

Jefferson County  
Board of Commissioners  
Agenda Request

**To:** Board of Commissioners  
Philip Morley, County Administrator

**From:** Frank Gifford, Public Works Director *FG*

**Agenda Date:** August 5, 2013

**Subject:** Hoh Shop Fuel System

---

**Statement of Issue:** Execution of Contract for Construction with Pacific Environmental Services Co. for an above ground 1,000 gallon fuel system at the Hoh River Road Maintenance Shop.

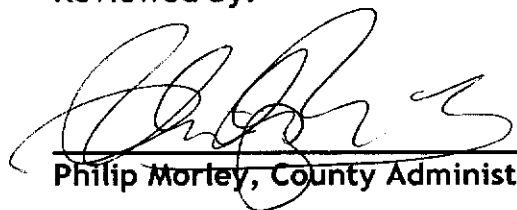
**Analysis/Strategic Goals/Pro's & Con's:** Bids were obtained via the Small Works Roster process. The award has been made to Pacific Environmental Services Inc. of Port Townsend, the lowest responsible and responsive bidder.

**Fiscal Impact/Cost Benefit Analysis:** The low bidder is Pacific Environmental, for the contract amount of \$47,656.30 including WSST.

**Recommendation:** We recommend that this Contract for Construction be signed by the Board. Please sign and return (2) originals to Public Works, retaining one original for your records.

**Department Contact:** Gordon D. Ramstrom, Architectural Projects Planner, 385-9380

**Reviewed By:**

  
Philip Morley, County Administrator

*8/1/13*  
Date

# CONTRACT

## JEFFERSON COUNTY, WASHINGTON

THIS AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2013, between the COUNTY OF JEFFERSON, acting through the Jefferson County Commissioners and the Director of Public Works under and by virtue of Title 36, RCW, as amended and Pacific Environmental Services Co of Port Townsend, WA hereinafter called the Contractor.

### WITNESSETH:

That in consideration of the terms and conditions contained herein and attached and made a part of this agreement, the parties hereto covenant and agree as follows:

1. The Contractor agrees to furnish all labor and equipment and do certain work, to-wit: That the Contractor herein will undertake and complete the following described work:

**This project is to provide and install an above ground Fuel System at the existing Jefferson County Public Works Hoh Road Shop located at 5632 Upper Hoh Rd., Forks, WA, 98331,** for the total sum of Forty seven thousand, six-hundred fifty-six and 30/100 dollars (\$47,656.30 ) in accordance with and as described in the attached plans and specifications and in the AIA Document A201 'General Conditions of the Contract for Construction' which are by this reference incorporated herein and made a part hereof. The Contractor shall perform any alteration in or addition to the work provided in this contract and every part thereof.

The Contractor shall complete the described work as follows: within a 45 working days after the issuance of the Building Permit from the Department of Community Development.

The Contractor shall provide and bear the expense of all equipment, work and labor of any sort whatsoever that may be required for the transfer of materials and for constructing and completing the work provided for in this contract and every part thereof.

2. The County of Jefferson hereby promises and agrees with the Contractor to employ, and does employ the Contractor to furnish the goods and equipment described and to furnish the same according to the attached specifications and the terms and conditions herein contained, and hereby contracts to pay for the same according to the attached specifications and the schedule of unit or itemized prices hereto attached, at the time and in the manner and upon the condition provided for in this contract. The County further agrees to employ the Contractor to perform any alterations in or additions to the work provided for in this contract that may be ordered and to pay for the same under the terms of this contract and the attached specifications at the time and in the manner and upon the conditions provided for in this contract.

3. The Contractor for himself, and for his heirs, executor, administrators, successors, and assigns, does hereby agree to the full performance of all the covenants herein contained upon the part of the Contractor.

4. Prior to commencing work, the Contractor shall obtain at its own cost and expense the following insurance from companies licensed in the State with a Best's rating of no less than A:VII. The Contractor shall provide to the County Risk Manager certificates of insurance with original endorsements affecting insurance required by this clause prior to the commencement of work to be performed.

The insurance policies required shall provide that thirty (30) days prior to cancellation, suspension, reduction or material change in the policy, notice of same shall be given to the County Risk Manager by registered mail, return receipt requested, for all of the following stated insurance policies.

If any of the insurance requirements are not complied with at the renewal date of the insurance policy, payments to the Contractor shall be withheld until all such requirements have been met, or at the option of the County, the County may pay the renewal premium and withhold such payments from the moneys due The Contractor.

All notices shall name the Contractor and identify the agreement by contract number or some other form of identification necessary to inform the County of the particular contract affected.

A. Workers Compensation and Employers Liability Insurance. The Contractor shall procure and maintain for the life of the contract, Workers Compensation Insurance, including Employers Liability Coverage, in accordance with the laws of the State of Washington.

B. General Liability(1) - with a minimum limit per occurrence of one million dollars (\$1,000,000) and an aggregate of not less than two million dollars (\$2,000,000) for bodily injury, death and property damage unless otherwise specified in the contract specifications. This insurance coverage shall contain no limitations on the scope of the protection provided and indicate on the certificate of insurance the following coverage:

1. Broad Form Property Damage with no employee exclusion;
2. Personal Injury Liability, including extended bodily injury;
3. Broad Form Contractual/Commercial Liability including completed operations (contractors only);
4. Premises - Operations Liability (M&C);
5. Independent Contractors and Subcontractors; and
6. Blanket Contractual Liability.

(1)Note: The County shall be named as an additional insured party under this policy.

C. Automobile (2) - with a minimum limit per occurrence of \$1,000,000 for bodily injury, death and property damage unless otherwise specified in the contract specifications. This insurance shall indicate on the certificate of insurance the following coverage:

1. Owned automobiles;
2. Hired automobiles; and,
3. Non-owned automobiles.

(2) Note: The County shall be named as an additional insured party under this policy.

Any deductibles or self-insured retention shall be declared to and approved by the County prior to the approval of the contract by the County. At the option of the County, the insurer shall reduce or eliminate deductibles or self-insured retention or The Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

The Contractor shall include all subcontractors as insured under its insurance policies or shall furnish separate certificates and endorsements for each subcontractor. All insurance provisions for subcontractors shall be subject to all of the requirements stated herein.

Failure of The Contractor to take out and/or maintain any required insurance shall not relieve The Contractor from any liability under the Agreement, nor shall the insurance requirements be construed to conflict with or otherwise limit the obligations concerning indemnification.

It is agreed by the parties that insurers shall have no right of recovery or subrogation against the County (including its employees and other agents and agencies), it being the intention of the parties that the insurance policies so affected shall protect both parties and be primary coverage for any and all losses covered by the above described insurance. It is further agreed by the parties that insurance companies issuing the policy or policies shall have no recourse against the County (including its employees and other agents and agencies) for payment of any premiums or for

assessments under any form of policy. It is further agreed by the parties that any and all deductibles in the above described insurance policies shall be assumed by and be at the sole risk of The Contractor.

It is agreed by the parties that judgments for which the County may be liable, in excess of insured amounts provided herein, or any portion thereof, may be withheld from payment due, or to become due, to The Contractor until such time as The Contractor shall furnish additional security covering such judgment as may be determined by the County.

The County reserves the right to request additional insurance on an individual basis for extra hazardous contracts and specific service agreements.

5. The Contractor shall comply with all Federal, State, and local laws and ordinances applicable to the work to be done under this Agreement. This Agreement shall be interpreted and construed in accord with the laws of the State of Washington and venue shall be in Jefferson County, WA.

The Contractor shall indemnify and hold the County, and its officers, employees, and agents harmless from and shall process and defend at its own expense, including all costs, attorney fees and expenses relating thereto, all claims, demands, or suits at law or equity arising in whole or in part, directly or indirectly, from the Contractor's negligence or breach of any of its obligations under this Agreement; provided that nothing herein shall require a Contractor to indemnify the County against and hold harmless the County from claims, demands or suits based solely upon the conduct of the County, its officers, employees and agents, and; provided further that if the claims or suits are caused by or result from the concurrent negligence of: (a) the Contractor's agents or employees; and, (b) the County, its officers, employees and agents, this indemnity provision with respect to claims or suits based upon such negligence, and/or the costs to the County of defending such claims and suits, etc., shall be valid and enforceable only to the extent of the Contractor's negligence, or the negligence of the Contractor's agents or employees.

Claims against the County shall include, but not be limited to assertions that the use and transfer of any software, book, document, report, film, tape, or sound reproduction of material of any kind, delivered hereunder, constitutes an infringement of any copyright, patent, trademark, trade name, or otherwise results in an unfair trade practice or an unlawful restraint of competition.

The Contractor specifically assumes potential liability for actions brought against the County by Contractor's employees, including all other persons engaged in the performance of any work or service required of the Contractor under this Agreement and, solely for the purpose of this indemnification and defense, the Contractor specifically waives any immunity under the state industrial insurance law, Title 51 R.C.W. The Contractor recognizes that this waiver was specifically entered into pursuant to provisions of R.C.W. 4.24.115 and was subject of mutual negotiation.

6. The Contractor's relation to the County shall be at all times as an independent Contractor, and nothing herein contained shall be construed to create a relationship of employer-employee or master-servant, and any and all employees of the Contractor or other persons engaged in the performance of any work or service required of the Contractor under this Agreement shall be considered employees of the Contractor only and any claims that may arise on behalf of or against said employees shall be the sole obligation and responsibility of the Contractor.

7. The Contractor shall not sublet or assign any of the services covered by this contract without the express written consent of the County or its authorized representative. Assignment does not include printing or other customary reimbursable expenses that may be provided in an agreement.

8. Nothing in the foregoing clause shall prevent the County, at its option, from additionally requesting that The Contractor deliver to the County an executed bond as security for the faithful performance of this contract and for payment of all obligations of The Contractor.

9. The Contractor will declare management option of the statutory retained percentage on Exhibit B.

IN WITNESS WHEREOF, the Contractor has executed this instrument on the day and year first below written, and the Board of County Commissioners has caused this instrument to be executed by and in the name of said County of Jefferson the day and year first above written.

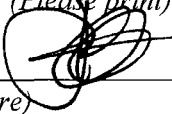
Executed by the Contractor 7-23-, 2013

Contractor:  
Pacific Environmental Services Co.

*(Please print)*

By: DAVID A. SATHIEL

*(Please print)*

 Pres

*(Signature)*

PACIFES103 BR

State of Washington, Contractor Registration Number

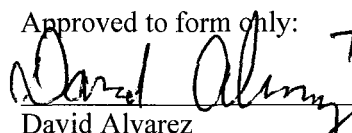
COUNTY OF JEFFERSON  
BOARD OF COMMISSIONERS


\_\_\_\_\_  
John Austin, Chair

\_\_\_\_\_  
Phil Johnson, Member

\_\_\_\_\_  
David W. Sullivan, Member

Approved to form only:

 7/1/13  
David Alvarez Date  
Deputy Prosecuting Attorney

 7/24/13  
Frank Gifford Date  
Public Works Director

CONTRACT BOND  
JEFFERSON COUNTY, WASHINGTON

Bond No. 10000208

KNOW ALL MEN BY THESE PRESENTS:

That Pacific Environmental Services Company, of Port Townsend, Washington, as Principal, and American Safety Casualty Insurance Company, as Surety, are jointly and severally held and bound unto the COUNTY OF JEFFERSON, the penal sum of Forty Seven Thousand Six Hundred Fifty Six 30/100 Dollars (\$ 47,656.30), for the payment of which we jointly and severally bind ourselves, or heirs, executors, administrators, and assigns, and successors and assigns, firmly by these presents.

The condition of this bond is such that WHEREAS, on the 17th day of June, A.D., 2013, the said Pacific Environmental Services Company, Principal herein, executed a certain contract with the County of Jefferson, by the terms, conditions and provisions of which contract the said Pacific Environmental Services Company, Principal herewith, agrees to furnish all materials and do certain work, to-wit: That the said Principal herein will undertake and complete the following described work:

Hoh Shop Fueling System County Project #180 543 1858

Jefferson, in Jefferson County, Washington, as per maps, plans and specifications made a part of said contract, which contract as so executed, is hereunto attached, and is now referred to and by this reference is incorporated herein and made a part hereof as full for all purposes as if here set forth at length.

NOW THEREFORE, if the Principal herein shall faithfully and truly observe and comply with the terms, conditions and provisions of said contract, in all respects and shall well and truly and fully do and perform all matters and things by the said Principal undertaken to be performed under said contract, upon the terms proposed therein, and within the time prescribed therein, and until the same is accepted, and shall pay all laborers, mechanics, subcontractors and materialmen, and all persons who shall supply such contractor or subcontractor with provisions and supplies for the carrying on of such work, and shall in all respects faithfully perform said contract according to law, then this obligation to be void, otherwise to remain in full force and effect.

WITNESS our hands this 28th day of June, 2013.

Pacific Environmental Services Company

PRINCIPAL

By: Tom W. Carroll

American Safety Casualty Insurance Company

SURETY COMPANY

By: Kristine Yates  
Kristine Yates

By: Kristine Yates  
Attorney-in-fact Kristine Yates

Address of local office and agent of surety company:

4850 SW Scholls Ferry Road Suite 204

Portland, OR 97225

503-292-2582 fax 503-292-2718



### POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that American Safety Casualty Insurance Company has made, constituted and appointed, and by these presents does make, constitute and appoints

Kristine Yates, PORTLAND, OR

its true and lawful attorney-in-fact, for it and its name, place, and stead to execute on behalf of the said Company, as surety, bonds, undertaking and contracts of suretyship to be given to

#### ALL OBLIGEEES

provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount the sum of

Forty Seven Thousand Six Hundred Fifty Six Dollars and Thirty Cents (\$47,656.30)

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company of the 25th day of April, 2012.

RESOLVED, that the President in conjunction with the Secretary or any Assistant Secretary may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the Company, to execute and deliver and affix the seal of the Company to bonds, undertakings, recognizances, and suretyship obligations of all kinds, and said officers may remove any such attorney-in-fact or agent and revoke any power of attorney previously granted to such persons.

RESOLVED FURTHER, that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the Company: (i) when signed by the President or any Vice-President and attested and sealed (if a seal is required) by any Secretary or Assistant Secretary or (ii) when signed by the President or any Vice-President or Secretary or Assistant Secretary, and counter-signed and sealed (if a seal is required) by a duly authorized attorney-in-fact or agent; or (iii) when duly executed and sealed (if a seal is required) by one or more attorney-in-fact or agents pursuant to and within the limits of the authority evidenced by the power of attorney issued by the Company to such person or persons.

RESOLVED FURTHER, that the signature of any authorized officer and the seal of the Company may be affixed by facsimile to any power of attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company; and such signature and seal when so used shall have the same force and effects as though manually affixed.

IN WITNESS WHEREOF, American Safety Casualty Insurance Company has caused its official seal to be hereunto affixed, and these presents to be signed by its President and attested by its Secretary this 25th day of April, 2012.

Attest:

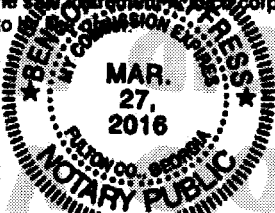
Ambuj Jain

STATE OF GEORGIA  
COUNTY OF COBB



Joseph D. Scallo, Jr.

On this 25th day of April, 2012, before me personally came Joseph D. Scallo, Jr. to me known, who, being by me duly sworn, did depose and say that he is the President of American Safety Casualty Insurance Company, the corporation described in and which executed the above instrument; that he knows the seal of the said corporation; that the seal affixed to the said instrument is the corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto.



Berleone Lee Jeffress, Notary Public

I, the undersigned, Secretary of American Safety Casualty Insurance Company, an Oklahoma corporation, DO HEREBY CERTIFY, that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore that the Resolution of the Board of Directors, set forth in the said Power of Attorney, is now in force.

Signed and sealed in the City of Atlanta, in the State of Georgia

Dated this 28th day of June 2013





Ambuj Jain

**EXHIBIT B**

**CONTRACTOR'S DECLARATION OF OPTION FOR MANAGEMENT OF  
STATUTORY RETAINED PERCENTAGE**

A. I hereby elect to have the retained percentage of this contract held in a fund by the Owner until (30) days following final acceptance of the work.

Date 7-23-13

Signed  

B. I hereby elect to have the Owner deposit the retained percentage of this contract in an interest bearing account, not subject to withdrawal until after final acceptance of the work.

Date \_\_\_\_\_

Signed \_\_\_\_\_

C. I hereby elect to have the Owner invest the retained percentage of this contract from time to time as such retained percentage accrues.

I hereby designate \_\_\_\_\_ as the repository for the escrow of said funds.

I hereby further agree to be fully responsible for payment of all costs or fees incurred as a result of placing said retained percentage in escrow and investing it as authorized by statute. The Owner shall not be liable in any way for any costs or fees in connection therewith.

Date \_\_\_\_\_

Signed \_\_\_\_\_