

**RESOLUTION NO. 3204**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON, TO AMEND AN EXISTING PROFESSIONAL SERVICES AGREEMENT WITH RH2 TO PROVIDE DESIGN SERVICES FOR A NEW LAKERIDGE 810 ZONE TANK TO INCLUDE THE DESIGN OF A NEW LAKERIDGE 748 ZONE TANK.**

**WHEREAS**, the 2023-2024 Biennial budget includes funding in the amount of \$7,625,000 for the construction of a new 810 zone tank on the Lakeridge reservoir parcel; and

**WHEREAS**, on June 13<sup>th</sup>, 2023, Resolution 3157 authorized the mayor to sign a contract with RH2 in the amount of \$438,500 to design a new Lakeridge 810 zone tank; and

**WHEREAS**, RH2 has started design of the Lakeridge 810 zone tank and is recommending that the design of the Lakeridge 748 zone tank and the Lakeridge 810 zone tank be performed concurrently for economy of scale in permitting and construction to reduce cost; and

**WHEREAS**, RH2 and staff presented the concurrent design concept to council workshop on March 5<sup>th</sup>, 2024 and received direction to bring a contract amendment for review and approval; and

**WHEREAS**, RH2 provided a scope and fee in the amount of \$258,632 from RH2 to provide design services to construct a new Lakeridge 748 zone tank; and

**WHEREAS**, the City has budgeted \$2,050,000 in 2023 and 2024 for the Cedar View Water Main Replacement Project and \$1,427,751 is available to be allocated to support the Lakeridge 810 and 748 project; and

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, WASHINGTON DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1. Authorization of Contract.** The Mayor is authorized to sign the attached contract amendment with RH2 in the amount of \$258,632 for a total authorization amount of \$697,132 for the design of the Lakeridge 810 and 748 zone tanks.

**Section 2. Transfer of Funds Authorized.** The Mayor is authorized to direct City staff to transfer \$258,632 from the Cedar View Water Main project to the amended Lakeridge 810 project to include the Lakeridge 748 project.

**Passed by the City Council this 23<sup>rd</sup> day of April 2024.**

DocuSigned by:



339A07C13E9E492...

Terry Carter, Mayor

AUTHENTICATED:

DocuSigned by:



975A05652D794C6...

Sadie A. Schaneman, CMC, City Clerk

City of Bonney Lake, Washington  
**City Council Agenda Bill (AB)**

<b>Department/Staff Contact:</b> PS / Ken Gill	<b>Meeting/Workshop Date:</b> April 23, 2024	<b>Agenda Bill Number:</b> AB24-25
<b>Agenda Item Type:</b> Resolution	<b>Ordinance/Resolution Number:</b> R24-25	<b>Sponsor:</b>

**Agenda Subject:** Professional Service Agreement Amendment With RH2.

**Full Title/Motion:** A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, To Amend An Existing Professional Services Agreement With RH2 To Provide Design Services For A New Lakeridge 810 Zone Tank To Include The Design Of A New Lakeridge 748 Zone Tank.

**Administrative Recommendation:** Approve.

**Background Summary:** The City's water system has 2 main service zones based upon elevation. Design is underway on a new water tank to serve the 810 service zone. The demand for water in the 748 zone continues to grow, and the existing 748 tank was built in 1963. The tank is at the end of its design life and in the way of construction of the proposed 810 tank. Replacing the existing 748 tank with a larger reservoir will provide additional storage and reduce reliance on Tacoma Water. The Water Comprehensive Plan and rates include a plan and funding to build a new 748 water tank at the Lakeridge water site in 2026. RH2 scope and fee is \$258,632. To fund the design of the 748 tank, \$258,632 in funding from Cedar View Water Main will need to be transferred to the amended Lakeridge 810 project contract to include the Lakeridge 748 project.

**Attachments:** Resolution 24-25, PSA, Lakeridge 810 and 748 Reservoir Council Workshop Presentation.

<b>BUDGET INFORMATION</b>				
Budget Amount	Current Balance	Required Expenditure	Budget Balance	Fund Source
0	0	\$258,632	(\$258,632)	<input type="checkbox"/> General <input checked="" type="checkbox"/> Utilities <input type="checkbox"/> Other
<b>Budget Explanation:</b> The City Has Budgeted \$2,050,000 In 2023 And 2024 For The Cedar View Water Main Replacement Project And \$1,427,751 Is Available To Be Allocated To Support The Lakeridge 810 And 748 Project.				

<b>COMMITTEE, BOARD &amp; COMMISSION REVIEW</b>			
<b>Council Committee Review:</b>	Community Development	<i>Approvals:</i>	<b>Yes No</b>
	Date: 2 April 2024	Chair/Councilmember Gwendolyn Fullerton	<input checked="" type="checkbox"/> <input type="checkbox"/>
		Councilmember Dan Swatman	<input checked="" type="checkbox"/> <input type="checkbox"/>
		Councilmember J Kelley McClimans	<input checked="" type="checkbox"/> <input type="checkbox"/>
	Forward to:	<b>Consent Agenda:</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Commission/Board Review:</b>			
<b>Hearing Examiner Review:</b>			

<b>COUNCIL ACTION</b>	
Workshop Date(s):	Public Hearing Date(s):
Meeting Date(s): 4/23/2024	Tabled to Date:

<b>APPROVALS</b>		
<b>Director:</b> <i>Jason Sullivan</i>	<b>Mayor:</b> <i>Terry Carter</i>	<b>Date Reviewed by City Attorney:</b> (if applicable)

**SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT BETWEEN  
CITY OF BONNEY LAKE AND RH2 ENGINEERING, INC.**

**THIS SECOND AMENDMENT** to the Professional Services Agreement (“**Second Amendment**” or “**Amendment**”), dated as of the later of the signature dates below (the “**Effective Date**”), is by and between **CITY OF BONNEY LAKE**, a Washington municipal corporation, having its principal place of business at 9002 Main St. E., Bonney Lake, Washington 98391 (hereinafter “**City**”), and **RH2 Engineering, Inc.**, a Washington corporation, having its principal place of business at 1201 Pacific Ave, Suite 1750, Tacoma, Washington 98402 (“**Consultant**”) (individually a “**Party**” and collectively the “**Parties**”).

**RECITALS:**

**WHEREAS**, the Parties entered into a Professional Services Agreement on June 13, 2023 (hereinafter “**Agreement**”) for purposes of allowing Consultant to provide design services to construct a new Lakeridge 810 Zone Tank for the City; and

**WHEREAS**, by agreement of the Parties the Agreement was previously amended on February 12, 2024 to incorporate all terms of the DWSRF Municipal Loan Contract and this is the **SECOND** Amendment to the Agreement; and

**WHEREAS**, since that time the Parties have determined that an amendment is needed; and

**NOW THEREFORE**, in consideration of the terms and conditions set forth herein, the Parties agree that the recitals set forth above are incorporated herein as if set forth in their entirety and further agree as follows:

**AGREEMENT:**

1. The following new section is hereby added to the Agreement to read as follows:

To provide design services to add the Lakeridge 748 Replacement Reservoir to the Lakeridge 810 Reservoir project and prepare construction documents for the two reservoirs.

See Attachments and Exhibits for complete Scope of Work and Fees.

2. **Reaffirmation; Intention to be Bound.** Except as expressly amended by this Amendment, each and every term, condition and agreement contained in the Agreement shall remain in full force and effect. The Parties reaffirm that the representations and warranties made by each Party in the Agreement are true and accurate as of the Effective Date. The Parties executing this First Amendment on behalf of themselves, their assigns, and successors, hereby acknowledge and reaffirm their intention to be bound by the terms and conditions of the Agreement. Nothing in this


Amendment shall be deemed to supersede or otherwise modify any other term or provision of the Agreement except as expressly stated herein.

- 3. Recitals; Capitalized Terms.** The recitals set forth above are a part of this Amendment. Unless otherwise defined herein, capitalized terms used in this Amendment have the meanings assigned to them in the Agreement or as set forth in the Amendment.

**IN WITNESS WHEREOF**, the Parties have caused their properly authorized representatives to execute this First Amendment on the dates set forth below.

**CITY:**

**BONNEY LAKE,**  
a Washington municipal corporation

DocuSigned by:  
  
By: \_\_\_\_\_  
339AD7C13E9E492...

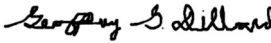
Name: Terry Carter

Title: Mayor

Date: 4/23/2024

**CONSULTANT:**

**RH2 Engineering, Inc.**  
a Washington corporation

DocuSigned by:  
  
By: \_\_\_\_\_  
D04AB5014C2147D...

Name: Geoffrey Dillard

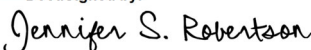
Title: Director

Date: 4/23/2024

**ATTEST:**

DocuSigned by:  
  
Sadie A. Schaneman, CMC, City Clerk  
975A05C52D794C6...

**APPROVED AS TO FORM:**

DocuSigned by:  
  
Jennifer S. Robertson, City Attorney  
3C0B924BC2044F...

**Attachments:**

- RH2 Engineering Inc, Contract Amendment No. 2
- Exhibit A: Scope of Work
- Exhibit B: Fee Estimate
- Exhibit C: Schedule of Rates



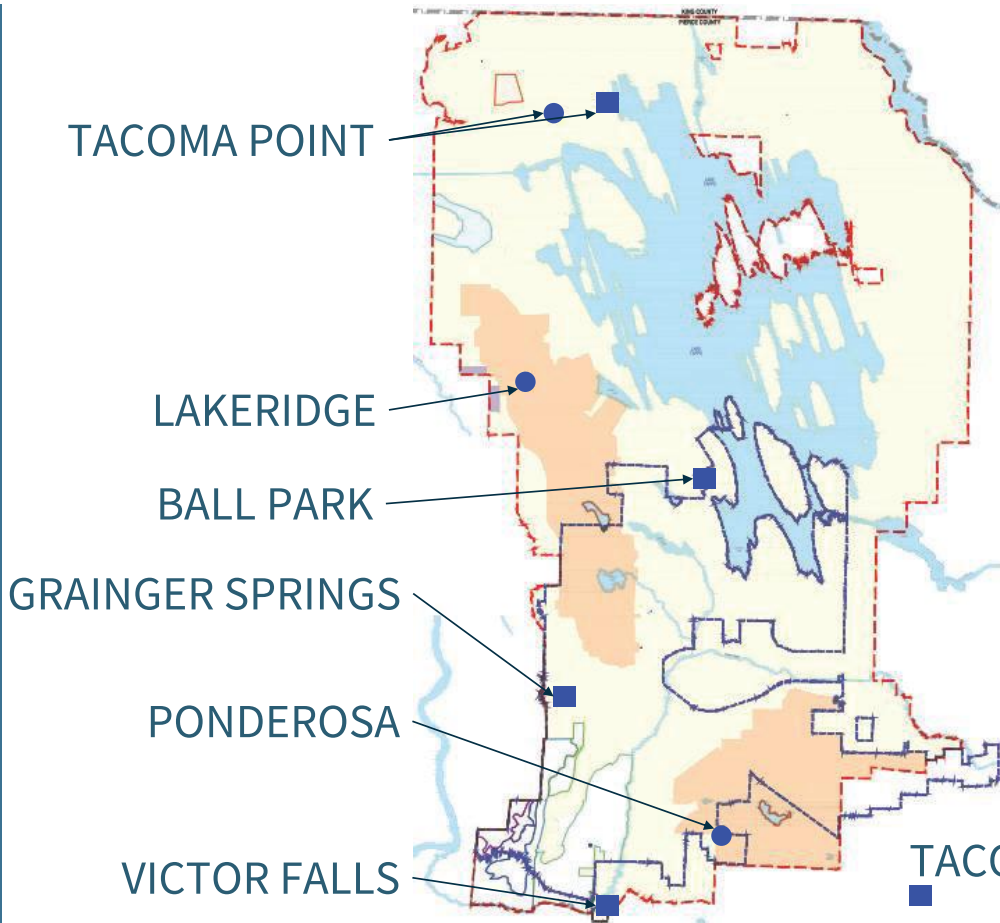
March 5, 2024  
6:00PM

# Lakeridge 810 Reservoir and Lakeridge 748 Reservoir Council Workshop Presentation

Clayton Posey, P.E.  
RH2 Engineering Inc.



# PROJECT LOCATION



LEGEND	
	BONNEY LAKE CITY LIMITS
	WATER SERVICE AREA BOUNDARY
	RESERVOIR
	WATER SOURCE
PRESSURE ZONES	
	748 BONNEY LAKE
	800 PONDEROSA
	810 LAKERIDGE

TACOMA INTERTIE

# PROJECT BACKGROUND

## CIP ST3: Lakeridge 810 Zone Reservoir

**Deficiency:** The City does not currently have a storage facility in this zone.

**Improvement:** Select and obtain a property for the Lakeridge 810 Reservoir that has an optimum ground elevation and is conducive to permitting a tall water tank. Construct a new reservoir in the upper elevations of the 810 Zone to provide gravity storage for existing and future customers. The new reservoir will have an overflow elevation of approximately 810 feet. The new reservoir will be sized to provide approximately 1.3 MG of usable storage.

### Lakeridge 810 Zone Reservoir

- Water System Plan Schedule: 2023
- City 2023/2024 Budget
- Funded by Department of Health (Drinking Water State Revolving Fund Loan)

## CIP ST4: Lakeridge 748 Zone Water Reservoir

**Deficiency:** Additional storage capacity is required to accommodate growth. It is estimated that 1.9 MG of storage capacity will be required to accommodate projected growth through 2035.

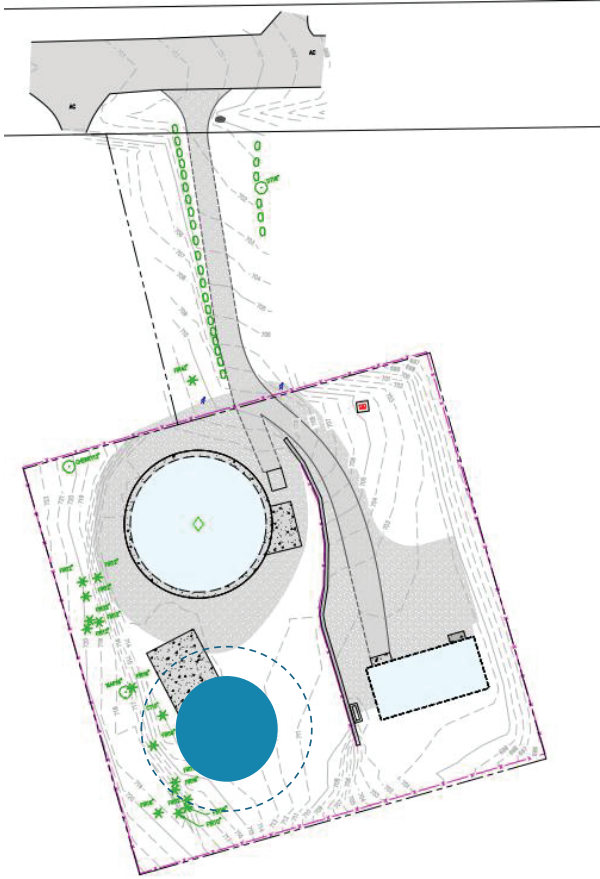
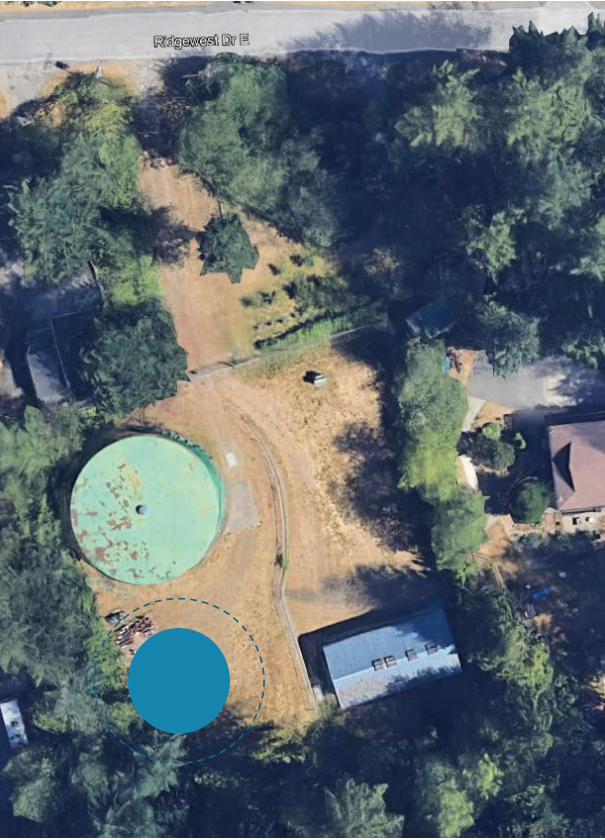
**Improvement:** Construct a new reservoir in the 748 Pressure Zone to provide gravity storage to the water system. The new reservoir will have an overflow elevation of 748 feet and needs to be sized to provide approximately 1.9 MG of usable storage. The preferred location for this reservoir is in the central part of the water a system, since there are no sources of supply in this location.

### Lakeridge 748 Zone Reservoir

- Water System Plan Schedule: 2024
- City 2025/2026 Budget
- Funded by commodity rates and system development charges

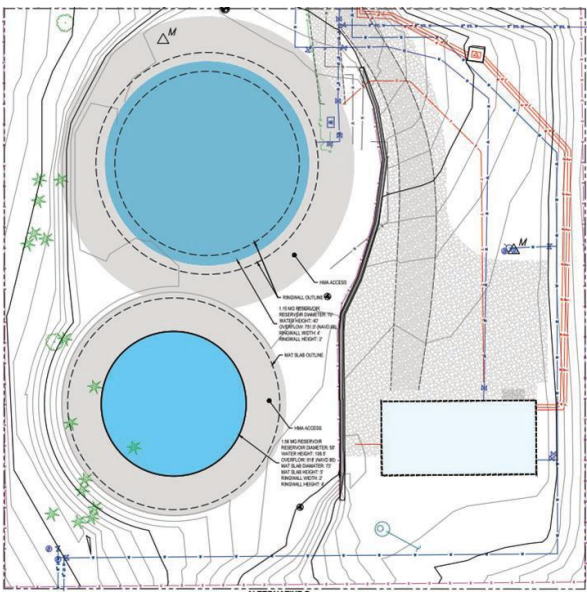


# SITE CONSTRAINTS





# WHY COMBINE PROJECTS?



- Provides significant cost savings
- Improves constructability
- Reduces risk
- Helps control rates
- Reduces reliance on Tacoma Water
- Minimizes construction nuisance to neighbors
- Provides Economy of scale
- Allows for One time mobilization, demobilization, and overhead cost
- Reduces construction administration cost
- Provides design cost savings
  - One bid package vs two
  - Economy of scale

10% - 20% Cost Savings!





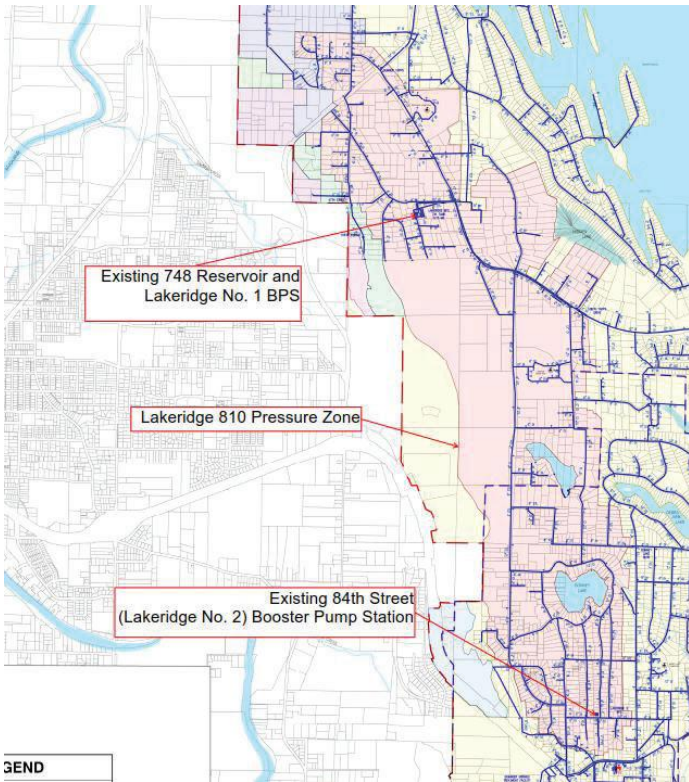
#### **CIP ST4: Lakeridge 748 Zone Water Reservoir**

**Deficiency:** Additional storage capacity is required to accommodate growth. It is estimated that 1.9 MG of storage capacity will be required to accommodate projected growth through 2035.

**Improvement:** Construct a new reservoir in the 748 Pressure Zone to provide gravity storage to the water system. The new reservoir will have an overflow elevation of 748 feet and needs to be sized to provide approximately 1.9 MG of usable storage. The preferred location for this reservoir is in the central part of the water a system, since there are no sources of supply in this location.

- A Capital Improvement Plan Identified in the Water System Plan and approved by Department of Health (DOH).
- Funded by rates and already included in 2025-2026 budget.
- Schedule for design in 2025 and construction in 2026.
- The 748 pressure zone needs additional storage to meet growth and demand.
- The existing Lakeridge 748 Reservoir was constructed in 1963, requires recoating, and is undersized and underutilized.
- Replacing the existing 748 Reservoir with a larger 748 reservoir would provide the additional 748 storage, would allow operations to utilize the reservoir, and would help reduce reliance on Tacoma Water.





**CIP ST3: Lakeridge 810 Zone Reservoir**

**Deficiency:** The City does not currently have a storage facility in this zone.

**Improvement:** Select and obtain a property for the Lakeridge 810 Reservoir that has an optimum ground elevation and is conducive to permitting a tall water tank. Construct a new reservoir in the upper elevations of the 810 Zone to provide gravity storage for existing and future customers. The new reservoir will have an overflow elevation of approximately 810 feet. The new reservoir will be sized to provide approximately 1.3 MG of usable storage.

- A Capital Improvement Plan Identified in the Water System Plan and approved by Department of Health (DOH)
- Design is in process. Construction scheduled for 2025.
- Funded by DOH Drinking Water State Revolving Fund.
- Converts the Lakeridge 810 Pressure Zone from a closed zone to an open zone.
- Adding gravity storage provides reliability and redundancy for normal use and fire flow.
- Open pressure zones are more efficient and simplify operations and maintenance.

