MIDVALE CITY, UTAH RESOLUTION NO. 2020-R-50

A RESOLUTION APPROVING THE MAYOR TO ENTER INTO A COST SHARING AGREEMENT WITH JORDAN VALLEY WATER CONSERVANCY DISTRICT (JVWCD)

WHEREAS, Midvale City (City) has the responsibility and obligation to provide sufficient and safe water delivery to its current customers, while adhering to all state and federal regulatory compliance; and

WHEREAS, the City must plan for and provide sufficient and safe water delivery for the projected growth within the City meeting all state and federal regulatory requirements; and

WHEREAS, JVWCD is conducting major work on a 33" transmission line that provides water to Midvale City; and

WHEREAS, Midvale City requires work to be completed at three vaults connected to JVWCD's transmission line; and

WHEREAS, Midvale City will need to complete the vault projects in the near future and would have to rely on JVWCD availability to accommodate another shutdown of its transmission line; and

WHEREAS, by entering into a cost sharing agreement with JVWCD to complete the City required projects in conjunction with JVWCD's transmission line project, significant cost savings will be achieved.

NOW THEREFORE BE IT RESOLVED, that based on the foregoing, the Midvale City Council approves this resolution, authorizing the Mayor to enter into a cost sharing agreement with JVWCD to complete the "Three Vault Upgrade" project.

APPROVED AND ADOPTED this day of December 2020.

Robert M. Hale, Mayor

AGREEMENT FOR CONSTRUCTION AND COST-SHARING OF THE THREE VAULT REHABILITATION PROJECT

RECITALS:

- A. The District is a water conservancy district organized and existing pursuant to the laws of the State of Utah for the purposes, among others, of making water available to those inhabitants residing within its boundaries and of entering into contracts with public and private entities for the purchase and sale of water and its delivery;
- B. The Member Agency is a municipality organized under the laws of the State of Utah; it purchases wholesale water from the District and then, in turn, provides retail water service to its customers/inhabitants within its boundaries;
- C. The District has caused plans and specifications to be prepared for the construction of the Three Vault Rehabilitation Project (the "Project") for the refurbishment of three valve vaults for the Creekroad Pipeline located in Salt Lake County, Utah;
- D. The Member Agency desires to include in the Project the construction of two new turn-outs from the Creekroad Pipeline for future Midvale meter stations located at 145 West 7500 South and located at 700 West Winchester, and piping and valve

improvements to an existing meter station located at 987 East and 7800 South, as described on attached Exhibit 1 (collectively, the "Improvements"), through which the Member Agency will receive water deliveries from the District;

- E. The Member Agency has caused plans and specifications to be prepared for the Improvements;
- F. The parties agree that the Improvements located at 145 West 7500 South and located at 700 West Winchester, are for the benefit of the Member Agency and that the Member Agency shall pay the engineering, and construction costs for the Improvements as set forth in this Agreement; and,
- G. The parties agree that the Improvements located at 987 East 7800 South are for the benefit of both the District and the Member Agency and the District will pay fifty percent (50%) of the construction costs for the Improvements as set forth in this Agreement; and,
- H. The parties enter this Agreement to set forth the terms and conditions by which the Improvements shall be constructed and installed as part of the Project and by which the associated costs shall be shared between them.

TERMS:

The parties agree as follows:

- 1. On or before January 1st, 2022, the District shall cause the Improvements to be constructed and completed as part of the Project.
- 2. (a) All design documents, plans, and specifications for the Improvements, as part of the Project: (i) have been prepared by the District's Project Engineer, Hansen,

Allen & Luce, a Utah corporation qualified to do business and doing business in the State of Utah ("Engineer"); (ii) are in accordance with all requirements and specifications imposed by applicable regulatory agencies; (iii) have been approved by the Member Agency; and, (iv) have been incorporated into the District's plans and specifications (the "Plans and Specifications") as set forth in the contract documents for the construction of the Project.

- (b) The District shall acquire all real property, easements, rights-of-way, and alignments (collectively referred to as the "Properties") which are deemed reasonably necessary by the District for the construction of the Improvements. The physical location of the Properties shall be subject to District approval, and their acquisition shall be in a form and with terms which are reasonably acceptable to the District.
- 3. The District will manage the construction of the Improvements using the Engineer.
- 4. (a) The District shall employ Vancon, Inc., a Utah corporation (the "Contractor"), to construct the Improvements. The Contractor has demonstrated competence and experience in constructing projects similar to that contemplated by this Agreement, and the District shall require the Contractor to hold current, relevant licenses from the State of Utah during all construction activities on the Improvements.
- (b) The District shall cause the Contractor to obtain all permits, licenses, and similar authorizations from applicable governmental organizations which are required to construct the Improvements.
- (c) As of the Effective Date, the Member Agency is satisfied the Contractor currently meets the requirements set forth in subparagraph 4(a), and the Member Agency hereby gives its approval of the selection of the Contractor.

- Prior to and during the construction of the Improvements, the District (d) shall cause the Contractor to furnish the following to the Member Agency at such times as the Member Agency may reasonably request: (i) proof the Contractor holds a valid contractor's license from the State of Utah; (ii) proof of the Contractor's public liability, property damage, and vehicle liability insurance in the principal amount of \$1,000,000.00, naming the District and the Member Agency, and their trustees, officers, agents, and employees as additional insureds; (iii) a performance bond and a payment bond for the full cost of the construction of the Improvements with sureties and with such terms as are required by the Plans and Specifications; (iv) a guarantee from the Contractor, as required by the Plans and Specifications, which warrants that the workmanship and materials in the Improvements shall be free from defects for a period of at least one (1) year following completion of construction; and (v) a certificate that the Contractor participates in Utah's Status Verification System as required under Utah Code § 63G-12-302. The insurance coverage required in this paragraph shall not be canceled or materially altered except after thirty (30) days written notice to the District.
- 5. (a) The Member Agency may select and employ, at its expense, such consultants as it deems reasonable to assist it in the inspection of the construction of the Improvements. The Member Agency and its consultants shall work with and through the Engineer and shall not give orders directly to the Contractor unless authorized in writing to do so. The District shall cause the Contractor to construct the Improvements in accordance with the Plans and Specifications, including changes or additions to those Plans and Specifications which have been approved by the Member Agency. All change orders for the Improvements required by the Member Agency, shall be at the sole expense of the

Member Agency. Change orders shall be communicated by the District to the Engineer, who in turn shall communicate them to the Contractor. The Member Agency shall provide the Engineer with information about any problem(s) or concern(s) the Member Agency may have with construction and/or with acceptance of the Improvements upon completion of construction, and the District shall require the Contractor to undertake and complete all appropriate remedial actions.

- (b) If the District or the Contractor proposes any change(s) to the Improvements in the Plans and Specifications previously approved by the Member Agency, the District shall provide written notice of each proposal to the Member Agency. The Member Agency shall, in turn, communicate to the District its approval or denial of each proposal within fifteen (15) business days following receipt of the District's notice. If, however, applicable law or the Member Agency's policies and procedures preclude a response from the Member Agency within that fifteen (15) day period, the Member Agency shall have such longer time period as the law or policies/procedures may allow, but in no event more than forty-five (45) days following receipt of the District's notice.
- 6. The District or the Engineer shall notify the Member Agency twenty-four (24) hours in advance of starting any construction work on the Improvements.
- 7. The Member Agency shall reimburse the District for the Improvements as follows:
- (a) The Member Agency shall pay the actual construction costs based on the unit price schedule as bid and defined in the Project contract documents, plus the cost of change orders, if any, required by and approved by the Member Agency.

- (b) The Member Agency shall pay the actual engineering and construction management costs for the Improvements located at 145 West 7500 South and located at 700 West Winchester, as presented by the Engineer.
- (c) The Member Agency and the District shall share the total costs attributable to the engineering design, construction management (specifically including the Engineer), acquisitions of Properties, and construction of the Improvements located at 987 East 7800 South, as follows:
- (i) The Member Agency shall pay fifty percent (50%) of the total cost; and,
 - (ii) The District shall pay fifty percent (50%) of the total cost.
- (d) The estimated total engineering, construction management, and construction costs to construct the Improvements are shown on attached Exhibit 2.
- (e) The District shall be responsible for making all initial payments to the Contractor and to the Engineer for the Improvements, with appropriate reimbursement from the Member Agency as required by this Agreement.
- (f) The District shall require the Contractor to itemize all costs paid and/or incurred in the construction of the Improvements. At such time as the Contractor forwards an invoice to the District for any appropriate costs, the District shall forward a copy of the invoice to the Member Agency.
- (g) The District shall require the Engineer to itemize all costs incurred in providing construction management services for the Improvements. At such time as the Engineer forwards an invoice to the District for any appropriate costs, the District shall forward a copy of the invoice to the Member Agency.

- (h) The District shall itemize staff time and other costs it may incur in connection with the Improvements. Those costs shall be set forth in invoices to the Member Agency.
- (i) The Member Agency shall review the invoice(s) and shall, within twenty (20) business days following receipt of the invoice(s) by the Member Agency, reimburse the District for appropriate actual costs, as set forth in the invoice(s). All funds tendered to the District by the Member Agency under this Agreement shall constitute reimbursement of actual costs incurred by the District or paid by the District to the Contractor and/or to the Engineer in connection with the Improvements.
- 8. (a) The District shall own the Improvements located at 145 West 7500 South and located at 700 West Winchester upon completion of construction, and thereafter it shall be responsible for the operation, maintenance, inspection, repair, and replacement of the Improvements at no cost to the Member Agency.
- (b) The Member Agency shall own the Improvements located downstream of the meter at 987 East 7800 South upon completion of construction, and thereafter it shall be responsible for the operation, maintenance, inspection, repair, and replacement of the Improvements at no cost to the District.
- (c) The Member Agency shall maintain perpetually a functioning check valve or pressure reducing valve with functioning check valve equipment within the Improvements located at 987 East 7800 South to prevent backflow into the District's water system.
- (d) The Member Agency, at its discretion and expense, and in addition to any other inspections authorized or allowed by this Agreement, may periodically inspect

and test the Improvements at any time within the one (1) year period following completion of its construction. If the Member Agency determines any defect in the materials or workmanship in the Improvements, or that the Improvements were not constructed in accordance with the Plans and Specifications, then, notwithstanding any provision of this Agreement to the contrary, the Member Agency shall notify the District and the District shall (i) cause the Contractor, at the Contractor's expense, to remedy the defect or the variance from the Plans and Specifications within a reasonable amount of time; and/or, (ii) pursue a claim against any of the Contractor's bond(s) to complete the remedial work on the Improvements.

- 9. To the extent this Agreement is governed by the Utah Interlocal Cooperation Act, Utah Code Ann. §§ 11-13-101 et seq. (the "Act"), the parties represent that they have complied with all applicable provisions of the Act, including but not limited to:
- (a) Each party's governing body has authorized this Agreement by resolution;
- (b) Each party has obtained the approval of this Agreement by its authorized attorney;
- (c) Each of the parties agrees to file a copy of this Agreement with the keeper of records for that party and to comply with any notice or publication requirements of the Act;
 - (d) No interlocal entity is created by this Agreement;
 - (e) This cooperative undertaking is administered by the Engineer; and,
- (f) This Agreement shall terminate 12 months from the date of completion of the Improvements, unless a defect or variance with Plans and Specifications is

discovered. In the event of such a discovery, this Agreement shall be extended to provide sufficient time for the Contractor to remedy the defects or variances. The extension shall include any applicable warranty period on the remedy. Under no circumstances may the term of this Agreement last more than fifty (50) years.

- 10. This Agreement, including exhibits, attachments, and references to incorporated documents, specifically including the District's Plans and Specifications, constitute the entire agreement between the parties and supersedes all prior understandings, representations, or agreements of the parties regarding the subject matters contained in this Agreement.
- 11. The parties shall perform those acts and/or sign all documents required by this Agreement or which may be reasonably necessary to effectuate the terms of this Agreement.
- 12. Neither party may assign this Agreement, or any of its rights, duties, or obligations under this Agreement, without the prior written consent of the other, which consent shall not be withheld unreasonably, except that either party may make an assignment to its successor in interest. Any assignment made in violation of this paragraph or in violation of law shall be void. Notwithstanding the foregoing, either party may pledge or assign this Agreement as security for its bonding or other financing activities.
- 13. This Agreement does not create any kind of joint venture, partnership, agency, or employment relationship between the parties.
- 14. The parties shall comply with all applicable federal, state, and local laws and ordinances in the performance of this Agreement. Any terms which the parties as

governmental entities are mandated by law to include in this Agreement shall be considered part of this Agreement.

- 15. This Agreement cannot be amended except by a written instrument signed by the parties.
- 16. If any legal action is brought to enforce this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs incurred in that action, in addition to any other relief to which it may be entitled.
- 17. In the event a court, governmental agency, or regulatory agency with proper jurisdiction determines that any provision of this Agreement is unlawful, that provision shall terminate. If a provision is terminated, but the parties can legally, commercially, and practicably continue to perform this Agreement without the terminated provision, the remainder of this Agreement shall continue in effect.
- 18. Neither party shall be deemed in violation of this Agreement if it is prevented from performing any of its obligations by reason of earthquakes or other natural disaster; strikes or other labor unrest; power failures; civil or military emergencies; acts of legislative, judicial, executive, or administrative authorities; or any other circumstances which are not within its reasonable control.
- 19. Any notice, communication, or payment required or allowed by this Agreement shall be mailed or hand-delivered to each party as follows:

If to the District, to:

If to the Member Agency, to:	With a copy to:	
Attn:	Attn:	

Each party may change the designation of the addressee or the address for that party by providing written notice of the change.

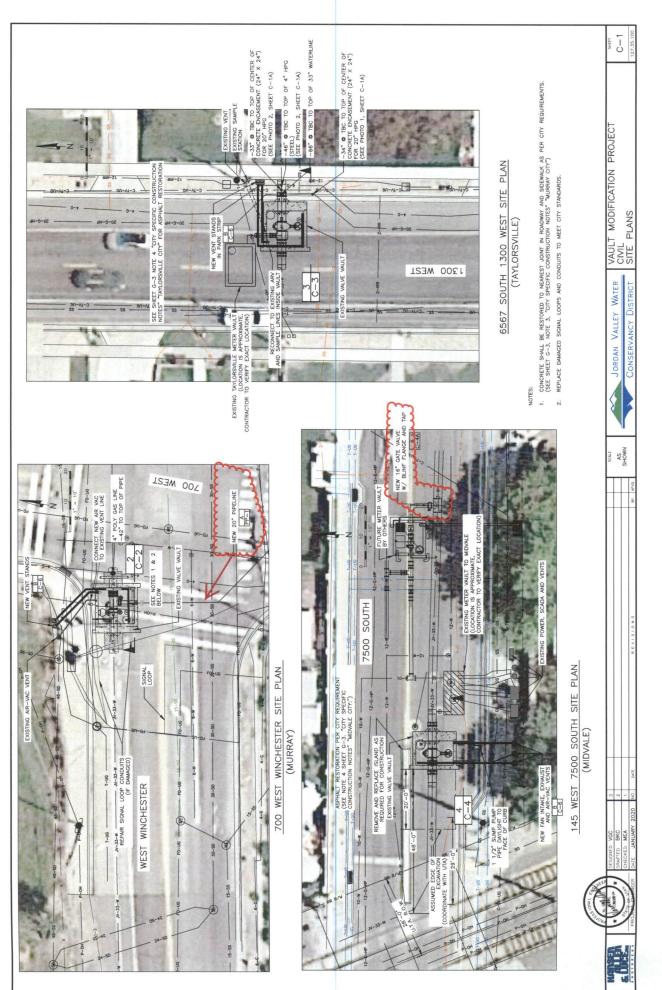
- 21. The District and the Member Agency recognize that both parties are government entities and are covered under the Government Immunity Act of Utah (Utah Code §§ 63G-7-101 et seq.). Each Party recognizes that it is solely responsible for the actions of its employees, contractors, and agents.
- 22. Each individual executing this Agreement does hereby represent and warrant that he or she has been duly authorized to sign this Agreement in the capacity and for the entities identified.
- 23. The parties intend that this Agreement benefit only them, and they do not intend there to be any third-party beneficiaries.

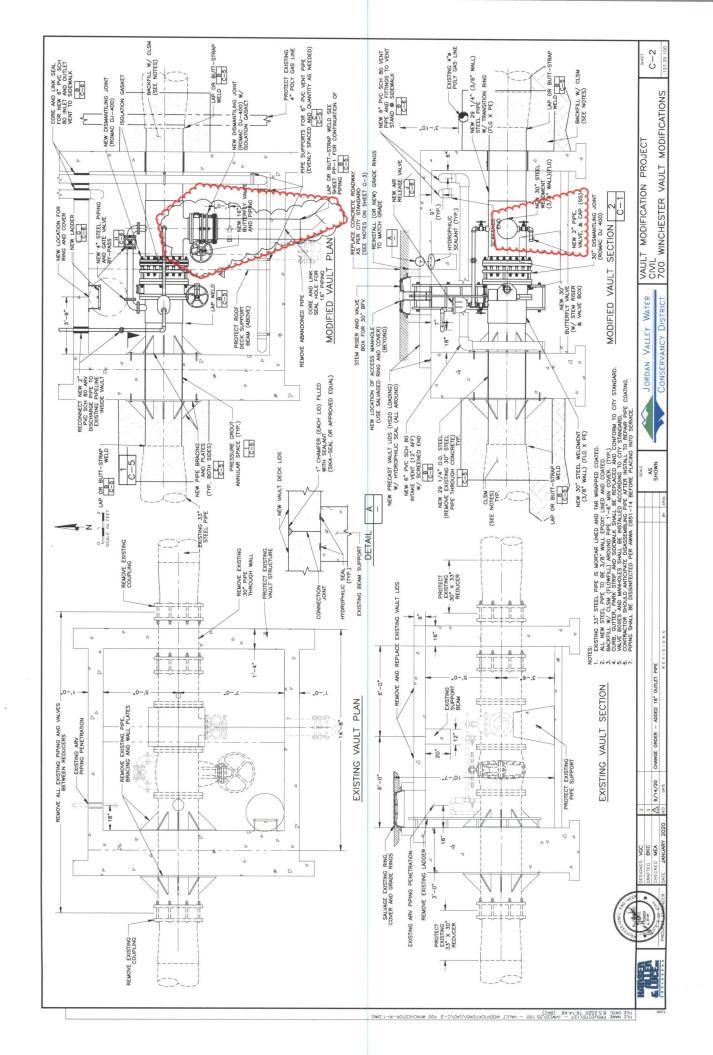
[SIGNATURE PAGE FOLLOWS]

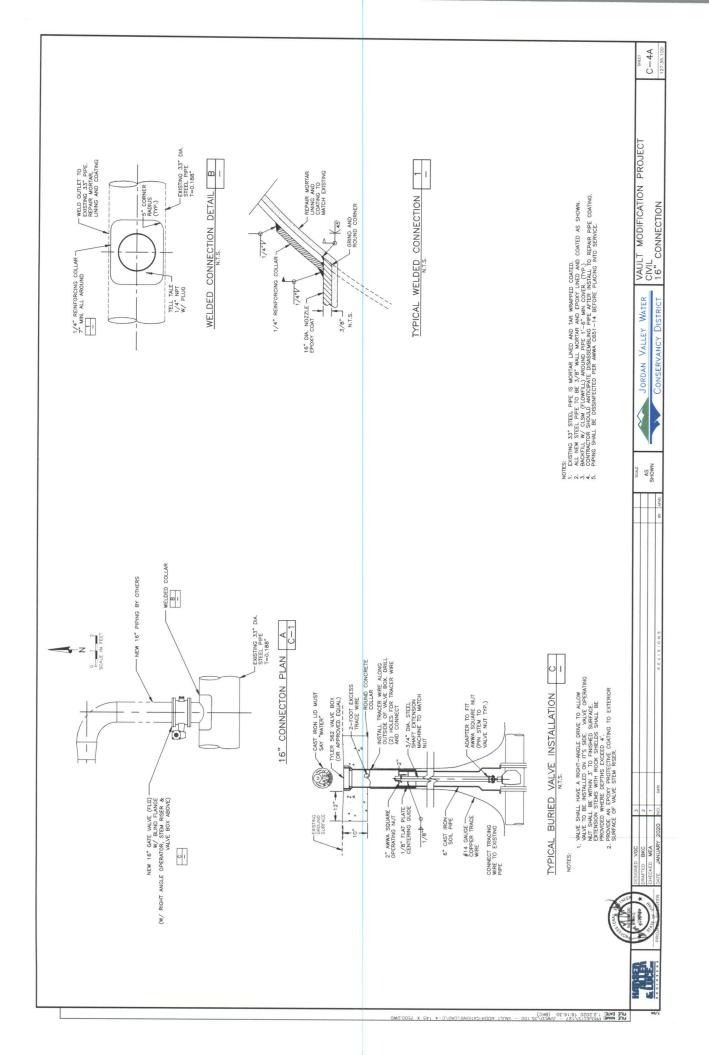
	"District":			
APPROVED:	Jordan Valley Water Conservancy District			
As Authorized Attorney for the Jordan Valley Water Conservancy District	By: Corey L. Rushton Its Chair			
APPROVED: By: As Authorized Attorney for Midvale City	"Member Agency": Midvale City By: Rosera n. thus Its: Mayor Alust Lon Laborator			

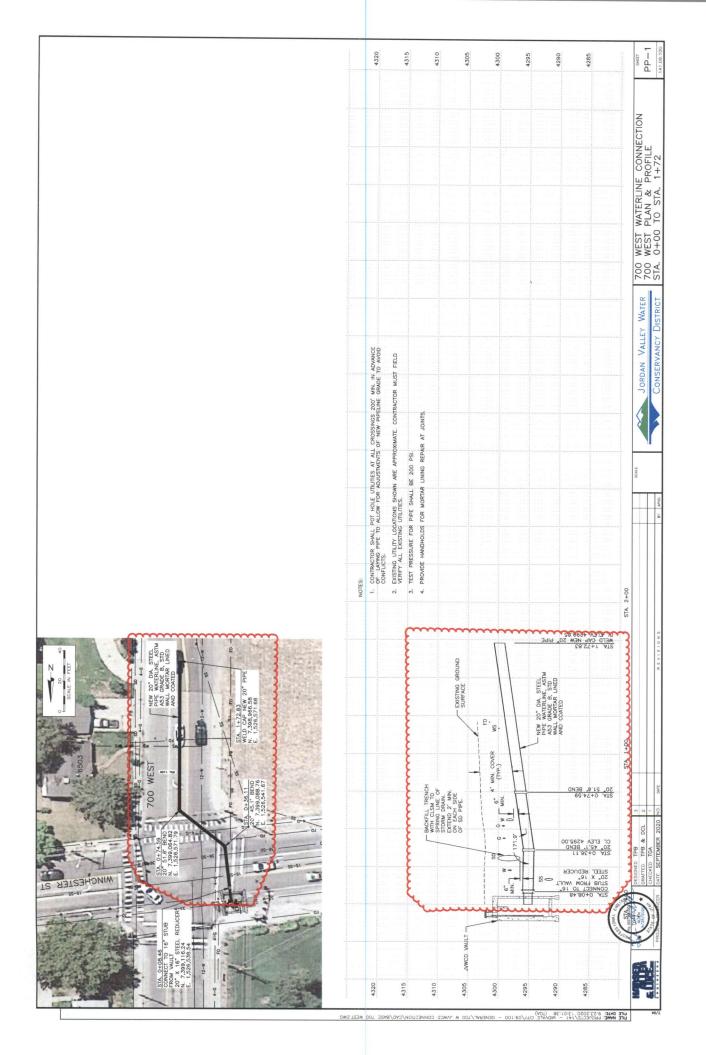
STATE OF UTAH)
:ss. COUNTY OF SALT LAKE)
The foregoing instrument was acknowledged before me this day of, 2020 by Corey L. Rushton as Chair of the Jordan Valley Water
Conservancy District.
Notary Public
STATE OF UTAH) :ss.
COUNTY OF SALT LAKE)
The foregoing instrument was acknowledged before me this day of
, 2020, by as
of
Notary Public

EXHIBIT 1









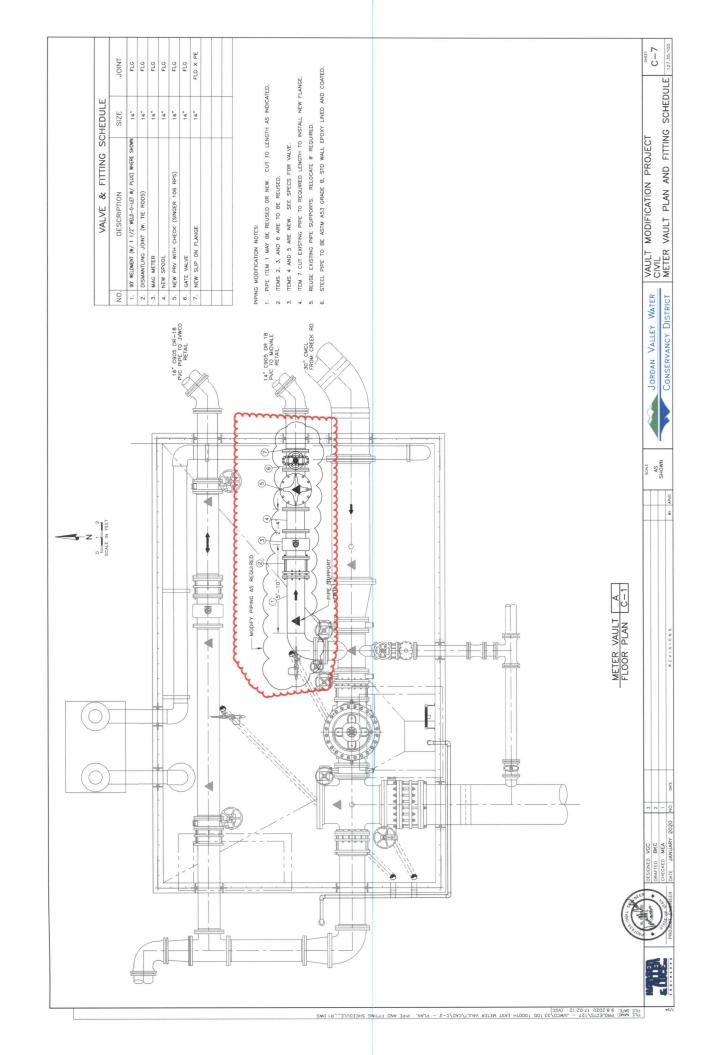


EXHIBIT 2

Exhibit 2 Cost-Sharing of the Three Vault Improvement Project

Item No.	Description	Quantity	Unit	Cost
1	New turn-out at 145 West 7500 South	1	LS	\$40,740
2	New turn-out at 700 West Winchester and new 20-inch piping	1	LS	\$262,568
3	Improvements to the 987 East 7800 South meter station	1	LS	\$41,204
4	Design and Construction Management	1	LS	\$15,500

Estimated Total Cost: \$360,012

District will pay 50% of the improvements to the 987 East 7800 South meter station:

\$20,602

Midvale will pay the cost of the improvements at 145 West 7500 South, 700 West Winchester, 50% of the improvements to the 987 East 7800 South meter station, and Design & CM:

\$339,410