

**THIRD ADDENDUM TO CITY UTILITIES REIMBURSEMENT AGREEMENT  
Meridian, Idaho Costco**

This THIRD ADDENDUM TO CITY UTILITIES REIMBURSEMENT AGREEMENT (“**Third Addendum**”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_ 2020 (“**Effective Date**”), by and among the CITY OF MERIDIAN, a municipal corporation of the State of Idaho (“**City**”); the ADA COUNTY HIGHWAY DISTRICT (“**ACHD**”), a highway district created pursuant to the laws of the state of Idaho; and COSTCO WHOLESALE CORPORATION, a Washington corporation (“**Costco**”).

**RECITALS**

A. The parties entered into that certain City Utilities Reimbursement Agreement dated effective August 6, 2019 (“**Original Agreement**”) wherein the City agreed to reimburse Costco for certain utility and infrastructure improvements made by Costco for the benefit of the City.

B. The Original Agreement was modified by that certain First Addendum to City Utilities Reimbursement Agreement dated effective August 27, 2019 (“**First Addendum**”) and by that certain Second Addendum to City Utilities Reimbursement Agreement dated effective November 26, 2019 (“**Second Addendum**”) in order to account for changes in scope and price of the utilities being constructed by Costco. The Original Agreement, First Addendum, and Second Addendum shall be referred to collectively as the “**Utilities Agreement**”.

C. As of the Effective Date, the utility and infrastructure improvements made by Costco under the Utilities Agreement are substantially complete and the parties desire to account for final price adjustment and change orders requested by the City and ACHD as set forth herein.

**AGREEMENT**

1. The parties agree to modify Section 1.1 of the Utilities Agreement as follows and to replace Exhibit A to the Utilities Agreement, with Exhibit A, attached hereto and incorporated herein:

1.1 Fiber Optic Conduit. City desires the installation of 2” fiber optic conduit, as described in Exhibit A (“**Conduit Improvements**”), be included in the Chinden Improvements. City has designed the Conduit Improvements for inclusion in the Chinden Improvements plans to be approved by ITD. Upon substantial completion of the Conduit Improvements, Costco will invoice City for all costs Costco has incurred for design and installation of the Conduit Improvements. Within thirty (30) days of receipt of such invoice, City will pay the invoice in full. The current estimated cost for the Conduit Improvements is **One Hundred Twenty-Five Thousand Six Hundred Eight Dollars and Fifty Cents (\$125,608.50)** ~~Eighty-eight Thousand One Hundred Seventy-four Dollars (\$88,174)~~; however, the parties acknowledge this is only an estimate and Costco’s request for reimbursement will reflect actual costs incurred.

2. The parties agree to modify Section 1.2 of the Utilities Agreement as follows and to replace Exhibit B to the Utilities Agreement, with Exhibit B, attached hereto and incorporated herein:

1.2 Black Cat/Chinden Intersection. City desires certain improvements, including a fire hydrant relocation, at the Chinden/Black Cat intersection, as described in Exhibit B (“**Black Cat Utility Improvements**”), be included in the Chinden Improvements. City has designed the Black Cat Utility Improvements for inclusion in the Chinden Improvements plans to be approved by ITD. Upon substantial completion of the Black Cat Utility

Improvements, Costco will invoice City for all costs Costco has incurred for design and installation of the Black Cat Utility Improvements. Within thirty (30) days of receipt of such invoice, City will pay the invoice in full. The current estimated cost for the Black Cat Utility Improvements is ~~Ten Thousand Seven Hundred Seventy-Seven Dollars and Fifty Cents (\$10,777.50)~~ ~~Twelve Thousand Six Hundred Dollars (\$12,600)~~; however, the parties acknowledge this is only an estimate and Costco's request for reimbursement will reflect actual costs incurred.

3. The parties agree to modify Section 2.3 of the Second Addendum by renumbering the provision as Section 1.3 of the Utilities Agreement, replacing Exhibit F to the Utilities Agreement, with Exhibit E, attached hereto and incorporated herein, and as follows:

~~2~~1.3 Streetlights. City desires the installation of certain additional streetlights along Chinden, as described in Exhibit F ("**Streetlight Improvements**"), be included in the Chinden Improvements. Upon substantial completion of the Streetlight Improvements, Costco will invoice City for all costs Costco has incurred for design and installation of the Streetlight Improvements, including engineering, legal, and project management costs incurred related to this Second Addendum and the Streetlight Improvements. Within thirty (30) days of receipt of such invoice, City will pay the invoice in full. The current estimated cost for the Streetlight Improvements is ~~Four Hundred Eighteen Thousand Eight Hundred Sixty-Nine Dollars and Five Cents (\$418,869.05)~~ ~~Four Hundred Twenty-Three Thousand Three Hundred Seventy-Five Dollars (\$423,375)~~ ("**Estimate**"); however, the parties acknowledge this is only an estimate and Costco's request for reimbursement will reflect actual costs incurred. Before incurring costs greater than the Estimate, Costco will obtain the City's written consent. If the City declines to provide such consent within fifteen (15) days, then Costco may discontinue further work on the Streetlight Improvements and, even if prior to substantial completion, provide an invoice to City for actual costs incurred not to exceed the Estimate, which invoice the City will pay in full within (30) days of receipt.

4. The parties agree to modify Section 2.1 of the Utilities Agreement as follows and to replace Exhibit C to the Utilities Agreement, with Exhibit C, attached hereto and incorporated herein:

2.1 Service Stubs. City desires the installation of sewer and/or water service stubs for extension of City services to third party property owners, as described in Exhibit C ("**Service Stubs**"), be included in the Ten Mile Improvements. ACHD has incorporated the Service Stubs into ACHD's design of the Ten Mile Improvements. Upon substantial completion of the Service Stubs, Costco will invoice City for the costs incurred for installation of the Service Stubs. Within thirty (30) days of receipt of such invoice, City will pay the invoice in full. City is solely responsible for collecting any payment from the third party property owners, and City will pay Costco's invoice in full in accordance with this section regardless of the amount or timing of any third party property owner payment to City. The current estimated cost for the Service Stubs is ~~Six Thousand One Hundred Dollars (\$6,100.00)~~ ~~Eight Thousand Dollars (\$8,000)~~; however, the parties acknowledge this is only an estimate and Costco's request for reimbursement will reflect actual costs incurred.

5. The parties agree to modify Section 2.2 of the Utilities Agreement as follows and to replace Exhibit D to the Utilities Agreement, with Exhibit D, attached hereto and incorporated herein:

2.2 Cost Share Permit Improvements. City and ACHD have entered into that certain *Ada County Highway District Cost Share Permit*, dated April 23, 2019 ("**Permit**"), for

certain City improvements within Ten Mile Road (collectively, “**Permit Improvements**”), which improvements are generally described in Exhibit D. ACHD has incorporated the Permit Improvements into ACHD’s design of the Ten Mile Improvements. Upon substantial completion of the Permit Improvements, Costco will invoice City for the costs incurred for installation of the Permit Improvements **set forth in Section D.1 of Exhibit D**. Within thirty (30) days of receipt of such invoice, City will pay the invoice in full, and City will provide notice of such payment to ACHD, which full payment and notice will satisfy City’s obligations in the Permit to pay ACHD for the installation of the Permit Improvements. The current estimated cost for **City’s portion of the Permit Improvements is Fifty-Four Thousand Twenty-Seven Dollars and Thirty-Seven Cents (\$54,027.37) ~~Fifty-Four Thousand Fifty Dollars (\$54,050)~~**; however, the parties acknowledge this is only an estimate and Costco’s request for reimbursement will reflect actual costs incurred. **Upon substantial completion of the Permit Improvements, Costco will invoice ACHD for the costs incurred for installation of the ornamental rock set forth in Section D.2 of Exhibit D. Within thirty (30) days of receipt of such invoice, ACHD will pay the invoice in full. The current estimated cost for said ornamental rock is Eleven Thousand Dollars (\$11,000.00); however, the parties acknowledge this is only an estimate and Costco’s request for reimbursement will reflect actual costs incurred.**

6. The parties agree to modify Section 2.3 of the Utilities Agreement as follows and to replace Exhibit E to the Utilities Agreement, with Exhibit E, attached hereto and incorporated herein:

2.3 Sewer and Water Improvements. City desires the installation of certain sewer and water improvements, as described in Exhibit E (“**Sewer and Water Improvements**”), be included in the Ten Mile Improvements. ACHD has incorporated the Sewer and Water Improvements into ACHD’s design of the Ten Mile Improvements. Upon substantial completion of the Sewer and Water Improvements, Costco will invoice City for all costs Costco has incurred for design and installation of the Sewer and Water Improvements. Within thirty (30) days of receipt of such invoice, City will pay the invoice in full. The current estimated cost for the Sewer and Water Improvements is **Ninety-Six Thousand Seven Hundred Fifty Dollars and Twenty-Five Cents (\$96,750.25) ~~Sixty-four Thousand Six Hundred Twenty-seven Dollars (\$64,627)~~**; however, the parties acknowledge this is only an estimate and Costco’s request for reimbursement will reflect actual costs incurred.

7. Unless defined herein, all capitalized terms in this Third Addendum have the same meaning as set forth in the Utilities Agreement. Except as expressly modified by this Third Addendum, all terms and conditions of the Utilities Agreement remain in full force and effect.

8. This Third Addendum may be executed in one or more counterparts, and all of the counterparts shall constitute one and the same agreement, notwithstanding that all parties hereto are not signatories to the same or original counterpart. City, ACHD and Costco agree that this transaction may be conducted by electronic means pursuant to the provisions of the Uniform Electronic Transaction Act.

*[end of text; signatures and exhibits follow]*

IN WITNESS WHEREOF, the parties execute this Third Addendum effective as of the Effective Date.

CITY:

CITY OF MERIDIAN,  
a municipal corporation of the State of Idaho

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By:  
Its:

ACHD:

ADA COUNTY HIGHWAY DISTRICT,  
a highway district created under the laws of the state of  
Idaho

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By:  
Its:

COSTCO:

COSTCO WHOLESALE CORPORATION,  
a Washington corporation

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By:  
Its:

**Exhibit A  
Conduit Improvements**

Pay Item	Description	Quantity	Unit	Unit Price	Total Cost
S901-05F	SP Junction Box Type S-45T with Riser	41	EACH	\$1,200.00	\$49,200.00
S911-06D	SP Install 1-2" RPC Conduit for Future Use (Meridian)	13,405	LF	\$5.70	\$76,408.50
<b>TOTAL COST of CITY REIMBURSEMENT</b>					<b>\$125,608.50</b>

**Exhibit B**  
**Black Cat Utility Improvements**

Pay Item	Description	Quantity	Unit	Unit Price	Total Cost
401.4.1.A.1	6" Water Line	27	LF	\$82.50	\$2,227.50
402.4.1.A.1.a	6" Gate Valve	1	EACH	\$1,700.00	\$1,700.00
402.1.1.A.1.b	12" Gate Valve	1	EACH	\$2,250.00	\$2,250.00
403.4.1.B.1	Relocate Fire Hydrant	1	EACH	\$4,600.00	\$4,600.00
<b>TOTAL COST of CITY REIMBURSEMENT</b>					<b>\$10,777.50</b>

**Exhibit C  
Service Stubs**

Pay Item	Description	Quantity	Unit	Unit Price	Total Cost
404.4.1.A.1	1" Water Service	1	EACH	\$3,400.00	\$3,400.00
504.4.1.B.1	4" Sewer Service	1	EACH	\$4,850.00	\$4,850.00
504.4.1.A.1	8" Sewer Service	1	EACH	\$6,100.00	\$6,100.00
CO #17	RFC #33 404.4.1.A.1 – 1" Water Service Credit	-1	EACH	\$3,400.00	(\$3,400.00)
CO #17	RFC #33 504.4.1.B.1 – 4" Sewer Service Credit	-1	EACH	\$4,850.00	(\$4,850.00)
<b>TOTAL COST of CITY REIMBURSEMENT</b>					<b>\$6,100.00</b>

**Exhibit D  
Permit Improvements**

Pay Item	Description	Quantity	Unit	Unit Price	Total Cost
SSP 25002	Ornamental Rock	210	CY	\$125	\$26,250.00
1131.01.02.A	Install Traffic Signal Interconnect Conduit (Trench) – City of Meridian	4,605	LF	\$5.20	\$23,946.00
CO #17	RFC #06 City Separate Junction Boxes	1	LS	\$15,604.97	\$15,604.97
CO #17	RFC #33 SSP 25002 – Ornamental Rock Credit	-16	CY	\$125	(\$2,000.00)
CO #17	RFC #33 SSP 25050 – 4” Topsoil Addition	146	SY	\$8.40	\$1,226.40
<b>TOTAL COST</b>					<b>\$65,027.37</b>

**D.1 City Permit Improvement Reimbursement Obligations**

City Cost Share Agreement No. 32 committed reimbursement for Permit improvement on 9 identified parcels

Pay Item	Description	Quantity	Unit	Unit Price	Total Cost
SSP 25002	Ornamental Rock	122	CY	\$125	\$15,250.00
1131.01.02.A	Install Traffic Signal Interconnect Conduit (Trench) – City of Meridian	4,605	LF	\$5.20	\$23,946.00
CO #17	RFC #06 City Separate Junction Boxes	1	LS	\$15,604.97	\$15,604.97
CO #17	RFC #33 SSP – 25002 Ornamental Rock Credit	-16	CY	\$125	(\$2,000.00)
CO #17	RFC #33 SSP 25050 – 4” Topsoil Addition	146	SY	\$8.40	\$1,226.40
<b>TOTAL COST OF CITY REIMBURSEMENT</b>					<b>\$54,027.37</b>

**D.2 ACHD Reimbursement Obligations**

Remaining planned quantity of Ornamental Rock ACHD is committed to reimburse

Pay Item	Description	Quantity	Unit	Unit Price	Total Cost
SSP 25002	Ornamental Rock	88	CY	\$125	\$11,000.00
<b>TOTAL COST OF ACHD REIMBURSEMENT</b>					<b>\$11,000.00</b>



**Exhibit E**  
**Sewer and Water Improvements**

Pay Item	Description	Quantity	Unit	Unit Price	Total Cost
401.4.1.A.1	12" PVC WATER MAIN (INCLUDES EXCAVATION, BEDDING, BACKFILL)	150.00	LF	\$110.00	\$16,500.00
401.4.1.B.1	12" DUCTILE IRON MECHANICAL JOINT FITTINGS	8.00	EACH	\$890.00	\$7,120.00
See Bidding and Contract Documents	24" STEEL CASING PIPE (OPEN TRENCH INSTALLATION)	40.00	EACH	\$400.00	\$16,000.00
2030.4.1.C.1	ADJUST VALVE CAN LIDS & CONCRETE COLLAR	13.00	EACH	\$1,150.00	\$14,950.00
2030.4.1.D.1	RELOCATE EXISTING FIRE HYDRANT ASSEMBLY	1.00	EACH	\$7,800.00	\$7,800.00
403.4.1.A.1	FIRE HYDRANT ASSEMBLY	2.00	EACH	\$7,050.00	\$14,100.00
CO #17	RFC #10 City Directed Manhole Adjustments	1.00	LS	\$7,194.06	\$7,194.06
CO #17	RFC #26 Relocate Existing Blow Off Valve	1.00	LS	\$3,418.37	\$3,418.37
CO #17	RFC #28 Relocate Blowoff Valve and Reclaimed Water Line	1.00	LS	\$9,667.82	\$9,667.82
<b>TOTAL COST of CITY REIMBURSEMENT</b>					<b>\$96,750.25</b>

**Exhibit F**  
**Streetlight Improvements**

Pay Item	Description	Quantity	Unit	Unit Price	Total Cost
CO #1	Additional Streetlight	47	EACH	\$8,029.11	\$377,368.17
CO #1	Survey	1	LS	\$2,450.00	\$2,450.00
CO #1	Testing	1	LS	\$700.00	\$700.00
CO #1	Contractor Admin Expenses	\$19,025.81	EACH	\$1.00	\$19,025.81
CO #1	Legal	637.50	EACH	\$1.00	\$637.50
CO #1	Engineering	\$6,487.50	EACH	\$1.00	\$6,487.50
CO #1	Owner Contract Admin Expenses 3%	\$12,200.07	EACH	\$1.00	\$12,200.07
<b>TOTAL COST of CITY REIMBURSEMENT</b>					<b>\$418,869.05</b>