

**WEST SOUND UTILITY DISTRICT
RESOLUTION 548-15**

**A RESOLUTION OF THE
WEST SOUND UTILITY DISTRICT BOARD OF COMMISSIONERS
AUTHORIZING THE AWARD OF CONTRACT FOR REHABILITATION
OF WELL NO. 21 TO HOKKAIDO DRILLING, INC.**

WHEREAS, in January, 2012, West Sound Utility District (“District”) retained the services of Hokkaido Drilling, Inc. to provide rehabilitation services for Well No. 21; and

WHEREAS, Well No. 21 suddenly lost performance over the winter by about 50%, thus requiring further rehabilitation work to be performed; and

WHEREAS, District staff would like to again secure the services of Hokkaido Drilling to work with the District and the District’s Hydrogeologist to restore the performance of this well; and

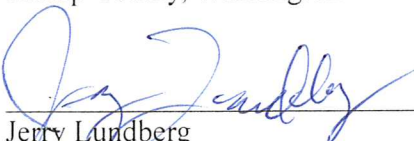
WHEREAS, Hokkaido Drilling and Hydrogeologist Craig Russell will perform the rehabilitation services at a cost not to exceed \$66,352; NOW, THEREFORE,

THE BOARD OF COMMISSIONERS OF WEST SOUND UTILITY DISTRICT HEREBY RESOLVES:

Section 1. The Board approves the attached contract (Exhibit “A”) for the Well No. 21 rehabilitation services with Hokkaido Drilling, Inc. in the amount not to exceed \$66,352, which includes state sales tax. The Board further authorizes the General Manager, on behalf of the District, to execute such contract with Hokkaido Drilling, Inc.

APPROVED and ADOPTED by the Board of Commissioners of West Sound Utility District at a Board meeting scheduled on May 11, 2015.

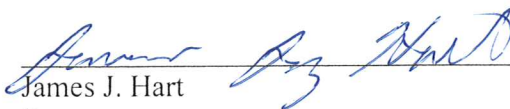
WEST SOUND UTILITY DISTRICT
Kitsap County, Washington



Jerry Lundberg
Chairperson



Susan Way
Vice Chairperson



James J. Hart
Secretary

West Sound Utility District
Professional Service Agreement

This professional services agreement is entered into on this 12th day of May, 2015, by and between West Sound Utility District, a political subdivision under the laws of the State of Washington, hereinafter referred to as the "DISTRICT", and Hokkaido Drilling Inc., 24511 104th Avenue Ct. East, Graham, WA 98338, (253) 847-3579, hereinafter referred to as the "Contractor".

RECITAL:

WHEREAS, the District provides municipal sewer and water utilities services for customers within the District's service area, and

WHEREAS, it is the interest of the District to facilitate certain services and projects but does not have available staff or expertise to provide certain services for the District, and

WHEREAS, Contractor represents and warrants that it is available, experienced and qualified with specific expertise for the following services:

Provide professional services, special equipment and labor to rehabilitate Well #21

NOW, THEREFORE, the District and Contractor mutually agree as follows:

1. **Services:** The Contractor shall perform services in the following areas: *(See Scope of Work attached hereto as Exhibit A)*

Perform rehabilitation services to Well #21

2. **Location:** The contractor shall perform such professional services at the following location(s):

2764 Water Lane, Port Orchard, Washington

3. **Time:** The Contractor shall perform said services according to the following schedule:

Commencing May 12, 2015, completion within 30 days

4. **Compensation:** The District shall pay the Contractor in an amount not to exceed \$66,352 for performance of such professional services according to the following schedule:

Monthly Invoices Payable Net 30

5. **Registration and Collection:** N/A

6. Termination: The District may terminate this agreement at any time, with or without cause, by giving written notice to the Contractor of such termination and specifying the effective date. The termination notice shall be sent to the address set forth above. The Contractor shall notify the District of any change in address. If the agreement is terminated by the District as provided herein, the Contractor will be paid an amount which bears the same ratio to the total compensation as the services actually performed bears to the total services of the Contractor covered by this agreement, less payment for compensation previously made.

Notwithstanding the above, the Contractor shall not be relieved of liability to the District for damages sustained by the District, its officers, employees and agents by virtue of any breach of this agreement by the Contractor for the purpose of set off until such time as the exact amount of damages due the District for the Contractor is determined.

7. Independent Contractors: The Contractor shall at all times be an independent contractor and not an employee of the District and shall not be entitled to compensation or benefits of any kind except as specifically provided herein. The contractor shall be subject to the District control and direction as to results to be accomplished, but not as to the details and means by which the results are accomplished. The Contractor shall not be covered by any District benefit programs, such as health and welfare, benefit plans, social security, workers compensation or unemployment compensation, and shall not be treated as an employee for federal tax purposes or any other purpose. The contractor shall be responsible for paying all taxes related to payments the District makes to the Contractor, including federal income taxes, self-employment (social security and Medicaid) taxes and state business and occupation taxes, and the District is not responsible for withholding for or paying any of those taxes. The Contractor shall indemnify and hold harmless the District from and against any and all costs (including attorney's fees incurred in defense) or liabilities) including payroll taxes, penalties or interests) arising out of any breach of the above representations and warranties or any assertion that the Contractor is not an independent contractor.
8. Indemnification/Hold Harmless: The Contractor shall defend, indemnify and hold the District, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or resulting from the acts, errors or omissions of the Contractor in performance of this Agreement, except for injuries and damages caused by the sole negligence of the District.
9. Authority: The Contractor does not have, and shall not hold itself out as having, authority to create any contract or obligation that is binding on the District unless the District otherwise consents in writing.
10. Employees of the Contractor: All services to be performed by the Contractor herein shall only be performed by said Contractor and not by employees or others unless by specific written consent of the District.

11. Assignability: The Contractor shall not assign any interest in its agreement and shall not transfer any interest in the same.

12. Insurance:

A. The Minimum Scope of Insurance:

1. Automobile Liability Insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.

2. Commercial General Liability Insurance shall be written on ISO occurrence form CG00 01 and shall cover liability arising from premises, operations, independent contractors and personal injury and advertising injury. The District shall be named as an insured under the Contractor's Commercial General Liability insurance policy with respect to the work performed for the District.

3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

4. Professional Liability insurance appropriate to the Service Provider's profession.

B. Minimum Amounts of Insurance:

1. Automobile Liability Insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.

2. Commercial General Liability Insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.

3. Professional Liability Insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

C. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability, Professional Liability and Commercial General Liability Insurance:

1. The Contractor's insurance coverage shall be primary insurance for the District. Any insurance, self-insurance or insurance pool coverage maintained by the District shall be excess of Contractor's insurance and shall not contribute with it.

2. The Contractor's insurance shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by

certified mail, return receipt requested, has been given to the District.

D. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A: VII.

E. Verification of Coverage

The Contractor shall furnish the District with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Contractor before commencement of the work.

13. Wage in Hours Law Compliance: The Contractor shall comply with all applicable provisions of the Fair Labor Standards Act and any other laws affecting its employees, if any, and the rules and regulations issued there under insofar as applicable to its employees and shall at all times indemnify, defend and save the District free, clear and harmless, from and against any and all actions, claims, demands, expenses arising out of said Act or laws and rules and regulations that are or may be promulgated in conjunction herewith.
14. Equal Employment Opportunity: The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, handicap, marital status or national origin.
15. Non-Discrimination in Services: The Contractor shall not, on the grounds of race, color, sex, religion, national origin, creed, marital status, age or the presence or any sensory, mental or physical disability: a) deny any individual and services or other benefits provided under this agreement; b) provide any services or other benefit to an individual which are different or are provided in a different manner from those provided to others under this agreement; c) subject an individual to segregation or separate treatment in any manner related to his receipt of any service(s) or other benefits provided under this agreement; or d) deny any individual an opportunity to participate in any program provided by this agreement through the provision of service(s) or otherwise, or will afford him an opportunity to do so which is different than that afforded others under this agreement.
16. Changes to Agreement: The District may, from time to time, require changes in the scope of the service to be performed hereunder. Such changes, including increase or decrease in the amount of the Contractor's compensation, which are mutually agreed upon by the District and the Contractor, shall be incorporated in written amendment to this agreement.
17. Contents and Understanding: This agreement contains a complete integrated understanding and agreement between the parties and supersedes any understanding, agreement or negotiations whether oral or written not set forth herein or in any written amendments hereto duly executed by both parties.

In witness whereof, the District and the Contractor have executed this agreement as of the date written above.

WEST SOUND UTILITY DISTRICT

CONTRACTOR

Signature

Signature

Title

Title

Date

Date

Exhibit "A"

West Sound Utility District Krista Firs Well 2015 - Preliminary Rehabilitation Planning and Cost Estimate

Phase 1							
Task #	Task Description	Driller (hrs)	Driller (cost)	WDS	CR (hrs)	CR (cost)	Total (cost)
Task 1	Set up Orifice, Measure Discharge	4	1,100		4	360	1,460
Phase 2							
Task 2	Remove Existing Pump, Measure Depth	16	4,400		4	360	4,760
Task 3	Video Inspection	4	1,100	1,200	4	360	2,660
Phase 3							
Task 4	Shock Chlorination	4	1,100		4	360	1,460
Task 5	Brush/Surge 10-inch Screen Assembly	16	4,400		8	720	5,120
Task 6	Bail, Install Temporary Pump	6	1,650				1,650
Task 7	Pump Clear	4	1,100		4	360	1,460
Task 8	Pump & Surge	24	6,600		12	1080	7,680
Task 9	Pump Clear	4	1,100		4	360	1,460
Task 10	Rawhide Well	4	1,100		4	360	1,460
Task 11	Remove Temporary Pump, Bail	8	2,200				2,200
Task 12	Video Inspection			1,200	4	360	1,560
Task 13	Reinstall Permanent Pump	32	8,800				8,800
Task 14	Conduct 24-hr Constant Rate Test				4	360	360
Task 15	Prepare Report of Findings				24	2160	2,160
Misc.	Mob./, Demob.		15,000				15,000
Misc.	Chemicals and Supplies		2,000				2,000
Misc.	CR Est. Mileage Charge					300	300
	Subtotal	126	\$ 51,650	\$2,400	80	\$ 7,500	
	WA Sales Tax (8.6%)		\$ 4,442				\$ 4,442
	Subcontracting @ Cost Plus 15%			\$ 360			\$ 360
	Totals	126	\$ 56,092	\$2,760	80	\$ 7,500	\$ 66,352