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**INTERLOCAL AGREEMENT (ILA) BETWEEN PORT OF SEATTLE AND CITY OF SEATTLE FOR THE
SEATTLE INDUSTRIAL AREA FREIGHT ACCESS Project**

This Interlocal Agreement (“Agreement”) is made and entered into by the Port of Seattle, a municipal corporation of the State of Washington, hereinafter called the “Port” and the City of Seattle, a municipal corporation of the State of Washington, hereinafter called the “City”. As used in this Agreement, “Project” is the Seattle Industrial Area Freight Access Project.

RECITALS

WHEREAS, the Port of Seattle and the City of Seattle are jointly engaging in the Project to promote regional and international economic competitiveness; and

WHEREAS, the Project will determine bottlenecks and problem locations and develop recommendations for operational and/or capital improvements aimed at maintaining and improving the movement of freight to, within, and between the City of Seattle’s Duwamish and Ballard Interbay Northend Manufacturing and Industrial Centers (MICs) and the regional transportation system; and

WHEREAS, the Project will also identify improvements from Port of Seattle facilities to city rail yards; and

WHEREAS, the Project will serve as a building block for the City’s Freight Master Plan by identifying key policy, program and technical issues to be more comprehensively examined in the Freight Master Plan; and

WHEREAS, the Freight Master Plan will provide parity for freight with transit, bicycle and pedestrian modes of travel for which the City already has prepared master plans; and

WHEREAS, the Port and City successfully cooperated on a federal grant application for the Project; and

WHEREAS, an interlocal Agreement between the Port and the City is needed to define the roles and responsibilities of each Party in the Project.

NOW, THEREFORE, the Parties agree as follows:

Agreement Purpose: The purpose of the Agreement is to document and describe the roles and responsibilities of the Port and the City in order to successfully achieve the goals and objectives of the *Seattle Industrial Areas Freight Access Project* (heretofore known as the “Project”) within the available budget and schedule. The Agreement identifies the roles and responsibilities of each Party in decision making, developing the Project scope, schedule and budget, the consultant procurement process and consultant management, technical review processes, community outreach, and the billing and reimbursement processes. The ILA also will ensure that the City carry forward the requirements set forth in the Port’s separate Local Agency Agreement (LAA) with the Washington State Department of Transportation (WSDOT). Finally, it describes the roles and responsibilities of the consultant hired to assist the Parties in completing the Project.

Project Purpose: The purpose of the Project is to develop and carry out a focused and pragmatic technical approach to identifying and evaluating current and potential future freight bottlenecks and problem locations, leading to a set of cost-effective operational and/or capital improvements. These improvements are aimed at maintaining and improving freight mobility access and circulation within and between the Greater Duwamish and Ballard Interbay Northend Manufacturing and Industrial Centers (MICs), including the key connections from the MICs to the region’s regional transportation system. The Project will also identify improvements from the Port’s facilities to rail yards within the City. The Project will promote regional and international economic competitiveness.

This Project will serve as a building block for a future Seattle Freight Master Plan (FMP) by identifying key policy, program and technical issues to be fully examined more comprehensively in the FMP which is anticipated to begin later in 2013. The FMP will provide a comprehensive vision for freight transportation and a strategy for implementing a package of project and program improvements within the entire City.

The Project will be carried out generally concurrent with an update to the Port’s Container Terminal Access Study evaluating current and future truck volumes and related impacts and mitigation options. To the extent appropriate, the Project will also incorporate implementation needs related to the Port’s Century Agenda.

The Project will generally adhere to the intent and scope of the 2012 King County Countywide Competition Application for PSRC’s FHWA STP Funds submitted in May 2012, and subsequently awarded by the PSRC.

TERMS AND CONDITIONS

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1. **Parties:** This Agreement is between the Port of Seattle (heretofore known as the “Port”) and the City of Seattle (heretofore known as the “City”), referred to collectively as the “Parties.”. The City implementing agency for this Project is the Seattle Department of Transportation (SDOT).
2. **Grant Funds:** During the 2012 Puget Sound Regional Council (PSRC) Federal Highway Administration (FHWA) Grant Competition, the Port, as sponsoring agency, and the City, a co-sponsoring agency, applied for and received a \$250,000 Federal Surface Transportation Program (STP) grant for the *Seattle Industrial Areas Freight Access*

Project. In addition, the City agreed to provide the 13.5% local match which is \$33,690. The total budget is \$283,690

3. Project Title: Seattle_Industrial Areas Freight Access Project

4. Project Goal: The goal of the Project is to identify transportation improvement projects within the project area that will:

- Maintain and improve freight-truck mobility and access to accommodate expected general traffic, freight and cargo growth.
- Ensure connectivity for major freight intermodal and transload facilities
- Increase safety for all travel modes
- Reduce environmental impacts, including greenhouse gas emissions

5. Project Scope: The Project scope of work was developed and agreed to by the two Parties. (The Project scope of work for consultant services procurement is included as Exhibit One of this Agreement). The scope and deliverables may be further refined during the consultant contracting process to be more specific about consultant tasks, deliverables and performance schedule. Both Parties shall agree on the final consultant scope of work prior to the City's issuance of a notice to proceed. The scope includes a Purpose and Need Statement, Project Goals, Project Objectives, Deliverables and nine-major tasks to be accomplished in the Project.

6. Project Schedule:

- Scoping: January/April, 2013
- Interlocal Agreement: (Port and City) June, 2013
- Local Agency Agreement (LAA) (Port and WSDOT): June, 2013
- Request for Qualifications: June, 2013
- Consultant Selection: July, 2013
- Begin Project: August, 2013
- Complete Project: March, 2014
- Public outreach activities will occur at key milestones during the Project as identified in the Project scope and schedule

The schedule may be revised by the Project Executive Steering Committee. The Port and the City will document the revised schedule by email.

7. Payment Provisions:

City

1. The City's grant match is capped at \$33,690.
2. The City's share is in SDOT's adopted budget.
3. The City will be responsible for funding any unrecoverable City overhead expense as identified by the contractual funding agency in the LAA between the Port and WSDOT.
4. The City will directly pay approved consultant expenses.

Port

5. The Port will administer \$250,000 of federal funds awarded by the PSRC and reimburse the City to undertake the Project as agreed in the Project scope.
6. The Port will process a grant agreement with granting agency (WSDOT).
7. The Port will reimburse the City upon satisfactory approval of City invoices by the Port and WSDOT.
8. Total reimbursement of federal grant funds from the Port are limited to \$250,000
9. No costs in excess of the \$250,000 grant shall be paid by the Port unless a separate agreement is made between the Port and the City
10. The Port will identify ineligible costs as identified by the WSDOT LAA and communicate them to the City

8. **Term of the Agreement:** The duration of the Project is expected to be approximately eight (8) to twelve (12) months. This Agreement is effective upon signature by both Parties and shall remain in effect until December 31, 2014.

9. General Responsibilities of the Parties:

- The City and the Port are committed to work collaboratively to successfully complete the Project.
- The Seattle Department of Transportation (SDOT) will be the lead agency for the City on behalf of the Project. The City will procure and manage, through a competitive process, a contract for consulting services for the Project. The Port will be in integral

part of the City's consultant procurement selection team which will screen all qualified submittals, participate in interviews with the finalists (if necessary) and recommend prioritized preference for candidates for final selection. The consultant procurement process and contracting documents will meet federal requirements for the federal grant.

- The Project will be carried out generally concurrently with an update to the Port Container Terminal Access Study 2013 Update and the Port will share data, tools, and findings with the City as appropriate to avoid duplication of effort.
- The Project will recognize interrelationships with other City modal plans and other relevant plans and projects and incorporate data, tools and findings as appropriate.
- Both Parties will use available resources in an efficient manner and collaborate to reach the Parties' common objectives.

10. Organization and Management:

A. Management Structure

1. The City will lead the consultant procurement process according to the rules and regulations of the City, and those of the contractual agency. The Port will have representation on the consultant selection process, including drafting of the request for qualifications (RFQ), review of qualifications, informational meetings with consultants and the optional interview process. Both Parties will have representation on the panel. The City will invite a freight stakeholder to participate on the selection panel. The Port will have two representatives on the selection panel.
2. The City will identify a Project Manager and Deputy Project Manager and the Port shall identify a Project Lead and a Deputy Lead by letter for the purposes of Project management, inter-agency collaboration, coordination of technical review and public outreach.
3. The Parties will form an inter-agency Executive Steering Committee for the purpose of providing policy direction, advice and guidance throughout the duration of the Project.
4. The City Project Manager and the Port Lead will form a Project Team consisting of the City Project Manager and Deputy Project Manager, the Port Lead and their Deputy, and the consultant Project Manager. The Project Team

will meet on a regular basis for the duration of the Project on a schedule to be determined jointly by the team.

5. The City Project Manager and Port Lead will establish a process for conducting regular and ongoing coordination within the Project Team for the purpose of sharing all consultant products and analyses.
6. The City Project Manager and the Port Lead will brief the Executive Steering Committee regularly on the progress of the overall Project and respective tasks, including technical analyses, findings, recommendations and the outreach strategy.
7. The City and the Port will form a Project Advisory Technical Team of subject-matter experts from both agencies to provide the Project Team with technical input and consultation as needed.
8. The City's Director of Transportation and the Port's Marine Division Managing Director or their designees will serve as Project Senior Executives and agency representatives for issue escalation and dispute resolution.
9. Each Party's Project Manager/Lead will use all reasonable efforts to resolve disputes between the Parties. If Project Managers/Lead can't resolve a dispute, then the issue(s) shall be raised to the Executive Steering Committee. If issues remain unresolved, they shall be raised to the Senior Executive of each Party to resolve. If these efforts fail to resolve the issue, the Parties shall seek to resolve the disputes through mediation or another forum.
10. Should issue resolution not be arrived at by the Parties, either Party may be on record with a different position or recommendation to be considered via future processes as may be appropriate and agreed to by the Parties.

B. Data Sharing

1. Both parties will provide existing data to support the successful completion of the Project.
2. The City will provide currently available traffic and truck volume data, and applicable anticipated projects and programs from the Six Year Transportation Capital Improvement Program (TCIP) budget.
3. The Port will provide currently available data on current and projected truck volumes, including peak hour counts if available.

C. Communications

1. Both parties agree that close coordination on the Tasks and Public Outreach is essential for success of this Project, and will take material steps to ensure this coordination.
 2. City and Port will develop and agree on a joint public communications plan including the use of press releases. The Seattle Freight Advisory Board will be briefed at key milestones. The City and Port may consult with additional freight mobility stakeholders to benefit the project deliverables.
 3. Study objectives, and subsequently findings and recommendations, will be presented to the Seattle Council Transportation Committee and the Port Commission as determined by the Executive Steering Committee.
 4. Both parties will approve the Draft and Final Report and recommendations prior to public release.
 5. City and Port will not schedule meetings with the other Party's elected officials, until after prior courtesy advisement to the partner agency of meeting time and subject matter related to this Project. The City and the Port shall receive notice of such meetings two weeks prior to the meeting.
11. **Review Time:** The consultant will deliver all products and deliverables to the Project Team simultaneously. The Port Lead will consolidate all Port staff comments and return comments to the City in one calendar week, or notify the City Project Manager if additional time for review and comment will be necessary. The City Project Manager or Deputy will coordinate and integrate comments from the Parties, and submit to consultant for appropriate action within two weeks of receipt. The City will provide the Port with the City's draft comments prior to submitting the integrated comments to the consultant. The Parties will make every effort to maintain a timely schedule for review and comment. Typically, products and deliverables will be transmitted electronically, unless graphic or presentation materials are provided in print or photos to support/achieve schedule coordination for presentations.
12. **Consultant Budget:** The consultant Project budget is limited to \$250,000. It will be up to the consultant to budget for each task and deliverable with a responsibility to deliver required outcomes within the total budget proposed. The consultant budget may include a contingency funded by the Project budget, to be authorized jointly by the City and the Port. The Project budget shall be reviewed between the Parties and the consultant every month to determine that it is on track for full delivery on Project schedule and budget.

13. **Consultant Invoice Processing:** The consultant will send invoices to the City once each month during the duration of the Project. The City will review invoices and determine that the consultant has completed the work invoiced in a satisfactory manner and invoiced appropriately. The City will pay the consultant from City funds. The City will then invoice the Port for the consultant's work, including a record of what was spent by the consultant and what was accomplished. The Port will review the work and, upon satisfaction, promptly send the request for payment to WSDOT. The Port will reimburse the City with the WSDOT administered federal funds promptly after the Port receives the funds from WSDOT.
14. **Budget Overruns:** The consultant contract will reflect that the total consultant budget for this project is capped at \$250,000. Neither Party is responsible for cost overruns resulting in work performed by the consultant for any Project task
15. **Project Termination:** Either Party may terminate this Agreement at any time upon thirty (30) days written notice to the other Party. In the event the Project is terminated for any reason, all unspent federal grant funds will need to be returned to the Puget Sound Regional Council for redistribution. Any consultant funds spent or obligations to spend further dollars to that time will be paid for by the Project. If the Project is terminated, it is possible that all federal funds spent to date would need to be reimbursed to FHWA. In this case, both agencies will split the cost of reimbursement to the FHWA.
16. **Indemnification:** To the maximum extent allowed by law, the Port shall protect, defend, indemnify, and save harmless the City, its officers, officials, employees, and agents, while acting within the scope of their employment, from any and all costs, claims, judgments, penalties, and/or awards of damages, arising out of or in any way resulting from the Port's own negligent acts or omissions in connection with performance of activities under the terms of this Agreement. To the maximum extent allowed by law, the City shall protect, defend, indemnify, and save harmless the Port, its officers, officials, employees, and agents, while acting within the scope of their employment, from any and all costs, claims, judgments, penalties, and/or awards of damages, arising out of or in any way resulting from the City's own negligent acts or omissions in connection with performance of activities under the terms of this Agreement. Each Party agrees that its obligations under this subparagraph extend to any claim, demand, and/or cause of action brought by, or on behalf of, any of its employees or agents. For this purpose, each Party, by mutual negotiation, hereby waives, with respect to the other Party only, any immunity that would otherwise be

available against such claims under the Industrial Insurance provisions of Title 51 Revised Code of Washington (RCW). In the event that a Party incurs any judgment, award, and/or cost arising there from, including attorneys' fees, to enforce the provisions of this Article, all such fees, expenses, and costs shall be recoverable from the responsible Party to the extent of that Party's culpability. This indemnification shall survive the termination of this Agreement.

17. **Implementation:** Implementation of Project recommendations will be subject to independent and separate decision making processes undertaken by both Parties. The Project recommendations will be advisory and none binding. Neither Party is obligated to implement the recommendations.
18. **Notification:** Any notice required or permitted to be given pursuant to this Agreement shall be in writing, and shall be sent postage prepaid by U.S. Mail, return receipt requested, to the following addresses unless otherwise indicated by the Parties to this Agreement:

To the CITY: Tony Mazzella, Strategic Advisor II

Seattle Department of Transportation
700 Fifth Avenue, Suite 3900
Seattle, WA 98124-4996
Tony.Mazzella@Seattle.gov, (206) 684-0811

To the Port: Dan Burke, Regional Transportation Program Planner

Port of Seattle Public Affairs
Pier 69, PO Box 1209
Seattle, WA 98111
burke.d@portseattle.org, (206) 787-3376

19. **Amendment:** Either Party may request changes to the provisions contained in this Agreement. Any change to this Agreement must be mutually agreed to by both Parties, in writing and executed with the same formalities as the original Agreement.
20. **Separate Entity Not Formed:** This Agreement does not establish a separate administrative entity. The Agreement provides for the administration of the Project in

paragraphs by addressing responsibilities of the existing Parties in the organization and management of the Project.

21. Signature Page:

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement which shall be effective upon the date of execution by both Parties.

SIGNATURES
Peter Hahn X _____ Date: _____ Director, Seattle Department of Transportation City of Seattle
Tay Yoshitani, X _____ Date: _____ Port of Seattle Chief Executive Officer Port of Seattle Port of Seattle