



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

June 27, 2011

Ordinance 17127

Proposed No. 2011-0249.2

Sponsors Phillips

1 AN ORDINANCE authorizing the King County executive
2 to enter into an amended agreement with the Washington
3 state Department of Ecology for additional loan financing
4 for construction costs of the Ballard Siphon project; and
5 declaring an emergency.

6 STATEMENT OF FACTS

- 7 1. Washington state Department of Ecology awarded the King County
8 department of natural resources and parks a \$19,989,102 state Revolving
9 Fund loan in its fiscal year 2011 cycle to help finance construction costs of
10 the Ballard Siphon project that is part of King County's wastewater capital
11 improvement program.
- 12 2. Total cost of the project is \$54,627,509.
- 13 3. The King County executive was authorized by Ordinance 17018 to
14 enter into a state Revolving Fund loan agreement with the Washington
15 state Department of Ecology for the Ballard Siphon project that included a
16 maximum loan amount of \$19,989,102.
- 17 4. The state Revolving Fund loan agreement was executed on March 4,
18 2011.

19 5. The Washington state Department of Ecology has additional funding
20 available and has offered to amend the agreement for the purpose of
21 increasing the amount of the loan by \$11,860,898 from \$19,989,102 to
22 \$31,850,000.

23 6. The increased loan amount comes with the same interest rate of 2.8
24 percent and term of twenty years as the original loan, which will result in
25 savings to ratepayers.

26 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

27 SECTION 1. Findings: Financing the Ballard Siphon project construction costs
28 at favorable interest rates supports King County infrastructure, and the repair of the
29 Ballard Siphon will preserve public health. The executive must sign the amended loan
30 agreement by June 30, 2011, or the opportunity for the county to enter into the amended
31 loan agreement with the state at the favorable interest rate of 2.8 percent lapses.
32 Enactment of this ordinance as an emergency is necessary to meet this deadline.

33 SECTION 2. The King County executive is hereby authorized to enter into an
34 amended agreement with the Washington state Department of Ecology for an increased
35 amount in loan financing of capital costs associated with the construction of the Ballard
36 Siphon substantially in the form of Attachment A to this ordinance, including the
37 following terms:

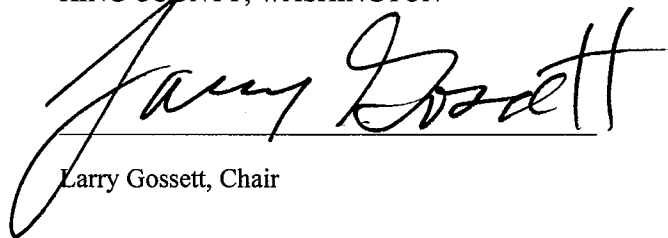
- 38 A. A maximum loan amount of \$31,850,000;
- 39 B. An interest rate of 2.8 percent per year; and
- 40 C. A term of twenty years.

41 SECTION 3. The county council finds as a fact and declares that an emergency
42 exists and that this ordinance is necessary for the immediate preservation of public peace,
43 health or safety or for the support of county government and its existing public
44 institutions.
45

Ordinance 17127 was introduced on 5/31/2011 and passed by the Metropolitan King
County Council on 6/27/2011, by the following vote:

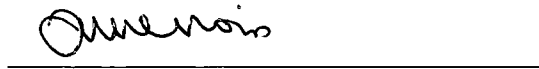
Yes: 9 - Mr. Phillips, Mr. von Reichbauer, Mr. Gossett, Ms. Hague,
Ms. Patterson, Ms. Lambert, Mr. Ferguson, Mr. Dunn and Mr.
McDermott
No: 0
Excused: 0

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



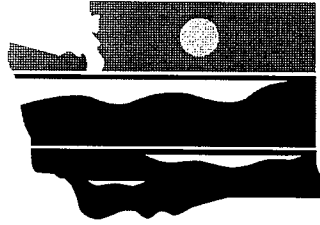
Larry Gossett, Chair

ATTEST:



Anne Noris, Clerk of the Council

Attachments: A. Department of Ecology State of Washington Amendment No. 1 to Loan Agreement
No. L1100009 Between the State of Washington Department of Ecology and King County Department
of Natural Resources & Parks (DNR&P) Wastewater Treatment Division (WTD)



DEPARTMENT OF
ECOLOGY
 State of Washington

**AMENDMENT NO. 1
 TO LOAN AGREEMENT NO. L1100009
 BETWEEN
 THE STATE OF WASHINGTON DEPARTMENT OF ECOLOGY
 AND
 KING COUNTY DEPARTMENT OF NATURAL RESOURCES & PARKS (DNR&P)
 WASTEWATER TREATMENT DIVISION (WTD)**

PURPOSE: To amend the above-referenced loan agreement (AGREEMENT) between the State of Washington Department of Ecology (DEPARTMENT) and King County DNR&P-WTD (RECIPIENT) for the Ballard Siphon Project (PROJECT). This amendment is needed to: 1) provide additional funding to the project; 2) revise the budget; and 3) add language to the LOAN agreement that supports compliance with federal requirements for suspension and debarment.

IT IS MUTUALLY AGREED that the AGREEMENT is amended as follows:

1. The LOAN Amount is increased by \$11,860,898, from \$19,989,102 to \$31,850,000.
2. The PROJECT budget in the original LOAN agreement will be deleted and replaced with this revised budget:

PART III. PROJECT BUDGET

Elements (Objects & Tasks)	Total PROJECT Cost	Total Eligible PROJECT Cost	LOAN AMOUNT
1. Project Administration/Management	\$1,750,000	\$1,750,000	\$0
2. Construction Management	\$1,800,000	\$1,800,000	\$0
3. Construction Engineering Services During Construction (SDC)	\$1,300,000	\$1,300,000	\$95,000
4. Construction	\$31,755,000	\$31,755,000	\$31,755,000
Total	\$36,605,000	\$36,605,000	*\$31,850,000

*The DEPARTMENT'S Fiscal Office will track to the total eligible LOAN amount. However, the RECIPIENT cannot deviate among elements without DEPARTMENT approval.

Other Funding Sources: Yes (if Yes, list sources and amounts) No

Federal

N/A

State

N/A

Local Funds

\$4,755,000

3.

- a. The following is deleted from Attachment 4 of the original LOAN agreement:

CERTIFICATION REGARDING SUSPENSION & DEBARMENT

Federal Executive Order 12549 provides that Executive departments and agencies shall participate in a government-wide system for monitoring suspended, debarred, and excluded parties. These departments and agencies have further passed this requirement onto their recipients and have provided pertinent regulations in the Code of Federal Regulations. The RECIPIENT, by signing this agreement, certifies that it is not suspended, debarred, or otherwise excluded from contracting with the federal government, or from receiving contracts paid for with federal funds. If the RECIPIENT is unable to certify to the statements contained in the certification, they must provide an explanation as to why they cannot. The Web site for checking suspended, debarred, or excluded parties is www.epls.gov.

- b. The following is added:

CERTIFICATION REGARDING SUSPENSION, DEBARMENT, INELIGIBILITY OR VOLUNTARY EXCLUSION

1. The RECIPIENT, by signing this agreement, certifies that it is not suspended, debarred, proposed for debarment, declared ineligible or otherwise excluded from contracting with the federal government, or from receiving contracts paid for with federal funds. If the RECIPIENT is unable to certify to the statements contained in the certification, they must provide an explanation as to why they cannot.
2. The RECIPIENT will provide immediate written notice to the DEPARTMENT if at any time the RECIPIENT learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
3. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the department for assistance in obtaining a copy of those regulations.

4. The RECIPIENT agrees it will not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under the applicable Code of Federal Regulations, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction.
 5. The RECIPIENT further agrees by signing this agreement, that it will include this clause titled "CERTIFICATION REGARDING SUSPENSION, DEBARMENT, INELIGIBILITY OR VOLUNTARY EXCLUSION" without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
 6. Pursuant to 2CFR180.330, the RECIPIENT is responsible for ensuring that any lower tier covered transaction complies with certification of suspension and debarment requirements.
 7. The RECIPIENT acknowledges that failing to disclose the information required in the Code of Federal Regulations may result in the delay or negation of this funding agreement, or pursuance of legal remedies, including suspension and debarment.
 8. The RECIPIENT agrees to keep proof in its agreement file, that it, and all lower tier recipients or contractors, are not suspended or debarred, and will make this proof available to the DEPARTMENT upon request. The RECIPIENT must run a search in www.epls.gov and print a copy of completed searches to document proof of compliance.
4. The ESTIMATED LOAN REPAYMENT SCHEDULE is replaced with the attached ESTIMATED LOAN REPAYMENT SCHEDULE Number ___ created on _____.

FURTHER, this amendment will be effective upon the date of signature by the Water Quality Program Manager of the DEPARTMENT.

Except as expressly provided by this amendment, all other terms and conditions of the original AGREEMENT and all prior amendments thereto remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this amendment.

STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

KING COUNTY DNR&P-WTD

KELLY SUSEWIND, P.E., P.G. DATE
WATER QUALITY PROGRAM MANAGER

PAM ELARDO, P.E. DATE
DIVISION DIRECTOR

APPROVED AS TO FORM ONLY:
ASSISTANT ATTORNEY GENERAL

King County DNR&P WTD
Ballard Siphon Project
LOAN No. L1100009

(Revised 05/05/09)