

KING COUNTY WATER DISTRICT NO. 90

KING COUNTY, WASHINGTON

RESOLUTION NO. 1021

A RESOLUTION of the Board of Commissioners of King County Water District No. 90, King County, Washington, authorizing SCADA System Engineering with Quality Controls Corporation, a Washington Corporation ("QCC") for the Wonderware SCADA Upgrade – System Platform Option Upgrades to Headquarters Hardware Project;

WHEREAS, the District completed a study of the status of its SCADA system and found that an upgrade is necessary to maintain in good working order and to meet the ongoing demands and needs of the District; and

WHEREAS, pursuant to RCW 57.08.005 and RCW 39.80 et. al, the District is authorized to contract with corporations and for professional and engineering services; and

WHEREAS, the District has used the services of QCC pursuant to a Maintenance and Professional Services Contract previously approved by Resolution No. 1016, and QCC has knowledge of, and experience with, this specialized system; and

WHEREAS, the Board of Commissioners hereby finds the terms of the proposal from Quality Controls Corporation to be fair and reasonable for the nature and quality of the services to be provided for the engineering work.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of King County Water District No. 90, King County, Washington, as follows:

SECTION 1: That the Board of Commissioners hereby authorizes an Agreement for Consulting Services with QCC in the amount of \$63,574.00, plus applicable tax for Wonderware SCADA Upgrade – System Platform Option Upgrades to Headquarters Hardware Project for the

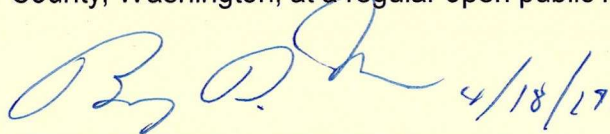
RESOLUTION NO. 1021

SUBJECT: Authorizing Contract with QCC for
Scada System Engineering - HQ

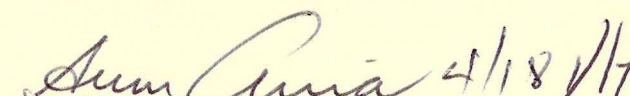
engineering work. A copy of the Agreement is on file for examination at the District office.

SECTION 2: That the District Manager is hereby authorized to sign the Agreement on behalf of the District with QCC.

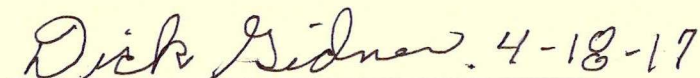
ADOPTED by the Board of Commissioners of King County Water District No. 90, King County, Washington, at a regular open public meeting thereof on the 18th day of April, 2017.

 4/18/17

Byron Murgatroyd, President

 4/18/17

Sam Amira, Secretary

 4-18-17

Dick Gidner, Commissioner

RESOLUTION NO. 1021

SUBJECT: Authorizing Contract with QCC for
Scada System Engineering - HQ

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AGREEMENT FOR CONSULTING SERVICES

This Agreement ("Agreement") is made and entered into by and between King County Water District No. 90, a Washington municipal corporation ("District"), and Quality Controls Corporation, a Washington corporation ("Consultant") (individually a "Party" and collectively the "Parties") for the purposes forth below.

1. Scope of Consulting Services. Consultant shall provide consulting services to the District under the terms of this Agreement for the following Project: Water District 90 Wonderware SCADA Upgrade – System Platform Option Upgrades to Headquarters Hardware Project ("Project"). The scope of services is more fully described on Exhibit A attached hereto and incorporated herein by this reference ("Scope of Work" or "Work").

2. Compensation and Payment. District shall pay Consultant as consideration for the performance of the services set forth on Exhibit A, the sum of SIXTYTHREE THOUSAND FIVE HUNDRED SEVENTY-FOUR DOLLORS AND ZERO CENTS (\$63,574.00) plus applicable tax. Such compensation shall be payable in the following manner:

a. Upon Final Acceptance of each item of work set forth in Exhibit A.

b. Consultant shall maintain accounts and records of fees billed and expenses incurred as described in this Section 2 in accordance with generally accepted accounting principles, and agrees to make such accounts, records and supporting documentation available to the District and its authorized representatives for inspection at mutually convenient times, both during the Project work and for three (3) years following the final payment for services rendered or termination of the Consultant's services under this Agreement.

3. Schedule of Work. Consultant shall commence the performance of its services under this Agreement upon receipt of notice to proceed from the District to do so and shall provide the services in a timely manner, subject to delays for causes beyond the reasonable control of Consultant or as otherwise agreed to by District.

4. Subcontractors. Consultant shall not subcontract or assign any portion of the work covered by this Agreement without the prior written approval of the District, such consent to be given in District's sole discretion. Subject to the provisions of the preceding sentence, this Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto.

5. Independent Contractor. Consultant is an independent contractor and not an employee of the District. Consultant shall be responsible in full for payment of its employees, including insurance and deductions, and for payment to any subcontractors. No personnel employed by Consultant shall acquire any rights or status regarding the District. All of the services required hereunder shall be performed by Consultant or under its direction, and all personnel engaged therein shall be fully qualified under applicable state, federal and local laws to undertake the work performed by them.

6. Changes in Scope of Services. The District may require changes or modifications in the scope of services to be performed under this Agreement. Any such changes or modifications shall be in writing and signed by the Parties. The compensation for the changes or modifications, whether a decrease or increase, shall be on the same terms and conditions as set forth in Paragraph 2 above or in a manner otherwise mutually agreed to by the parties.

7. Insurance. Consultant shall maintain throughout the performance of this Agreement the insurance set forth in the Maintenance Contract between the parties that was approved by the District on September 6, 2016, under Resolution Number 1016.

The District shall be named as an additional insured on the Commercial General Liability Insurance policy with regard to work and services performed by or on behalf of the Consultant and a copy of the endorsement naming the District as an additional insured shall be attached to the Certificate of Insurance.

Before commencing work and services, Consultant shall provide to the District a Certificate of Insurance and required endorsements evidencing the insurance described above. The District reserves the right to request and receive a certified copy of all required insurance policies.

The above insurance limits do not constitute a limit on Consultant's liability to the District. Any payment of deductible or self-insurance retention shall be the sole responsibility of Consultant.

Consultant shall be solely responsible for the safety of its employees and subcontractors at the Project work site, and shall comply with all applicable federal, state and local statutes, regulations and ordinances regarding safety.

8. Performance/Payment/Maintenance Bonds. If required by the District, the Contractor shall furnish performance and payment bonds for the faithful performance and payment of all its obligations under this Agreement, provided the District shall reimburse the Contractor for the reasonable cost of such bonds. Each bond shall be in penal sums at least equal to the Project Cost unless otherwise stated, in such form and with such corporate sureties as are acceptable to the District. The performance bond shall remain in effect to guarantee the repair and replacement of defective equipment, materials, and workmanship, and payment of damages sustained by the District on account of such defects, discovered within two (2) years after final acceptance of the Work by the District.

9. Indemnification. Consultant shall defend, indemnify and hold harmless the District, its elected and appointed officers, employees and agents and volunteers from and against all claims, injuries, damages, liabilities, losses of suits, including attorneys' fees and costs, arising out of or relating to Consultant's performance under this Agreement, except for injuries or damages caused by the sole negligence of the District. For the purposes of this indemnification, Consultant specifically and expressly waives any immunity granted under the Washington Industrial Insurance Act, Title 51 RCW. This waiver has been mutually negotiated and agreed to by the parties. If a court of competent jurisdiction determines that this contract is

subject to RCW 4.24.115, Consultant's obligation to defend, indemnify and hold harmless the District, its officers, employees, agents and volunteers shall be limited to the extent of Consultant's negligence. The provisions of this Section shall survive the expiration of termination of this Agreement.

10. Ownership of Documents and Work Product. Consultant agrees to return to District upon termination of this Agreement all documents, logs, drawings, photographs and other written or graphic material, however produced, received from District and used by Consultant in performance of its services hereunder. All documents, logs, drawings, specifications, designs, programs, software, information, equipment reports, mylars, surveys, data, reports and other work product (collectively referred to as "Work Product") produced by Consultant in connection with the services rendered under this Agreement shall be owned by District. Except for software and related documentation copyrighted by Consultant, District shall own all copyrights to such Work Product and Consultant agrees to assign all ownership rights to such Work Product to the District. Reuse of any such Work Product by the District for other than a specific project or modification in use by the District of any of the Work Product without the Consultant's prior written approval shall be at the District's sole risk.

11. Standard of Care. Consultant shall perform its services under this Agreement with the level of care, skill and competence of the consulting profession in accordance with the standard for professional services at the time the services are rendered under similar circumstances, at the same time and in the same locality.

12. Right of Entry. District shall provide for the right of entry of Consultant and its subcontractors and all necessary equipment in order to complete the services under this Agreement.

13. Compliance with Codes and Standards. Consultant's Professional Services shall be consistent with the standard of care and shall incorporate those publicly known federal, state and local laws, regulations, codes and standards that are applicable at the time Consultant renders its services.

14. Termination. This Agreement may be terminated by either Party upon five (5) days written notice for any reason. In the event of termination, Consultant shall be entitled to compensation for all services performed, costs incurred, and equipment provided through and including the date of termination, except as to any disputed amounts.

15. Disputes, Claims and Appeals. The Consultant shall address questions or claims (other than a request for equitable adjustment) regarding the Agreement in writing to the District, within ten (10) days of the date in which the Consultant knows or should know of the question or claim (including any denial of request for equitable adjustment). No claim by the Consultant shall be allowed if asserted after final payment under this Agreement. No claim shall be allowed for any costs incurred more than ten (10) days before the Consultant gives written notice, as required in this section. The District shall ordinarily respond to the Consultant in writing with a decision, but absent such written response, the questions or claim shall be deemed denied upon the tenth (10th) day following receipt by the District. Discussion between Consultant and

District after the time period for notification of claim has expired shall not waive the ten (10) day requirement in this Pending final decision of a dispute hereunder, the Consultant shall proceed diligently with the performance of the Agreement and in accordance with the direction of the District. Complying with the procedures set forth herein is a prerequisite to filing any lawsuit by the Consultant against the District. Failure to comply precisely with the time deadlines under this Section as to any claim shall operate as a waiver and release of that claim and an acknowledgement of prejudice to the District.

16. Patents, Royalties and Consultant's Infringement Indemnity. The Consultant is responsible for paying all license fees, royalties or the costs of defending claims for the infringement of any intellectual property that may be used in performing this Agreement. Before final payment is made on this Agreement, the Consultant shall, if requested by the District, furnish acceptable proof of a proper release from all such fees or claims.

17. Consultant's Infringement Indemnity. Consultant shall indemnify and hold the District harmless from and against any and all third-party suits, actions, losses, damages, claims or liability of any type of character, type or description, including, but not limited to, all expenses of litigation, court costs and attorneys' fees, based upon any claim of infringement of any patent or other license or intellectual property right (whether by way of trademark or otherwise) resulting directly or indirectly from the manufacture, sale, supply or importation of the parts and components or their use in a waste water treatment plant. Consultant agrees to notify the District as soon as reasonably possible of any material matters with respect to which the foregoing indemnity is likely to apply and of which the Consultant has actual knowledge. If notified in writing of any action or claim for which the Consultant may be liable to provide indemnity, the Consultant shall, without limitation, defend (subject to reasonable consultation with the District) such action or claim at Consultant's expense and pay the cost and damages and attorneys' fees awarded against the District in such action or claim; provided, however, that the Consultant shall have the reasonable right to control the defense and settlement of all such actions or claims, which settlement shall be subject to the consent of the District if applicable, not to be unreasonably withheld. Indemnification pursuant to this provision shall not be predicated on the District having made payment on any such claim. The obligations of this Subsection 1.18 shall survive Contract completion or termination and/or assignment of this Contract.

18. Acceptance Process. The District may give iterative acceptances as the Work is accomplished either by phase or milestone. The Consultant shall give the District "notice of completion" of Work related to a specific milestone following the Consultant's completion of all such Work associated with the Milestone or phase.

A. Acceptance process.

Upon completion of the milestone deliverables the Consultant shall notify the District in writing and the Acceptance process will commence. Acceptance shall be based on conformance with the milestone guidelines. After notice by Consultant of completion of the milestone, District will issue a written notice of milestone Acceptance or provide Consultant with a notification of rejection, which will include documentation of the specific grounds for rejection, outlining

items not in compliance with the deliverable guidelines. Acceptance shall not be unreasonably withheld.

B. Correction of deficiencies process.

If a deliverable is rejected, Consultant will have a commercially practicable time to correct items documented in the District's notification of rejection. Following the delivery of Consultants' notice that the Work has been corrected, the District will issue a written notice of Acceptance or provide Consultant with a notification of rejection, which will include documentation of the specific grounds for the rejection, outlining Work not in compliance with the milestone. The project schedule will be adjusted accordingly in the event that a dispute regarding the method or accuracy of the correction causes a delay. If the deliverable(s) fails to comply with the milestone after Consultants' second attempt to correct the Work and no clear plan can be agreed upon between the District's Project Manager and the Consultant's Project Manager, the District will determine the appropriate corrective actions.

19. Final Acceptance Process. The District shall begin the Final Acceptance process in accordance with the Agreement as follows:

A. Final Acceptance shall be based on successful completion of commissioning period, as set forth in the Specifications and described in the Scope of Work provided in Exhibit A.

B. If the District Accepts the Work, the District will send a notice of Final Acceptance to the Consultant indicating the successful completion of the performance testing described in the Scope of Work, Exhibit A.

C. If the District determines that the Work is not acceptable, the District shall notify the Consultant in writing, describing the deficiencies.

D. The Consultant shall either provide a detailed, written plan to achieve Final Acceptance or to make corrections or replacements within a mutually agreed upon time period with no charge to the District. The Parties shall mutually agree on a start date for beginning another Performance test as described in Attachment A, Scope of Work.

E. If the District Accepts the Work following a second or subsequent Performance Test the District will send a notice of Final Acceptance to the Consultant

F. If the Consultant does not correct or replace the unacceptable Work the District may declare a breach of contract.

G. Final Acceptance shall not be unreasonably withheld.

20. Warranty Provisions. Consultant warrants that the Work shall in all material

respects conform to the requirements of this Agreement. Consultant warrants that qualified, professional personnel with in-depth knowledge shall perform the Work in a timely and professional manner, and that the Work shall conform to the standards generally observed in the industry for similar Work and shall be in compliance with all applicable laws, rules and regulations. Consultant further warrants that its provided service, software and equipment shall perform substantially in accordance with the description of such in this Agreement and its Exhibits, for a period of two (2) years from the date of final acceptance and that all service, software, and equipment shall be free from defects in materials and workmanship for a period of one (1) year from the date of final acceptance.

21. General Provisions.

a. Notices. Any notice or demand desired or required to be given under this Agreement shall be in writing and deemed given when personally delivered, sent by electronic mail, or deposited in the United States Mail (or with an express courier), postage prepaid, sent certified or registered mail, and addressed to the Parties as set forth below or to such other address as either Party shall have previously designated by such a notice:

To the District:

King County Water District No. 90
Attn: Darcey J. Peterson, General Manager
15606 SE 128th Street
Renton, WA 98059
Email: Darceyp@kcwd90.com

To the Consultant:

Quality Controls Corporation
C/o James Cross
5015 208th Street SW, Suite 1B
Lynwood, WA 98036
Email: jamesc@qcchome.com

b. Entire Agreement. This Agreement and its exhibit attachments contain the entire understanding between the District and Consultant relating to the consulting services which are the subject of this Agreement. This Agreement merges all prior discussions, negotiations, letters of understanding or other promises whether oral or in writing as it relates to this Project. Subsequent modification or amendment of this Agreement shall be in writing and signed by the parties to this Agreement.

c. Waiver. Waiver of any breach or default hereunder shall not constitute a continuing waiver or a waiver of any subsequent breach either of the same or of another provision of this Agreement.

d. No Third Party Rights. This Agreement is made only for the benefit of the District and Consultant and successors in interest and no third party or person shall have any rights hereunder whether by agency, as a third party beneficiary, or otherwise.

e. Jurisdiction/Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. Any suit to enforce or relating to this Agreement shall be brought in King County Superior Court, King County, Washington.

f. Severability. If any term, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, the remainder of this Agreement shall remain in effect.

g. Effective Date. The effective date of this Agreement shall be the date that this Agreement has been signed by authorized representatives of both Parties hereto ("Effective Date").

Quality Controls Corporation
("CONSULTANT")

King County Water District No. 90
("DISTRICT")

By _____
Typed Name _____
Its _____
Dated _____

By _____
Typed Name Darcey Peterson
Its General Manager
Dated _____

d. No Third Party Rights. This Agreement is made only for the benefit of the District and Consultant and successors in interest and no third party or person shall have any rights hereunder whether by agency, as a third party beneficiary, or otherwise.

e. Jurisdiction/Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. Any suit to enforce or relating to this Agreement shall be brought in King County Superior Court, King County, Washington.

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g. Effective Date. The effective date of this Agreement shall be the date that this Agreement has been signed by authorized representatives of both Parties hereto ("Effective Date").

Quality Controls Corporation
("CONSULTANT")

By

Typed Name

Its

Dated

James T. Cross
James Cross
Business Development Mgr
4/14/17

King County Water District No. 90
("DISTRICT")

By

Typed Name

Its

Dated

Darcey Peterson
Darcey Peterson
General Manager
4/18/17



5015 208th. St. S.W. Suite 1-B
Lynnwood, Washington 98036
Phone (425) 778-8280
Fax (425) 778-4541

Scope Letter & Price

March 21, 2017 Quote Number: Q2912.D

Attn: Darcey J. Peterson, General Manager
 Josh Deraitus, Operations Manager
 Water District 90

Project: Water District 90 Wonderware SCADA Upgrade – System Platform Option
 Upgrades to Headquarters Hardware

Reference: -KCWD90 Headquarters System Overview and SCADA Evaluation Report
 -Delete Redundant Historian & Dream Reports- per Josh and Darcy 3/21/17

Terms: Net 30
FOB: Lynnwood, WA
Freight: Prepaid and allowed

QCC is pleased to provide quotation for the above referenced project. Quality Controls Corp. (QCC) provides services and materials, delivered, and installed, and commissioned. QCC's quoted price does not include tax or the cost to bond this project.

Please call me if you have any questions regarding this quotation.

Sincerely,

A handwritten signature in black ink that reads "James Cross". The signature is fluid and cursive, with the first name "James" being more prominent than the last name "Cross".

James Cross

5015 – 208th Street S.W. Unit 1B Lynnwood, Washington 98036
Phone: 425.778.8280 Fax: 425.778.4541
Email: JamesC@QCCHome.com

Pricing for the scope of work listed below:

<u>Item</u>	<u>Line Item</u>	<u>Price</u>
A	Wonderware Software- Including System Platform 2014, Two Runtime for System Platform licenses, Redundant Historian Licenses and Annual Support Upgrade.	\$31,221.00 Customer has Active Wonderware Support Contract for all existing licenses
B	New SCADA Computers and Servers.	\$0 – Customer will provide. QCC to coordinate hardware/software specs.
C	Labor for Software Installation, Application Upgrade, Historian Setup, hardware installation and configuration, testing, Commissioning.	\$19,092.00
D	New Win911 Alarm Notification Software Licenses and configuration.	\$5,007.00
E	Kepware IO Server license upgrade.	\$825.00
F	New Dream Reports Licenses.	\$7195.00
G	Dream Report Custom Development, *Allowance	\$6,900.00
H	Wonderware Intouch Screen Historian database cleanup and rebuild	\$3,240.00
I	Wonderware Security Upgrade	\$2,700.00
J	Headquarters Ethernet Switch Upgrade	\$1,489.00
	TOTAL	\$63,574.00

Scope of Work

Item A- Wonderware Software Licenses- Provide the following Wonderware licenses for upgrading the existing application to a System Platform distributed application.

- Qty. 1 x System Platform 2014R2, 5K IO/1K History –
Application Server 5,000 IO with 4 Application Server Platforms,
Historian Server 1K Tag Standard Edition, 2 Device Integration Servers,
Information Server with 1 IS Advanced CAL (local only)
- Qty 2 x InTouch for SysPlatform 2014R2 w/ HistClient
Intouch for System Platform Runtime with Historian Client
- ~~Qty 1 x Wonderware Historian Server 1K tag, Redundant
Wonderware Historian Server 2014 1000 tag, redundant license.~~

Customer has active support contract with Wonderware. The above costs include the prorated costs for the annual subscription through the end of 2017. The

estimated annual cost to renew the Customer First support contract in 2018 is \$6,800. Continued support after 2017 is NOT included in this quotation.

Item B- Customer will provide new computer hardware. QCC will coordinate with owner's hardware supplier to specify hardware and software specifications.

Item C- Provide the required engineering and labor for a fully functional and tested upgraded application to a System Platform distributed application. Includes design, development and deployment of a new Archestra Galaxy and upgrading the existing Wonderware Intouch application to Intouch for System Platform. This includes all software installation, onsite computer setup, testing, and commissioning. Includes installation and testing of city's existing remote access software.

QCC provides the engineering and programming services required to upgrade the existing SCADA architecture to the architecture depicted in the "KCWD90 Migration Path" diagram on page 26 of the above referenced "KCWD90 Headquarters System Overview and SCADA Evaluation Report". Specific upgrades include:

- Upgrade to the latest version of Wonderware Intouch software.
 - Note: Includes Upgrading to Intouch for System Platform
- Upgrade existing Kepware IO servers for operation on new hardware.
- Setup and configure of redundant Historians.
- Setup and configuration of Win911 alarm notification software. (See item D below).
- Setup and configuration of Dream Report Server. (See item F & G below)

Item D- Supply new Win911 Alarm notification software licenses and provide all engineering and programming to setup and configure the new software for annunciation of all existing SCADA alarms via cellular voice or SMS messaging.

Note: Requires owner provided telephone line connection to server room if not existing.

Item E- Provide all necessary Kepware IO server licenses upgrades for software to run on upgraded computer hardware.

~~Item F- Provide one new Dream Reports V4.7, 500 tag license for reporting and connections of Wonderware Historical Data.~~

~~Item G- Allowance for engineering and programming services for Dream Report development to build and publish new reports. Includes 60 hours of labor to build new reports per customer specifications.~~

~~QCC will bill work against the allowance at \$115/hr and will receive approval from the district prior to beginning any work to be billed against the allowance.~~

- Item H- QCC will re-build the existing Historian database and eliminate all excessive or unnecessary tags from being logged to free up capacity under the Wonderware Historian license. Includes reviewing IO database with the district staff and creating a Historical logging standard for establishing what SCADA tags should be recorded for all existing and future sites.
- Item I- QCC will rebuild the existing Wonderware security settings and re-configure the security settings to meet the following discussed objections:
A) Add individual username and passwords for each operator accessing the system.
B) Add user action logging for operator access, set point changes, and operator manual start/stop actions.
- Item J- QCC provides a new Allen Bradley Stratix 5700 1783-BMS10CL, 10 port managed Ethernet switch, installed in the Headquarters MTU panel. This Ethernet switch is to replace the existing switch that does not meet the districts standards policy.
- QCC has reviewed the Headquarters Evaluation report and determined this to be the only listed upgrade recommended at this time. All other listed correction actions do not appear to be necessary or beneficial at this time.

Note regarding existing headquarters SCADA Firewall:

The existing SonicWALL TZ215 firewall can support 20 concurrent VPN tunnels. It is anticipated that this will meet the districts needs for the foreseeable future. This firewall is in good working order. QCC does NOT recommend replacement or upgrade at this time.

Note: Price includes a 1-year onsite parts and labor warranty on all hardware and upgraded software.

Notes:

1. QCC does **NOT** supply any field devices, transmitters or analytical equipment for this project not explicitly listed above.
2. QCC does **NOT** provide modifications or upgrades to the existing custom PLC software.
3. Price includes re-installation, configuration, and setup of the city's existing remote access software. The price above does **NOT** include the price of new remote access software or upgraded licenses for remote access software.

STANDARD INCLUSIONS

We provide the following unless specifically excluded on our bill of material:

1. Equipment shipped FOB factory with freight allowed, tailgate, destination.
2. Field wiring diagrams showing interconnection of field instruments and instrumentation panels.
3. Instruction manuals as required.
4. All necessary field start-up and calibration of the equipment we supply.

STANDARD EXCLUSIONS

We do NOT include the following unless specifically included in our bill of material:

1. Pipe, tubing, valves or fittings between the instrument and the process.
2. Conduit, wire or cable not integral to instrument or control panels supplied by QCC.
3. Mounting brackets, stanchions, supports or mounting pads not an integral part of the instrument.
4. Labor to install the equipment.
5. The Cost, (if due to local union regulations), to have local craftsman make adjustments or wiring modifications to our equipment during start-up and calibration.
6. Any material or services not in our quoted sections.
7. This proposal is based on award of a supply purchase order and does not include any of the costs associated with bonding or subcontract administration. If bonding or a subcontract is required they can be provided for additional cost.