42.56 RCW, and, as such, this Agreement and records arising from the performance of this Agreement are public records subject to disclosure unless an exemption applies.
- 14.3 Records Retention. The Parties will retain this Agreement and all records related to this Agreement consistent with the records retention schedule for contracts/agreements issued by the Washington Secretary of State pursuant to chapter 40.14 RCW.

## **15. Compliance with Applicable Laws**

The Parties agree to comply with all applicable federal, state, and local laws, rules, and regulations, including those pertaining to nondiscrimination, and agree to require the same of any subcontractors providing services or performing any work related to the Agreement. During the performance of this Agreement neither Party shall discriminate or tolerate harassment on the basis of sex, race, color, marital status, national origin, religious affiliation, disability, sexual orientation, gender identity or expression or age except by minimum age and retirement provisions, unless based upon a bona fide occupational qualification, in the administration or delivery of services or any other benefits under this Agreement.

## **16. Legal Relations**

- 16.1 No Partnership or Joint Venture. No joint venture, agent-principal relationship or partnership is formed as result of this Agreement. No employees or agents of one Party or any of its contractors or subcontractors will be deemed, or represent themselves to be, employees or agents of the other Party.
- 16.2 No Third Party Beneficiaries. It is understood and agreed that this Agreement is solely for the benefit of the Parties hereto and gives no right to any other person or entity.
- 16.3 Assignment. Neither this Agreement, nor any interest herein, may be assigned by either Party without the prior written consent of the other Party.
- 16.4 Binding on Successors and Assigns. This Agreement, and all of its terms, provisions, conditions, and covenants, together with any exhibits and attachments now or hereafter made a part hereof, will be binding on the Parties and their respective successors and assigns.
- 16.5 Mutual Negotiation and Construction. This Agreement and each of the terms and provisions hereof will be deemed to have been explicitly negotiated between, and mutually drafted by both Parties.
- 16.6 Waiver of Default. Waiver of any default will not be deemed to be a waiver of any subsequent default; as such, failure to require full and timely performance of any provision at any time will not waive or reduce the right to insist upon complete and timely performance of any other provision thereafter. Waiver of breach of any provision of this Agreement will not be deemed to be a waiver of any other or subsequent breach and will not be construed to be a modification of the terms of this Agreement unless stated to be such in writing, signed by duly authorized representatives of the Parties, and attached to the original Agreement.
- 16.7 Applicable Law. This Agreement will be governed by and construed in accordance with the laws of the State of Washington.

- 16.8 Jurisdiction and Venue. The King County Superior Court, situated in Seattle, Washington, will have exclusive jurisdiction and venue over any legal action arising under this Agreement.
- 16.9 Rights and Remedies. The Parties' rights and remedies in this Agreement are in addition to any other rights and remedies provided by law.
- 16.10 Severability. If any provisions of this Agreement are held invalid by a court of competent jurisdiction, the remainder of the Agreement will not be affected thereby if such remainder would then continue to serve the purposes and objectives originally contemplated by the Parties.
- 16.11 Entire Agreement. This Agreement embodies the Parties' entire understanding and agreement on the issues covered by it, except as may be supplemented by subsequent written amendment to this Agreement, and supersedes any prior negotiations, representations or draft agreements on this matter, either written or oral.
- 16.12 Survival. Each of the provisions of this Section 16 (Legal Relations) will survive any expiration or termination of this Agreement.

## **17. Execution of Agreement – Counterparts**

This Agreement may be executed in two (2) counterparts, both of which shall be regarded for all purposes as an original.

IN WITNESS WHEREOF, each person executing this Agreement on behalf of a Party represents and warrants that he or she is fully authorized to execute this Agreement of behalf of the Party for which he or she is signing on the date indicated next to their signatures.

### **KING COUNTY**

\_\_\_\_\_  
Jennifer Lindwall, Director  
King County Department of Executive Services,  
Fleet Services Division

\_\_\_\_\_  
Date

### **CITY OF SHORELINE**

\_\_\_\_\_  
Debra S. Tarry, City Manager  
City of Shoreline

\_\_\_\_\_  
Date