

August 28, 1995

Introduced by: LARRY PHILLIPS

Proposed No.: 95 - 618

11990

ORDINANCE NO.

AN ORDINANCE authorizing the Executive to enter into an agreement with the City of Seattle regarding the funding of King County's Denny Way CSO Control Project.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. The Executive is hereby authorized to enter into an agreement with the City of Seattle, substantially in the form of Appendix A attached hereto, for funding and implementation of King County's Denny Way Combined Sewer Overflow (CSO) Control Project and the City of Seattle's Lake Union Combined Sewer Overflow (CSO) Control Project.

INTRODUCED AND READ for the first time this 25th day of September, 1995

PASSED by a vote of 12 to 0 this 9th day of October, 1995.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Kent Pullen
Chair

ATTEST:

Gerald A. Peterson
Clerk of the Council

APPROVED this 20th day of October, 1995.

for Ken. Raymond
King County Executive

Attachment: Appendix A - Denny Way/Lake Union CSO Agreement between the City of Seattle and King County.

7-18-95

DENNY WAY/ LAKE UNION CSO AGREEMENT
CITY OF SEATTLE
KING COUNTY

THIS AGREEMENT made as of the _____ day of _____,
1995 between THE CITY OF SEATTLE, a municipal corporation of
the State of Washington, hereinafter "the City" and KING
COUNTY, a political subdivision of the State of Washington,
hereinafter "the County".

WITNESSETH:

WHEREAS, the parties have entered into a long term agreement
for sewage disposal dated January 26, 1961 as amended,
hereinafter referred to as the "Basic Agreement"; and

WHEREAS, a portion of the City's sewer system consists of
combined sewers that carry both sanitary sewage and storm
water runoff and the Municipality of Metropolitan Seattle
(predecessor to the County), hereinafter Metro, acquired
some of the City's combined sewer trunks pursuant to the
Basic Agreement; and

WHEREAS, the County (successor to Metro) and the City have
been planning specific projects to reduce combined sewer
overflows into Lake Union and Elliott Bay (in the vicinity
of Denny Way) in accordance with the respective City and

Metro Combined Sewer Overflow (CSO) Plans adopted in 1988;
and,

WHEREAS, the City and Metro jointly and cooperatively undertook the "Feasibility Study for CSO Control for Lake Union/Denny Regulator" completed in May, 1992 and this study demonstrated that the nature and scope of the City's Lake Union project could be determined, in part, by the alternative selected for Metro's Denny Way project; and

WHEREAS, said study also determined that design and construction of Metro's Denny Way project concurrent with design and construction of the City's Lake Union project enables the City to avoid construction of some facilities it would otherwise have to construct to meet the objectives of its project; and,

WHEREAS, to accomplish the foregoing, and to accept a grant from the U. S. Government for the benefit of both parties, the County is advancing the schedule for its Denny Way project, which would otherwise need to be completed by 2006 to meet required CSO reduction levels for its system; and,

WHEREAS, the City is completing the design of the first phase of its East Lake Union collection and conveyance

system improvements described and illustrated in the "Lake Union Combined Sewer Overflow Control Plan" dated March, 1992 along with such environmental review as is required under the National Environmental Policy Act (NEPA) to establish the eligibility of the project for the aforementioned grant-in-aid; and,

WHEREAS the County has completed the "Denny Regulator-Accelerated CSO Control Program" dated February, 1995 that identifies a preferred alternative for the County's Denny Way CSO Project along with other alternatives for storage of combined sewage and the County has entered into an agreement with the U.S. government for the aforementioned grant-in aid to assist funding of both the City's project and the County's Denny Way CSO Project; and

WHEREAS, the County has accelerated the schedule for its Denny Way CSO Control project and will complete such environmental review as may be appropriate or required under NEPA to establish the eligibility of the project for said grant-in-aid; and

WHEREAS, the parties have determined a cost share arrangement for the projects that reflects the proportionate benefit to be realized by each of the parties; and

WHEREAS, the combined projects will contribute to the improvement, enhancement and preservation of the region's water resources by significantly reducing the discharge of combined sewage into Lake Union and Elliott Bay;

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS DESCRIBED HEREIN, IT IS HEREBY AGREED AS FOLLOWS:

Section 1. Construction of the City's Lake Union project.

The City will make every reasonable effort to construct its East Lake Union Combined Sewer Overflow Control project, as generally described in Exhibit A attached hereto, in a manner and upon such schedule as may be necessary for the County to comply with the agreement between the County and the U. S. Government for the grant-in-aid that has been awarded to the County.

Section 2. Construction of the County's Denny Way project.

The County will make every reasonable effort to construct its Denny Way Combined Sewer Overflow Control project, as generally described in Exhibit B attached hereto, in a manner and upon such schedule as may be necessary to comply with the agreement between the County and the U.S. Government for the grant-in-aid that has been awarded to the County.

Section 3. Cost Share. The City shall pay all costs associated with its East Lake Union project described in Section 1 above. The City shall also reimburse the County for 17% of the total project cost, less grants as determined in Section 9.C, of the County's Denny Way CSO project as described in Section 2. The total cost of the County's Denny Way CSO project shall include all costs of and/or related to design, construction, project management, construction inspection, right-of-way acquisition, legal support, environmental review, restoration and mitigation. The total cost shall also include all costs associated with obtaining necessary permits, any and all costs incurred as a result of permit conditions and any and all costs to defend said permits against any appeals, lawsuits or other actions.

Section 4. Permits. The City, if so requested by the County, shall be a co-applicant with the County for permits required by the City for the Denny Way CSO project.

Section 5. Ownership of Facilities. The City shall own and be solely responsible for the facilities constructed in accordance with Section 1 and the County shall own and be solely responsible for the facilities constructed in

accordance with Section 2.

Section 6. Grant Assistance.

A. Disbursement. The County will submit payment requests quarterly for expenditures incurred by either party for the projects described in Sections 1 and 2 to the U. S. Government pursuant to the grant agreement attached hereto as Exhibit C. Grant money received by the County for expenses incurred by the City for its project as described in Section 1 will be expeditiously provided to the City. The County may, at its discretion, stop submitting payment requests for expenditures incurred by the City when said requests shall have totalled \$6.5 million. The final allocation of the grant assistance between the parties shall be determined in the manner described in Section 9.C.

B. Records. The City will account for and maintain such records of expenditures as are necessary to fulfill the requirements of the County's aforementioned grant agreement with the U. S. government.

C. Grant Conditions. The City will take any such actions requested by the County as may be necessary for the County to comply with the grant agreement between the County and the U. S. Government, along with associated requirements.

Section 7. Environmental Review. The County will undertake

and complete such environmental review not already completed by the City as may be required under the National Environmental Protection Act and the State Environmental Protection Act (SEPA) to construct both projects.

Section 8. SEPA and Permit Compliance. The parties acknowledge that the County's project as described in Section 2 may proceed only upon compliance with applicable environmental and permit requirements. It is contemplated that an environmental impact statement will be undertaken for the County's project in accordance with SEPA. The parties acknowledge that said environmental impact statement could result in a modified or alternative project for storage of combined sewage.

Section 9. Financial Relations.

A. Quarterly Billing. The City will reimburse the County quarterly for its share of the costs as described in Section 3 upon receipt of a properly documented invoice. The County will invoice the City quarterly and the City will make its reimbursement payment within 45 days from the date of invoice.

B. Quarterly Expense Submittal. The City will submit expenses to the County quarterly for purposes of requesting grant reimbursement in accordance with the grant agreement

that the County has with the U. S. Government.

C. Allocation of Grant to Projects. It is the intent of the parties that proceeds of the grant received by the County from the U. S. Government for the projects described in Sections 1 and 2 above be applied to each of the two projects at proportions equal to the percentage of the total cost of the projects represented by each of the projects, less any other grants received for either of the projects. Total cost of each of the projects, for this purpose, shall consist of the elements described in Section 3.

Within 60 days of completion of the projects, defined as acceptance of the contractor's work by the City for its project and the County for its project, whichever is later, each of the parties will determine its project cost as defined in this Section 9.C. Within 45 days from said determination, the City or County shall make such payment to each other as may be necessary to accomplish the grant allocation described in this section and the cost share arrangement described in Section 3. The grant allocation method described in this Section and the cost share arrangement described in Section 3 shall be used for all final determinations of the financial obligations of the parties to each other under this agreement.

Section 10. Legal Relations

A. Indemnification. To the extent permitted by applicable law, the City and County release and shall protect, indemnify, defend and hold harmless each other, their respective employees, agents, contractors, subcontractors, officers, directors, attorneys, successors and assignees, from and against any and all liabilities, damages, claims, demands, judgements, losses, harm, costs, expenses, suits or actions caused by the acts or omissions of the indemnifying party, its agents, employees, contractors, subcontractors, officers, directors, attorneys, successors or assigns, arising out of or in connection with or as a result of this Agreement or the performance by the indemnifying party of any of its obligations hereunder.

B. Authorized Representatives. For purposes of this agreement the City's authorized representative will be its Director of Drainage and Wastewater and the County's authorized representative will be its Director of Water Pollution Control.

C. No Third Party Beneficiaries. In promising performance to one another under this agreement, the parties intend to create binding legal obligations to and rights of enforcement in one another. The parties do not intend to create any obligation or liability or promise any performance to any third party.

D. Basic Agreement Unchanged. The City and the County shall comply with all provisions of the Basic Agreement without qualification or condition by reason of any provision or interpretation of this agreement, the parties intending that the Basic Agreement shall not be affected or modified hereby.

Section 11. Dispute Resolution. In the event disputes or claims arise over the interpretation, administration or effect of this agreement, either party may refer the matter to a committee composed of the Director of Water Pollution Control in King County's Department of Metropolitan Services, King County's Deputy Executive in responsible charge of the County's Water Pollution Control function or his/her designee, the City Engineer of Seattle and the Director of the City's Drainage and Wastewater Utility. The consideration of the dispute or claim by this committee, in an effort to reach a solution which reflects the best public interest, shall be a prerequisite to any legal action by either party.

Section 12. Termination. This agreement shall terminate upon fulfillment of the obligations of the parties to each other and fulfillment of the obligations contained in any

grant agreements for the projects or portions thereof.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT AS OF THE DATE FIRST WRITTEN ABOVE.

CITY OF SEATTLE

April J. Grant

Acting Director
Director of Engineering

Filed by me this _____ day of _____, 1995

City Clerk

KING COUNTY

Ray Locke

County Executive

ATTEST:

Title

5. DESCRIPTION OF COMBINED SEWER OVERFLOW CONTROL ALTERNATIVES

5.1. SELECTED ALTERNATIVE - IMPROVED TRANSPORT

The improved transport alternative reduces the incidence of combined sewer overflows into Lake Union by upsizing the City of Seattle combined sewer along the eastern and southern sides of Lake Union and conveying flows to new storage/conveyance facilities to be constructed jointly with Metro.

The selected alternative includes elimination of combined sewer overflows at CSOs 133, 128, 126 and 125. Overflows at CSO 125 will be reduced during Phase 1 and the outfall, which is a 24-inch diameter pipe on a public beach, will be removed during Phase 2. CSO 133 will be eliminated during Phase 1 construction, but the outfall will continue to operate with storm drain connections only. The CSO 128 outfall pipe will be abandoned and overflows will be combined with the I-5 storm drain flows and combined sewer overflows from CSO 175. CSO 126 will be eliminated during Phase 2, and/or as negotiated with the Fred Hutchinson Cancer Research Center, and the outfall will continue to operate as a storm drain only.

Improved transport is the only alternative developed that reduces total sediment loadings to Lake Union. The *Lake Union Water Quality/Environmental Assessment* estimates "an 18 percent reduction in total sediment loading and a 19 percent reduction in total sediment plume area covering Lake Union." Stormwater discharges would remain unchanged in volume.

The proposed combined sewer pipeline was sized to prevent overflows during Design Storm #6 after construction of Phases 1, 2, and 3. It is sensitive to high intensity rainfall and will continue to overflow during larger storms. The overflow events from the City of Seattle system model are predicted to be typically of short duration and small volume. The annual combined sewer overflow volumes to Lake Union from this system will be reduced by 99%, or from 86 million gallons to less than one million gallon per year.

Phase 1 of the selected alternative includes construction of over two miles of enlarged combined trunk sewer ranging in size from a minimum of 18-inch diameter pipe at the north end near CSO 135 to a minimum of 60-inch diameter pipe at the south end. Four new flow control structures will

prevent the hydraulic grade line from rising above existing levels. See Figure 5-1. Following is a more detailed list of (approximate) project elements:

- 1500 feet of 60-inch diameter combined sewer pipe
- 2200 feet of 48-inch diameter combined sewer pipe
- 2000 feet of 42-inch diameter combined sewer pipe
- 3100 feet of 36-inch diameter combined sewer pipe
- 1000 feet of 24-inch diameter combined sewer pipe
- 2500 feet of 18-inch diameter combined sewer pipe
- four flow control structures

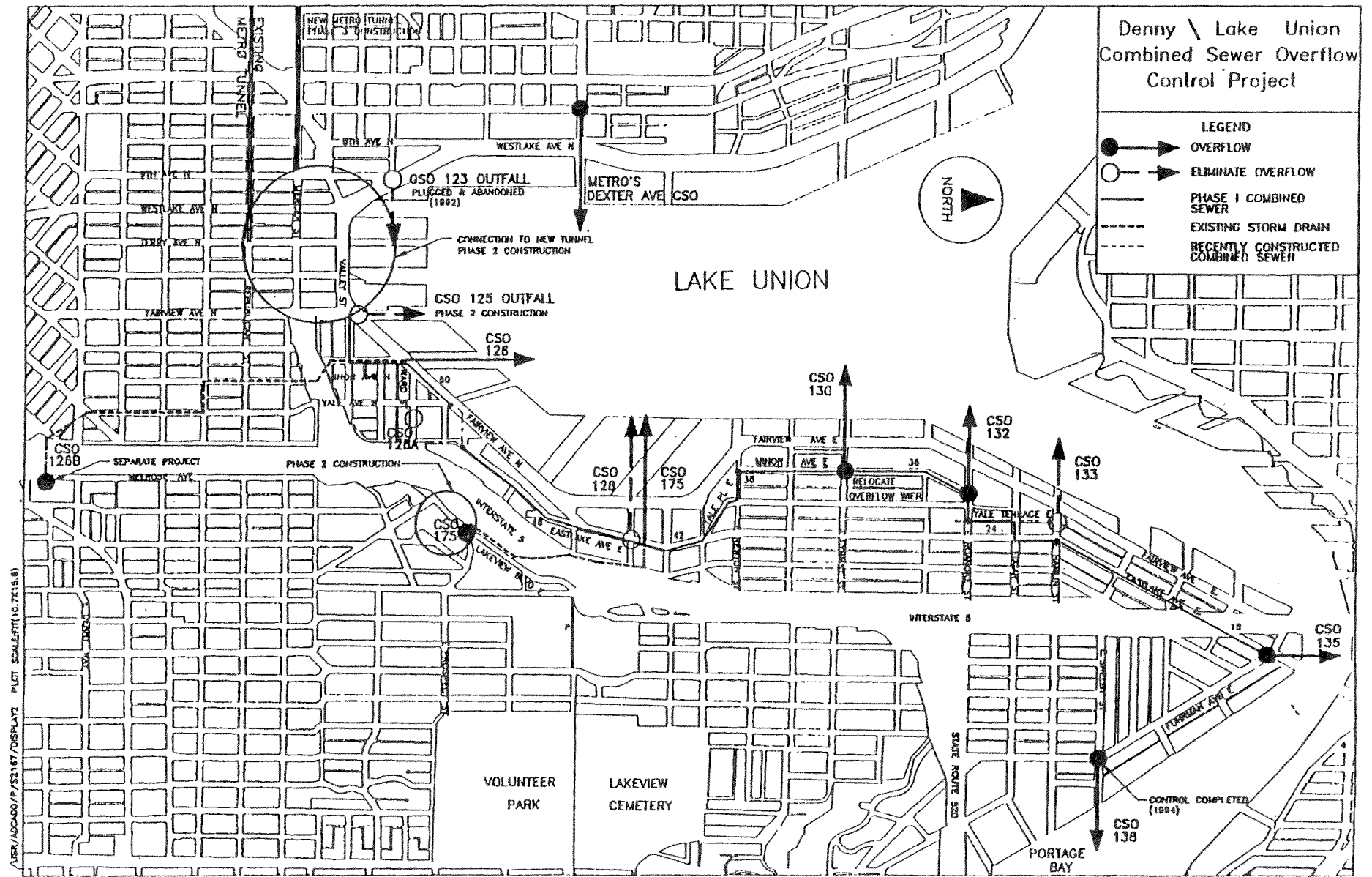
The downstream end of the selected alternative for Phase 1 is at the intersection of Valley Street and Fairview Avenue North. There, the existing pipeline and the proposed enlarged combined sewer pipe match invert elevations and gravity operation of the sewer can continue during interim operation. Flows in the new enlarged combined sewer will be restricted to prevent overloading the downstream sewer system. Interim operations between Phases 1 and 2 will provide only limited reductions in overflows. Overflows at CSO 133 will be eliminated. Overflows at CSO 125, the southernmost outfall, will be reduced with some of that volume discharging to the lake at CSO 128. However, construction of Phase 1 earlier than Phases 2 and 3 allows coordination with a major transportation project, changing bus service from diesel to electric trolley, in the same corridor.

The estimated cost of Phase 1 is \$16 million (in 1994\$).

Improving sewer conveyance along the eastern and southern sides of Lake Union is not possible without downstream improvements. There is a close hydraulic relationship between the sewer systems owned separately by Metro and the City. The greatest water quality benefits to both Lake Union and Elliott Bay, as well as the greatest operational flexibility, are only possible with a joint project.

In addition to the Phase 1 combined sewer, the current preferred alternatives for Phases 2 and 3 include: 6800 feet of 18-foot finished inside diameter tunnel under Mercer Street; piping and a new regulator to connect the existing tunnel to the new tunnel; a 60-inch diameter pipeline to connect the Phase 1 combined sewer to the new tunnel; an 18-inch diameter pipe from the east side of I-5 to connect flows to the newly enlarged Phase 1 trunk sewer; a drop structure and a new regulator to permit control of Metro's Dexter Avenue CSO; 2.5 million gallons of storage at the Blackstock Lumber site; piping and a new regulator to connect the Denny Way CSO to the storage facilities;

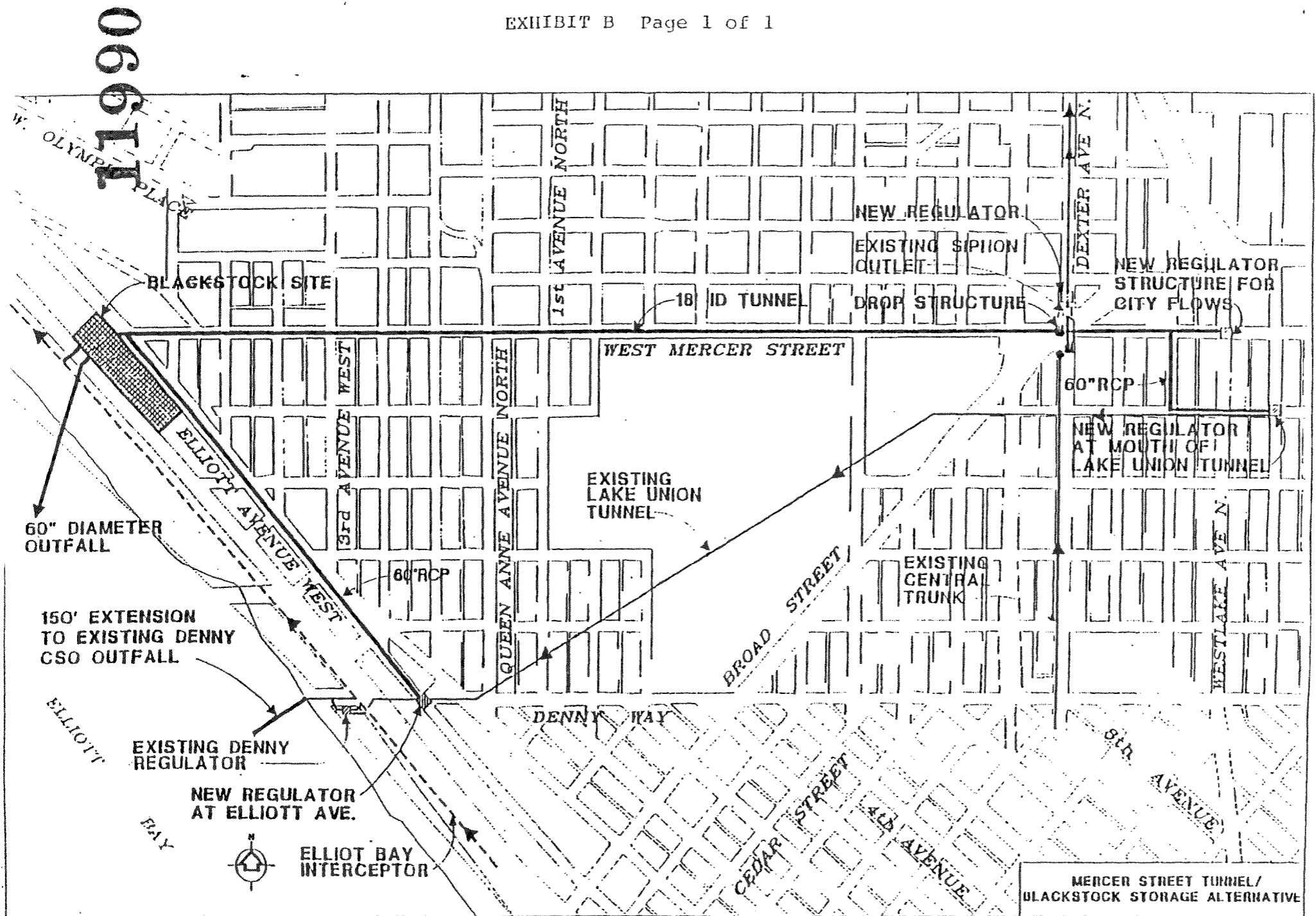
Figure 5-1: Selected Alternative-- Improved Transport Alternative



1600 feet of 60-inch outfall pipeline for CSO flows in excess of storage capacity; two 70 million gallons per day pump stations; and a 150-foot 96-inch diameter extension to the outfall at the existing Denny CSO structure.

An advantage of the preferred alternative is the system redundancy provided to Metro by a new tunnel. The existing brick tunnel was found to be in good shape for its age (100 years) in a recent study by Brown and Caldwell. In that study it was recommended that Metro continue monitoring the condition of the tunnel and reline it when point repairs would no longer insure structural integrity. In the same study it was acknowledged that the current tunnel has insufficient capacity, which makes relining undesirable. Construction of a new tunnel would allow future relining of the brick structure by providing the necessary extra conveyance capacity.

The total project cost for Phases 1, 2, and 3 is estimated at \$126 million (in 1994\$).



MERCER STREET TUNNEL/
BLACKSTOCK STORAGE ALTERNATIVE

~~Figure 8~~
Exhibit B

**U.S. ENVIRONMENTAL PROTECTION AGENCY
EPA ASSISTANCE AGREEMENT / AMENDMENT
PART I - ASSISTANCE NOTIFICATION INFORMATION**

1. ASSISTANCE ID NO. XP990384-01-0	2. LOG NUMBER 10-XP-001
3. DATE OF AWARD 02/16/95	4. MAILING DATE 02/24/95

AGREEMENT TYPE	6. PAYMENT METHOD	7. TYPE OF ACTION
<input type="checkbox"/> Cooperative Agreement <input checked="" type="checkbox"/> Grant Agreement <input type="checkbox"/> Assistance Amendment	<input type="checkbox"/> Advance <input checked="" type="checkbox"/> Reimbursement <input type="checkbox"/> ACH Number _____ Send Payment Request to: EPA PROJECT OFFICER	NEW PROJECT

8. RECIPIENT KING COUNTY DEPT OF METRO SERVICES 821 2ND AVENUE, M/S 72 SEATTLE, WA 98104	9. PAYEE SAME AS BLOCK 8
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EIN NO. 91-6018545	CONGRESSIONAL DISTRICT 01 07 08 09	10. RECIPIENT TYPE COUNTY OR PARISH
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11. PROJECT MANAGER AND TELEPHONE NO. COREY TAYLOR GRANTS ANAYLST (206) 684-2198	12. CONSULTANT (WWT Construction Grants only) N/A
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13. ISSUING OFFICE (CITY / STATE) U.S. EPA, REGION 10 GRANTS ADMINISTRATION SECTION, MD-140 1200 SIXTH AVENUE SEATTLE, WA 98101	14. EPA PROJECT / STATE OFFICER AND TELEPHONE NO. CECIL CARROLL, EPA PROJECT OFFICER 300 DESMOND DRIVE, SE LACEY, WA 98503 (360) 753-9081 LAUREL J. MICHAEL GRANTS SPECIALIST (206) 553-2596
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15. EPA CONGRESSIONAL LIAISON & PHONE BARBARA BROOKS, (202) 260-5660	16. STATE APPL ID (Clearinghouse) N/A	17. SCIENCE FIELD 44	18. PROJECT STEP (WWT Construction Grants Only) N/A
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19. STATUTORY AUTHORITY PPROPRIATIONS ACT OF 1995 (PL 103-27)	20. REGULATORY AUTHORITY 40 CFR PART 31	21. STEP 2 + 3 & STEP 3 (WWT Construction Grants Only)		
		a. Treatment Level		
		b. Project Type	N/A	
		c. Treatment Process		
22. PROJECT TITLE AND DESCRIPTION LAKE UNION/DENNY WAY CSO CONTROL PROJECT		d. Sludge Design		

23. PROJECT LOCATION (Areas Impacted by Project)			
City/Place KING	County KING	State WA	Congressional District 07

24. ASSISTANCE PROGRAM (CFDA Program No. & Title) INFRASTRUCTURE GRANT	25. PROJECT PERIOD 02/16/95 - 12/31/99	26. BUDGET PERIOD 02/16/95 - 12/31/99
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27. COMMUNITY POPULATION (WWT Construction Grants Only) N/A	28. TOTAL BUDGET PERIOD COST \$126,000,000	29. TOTAL PROJECT PERIOD COST \$126,000,000
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FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
EPA Amount This Action	\$0	\$35,000,000	
EPA In-Kind Amount	0	0	
Unexpended Prior Year Balance	0	0	
Other Federal Funds	0	0	
Recipient Contribution	0	62,250,000	
State Contribution	0	0	
Local Contribution	0	28,750,000	
Other Contribution	0	0	
Allowable Project Cost	\$0	\$126,000,000	

Site Name	Document Control Number	FY	Approp.	Budget Organization	Program Element	Object Class	Site/Project	Cost Organization	Obligation / Deobligation
01)	D94690	95	GM1	104	GM6	4111			35,000,000

*A Form 5700-20A (Rev. 5-82). Replaces previous editions and EPA Forms 5700-1A,B,C, and D, all of which are obsolete.

11990

TABLE A - OBJECT CLASS CATEGORY (Non-construction)	TOTAL APPROVED ALLOWABLE BUDGET PERIOD COST
1. PERSONNEL	\$0
2. FRINGE BENEFITS	0
3. TRAVEL	0
4. EQUIPMENT	0
5. SUPPLIES	0
6. CONTRACTUAL	121,000,000
7. CONSTRUCTION	0
8. OTHER	5,000,000
9. TOTAL DIRECT CHARGES	\$126,000,000
10. INDIRECT COSTS: RATE % BASE N/A	0
11. TOTAL (Share: Recipient 45.00% Federal 55.00%)	\$126,000,000
12. TOTAL APPROVED ASSISTANCE AMOUNT	\$35,000,000

TABLE B - PROGRAM ELEMENT CLASSIFICATION (Non-construction)	
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10.	
11.	
12. TOTAL (Share: Recipient % Federal %)	
13. TOTAL APPROVED ASSISTANCE AMOUNT	

TABLE C - PROGRAM ELEMENT CLASSIFICATION (Construction)	
1. ADMINISTRATION EXPENSE	
2. PRELIMINARY EXPENSE	
3. LAND STRUCTURES, RIGHT-OF-WAY	
4. ARCHITECTURAL ENGINEERING BASIC FEES	
5. OTHER ARCHITECTURAL ENGINEERING FEES	
6. PROJECT INSPECTION FEES	
7. LAND DEVELOPMENT	
8. RELOCATION EXPENSE	
9. RELOCATION PAYMENTS TO INDIVIDUALS AND BUSINESS	
10. DEMOLITION AND REMOVAL	
11. CONSTRUCTION AND PROJECT IMPROVEMENT	
12. EQUIPMENT	
13. MISCELLANEOUS	
14. TOTAL (Lines 1 thru 13)	
15. ESTIMATED INCOME (if applicable)	
16. NET PROJECT AMOUNT (Line 14 minus 15)	
17. LESS: INELIGIBLE EXCLUSIONS	
18. ADD: CONTINGENCIES	
19. TOTAL (Share: Recipient % Federal %)	
20. TOTAL APPROVED ASSISTANCE AMOUNT	

11990

1. Financial Status Reports

The Financial Status Report (FSR), Standard Form 269, for this award shall be submitted to the Grants Administration Section, MD-140, within 90 days after the end of the budget period. When an in-kind amount is reflected on page 1, line 31, of the Assistance Agreement, the recipient shall identify in-kind expenditures in a separate column on the FSR. If the period is longer than one year, or if the agreement is revised to extend the budget period beyond one year, the recipient must submit an annual FSR within 90 days after the end of each anniversary of the agreement.

2. Lobbying

No portion of this award may be used for lobbying or propaganda purposes as prohibited by 18 U.S.C. Section 1913 or Section 607(a) of Public Law 96-74.

3. Audit Requirements/Cost Principles

- a. The recipient agrees that it will comply with the provisions of OMB Circular A-128 governing the audit of State and local government and Indian tribe federal assistance recipients for fiscal years that begin after December 31, 1984.
- b. The cost principles of OMB Circular A-87 are applicable to this award. When indirect costs are included within the assistance budget, the recipient must be in compliance with A-87 and EPA regulations regarding allowable project costs. Actual indirect costs charged to this Assistance Agreement may not exceed the final approved rates as negotiated annually between the recipient and the appropriate cognizant Federal agency. A copy of the negotiated rate must be submitted to Region 10 Grants Administration Section and will become part of the Grants file.

4. Recycled Paper

Pursuant to EPA Order 1000.25, dated January 24, 1990, the recipient agrees to use recycled paper for all reports which are prepared as a part of this agreement and delivered to the Agency. This requirement does not apply to Standard Forms. These forms are printed on recycled paper as available through the General Services Administration.

5. Small and Disadvantaged Business Utilization Requirements

In accordance with EPA's policy on the utilization of socially and economically disadvantaged individuals and disadvantaged business enterprises (DBE) in procurement under assistance programs, the recipient agrees to:

- a. Ensure to the fullest extent possible that at least 8% of Federal funds for prime contracts or subcontracts for supplies, construction, equipment or services are made available to organizations owned or controlled by socially and economically disadvantaged individuals.

11990

- b. Include in its bid documents a requirement that prime contractors and subcontractors meet the same 8% requirement as noted in the above paragraph.
 - c. Follow the six affirmative steps stated in 40 CFR 33.240 or 40 CFR 31.36(e), as appropriate.
 - d. Follow Standard Form (SF) 334 ("MBE/WBE Utilization Under Federal Grants, Cooperative Agreements, and Other Federal Financial Assistance") reporting requirements:
 1. The recipient agrees to submit SF-334 beginning with the Federal fiscal quarter the recipient awards its first contract and continuing until all contracts and subcontracts have been reported.
 2. These reports must be submitted quarterly to EPA, Region 10, Grants Administration Section MD-140, 1200 Sixth Ave., Seattle, WA 98101.
 3. The SF-334s are due no later than 30 days after each reporting quarter. Reporting quarters are: (1) Oct. thru Dec., (2) Jan. thru Mar., (3) Apr. thru Jun., and (4) Jul. thru Sept.
6. Small Business in Rural Areas (SBRAs)

If a contract is awarded under this assistance agreement, the recipient agrees and is required to utilize the following affirmative steps to the maximum extent practicable:

- a. Place SBRAs on solicitation lists;
- b. Make sure that SBRAs are solicited whenever there are potential sources;
- c. Divide total requirements, when economically feasible, into small tasks or quantities to permit maximum participation by SBRAs;
- d. Establish delivery schedules, where the requirements of work will permit, which would encourage participation by SBRAs;
- e. Use the services of the Small Business Administration and the Minority Business Development Agency of the U.S. Department of Commerce, as appropriate; and
- f. Require the contractor to comply with the affirmative steps outlined above if subcontracts are awarded.

There is no formal reporting requirement for SBRAs at this time; it is recommended that the recipient keep records of SBRA participation.

7. Projected Phases/Amendments

11990

The grant is awarded based on projected phases and estimated costs. Amendments to the grant and budget pages will be made as projected phases and costs are clearly defined by KCDMS-METRO and as planning and NEPA documents are revised and approved (i.e., the overall project objectives/goals and how the objectives of each phase (Phase I through IV) contributes to accomplishing these objectives/goals).

8. Certifications

Within 90 days after the merger between METRO Seattle and King County is complete, the grantee must submit the following new certifications/forms:

- Procurement Certification - EPA Form 5700-48
- Certification Regarding Debarment, Suspension, and Other Responsibility Matters - EPA Form 5700-49
- Certification Regarding Lobbying
- Survey of Management Systems

9. Procurement System Certification

Before initiating work under each Phase, the grantee and subgrantee shall submit a completed EPA Form 5700-48 Procurement System Certification. By submitting this form, the grantee and/or subgrantee stipulates that, for each particular Phase of work, one of the following: (1) It will obtain written EPA approval for all procurement actions; or (2) It self-certifies that its procurement system meet federal standards (Reference: 40 CFR 31.36(g) Awarding Agency Review).

If a grantee and/or subgrantee self-certifies its procurement system, no grant payments will be made until the following two steps have been completed: (1) EPA has surveyed the grantee's and/or subgrantee's procurement system; AND (2) The grantee and/or subgrantee have an approved agreement (including a schedule) with EPA for making needed adjustments and/or correcting any deficiencies. Upon completion, KCDMS's Director or duly authorized representative shall provide EPA with a written certification that all adjustments and/or deficiencies have been addressed. Also, beginning from the date of the KCDMS/EPA agreement under step (2) above and until the certification is provided, EPA shall withhold 10% of all grant payments.

10. The grantee and subgrantee acknowledges that, in circumstances where the provisions of Part 31 are ambiguous, EPA will generally look for guidance to the language of 40 CFR Part 33 and past determinations made pursuant to Part 33.

11. Retention of Project Record And Audit of Project Records

The grantee and its subgrantees agree to maintain its records in accordance with 40 CFR 31.42 (Retention of Records). Where federal and state/local records retention requirements differ (e.g., WA State RCW), the grantee and subgrantee MUST maintain all project records in accordance with federal standards. The grantee and subgrantee are advised to pay special attention to the requirements of 40 CFR 31.42 (b)(1) and (2) "Length of retention period".

11990

EPA reserves the right to conduct an audit of this grant. The grantee and its subgrantees acknowledge that failure to maintain adequate records may result in costs being declared ineligible due to a lack of supporting documentation and the grantee's obligation to return to EPA any unsupported costs (40 CFR Part 31 Subpart D).

(The grantee is responsible for guaranteeing that its subgrantees adhere to the above requirements as well as all other federal requirements.)

12. Quarterly Reports

Quarterly Performance reports in accordance with 40 CFR Part 31.40 shall be submitted to the EPA Project Officer. The quarterly performance reports must contain a status of the project that is a comparison of the actual accomplishments to the objectives established for that budget period and Phase(s), as well as justifications for slippage and cost overruns. These reports will be due within 30 days of the end of the reporting period which is on March 31, June 30, September 30, and December 31 (40 CFR 31.40).

13. Laws, Regulations, Executive Orders

The grantee and subgrantee will comply with all federal laws, regulations, and Executive Orders, including those listed herein. (The grantee shall be responsible for guaranteeing that its subgrantees adhere to all federal requirements.)

LIST OF FEDERAL LAWS, AUTHORITIES, AND REGULATIONS

Grant Regulations

- 40 CFR Part 31 - General Regulations
- 40 CFR Part 32, Subparts A-E - Debarment & Suspension Under EPA Assistance, Loan & Benefit Programs
- 40 CFR Part 32, Subpart F - Drug Free Workplace Requirements
- OMB Circular A-87 - Cost Principles For State & Local Governments
- OMB Circular A-128 - Audits of State & Local Governments

Environmental

- Archeological and Historic Preservation Act of 1974, PL 93-291
- Clean Air Act, 42 USC 7506(c)
- Coastal Barrier Resources Act, 16 USC 3501 et seq.
- Coastal Zone Management Act of 1972, PL 92-583, as amended
- Endangered Species Act 16 USC 1531, et seq.
- Executive Order 11593, Protection and Enhancement of the Cultural Environment
- Executive Order 11988, Floodplain Management
- Executive Order 11990, Protection of Wetlands
- Farmland Protection Policy Act, 7 USC 4201 et seq.
- Fish and Wildlife Coordination Act, PL 85-624, as amended
- National Historic Preservation Act of 1966, PL 89-665, as amended
- Safe Drinking Water Act, Section 1424(e), PL 92-523, as amended
- Wild and Scenic Rivers Act, PL 90-542, as amended

11990

Economic

- Demonstration Cities and Metropolitan Development Act of 1966, PL 89-754, as amended
- Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans

Social Legislation

- Age Discrimination Act, PL 94-135
- Civil Rights Act of 1964, PL 88-352
- Section 13 of PL 92-500; Prohibition against sex discrimination under the Federal Water Pollution Control Act
- Executive Order 11246, Equal Employment Opportunity
- Executive Orders 1162 and 12138, Women's and Minority Business Enterprise Rehabilitation Act of 1973, PL 93-112 (including Executive Orders 11914 and 11250)

Miscellaneous Authorities

- Uniform Relocation and Real Property Acquisition Policies Act of 1970, PL 91-646
- Executive Order 12549 - Debarment and Suspension

14. Land

If any eligible land is included, there will be a Federal interest in the land and the land must be purchased in accordance with applicable sections of 40 CFR Part 31, and any other applicable regulations.

15. Payment Requests/NEPA Process

a. No payments shall be made until the detailed work plan has been approved by EPA for Phase I (City of Seattle). Subsequently, no payment(s) shall be made on Phases II, III, and IV (KCDMS-METRO) until the detailed work plans for each phase are approved by EPA.

b. In cases where final design has not yet been completed, the grantee shall not advertise or award any final design or construction contract that may receive federal or matching funds under this grant, and no final design or construction shall otherwise commence or continue, until the NEPA process under the National Environmental Policy Act, 42 USC 4321 et seq, and its implementing regulations, 40 CFR Part 6, and 40 CFR Parts 1500 et seq, is satisfactorily completed.

In cases where final design is already complete, the grantee shall not advertise or award any construction contract that may receive federal or matching funds under this grant, and no construction shall otherwise commence or continue, until the NEPA process under the National Environmental Policy Act, 42 USC 4321 et seq, and its implementing regulations, 40 CFR Part 6, and 40 CFR Parts 1500 et seq, is satisfactorily completed.

Subsequently, no payment(s) shall be made on Phases II, III, and IV until all NEPA requirements for each phase have been met.

c. All payment requests are to be submitted to the EPA project officer for his/her approval along with required support documentation (the EPA project officer will provide information of the type of documentation required). EPA payments are to be approved by the EPA project officer before funds may be disbursed.

d. Payments shall be made on a reimbursement basis at 55% of the EPA approved allowable project costs. All reimbursable costs shall be reasonable, necessary and allocable to the project.

e. Payments shall be made only on a quarterly basis.

16. Cash Flow Projections

Updated cash flow projections shall be submitted to EPA on a quarterly basis or as significant deviations occur.

17. Project Schedules

Updated project schedules shall be submitted to EPA on a quarterly basis or as significant project changes occur.

18. Equipment

In accordance with OMB Circular A-87, 40 CFR 31.3 and 31.22, all equipment with an acquisition cost of \$5,000 or more per unit must be approved by the EPA Project Officer.

19. Hotel/Motel Fire Safety Act

Effective October 1, 1994, the recipient agrees to ensure that all conference, meeting, convention, or training space funded in whole or in part with Federal funds, complies with the Hotel and Motel Fire Safety Act of 1990.

SPECIAL CONDITIONS (continued)

11990


PART IV

NOTE: The Agreement must be completed in duplicate and the Original returned to the Grants Administration Division for Headquarters awards and to the appropriate Grants Administration Office for State and local awards within 3 calendar weeks after receipt or within any extension of time as may be granted by EPA.
 Receipt of a written refusal or failure to return the properly executed document within the prescribed time, may result in the withdrawal of the offer by the Agency. Any change to the Agreement by the recipient subsequent to the document being signed by the EPA Award Official, which the Award Official determines to materially alter the Agreement, shall void the Agreement.


OFFER AND ACCEPTANCE

The United States of America, acting by and through the U.S. Environmental Protection Agency (EPA), hereby offers assistance/amendment to the KING COUNTY DEPT OF METRO SERVICES for 55.00 % of all approved costs incurred up to and not exceeding \$ 35,000,000 for the support of approved budget period effort described in application (including all application modifications) cited in Item 22 of this Agreement
01/05/95 INFRASTRUCTURE GRANT, included herein by reference.

ISSUING OFFICE (Grants Administration Office)	AWARD APPROVAL OFFICE
ORGANIZATION / ADDRESS U.S. EPA, REGION 10 GRANTS ADMINISTRATION SECTION, MD-140 1200 SIXTH AVENUE SEATTLE, WA 98101	ORGANIZATION / ADDRESS REGIONAL ADMINISTRATORS OFFICE ENVIRONMENTAL PROTECTION AGENCY 1200 SIXTH AVENUE SEATTLE, WA 98101

THE UNITED STATES OF AMERICA BY THE U.S ENVIRONMENTAL PROTECTION AGENCY
 SIGNATURE OF AWARD OFFICIAL:  TYPED NAME AND TITLE: CHUCK CLARKE REGIONAL ADMINISTRATOR DATE: FEB 15 1995

This agreement is subject to applicable U.S. Environmental Protection Agency statutory provisions and assistance regulations. In accepting this award or amendment and any payments made pursuant thereto, (1) the undersigned represents that he is duly authorized to act on behalf of the recipient organization, and (2) the recipient agrees (a) that the award is subject to the applicable provisions of 40 CFR Chapter I, Subchapter B and of the provisions of this agreement (Parts I thru IV), and (b) that acceptance of any payments constitutes an agreement by the payee that the amounts, if any found by EPA to have been overpaid will be refunded or credited in full to EPA.

BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION
 SIGNATURE:  TYPED NAME AND TITLE: COREY TAYLOR GRANTS ANALYST DATE: 2/27/95