



INFORMATIONAL MEMORANDUM

TO: Transportation and Infrastructure Services Committee
FROM: Hari Ponnekanti, Public Works Director/City Engineer
CC: Mayor Allan Ekberg
DATE: March 17, 2023
SUBJECT: Interlocal Agreement with the City of Tukwila and the City of SeaTac for Fleet Maintenance

ISSUE

Approve an Interlocal Agreement (ILA) with the City of Tukwila (The City) and the City of SeaTac (SeaTac) for routine maintenance and repair of SeaTac’s fleet.

BACKGROUND

In 2019, the Council approved Phase 1 of the Public Works Shops project, resulting in a new building for Fleet and Facilities crews. The construction finished in 2022 and staff moved in June 2022. The City of Tukwila staff hosted a tour for the City of SeaTac Public Works staff to show the newly built fleet shop. SeaTac approached the City to explore the possibility of an ILA with the City to provide routine maintenance and repair of SeaTac’s fleet.

DISCUSSION

The Council direction set the vision for the PW Fleet & Facilities building to be an efficient and safe place for staff and to be a regional center for Fleet maintenance. Collaboration with local and regional jurisdictions such as the school district, King County Metro, and other cities are part of this vision laid out by the Council. With the completion of the new Fleet & Facilities building in 2022, Public Works staff now have adequate space, not only for the repair and maintenance of Tukwila’s fleet, but also to contract with neighboring Cities to provide repair and maintenance services for their fleet. As a result, working with other jurisdictions presents the opportunity for a mutually beneficial partnership. This ILA is a positive outcome for both parties as it will provide revenue for the City, as well as efficient and time-saving fleet repair and maintenance activities for SeaTac. Further, the workload added by SeaTac’s fleet will be roughly equivalent to the work lost by the departure of the Fire Department into the Puget Sound Regional Fire Authority. This is first attempt to enter into an ILA with SeaTac for the routine repair and maintenance of their fleet. City Public Works staff formulated this draft, which has been reviewed by the City Attorney and approved by SeaTac.

FINANCIAL IMPACT

The City anticipates a minimum of 600 hours of billable hours per year in providing routine maintenance and repair services to SeaTac’s fleet. The hourly billable rate is included in the exhibit B and is set at \$151.42 per hour for 2023. This rate will be updated every year to adjust to salary and cost of living increases.

RECOMMENDATION

The Council is being asked to approve the Interlocal Agreement between the City of Tukwila (The City) and the City of SeaTac (SeaTac), and consider this item at the March 27, 2023, Committee of the Whole meeting and subsequent April 3, 2023 Regular Consent Meeting.

ATTACHMENTS: Draft Interlocal Agreement,
Exhibit A - SeaTac Fleet List
Exhibit B - Tukwila Fleet Cost Model



**AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF SEATAC AND
THE CITY OF TUKWILA FOR SEATAC PUBLIC WORKS FLEET MAINTENANCE**

THIS IS AN INTERLOCAL AGREEMENT (“Agreement”) between the City of SeaTac, hereinafter referred to as “SeaTac,” and the City of Tukwila, hereinafter referred to as “Tukwila”, collectively, "Parties" and individually a “Party”.

Whereas, this Agreement is entered into by the Parties under the authority RCW 39.34, the Interlocal Cooperation Act.

Whereas, the purpose of this Agreement is to make available to SeaTac’s fleet maintenance/repair service performed by Tukwila, or under contracts entered into by the Tukwila. Tukwila shall provide mechanical maintenance/repair service for fleet vehicles/construction equipment owned by the City of SeaTac collectively, as detailed in Exhibit A.

To carry out the purposes of this Agreement and in consideration of the benefits to be received by each Party, the Parties hereby agree as follows:

1. DURATION AND TERMINATION

This Agreement shall govern services rendered from the Effective Date through December 31, 2033 ("Initial Term"), PROVIDED, HOWEVER, that the term of this Agreement may be extended for one (1) additional ten (10) year term (Extension Term), at the sole discretion of Tukwila, by written notice from the City of Tukwila to SeaTac, FURTHER PROVIDED, HOWEVER, that the City of Tukwila’s obligations after December 31, 2033, are contingent upon local legislative appropriation of necessary funds for this specific purpose in accordance with the applicable law.

The terms of the Agreement can be revisited every two (2) years by the parties to this Agreement. Tukwila or SeaTac may voluntarily terminate this Agreement if desired. The Party terminating the agreement shall give the other Party a minimum of twelve (12) months' prior written notice.

2. SCHEDULING WORK

Whenever SeaTac desires to use Tukwila’s services to undertake routine maintenance or repair of SeaTac vehicles, SeaTac shall notify Tukwila’s Fleet Superintendent, identified below, for scheduling the work via e-mail. To the extent SeaTac’s vehicles are in need of scheduled maintenance or unscheduled repair, such maintenance and/or repair will be provided on an "as needed" basis at Tukwila’s Fleet Superintendent’s discretion with emergent repairs being undertaken as soon as reasonably possible.

3. TRANSPORTATION

SeaTac shall provide for transportation of vehicles to and from Tukwila’s service location, set forth in Section 7 below. In situations where the vehicle is

inoperative, Tukwila's Fleet Superintendent will determine whether the vehicle shall be towed to Tukwila's service location or repaired at SeaTac's location. If the vehicle needs to be towed, it shall be a SeaTac's sole cost.

4. MAXIMUM COST FOR REPAIRS – EXTENT OF WORK

The cost for each repair work order shall not exceed Five Hundred and no/100 Dollars (\$500.00) without consultation by Tukwila with SeaTac. The SeaTac Contract Administrator, identified below, will advise Tukwila whether or not to proceed with specified repairs identified for particular vehicle when charges exceed the above amount. Vehicle repair estimates provided by Tukwila are estimates; if repair costs are estimated to exceed the original estimate provided by over \$100, Tukwila will contact SeaTac for permission to proceed with repairs.

5. STANDARD SPECIFICATIONS AND MAINTENANCE SCHEDULE

Whenever Tukwila has standard specifications in place for supplies or services requested by SeaTac, Tukwila shall use such specification in replacing parts and/or performing services requested. Tukwila's Preventive Maintenance schedule shall be used for SeaTac equipment.

6. REPLACEMENT OF EQUIPMENT

Whenever SeaTac or Tukwila deems an equipment should be replaced rather than repaired due to the cost involved or age of equipment, Tukwila shall provide feedback and recommendations to aid SeaTac in its selection process for equipment replacement based on the maintenance record that Tukwila has with the old equipment.

7. SERVICE LOCATION

Services on SeaTac vehicles shall be performed at Tukwila's service location, located at Tukwila's Fleet & Facilities Building (11210 Tukwila International Blvd, Tukwila, WA 98168), unless specific circumstances warrant the use of other necessary locations.

8. WAGE REQUIREMENTS

Tukwila shall conduct the service in compliance with King County wage requirements. Rates may vary in years subsequent to the initial year of this Agreement based upon the actual cost to Tukwila and as provided in a written annual letter of notification to SeaTac issued pursuant to subsection 9.3 of this Agreement.

9. COMPENSATION

Compensation for services rendered during the Initial Term and the Extension Term of this Agreement shall be based on rates approved annually through the Tukwila budget process and formally distributed by January 1st of the calendar year.

9.1 Tukwila labor shall be provided at a cost per hour for passenger car/light-duty vehicle repair services; and heavy truck and equipment

repair services; pursuant to annual rates identified in Exhibit B. Overtime labor shall be provided at 1.5 times the appropriate hourly rate.

Equipment categories are further defined as follows:

- "Light Equipment" = Automotive/Light Duty — Passenger cars and pickup trucks up to 1-ton category (Ford F350 equivalent).
- "Heavy Equipment" = Trucks above 1-ton category (F450 equivalent and above) and including dump trucks, vector trucks, street sweepers, backhoes, aerial lift "bucket" trucks, road graders, snow removal equipment, and other municipal heavy equipment, usually diesel powered.

9.2 Vendor repairs shall be provided at Tukwila cost plus labor for transporting to and from vendor at the light equipment Tukwila labor rate, and direct purchase parts shall be supplied at cost +15%. Tukwila will notify SeaTac when work needs to be sent to an outside vendor. SeaTac will provide Tukwila with written permission before moving forward with vendor repairs.

9.3 In the event of any changes in rates of compensation, parts, labor, and vendor repair costs, Tukwila will submit a letter to SeaTac by January 1st of the year, notifying SeaTac of any changes in rates of compensation for parts, labor and vendor repair costs before applying such new rates to all work performed for SeaTac for that year.

9.4 It is estimated that labor hours expended on SeaTac fleet repair and maintenance may be six hundred (600) hours annually. Tukwila labor hours designated for SeaTac fleet repair and maintenance shall be a minimum of Six Hundred (600) hours annually. However, the Parties agree to an end-of-year reconciliation of services rendered and payments made to evaluate labor rates and services provided to ensure sustainability of the agreement for the upcoming year.

10. PAYMENT FOR SERVICES

10.1 Tukwila shall invoice SeaTac **monthly**. Payments are due within thirty (30) days upon receipt of an invoice by SeaTac.

10.2 Payment as provided in this section shall constitute full compensation for work performed, services rendered, and for all materials, supplies, equipment and incidentals necessary to complete the work.

11. WARRANTY

Tukwila warrants that all work on, or parts provided to, SeaTac's vehicles will be free from defects not inherent in the quality required or permitted, and that the work will conform to the requirements of the Agreement. Work not conforming to these requirements, including substitutions not properly approved

and authorized in writing may be considered defective. All materials and work shall be guaranteed for a period of ninety (90) days ("warranty period") after the date the work order is closed. During the warranty period, Tukwila shall upon notification by SeaTac of any malfunctions, make necessary repairs at Tukwila's expense.

12. INDEMNIFICATION

SeaTac shall hold harmless, indemnify, and defend, at its own expense, Tukwila, its elected and appointed officials, officers, employees, representatives, and agents from any loss or claim for damages of any nature whatsoever arising out of SeaTac's performance of this Agreement, including claims by SeaTac's employees, or third parties, except for those losses or claims for damages solely caused by the negligence or willful misconduct of Tukwila, its elected and appointed officials, officers, employees, representatives, or agents.

Tukwila shall hold harmless, indemnify, and defend, at its own expense, SeaTac, its elected and appointed officials, officers, employees, representatives, and agents from any loss or claim for damages of any nature whatsoever arising out of Tukwila's performance of this Agreement, including claims by Tukwila's employees or third parties, except for those losses or claims for damages solely caused by the negligence or willful misconduct of the SeaTac, its elected and appointed officials, employees, representatives, or agents.

In the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of Tukwila and SeaTac, their officers, employees, representatives, and agents, each Party's liability hereunder shall be only to the extent of their respective negligence.

It is further specifically and expressly understood that the indemnification provided herein constitutes both Tukwila's and SeaTac's waiver to each other only, of their respective immunity under Industrial Insurance, Title 51 RCW, solely for purposes of this indemnification. This waiver has been mutually negotiated by the Parties. The provisions of this Section shall survive the expiration or termination of this Agreement.

13. INSURANCE

Each Party shall each provide and maintain suitable commercial general liability and auto liability insurance policies to protect it from casualty losses by reason of the activities contemplated by this Agreement. The limits of liability for each coverage shall be at least Two Million Dollars (\$2,000,000) each occurrence. Each Party shall provide the other Party with a Certificate of Liability Insurance or Evidence of Coverage; provided, that if either Party is self-insured or part of a self-insurance risk pool, it will provide a letter of self-insurance as evidence of coverage.

14. AUDITS AND INSPECTIONS

The records and documents with respect to all matters covered by this contract shall be subjected to inspection, review or audit by Tukwila or SeaTac at the requesting Party's sole expense during the term of this Agreement and three (3) years after expiration or termination. Such records shall be made available for inspection during regular business hours within a reasonable time of the request. A records report shall be provided by Tukwila to SeaTac annually.

15. FINANCE AND BUDGET

No special budget or funds are anticipated, nor shall any be created. The Parties are each responsible for their own finances in connection with this Agreement, and nothing in this Agreement shall be deemed or construed otherwise.

16. APPLICABLE LAW; VENUE; ATTORNEYS FEES

This Agreement shall be subject to, and the Parties shall at all times comply with, all applicable federal, state and local laws, regulations, and rules, including the provisions of the City of Tukwila Municipal Code and ordinances of the City of Tukwila. In the event any suit, arbitration, or other proceeding is instituted to enforce any term of this Agreement, the Parties specifically understand and agree that venue shall be properly laid in King County, Washington. The prevailing party in any such action shall be entitled to its attorney's fees and costs of suit. Venue for any action arising from or related to this Agreement shall be exclusively in King County Superior Court.

17. SEVERABILITY AND SURVIVAL

If any term, condition or provision of this Agreement is declared void or unenforceable or limited in its application or effect, such event shall not affect any other provisions hereof and all other provisions shall remain fully enforceable. The provisions of this Agreement, which by their sense and context are reasonably intended to survive the completion, expiration or cancellation of this Agreement, shall survive termination of this Agreement.

18. ENTIRE AGREEMENT; MODIFICATION

This Agreement, together with attachments or addenda, represents the entire and integrated Agreement between Tukwila and SeaTac and supersedes all prior negotiations, representations, or agreements written or oral. No amendment or modification of this Agreement shall be of any force or effect unless it is in writing and signed by the Parties.

19. NO WAIVER

Failure to insist upon strict compliance with any terms, covenants or conditions of this Agreement shall not be deemed a waiver of such, nor shall any waiver or relinquishment of such right or power at any time be taken to be a waiver of any other breach.

20. ADMINISTRATION

This Agreement will be jointly administered by Tukwila and SeaTac. This Agreement does not create any separate legal or administrative entity

21. NOTICES

Notices to the City of Tukwila shall be sent to the following address:

City Clerk
City of Tukwila
6200 Southcenter Boulevard
Tukwila, WA 98188

Notices to the City of SeaTac shall be sent to the following address:

Finance Administration
City of SeaTac
4800 S 188th St
SeaTac, WA 19188

21. PROPERTY ACQUISITION AND DISPOSITION

This Agreement does not contemplate the joint acquisition of property by the parties. At termination, each party will remain the sole owner of its own property.

22. PUBLICATION

Prior to its entry into force, the Parties shall electronically publish this Agreement on their respective websites in lieu of recording it with the County Auditor.

23. EFFECTIVE DATE

This Agreement shall be effective upon the latest date it is executed by all Parties.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date last written below.

**** Contractor signature to be obtained by sponsor staff. ****

**** City signatures to be obtained by City Clerk's Staff ONLY. ****

CITY OF SEATAC

CITY OF TUKWILA

By:

Allan Ekberg, Mayor

Date

Date

APPROVED AS TO FORM:

Date

ATTEST/AUTHENTICATED:

City Clerk

Date

APPROVED AS TO FORM:

Office of the City Attorney

Date

ATTEST/AUTHENTICATED:

Christy O'Flaherty, City Clerk

Date

EXHIBIT A

Current Asset #	Description	Date in Service
B036	2003 Ford F450 XL 1 Ton Flat Bed	5/2/2003
B037	2003 F-450 Flatbed	5/2/2003
B044	2005 F-450 Supercab 4x2	6/14/2005
B051	2005 Ford F250 4x4 Truck	3/23/2005
B055	2008 Ford F-250 Supercab Pick Up Truck	6/21/2007
B056	2008 Ford F-250 Crew Cab 4x2 Truck	1/1/2007
B060	2008 Ford E14 Econo Cargo Van	5/20/2008
B061	2008 EK SII 14 Passenger Van	9/8/2008
B062	2010 Ford F-250 Extended Cab Truck	9/29/2009
B064	2013 Ford F-250	12/11/2012
B065	2013 Ford F-250	12/11/2012
B066	2014 Ford F -250 4X2	11/22/2013
B067	2014 Ford F-250 4X2	11/22/2013
B068	2014 Ford F-550 XL	12/4/2013
B069	2014 Ford Senator 12 Passenger van	4/11/2014
B070	2015 Ford F-150	2/6/2015
B071	2014 Ford F-150	12/1/2014
B072	2014 Ford F 150 4X4	4/22/2015
B073	2016 Ford Transit	12/28/2015
B074	2016 Ford F-150	11/1/2016
B075	2016 Ford F-150	11/4/2016
B076	2016 Ford F-150	11/1/2016
B077	2017 Ford F-150 4X4	5/1/2017
B078	2017 Ford F-150 4X4	5/1/2017
B079	2017 Ford F-150 4X2	5/1/2017
B080	2017 Ford F-150 4X2	5/1/2017
B081	2017 Ford F-150 (parks)	6/14/2017
B082	2017 Ford F-150 (parks)	6/6/2017
B083	2017 Ford Escape (pw admin)	8/31/2017
B084	2017 Ford Escape (pw admin)	8/31/2017
B085	Ford Escape SE AWD	7/11/2018
B086	Ford Escape SE AWD	7/11/2018
B087	2018 Ford Escape SE AWD	8/24/2018
B088	2019 Ford Escape SE AWD	8/8/2019
B089	2019 Ford Escape SE AWD	8/8/2019
B090	2019 Ford F150 XIE SC 4WD	8/14/2019
B091	2019 Ford F150 SC 4X4 Truck	9/24/2019
B092	2019 Ford Transit 15 Passenger Van	10/4/2019
B093	2019 Ford F-150 SC 4x2	10/21/2019
B094	2019 Ford F150 SC 4x2	10/22/2019
B095	2019 Ford F150 CC 4x2	10/22/2019
B096	2019 Ford Transit Cargo Van	11/26/2019
B097	2020 Ford F150 SC 4WD	2/20/2020
B098	2020 Ford Transit 15 Passenger Van	6/18/2021
C013	2000 Trailer Concrete Mixer	12/27/2000

Current Asset #	Description	Date in Service
C015	2003 Eagle Premier Utility Trailer	6/17/2003
C016	2004 Eagle Premier Utility Trailer	2/28/2004
C019	2006 Brush Chipper	6/29/2006
C020	2006 Crafcro Crack Sealer/Air Comp/Trailer	7/31/2006
C021	2006 Air Compressor/Jack Hammer	9/14/2006
C022	2007 Wanco Arrow board Trailer	4/23/2007
C024	2007 Eagle Landscape Trailer	5/5/2008
C026	2009 Eagle Landscape Utility Trailer	12/4/2009
C027	2012 Top Notch Tilt Utility Trailer	12/19/2011
C028	2014 Eagle Landscape Trailer	1/13/2015
C029	2014 Wanco Arrow Board	12/19/2014
C030	2015 Eagle Landscape Trailer	8/11/2015
C031	2018 Forv Cargo Mate Utility	10/25/2017
C032	2015 RU2 800 Radar Traff Trailer	11/16/2015
C033	2017 Utility Trailer (Roller)	11/27/2017
C034	2018 Tilt Trailer King	4/25/2018
C035	2008 GENERATOR 208/480V TRAILER	7/1/2018
C037	2018 Hydrotek Tailer/Pres Washer	3/18/2019
C038	2019 Ver-Mac Message Board	4/13/2021
C039	2019 Ver-Mac Message Board	4/13/2021
C040	2019 Ver-Mac Message Board	4/13/2021
C041	2019 Ver-Mac Message Board	4/13/2021
D016	1999 10yd Dump Truck	2/28/1999
D032	2004 Hyster SX40 Forklift	5/5/2004
D040	2009 Freightliner Hook Lift/Dump Truck	12/17/2008
D042	2008 Freightliner Hot Box Patcher	9/28/2009
D043	2009 John Deere Gator	9/23/2009
D044	2010 Billy Goat Debris Blower/Trailer	11/16/2010
D045	(3) 6,100 Gallon Storage Tank	11/20/2010
D047	1,000 Gallon Tank Sprayer	11/20/2010
D048	325 Gallon Tank Sprayer	11/20/2010
D049	2011 Toro Groundsmaster 4000 Mower	6/21/2011
D050	2011 Broyhill Stadium 110 Sprayer	6/21/2011
D051	2013 John Deere Gator	4/24/2013
D053	2013 Sweeper	6/25/2013
D054	2014 VacCon	5/31/2013
D055	2014 John Deere 1200A Bunker & Field R	11/1/2014
D056	2014 John Deere 1200A Bunker & Field R	11/1/2014
D057	2014 John Deere 1200A Bunker & Field R	11/1/2014
D058	Paint Striper	10/1/2014
D059	2014 Toro mower	11/1/2014
D060	2014 John Deere 4052R Compact Tractor	9/18/2014
D061	2014 Exmark Turf Tracer	11/12/2014
D062	Hot Bituminous Applicator	8/19/2014
D063	2015 John Deere 6105M Cab Tractor w/r	2/10/2016

Current Asset #	Description	Date in Service
D064	2016 Ford Cutaway Camera Truck	9/15/2015
D065	2015 John Deere 6105M Cab Tractor w/	2/10/2016
D066	2016 John Deere 310L Backhoe Loader	1/14/2016
D067	Ver-Mac Message Board	11/1/2016
D068	Ver-Mac Message Board	11/1/2016
D069	2016 Debris Blower Toro	4/25/2018
D070	2017 Wacker RD-12 1/2 Ton Roller	11/17/2017
D071	2020 Dump Truck w/box	7/19/2019
D072	2019 Turfco Mete-R-Matic IV Top Dresse	9/24/2019
D073	Backhoe Loader 410L	12/28/2021
D074	Walker Mower	6/28/2021
D075	Ground Master	
D076	New Brine Machine	10/1/2022
D077	Grandstand	
NONE2	Lincoln Ranger 9 Gas Welder	8/23/2004
NONE3	American IMC Air Compressor	11/22/2004
S009	Fastliner Paint Sprayer	10/15/2001
S017	1999 Tenco Snow Plow	3/23/1999
S024	2006 Jumping Jack	8/14/2006
S025	Push Camera/Capital Equipment	3/20/2019
	Toro 0 Turn Mower	

EXHIBIT B

Billable Labor Rate for ILA	2023
Labor rate	\$ 126.18
(includes salary, benefits, and taxes)	
Overhead %	20%
(utilities, shop supplies, excludes indirect cost allocation)	
Billable Labor Rate:	\$ 151.42