#### **RESOLUTION NO. 3463**

A RESOLUTION of the Port Commission of the Port of Seattle to authorize the Chief Executive Officer to execute an Interlocal Agreement between the Port of Seattle and the Washington State Department of Transportation (WSDOT) regarding the excavation of borrow material from WSDOT right-of-way within Borrow Area 4.

WHEREAS, the Port, as part of the Third Runway Project, is planning to import approximately 14 million cubic yards of material as part of the Third Runway project; and

WHEREAS, obtaining material from onsite sources will expedite construction, reduce air quality impacts, reduce construction traffic impacts on the neighboring communities; and avoid additional costs for the embankment; and

WHEREAS, Borrow Area 4 contains approximately 1.3 million cubic yards of material; and

WHEREAS, WSDOT owns right-of-way within Borrow Area 4; and

WHEREAS, the parties have determined that excavation of approximately 156,000 cubic yards of borrow material within the WSDOT right-of-way by the Port will benefit both the Port's Third Runway project and WSDOT's future extension of SR 509; and

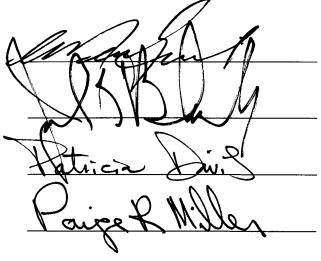
WHEREAS, the parties wish to enter into an agreement defining responsibility for the design, construction, excavation, and reclamation of Borrow Area 4;

NOW, THEREFORE, BE IT RESOLVED, by the Port Commission of the Port of Seattle as follows:

Section 1. The Chief Executive Officer is hereby authorized to execute an Interlocal Agreement between the Port of Seattle and the Washington State Department of Transportation (WSDOT) regarding the excavation of borrow material from WSDOT right-of-way within Borrow Area 4, in substantially the form attached hereto as Attachment "A" by this reference incorporated herein; and

Section 2. A copy of the final executed agreement shall be attached to this Resolution as Attachment "B".

ADOPTED by the Port Commission of the Port of Seattle at a regular meeting held this \_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_, 2001, and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof and the seal of the Commission.



Port Commission

# AGREEMENT GCA xxxx

### **USE AND RECLAMATION OF BORROW AREA 4**

THIS AGREEMENT, made and entered into this \_\_\_\_\_\_ day of \_\_\_\_\_, 2001, between the STATE OF WASHINGTON, Department of Transportation, acting by and through the Secretary of Transportation, hereinafter called the "STATE," and the Port of Seattle, acting by and through the Port of Seattle Commission, 2711 Alaskan Way, Seattle, Washington, 98121, hereinafter called the "PORT;"

WHEREAS, the PORT is planning to excavate material from borrow area 4, shown on the attached Exhibit "A" (the "Borrow Area"), for use during construction of the third runway at Sea-Tac International Airport; and

WHEREAS, the use of the Borrow Area will reduce the amount of material that will be imported to the third runway from off-site sources and limit the impact of construction vehicles to highways, local roads and traffic, and facilitate the construction of the third runway; and

WHEREAS, the material is not needed for the SR 509 project or any STATE project,

WHEREAS, the material is 85% common borrow with a high degree of spatial variability to the gravel borrow materials and has no commercial value,

WHEREAS, the STATE has determined that the excavation and removal of material from the Borrow Area by the PORT is consistent with its objectives and authority for the future extension of SR 509; and

WHEREAS, the parties wish to enter into an AGREEMENT defining responsibility for street vacations, permits, temporary erosion and stormwater control, logging, clearing and grubbing, excavation, handling of topsoil, reclamation including seeding and planting, and plant establishment of the Borrow Area as shown in the preliminary drawing marked Exhibit "B".

NOW, THEREFORE, in consideration of the terms, conditions, covenants, and performance contained herein, or attached and incorporated and made a part hereof, IT IS MUTUALLY AGREED AS FOLLOWS:

#### 1. THE WORK

The PORT may, subject to all of the terms and conditions set forth in this Agreement, perform the excavation, removal, grading and reclamation of STATE owned land within the Borrow Area, shown in Exhibit "C", in a manner consistent with that outlined on the preliminary drawing attached as Exhibit B hereto (the "Work").

#### 2. STREET VACATIONS

The Borrow Area includes right-of-way for streets owned by the City of SeaTac. The PORT and the City of Seatac entered into an Interlocal Agreement on September 4, 1997, which contained provision for these streets being vacated. Since some of the rights-of-way have both the STATE and the PORT as adjacent property owners, portions of these streets should be vacated to each party. The PORT agrees to provide the STATE with appraisals for the City of SeaTac streets. The PORT agrees to submit a request to the City of SeaTac by August 2001 to vacate all streets within the Borrow Area adjacent to Port-owned property. The STATE agrees to submit a request to the City of SeaTac by August 2001to vacate all streets within the Borrow Area adjacent to State right-of-way.

#### 3. TOPSOIL MANAGEMENT

Preliminary test results indicate that the top 12 inches of topsoil in the Borrow Area must be managed with an awareness of arsenic concentrations and future land use activities. The PORT will develop a topsoil management plan for the Borrow Area to ensure that topsoil in this area is managed without posing a threat to human health or the environment. The STATE will provide a written confirmation that the topsoil management plan is acceptable or identify any areas of concern. In the event that the STATE identifies areas of concern in the topsoil management plan, the STATE and PORT agree to make a good faith effort to resolve any issues in a cooperative manner.

WSDOT and the PORT agree that re-use of the topsoil onsite is the preferred method, and each party will undertake measures reasonably necessary to allow for reuse of topsoil at the site. Should it be necessary to dispose of the topsoil offsite due to arsenic levels, the STATE and the PORT will each be responsible for the quantity of

topsoil that is removed from the area within their respective property. The STATE will manifest that portion of topsoil that is removed from the STATE right-of-way.

#### 4. BURIED TANKS OR HAZARDOUS MATERIALS

Should buried tanks or hazardous materials be encountered during the excavation, the PORT will remove and dispose of these items in accordance with the applicable laws and regulations. The PORT will immediately inform the STATE of buried tanks or hazardous materials that are encountered within the STATE right-of-way and document their removal in writing.

#### 5. PERMITS, DESIGN, AND CONSTRUCTION

The PORT shall generally be responsible for obtaining permits, design, construction, and reclamation of the Borrow Area. The PORT shall also be generally responsible for construction administration, inspection, materials testing, and agency representation in the use of the Borrow Area. The parties respective responsibilities are more specifically set forth as follows:

*Permits and Approvals* – The PORT shall secure, or cause its contractor to secure, all permits, approvals, licenses and inspections necessary for execution of the Work. Furthermore, the PORT shall be responsible or shall cause its contractor to be responsible, as applicable, for compliance with all laws, ordinances, rules, regulations and lawful orders of any public authority bearing on performance of the Work. *The PORT shall provide WSDOT signed copies of all secured permits for the WORK before any work on WSDOT property begins.* 

a. Design and Engineering Standards – The PORT shall perform the design and engineering for the Borrow Area conceptually shown in Exhibit "B". The excavation of the Borrow Area shall be in accordance with the PORT's design standards and processes for elements within the STATE's right-of-way. Plans, specifications and cost estimate for elements within the STATE's right-of-way shall be included in the contract plans prepared by the PORT.

- Detention Pond No portion of the Detention Pond for the borrow site will remain on WSDOT property after the reclaimation of the borrow site is complete.
- c. Selection of Contractor The PORT shall advertise for bids from contractors, select the Contractor for the Borrow Area excavation and supervise the Contractor and the Work.
- d. *Review and Approval of Design* –Public hearings for the third runway project, including the Borrow Area, have already been held as part of the Sea-Tac International Airport Master Plan Projects Update EIS process, therefore additional hearings will not be required. The environmental documents for the Borrow Area were included in the approval of the Supplemental EIS for the Master Plan Update Development Actions (third runway borrow area) approved on July 3, 1997. Obtaining and conforming to any other required permits or agreements for excavation and reclamation of the Borrow Area is the responsibility of the PORT. The remainder of the required review and approval of the design of the Borrow Area excavation by STATE is outlined in Table 1.

Table 1			
Items Annual	WSDOT		
	Review	Approv'al	
Design			
Grading Plan		X	
Storm Water Site Plan	X		
Temporary Erosion Sedimentation Control Plan	X		
Topsoil Management Plan	X		
Reclamation Plan	X		
Contact Plans and Specifications (pertaining to the Borrow Area)	X		

The STATE shall review and comment on documents submitted to it for review within ten (10) working days of receipt. To the extent the STATE'S approval is necessary, the STATE shall review the documents submitted to it and provides its approval/disapproval within ten (10) working days of receipt. The STATE shall not, however, unreasonably disapprove or condition any document submitted for approval.

e. *Review and Approval of Construction* – The STATE and the PORT have designated a formal point of contact and coordination for the excavation of the Borrow Area as shown below:

WSDOT	Port of Seattle
John White	Ralph Wessels
Project Engineer	Third Runway Project Manager
6431 Corson Avenue South	P.O. Box 68727
Seattle, WA 98108	SeaTac, WA 98148
(206) 768-5680	(206) 988-5529

All formal submittals outlined below, either from the PORT or the STATE, will be sent through the above contacts.

The STATE shall review and, to the extent falling within any area subject to STATE approval as set forth in Section 5.d., approve any and all changes to the construction documents that pertain to STATE facilities. All changes to the contract will be documented in change orders. Following the STATE's review and written acceptance of the Change Orders for STATE facilities, the PORT shall execute the Change Orders. The STATE shall review and provide comment for all Change Orders within ten (10) business days of submittal

In addition, the STATE may inspect the work as needed, and may attend weekly/monthly status meetings, site reviews, etc.The responsibility of the PORT for performance, safe conduct, and adequate policing and supervision on the Borrow Area shall not be lessened or otherwise affected by the STATE's approval of plans, specifications, or work, or by the presence at the work site of the STATE's representative(s), or by the

compliance by the PORT with any requests or recommendations made by such representative(s).

#### 6. BORROW AREA COSTS

A list of work items with assignment of responsibility for costs to the STATE or the PORT is marked Exhibit "D", and is attached hereto and by this reference made a part of this AGREEMENT. Exhibit "D" does not include an estimate of costs.

#### a. **PORT Responsibility**

Subject to the terms and conditions described in this agreement, the PORT shall be responsible for the costs in obtaining permits, temporary erosion and stormwater control, logging, clearing and grubbing, excavation, handling of topsoil for onsite use, reclamation including seeding and planting, and plant establishment. Should offsite disposal of topsoil be necessary, the PORT will be responsible for a pro rata share, of any costs required for offsite disposal of topsoil based upon the percent of surface area of the excavation within property owned by the PORT. The PORT will be responsible for any costs associated with street vacations within the Borrow Area in which the City of SeaTac streets are vacated to the PORT.

#### b. WSDOT Responsibility

Costs for STATE reviews and inspections described in sections 5.d. and 5.e. of this agreement shall be borne by the STATE. Should offsite disposal of topsoil be necessary, the STATE will be responsible for a pro rata share, of any costs required for offsite disposal of topsoil based upon the percent of surface area of the excavation within property owned by the STATE. The STATE will be responsible for any costs associated with street vacations within the Borrow Area in which the City of SeaTac streets are vacated to the STATE. Costs for the removal and disposal of buried tanks or hazardous materials within the STATE right-of-way will be the responsibility of the STATE.

#### c. Reimbursement for Costs

Should buried tanks, hazardous materials, or topsoil requiring offsite disposal be present in the STATE right-of-way, the STATE will be billed for the actual direct and related indirect cost of the work. Partial payments shall be made by the STATE, upon request of the PORT to cover costs incurred. These payments are not to be more frequent than once (1) per month.

#### 7. TERMINATION OF AGREEMENT

In the event that the PORT elects to not utilize the Borrow Area within the STATE right-of-way, the AGREEMENT shall terminate and the parties shall have no further rights under the AGREEMENT. If any part of the Borrow Area within the STATE right-of-way is utilized, the AGREEMENT remains in effect.

#### 8. CHANGES IN THE WORK

The PORT shall make all decisions regarding changes in the Work during the course of construction so long as such changes are consistent with the scope of the Plans and Specifications for the Borrow Area. However, prior concurrence from the STATE must be obtained for changes in the scope inconsistent with previously approved Plans and Specifications.

#### 9. **REPORTING REQUIREMENTS**

The PORT shall provide the STATE with periodic written status reports explaining the progress of the work.

#### 10. INSURANCE

The PORT shall obtain and keep in force during the terms of the AGREEMENT, or as otherwise required, insurance through an Owner Controlled Insurance Program or otherwise as follows:

- a. Worker's Compensation an employer's liability insurance as required by the STATE.
- b. Commercial general liability and property damage in an aggregate amount not less than two million dollars (\$2,000,000.00) for bodily injury, including

death and property damage. The per-occurrence amount shall not exceed one million dollars (\$1,000,000.00).

Excepting the worker's compensation insurance and any professional liability Insurance secured by the PORT, the State of Washington, Department of Transportation will be named on all policies as an additional insured. The PORT shall furnish the STATE with verification of insurance and endorsements required by this AGREEMENT. The STATE reserves the right to require complete, certified copies of all required insurance policies at any time

All insurance shall be obtained from an insurance company authorized to do business in the State of Washington. The PORT shall submit a verification of insurance as outlined above within fourteen (14) days of the execution of this Agreement to the STATE Representative indicated in section 16 of this Agreement.

#### 11. OWNERSHIP AND MAINTENANCE OF THE BORROW AREA

The STATE will continue to own the portions of the Borrow Area within its rightof-way. At all times during the term of the AGREEMENT and until seeding and planting of the site has occurred as part of the reclamation for the site, the PORT shall be responsible for the site. After seeding and planting has occurred, the PORT's responsibility for the site will be limited to plant establishment for a period of one year, drainage maintenance for a period of three years (or until such time as the STATE commences work on the extension of SR 509, if earlier), and any damage associated with defects in the work as part of development of the Borrow Area.

The PORT shall ensure, through whatever means are practicable, public awareness of the PORT as the point of contact for all damages and complaints concerning the excavation of the Borrow Area and the subsequent haul operation.

#### 12. OPERATIONAL COMMITMENTS

Consistent with the commitments made in section 5-4-8 of the FSEIS, the PORT'S roadway maintenance responsibilities for the BORROW AREA and the haul operation, shall include the following:

- a. Sweeping & Cleaning At all times during the hauling operations, the PORT shall ensure that all local roads are free of dirt, mud, and other debris associated with the haul operations. The PORT shall immediately respond to any and all spills that occur as a result of the hauling operation. The work shall include the removal of built-up sand, the sweeping of debris off the roadway and shoulder, picking up all debris, hauling it to an approved waste disposal site, and washing the pavement with a street flusher. The equipment required may include dump trucks, sweeper, and street flusher.
- b. Drainage Maintenance The PORT agrees that all drainage facilities constructed as a part of the Borrow Area shall be maintained in accordance with the provisions set forth in WSDOT Highway Runoff Manual (M31-16), Chapter 7: Section 7-1.2 Catch Basin Maintenance, Section 7-1.3 Street Sweepings, Section 7-2 Maintenance of Stormwater Facilities (i.e. ditches and culverts), and Section 8-2.3 Structural Erosion Control BMP'S (i.e. BMP E2.10 Stabilized Construction Entrance and Tire Wash).

c. *Windshield Damage* – The PORT shall also develop and incorporate a Windshield Damage Program to be used for addressing damages resulting from haul operations. The program shall be reviewed by WSDOT and shall remain in effect for the duration of the haul operation. The Program shall outline methods used to inform the traveling public that the PORT shall be the point of contact for all damages resulting from haul operations.

#### 13. PERFORMANCE BOND

The PORT shall provide an executed surety bond acceptable to the STATE in the amount of \$400,000.00. The bond shall:

a. Be signed by a surety that is registered with the Washington State Insurance Commissioner and appears on the current authorized list published by the Office of the Insurance Commissioner.

- b. Be conditioned upon faithful performance of the AGREEMENT.
- c. Guarantee that the surety shall indemnify and defend the STATE against any loss resulting from the PORT's failure to faithfully perform all the terms under this AGREEMENT.
- d. Guarantee that the PORT or the contractor for the PORT shall pay all laborers, mechanics, subcontractors, and materialmen, or any person who provides supplies or provisions for carrying out the work.
- e. The surety bond shall remain in full force and effect until released in writing by the STATE.

The STATE will recover from the PORT and its sureties such damages as the STATE may sustain by reason of the PORT's failure to comply with the provisions of this AGREEMENT.

#### 14. DEFAULT; ARBITRATION

If either party breaches or fails to perform any covenants or obligation under this agreement, the other party shall so notify the defaulting party in writing, and the defaulting party shall have ten (10) days to cure such default provided that if such default is of a nature that it cannot be cured within such ten (10) day period, then the defaulting party shall have such time as is necessary to cure the default provided that the defaulting party commences cure within ten (10) days notice of default and diligently prosecutes such cure to completion. If either party fails to cure the default within the cure period set forth above, then the remedy shall be as established by the arbitrator in the arbitration pursuant to this Section. Any disputes arising out of or relating to this AGREEMENT shall be resolved by arbitration before a single arbitrator of the JAMS/ENDISPUTE arbitration and mediation service sitting in Seattle, Washington, or similar arbitration service whom shall be directed to use the most expedited form of procedures available under the commercial arbitration rules.

#### 15. TERMINATION

Unless extended by the parties, this agreement shall, subject only to the requirements related to plant establishment, drainage maintenance and construction

defects, terminate upon reclamation of the Borrow Area by the PORT. The reclamation of the Borrow Area will be mutually agreed upon by the STATE and the PORT. The areas subject to restoration discussion will be within the limits of indicated by the Borrow Area shown in Exhibit "B". The PORT will notify the STATE when it has completed restoration of the Borrow Area.

#### 16. BORROW AREA REPRESENTATIVE

The STATE's and PORT's BORROW AREA representatives for the purposes of this AGREEMENT are listed below. Either party may change its BORROW AREA representative by notice. All notices or requests shall be sent to the STATE and the PORT addressed as follows:

WSDOT	Port of Seattle
Susan Everett	Ralph Wessels
Engineering Manager	Third Runway Project Manager
6431 Corson Avenue South	P.O. Box 68727
Seattle, WA 98108-3445	SeaTac, WA 98168-0727

#### 17. SUCCESSOR AND ASSIGNS

This AGREEMENT shall be binding upon the PORT and the STATE and their respective successors, assignees and legal representatives.

#### 18. SEVERABILITY

If any of the terms or provisions of this AGREEMENT are determined to be invalid, such invalid term or provision shall not affect or impair the remainder of the AGREEMENT, but such remainder shall remain in full force and effect to the same extent as though the invalid term or provisions were not contained in the AGREEMENT.

#### 19. ATTORNEY'S FEES

In the event it becomes necessary to employ legal counsel to bring an action of law or in equity to enforce any of the terms, covenants or conditions of this AGREEMENT, or because of any breach or default of this AGREEMENT, the prevailing party in any such proceedings, including any appeal, shall be paid all reasonable attorney's fees by the non-prevailing party, and in the event an judgment s secured by such party, all such attorney's fees shall be included in such judgment.

#### 20. GOVERNING LAW

This AGREEMENT and the rights of the parties to this AGREEMENT shall be governed and construed in accordance with the laws of the State of Washington.

#### 21. WARRANTY OF RIGHT OF ENTER INTO AGREEMENT

The STATE and the PORT each warrant that it has the right to enter into this AGREEMENT and that the person signing this AGREEMENT has authority to bind such person's respective party.

#### 22. PUBLICITY

Neither the STATE nor the PORT shall make any formal press releases, news conference or similar public statements concerning the Borrow Area without prior consultation with each other and coordination with each other's public relations staff. The party's agreement to coordinate their public relations efforts does not restrict the PORT from issuing press releases and making public statements about the construction of the Master Plan the Borrow Area.

#### 23. EXHIBITS

All exhibits referenced in, and attached to, this AGREEMENT are incorporated within this AGREEMENT.

#### 24. **RIGHT OF ENTRY**

The STATE hereby grants and conveys to the PORT the right of entry upon all land which the STATE has interest, within or adjacent to the right of way of the highway, for the purpose of excavation, reclamation and maintenance of those portions of the Borrow Area within [or adjacent to] the STATE's right of way. Such right of entry shall commence upon execution of the agreement and shall continue until termination of this agreement under any applicable provision. The State reserves the right to stop any

work located within the State right of way if such work is found to be out of compliance with of State law, WAC, Standard Specifications, State safety requirements, or the requirements of this Agreement.

#### 25. LEGAL REQUIREMENTS

The PORT shall comply with all Federal, State, and local laws and ordinances applicable to the work to be done under this AGREEMENT. This contract shall be interpreted and construed in accord with the laws of Washington.

#### 26. INDEMNIFICATION AND HOLD HARMLESS

The PORT shall indemnify and hold the STATE and its officers and employees harmless from and shall process and defend at its own expense all claims, demands, or suits at law or equity arising in whole or in part from the PORT's negligence or breach of any of its obligations under this AGREEMENT; provided that nothing herein shall require the PORT to indemnify the STATE against and hold harmless the STATE from claims, demands or suits based solely upon the conduct of the STATE, its agents, officers and employees; and provided further that if the claims or suits are caused by or result from the concurrent negligence of (a) the PORT's agents or employees and (b) the STATE, its agents, officers and employees, this indemnity provision with respect to (1) claims or suits based upon such negligence (2) the costs to the STATE of defending such claims and suits shall be valid and enforceable only to the extent of the PORT's negligence or the negligence of the PORT's agents or employees.

The PORT specifically assumes potential liability for actions brought by the PORT's own employees against the STATE and, solely for the purpose of this indemnification and defense, the PORT specifically waives any immunity under the state industrial insurance law, Title 51 RCW.

#### 27. RELATIONSHIP OF INDEPENDENT CONTRACTOR

The PORT's relation to the STATE shall be at all times as an independent contractor.

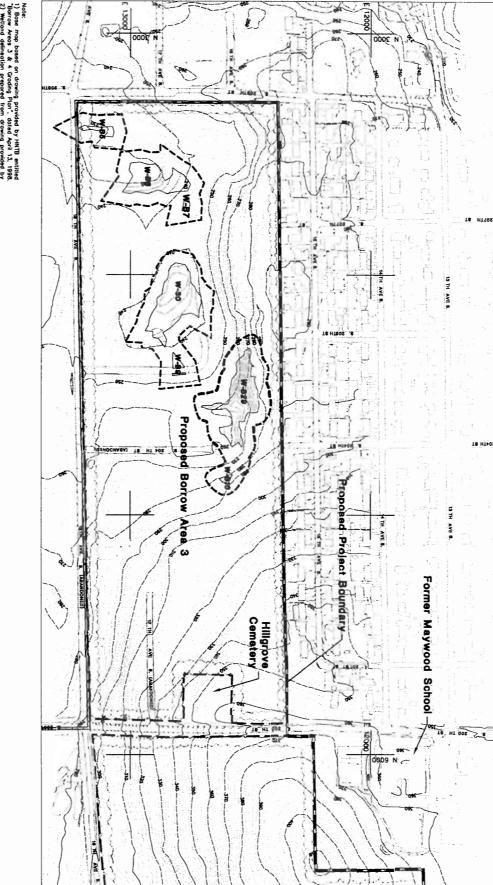
IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT as of the day and year first above written.

PORT OF SEATTLE	WASHINGTON STATE DEPARTMENT OF TRANSPORTATION
Ву	By
Executive Director	
Date	
APPROVED AS TO FORM:	APPROVED AS TO FORM:
Senior Port Counsel	Assistant Attorney General
Date	Date

### **EXHIBIT** A

### **PRE-EXCAVATION ELEVATION CONTOUR MAP**

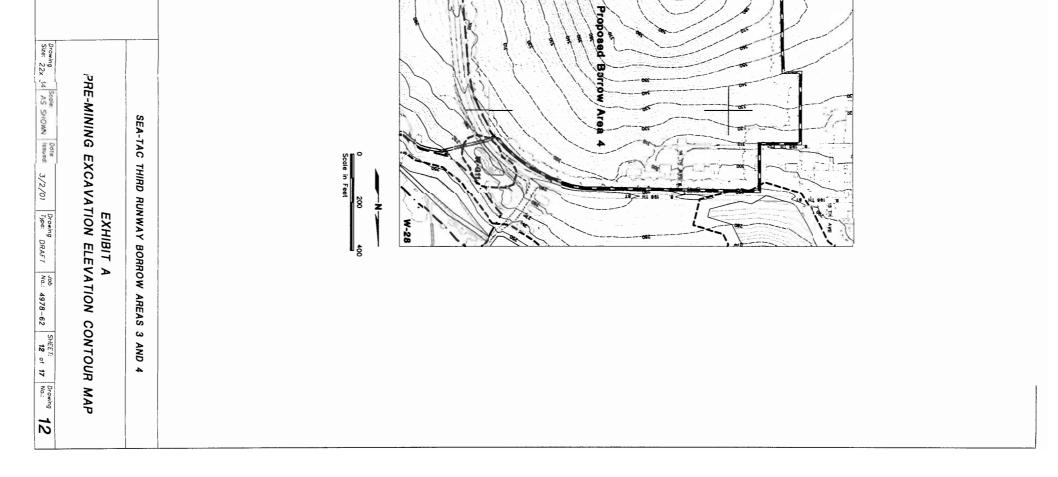
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						Approved By: M. J. BALLY Date 3/2/01	Designed By: R. HASTINGS Common By: R. CHAO	
106.324.955	Seattle, Washington Seattle, FAX 206 328 5581	1910 Fairview Avenue Eas	Hart Ordester, Inc	HARTOROWSER				



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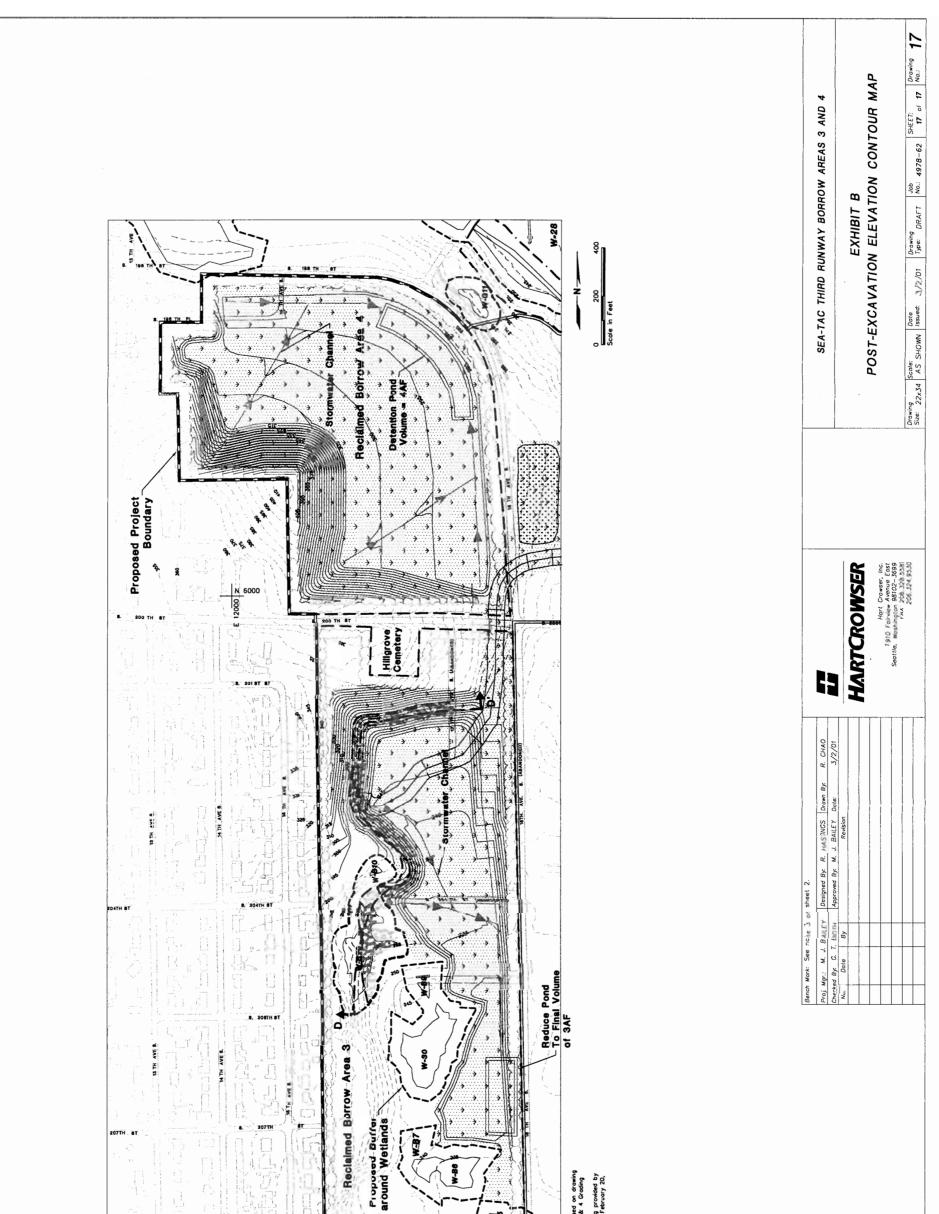
Note: 1) Base map based on drawing provided by HNTB entitled Borrow Areas 3 & 4 Grading Plan", dated April 13, 1998. 2) Weltand delineation prepared from drawing provided by Porometrix entitled, "W\_D22001.dwg", dated February 20, 2001.

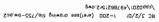
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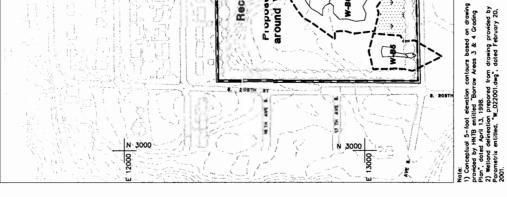


### EXHIBIT B

## **POST-EXCAVATION ELEVATION CONTOUR MAP**

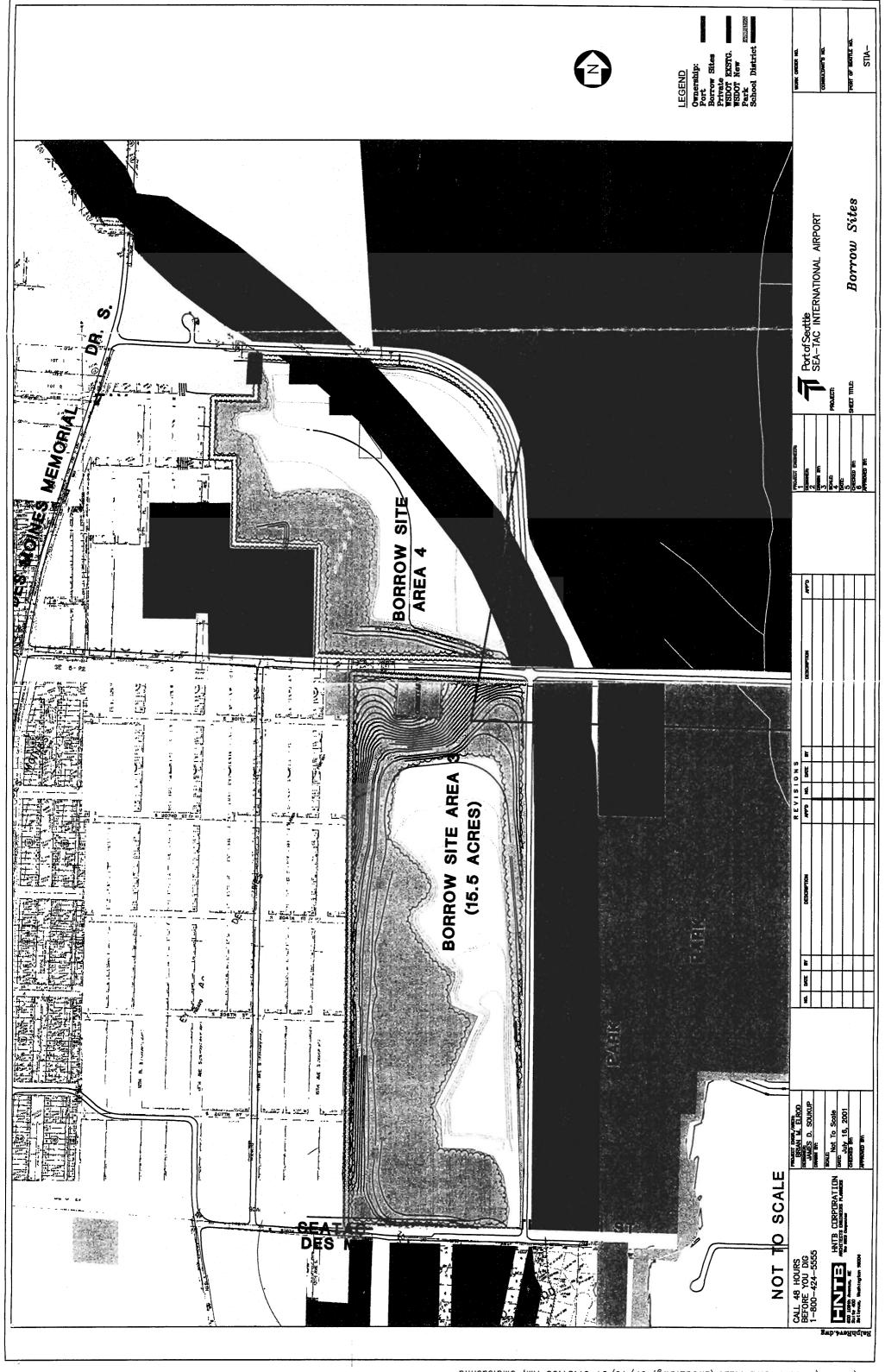






### **EXHIBIT C**

### PORT AND STATE PROPERTY OWNERSHIP MAP



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### **EXHIBIT D**

### **ASSIGNMENT OF COSTS**

#### Exhibit D

#### Assignment of Costs

WORK ITEM	PORT	WSDOT
Agreement administration (1)	X	X
Design	X	
Permits	X	
Project management	X	
Temporary Sedimentation and Erosion Control	X	
Drainage	X	
Logging	X	
Clearing and Grubbing	X	
Excavation including haul	X	
Removal of buried tanks and hazardous material (2)	X	X
Onsite topsoil management	X	
Offsite topsoil management (3)	X	X
Site reclamation	X	
Seeding and planting	X	
Plant maintenance	X	

- (1) The State and PORT are responsible for their own costs, including reviews and inspection.
- (2) The State and PORT are responsible for costs for items within their own property
- (3) Should offsite topsoil disposal be required due to arsenic levels, the State and PORT will each be responsible for the costs of disposal for the quantity of topsoil removed from their respective property.