



**City of Sumas**  
**Request for Council Action**

**Meeting Date:** April 14, 2025

**Subject:**

Services Agreement with Inland Potable Services, Inc

**Department:** Water Department

**Prepared By:** Michelle Quinn

**Agenda Location:**

Public Hearing     Old Business     New Business     Staff Reports

**Brief Summary:**

The agreement is with Inland Potable Services, Inc for Professional Services for diving, cleaning and inspection of the City's potable water tanks.

The cost of this project is \$5,360.00.

Sumas Rural Water will be billed \$2680.00; half of the total for their tank.

**Legal Review:**     Reviewed     Not Reviewed     Review Not Required

**Staff Recommendation:**

Staff is recommending to allow the Mayor to sign the contract with Inland Potable Services, Inc

**Senior Staff Review:**

- Mayor
- Finance Director
- City Clerk
- Public Works Director

**Budget Implications:**

- Current Budget
- New Budget Request
- Non-Budgetary

**SERVICES AGREEMENT  
CITY OF SUMAS – INLAND POTABLE SERVICES, INC.**

The CITY OF SUMAS, a municipal corporation of the State of Washington (hereinafter the "City"), with offices located at City Hall, 433 Cherry Street, Sumas, Washington 98295, and **Inland Potable Services, Inc.** (hereinafter the "Contractor"), with offices located at 16297 E. Crestline Lane, Centennial, Colorado 80015, in consideration of the mutual covenants herein, do hereby agree as follows:

**I. PURPOSE:** The purpose of this Agreement is for the provision of professional services for the diving, cleaning and inspection of the City's potable water tanks and the provision of a written report of the cleaning and inspection with photos and video.

**II. TERM OF AGREEMENT/TIME OF PERFORMANCE:** The time for performance of the work by Contractor shall begin April 15, 2025 and shall be completed by the Contractor by September 30, 2025. If this scope is not completed by Contractor by September 30, 2025, Contractor shall be deemed to have failed to substantially perform a material part of its obligations under this Agreement and the City shall have the rights set forth under subsection **IX. A.** below related to default, unless such failure is due to any force majeure event or other factor beyond the control of the Contractor.

**III. LIAISON:** The City's officer responsible for this Agreement is Sunny Aulakh, its Project Manager, or such other person designated by the Mayor for the City. The Contractor's responsible person is its Regional Account Manager, Paul D. Click.

**IV. SCOPE OF WORK:** The Contractor shall provide professional services for the diving, cleaning and inspection of the City's potable water tanks, including diving of the tanks by certified commercial divers, up to three (3) inches of sediment removal from the tank floors, visual inspection of the interior and exterior of the tanks, and providing a written pdf report of the cleaning and inspection with photos and a video of the dive showing the interiors of the tanks, including in sub-section **I** above, and in the Contractor's proposal attached hereto as **Exhibit "A"**, including the performance of all tasks/work as specified therein.

**V. PAYMENT:**

A. Contractor shall be compensated for services performed as set forth in **Exhibit "A"**, to the extent that compensation does not exceed the amount set forth in sub-section B.

B. The total compensation paid to Contractor for performance of the services called for in this Agreement, and set forth in section IV above, **shall not exceed \$5,360.00.**

C. The City agrees to pay the Contractor monthly based on invoices submitted no more frequently than once per month. The City will pay the Contractor within 30 days of receipt of invoice for all non-disputed work satisfactorily completed related to the invoice.

D. Contractor will be paid on the basis of invoices for work satisfactorily completed. Invoices shall be submitted to the Project Manager for approval prior to payment. No final payment shall be made until approved by the Project Manager.

**VI. EXTRA WORK AND CHANGE ORDERS:** Work in addition to, or different from, that provided for in the Scope of Work section, shall only be allowed by **prior authorization in writing**, as a modification to this Agreement. Such modifications shall be attached hereto and made a part hereof, and shall be approved in the same manner as this Agreement.

**VII. LIABILITY AND INSURANCE:** The Contractor agrees to defend the City, hold it harmless, and indemnify it as to all claims, suits, costs, fees and liability to the extent arising out of the negligent or intentional acts or work of the Contractor, its employees, subcontractors, or agents (including field work) pursuant to this Agreement, where such liability is incurred as a result of the negligent or intentional actions or omissions of such parties. Contractor will obtain and maintain in force at least the following minimum insurance coverages covering all activity under this Agreement, and as to which the City shall be named as additional insured:

|    |   |                  |
|----|---|------------------|
| A. | Workers Compensation  | Statutory Amount |
| B. | Broad Form Comprehensive General Liability (per occurrence) | \$1,000,000      |
| C. | Automobile Liability  | \$ 500,000       |
| D. | Professional Liability                                      | \$1,000,000      |

Contractor specifically and expressly waives any immunity that may be granted it under the Washington State Industrial Insurance Act, Title 51 RCW. Further, the indemnification obligation under this contract shall not be limited in any way by any limitation on benefits payable to or for any third party under the workers' compensation acts.

An insurance certificate showing the coverage required under this paragraph VII will be submitted to the City for approval upon commencement of the work and at least annually for a period of two (2) years following completion of services under this Agreement.

**VIII. COMPLIANCE WITH LOCAL LAWS:** The Contractor shall be duly licensed and shall comply with all applicable laws, ordinances, and codes of the State and local governments.

**IX. TERMINATION:**

A. Should either party hereto believe that the other has failed to substantially perform all or a material part of its obligations under the Agreement, it shall deliver written notice to that effect to the other, specifying the alleged default and giving the other party ten (10) days to cure such default. Thereafter, should the default not be remedied to the satisfaction of the non defaulting party, this Agreement may be terminated upon written notice (delivered by certified mail). In the event of termination under this subparagraph, the Contractor shall be paid an amount, in the

discretion of the Project Manager, which takes into account actual costs incurred by the Contractor in performing the project work to the date of termination, the amount of work originally required which was satisfactorily completed to the date of termination, the cost to the City of completing the work itself or of employing another firm to complete it and the inconvenience and time which may be required to do so, along with any other factors which affect the value to the City of the project work which has been performed to the date of termination. In no event shall the Contractor receive an amount based on anticipated profit on unperformed services or other work.

B. The City shall have the right to terminate this Agreement at any time upon ten days written notice to the Contractor.

C. On the giving of notice of termination, Contractor shall immediately begin winding down its services in anticipation of the termination, and shall be prepared to deliver to the City all documents and other uncompleted work on the date of termination.

D. In the event that funding is withdrawn, reduced or limited in any way after the effective date of this Agreement due to City budgetary constraints, and prior to its normal completion, the City may summarily terminate the Agreement as to the funds withdrawn, reduced or limited notwithstanding any other termination provisions of this Agreement. If the level of funding withdrawn, reduced or limited is so great that the City deems that the continuation of the services covered by this Agreement is no longer in the best interest of the City, the City may summarily terminate this Agreement in whole notwithstanding any other termination provision of this Agreement. Termination under this Section shall be effective upon receipt of written notice thereof.

E. Termination of this Agreement shall not prevent the City from invoking those provisions herein necessary to protect or enforce its rights hereunder, which provisions shall survive termination.

**X. ASSIGNMENT:** Neither party shall assign or delegate any or all interests in this Agreement without first obtaining the written consent of the other party.

**XI. VENUE STIPULATION:** This Agreement has been and shall be considered as having been made and delivered within the State of Washington, and shall be governed by the laws of the State of Washington both as to interpretation and performance. Any action in law or equity, or judicial proceeding for the enforcement of this Agreement or any of the provisions contained therein, shall be instituted and maintained only in Whatcom County Superior Court, Bellingham, Washington.

**XII. STATUS OF CONTRACTOR:** Neither Contractor nor personnel employed by the Contractor shall acquire any rights or status in the City's employment, nor shall they be deemed employees or agents of the City for any purpose other than as specified herein. Contractor shall be deemed an independent contractor and shall be responsible in full for payment of its employees, including worker's compensation, insurance, payroll deductions, and all related costs. Further, Contractor represents that it is customarily in the business of

providing the services described in this Agreement, has its own place of business, is eligible for and does file with the Internal Revenue Service a schedule of business expenses, has established or will timely establish an account with the State Department of Revenue and has received a unified business identifier number, and maintains a separate set of books and records for such business.

**XIII. CONTRACTOR'S STUDIES, REPORTS AND WORK PRODUCT:** All documents, maps and other materials of whatever kind prepared by the Contractor pursuant to this Agreement shall be deemed property of the City upon completion or termination of the Agreement. The Contractor may keep file copies of its work product but shall retain no other rights of ownership therein. Reuse beyond that contemplated by this Agreement or alteration of any materials without the Contractor's written participation will be at the City's sole risk.

**XIV. MISCELLANEOUS PROVISIONS:**

A. Each party acknowledges that such party has read this Agreement and understands its contents, that such party has had the opportunity to have this Agreement reviewed by an attorney of such party's choice, and that such party either has consulted with an attorney or voluntarily has chosen not to consult with an attorney before signing this Agreement.

B. No modification, termination or amendment of this Agreement may be made except by written agreement signed by all parties, except as provided herein.

C. No failure by any of the foregoing parties to insist upon the strict performance of any covenant, duty, agreement, or condition of this Agreement or to exercise any right or remedy for a breach thereof shall constitute a waiver of any such breach or any other covenant, agreement, term or condition. Any party hereto, by notice, may, but shall be under no obligation to, waive any of its rights or any conditions to its obligations hereunder, or any duty, obligation or covenant of any other party hereto. No waiver shall affect or alter this Agreement, and each and every covenant, agreement, term and condition of this Agreement shall continue in full force and effect with respect to any other then existing or subsequent breach thereof.

D. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

E. The entire agreement between the parties hereto is contained in this Agreement and the exhibits hereto; and this Agreement supersedes all of their previous understandings and agreements, written and oral, with respect to this transaction. To the extent any of the terms or conditions set forth in any exhibit or attachment hereto, including attached Exhibit(s) "A" and "B", are inconsistent with any provision of this Agreement, the provisions of this Agreement will control.

F. Standard of Care: The Contractor will perform its services using at least the degree of care and skill ordinarily exercised by similar professionals performing similar services under similar circumstances.

EXECUTED, this the \_\_\_\_\_ day of \_\_\_\_\_ 2025, for the **CONTRACTOR:**

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

EXECUTED, this the \_\_\_\_\_ day of \_\_\_\_\_ 2025, for the **CITY OF SUMAS:**

\_\_\_\_\_  
Mayor

Attest:

Approved as to Form:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Attorney



Sunny Aulakh  
Sumas Water & Lights  
433 Cherry Street  
Sumas, WA 98295

Date: March 10, 2025  
 Phone: 360-8201-5322  
 Email: saulakh@cityofsumas.com

**Diving Services for Potable Water Tank Cleaning and Inspection**

| Tanks | Tank Description  | The Additional Information  | Scope of Work Includes:  |
|-------|---|---|--|
| 2     | 500KG East/West Tanks<br>Concrete, On-Grade<br>65' Dia x 22' Dp | <p>All Discharge water does not require de-chlorination.</p> <p>All Discharge water and sediment may be released onto the ground.</p> | <p><b><u>Clean and Inspect</u></b></p> <p>Up to three (3) inches of sediment removal from the tank floor.</p> <p>Visual inspection of the interior and exterior of the tank.</p> |
|       | <b>This is a<br/>Prevailing Wage Job</b>                        | Tax for Whatcom County will be added to the invoice. This is an additional charge.  | Written .pdf report with photos and a video of the dive.   |

**Proposal Total: \$5,360.00**

**\*\*Inland Potable Services is a State of Washington Licensed Contractor\*\***

Pricing is based on current prevailing wage rates for divers and tenders working in Whatcom County, WA as of March 10, 2025. Overtime, holidays, and weekends are not included.

The county tax required will be added to the invoice and is an additional charge.

Proposals signed and returned to Inland Potable Services are valid for one year from date of acceptance.

**Payment terms:** 1% Ten Days, Net 30 Days. 1.5% interest will be charged on all accounts past 30 days.

This contract is based on a total price which includes time and mobilization to and from the project site, set-up and breakdown of equipment, and the preparation for the dive and diving services. Diving services will include sediment removal up to 3 inches from the floor, a video inspection and written report for your records (still photos included). During the initial dive, sediment depths will be measured by the diver and documented on video.

**If removal of sediment of an abnormal consistency (clay, calcium, rocks, pebbles, mud, etc.), additional sediment removal (over 3 inches from the floor), wall cleaning or epoxy repairs is requested and approved by designated on-site representative, each of these services will be performed at a rate of \$600.00 per hour.**

Inland Potable Services, Inc. will provide all personnel and equipment necessary to provide diving services in the above referenced tank(s) or reservoir(s). We will provide your utility with a written report as well as a narrated color video for the services performed. The tank(s) or reservoir(s) will be inspected according to American Water Works Association (AWWA), NACE, SSPC, ASNT, ACI and AWS standards.



- All divers employed by Inland Potable Services are certified Commercial Divers.
- Inland Potable Services is fully bondable and insured.
- All equipment entering the tanks will be disinfected with a minimum of 200 ppm Chlorine.
- Schedule dates are tentative and are subject to change.
- If Inland Potable Services dive team is required to stop working or is delayed working due to unforeseen circumstances or any reasons beyond our control (i.e. no utility personnel onsite, inability to access designated work site, low water level, etc.) a down-time charge of \$600.00 per hour will be charged.
- Inland Potable Services makes every attempt to obtain complete information from customers prior to the presentation of bids concerning fees required for municipal licenses, registration fees, Sales Tax or Use Taxes in your area. These items are identified on your contract. In the event that additional fees are discovered or charged, after the bid has been submitted, these charges will be added to the stated contract amount when billed.

**Paul Click, Regional Account Manager**

**Date: March 10, 2025**

**Important Information**

**Hatch Size** - The entry hatch on top of the tank must be at least 20 inches in diameter or square with no obstructions that would prevent entry. A futile trip charge of \$500.00 will be levied if the team is unable to enter the tank due to the hatch size being too small or objects are blocking the entry.

**Water Level** – Please be advised and understand, the water level within the tank must be within ten (10) feet or less of the hatch opening prior to the dive team’s arrival. A futile trip charge of \$500.00 will be levied if the team is unable to complete job if water levels cannot be adjusted to the appropriate level

**Tank Information** – Please initial below to verify the type of tank, dimensions or information listed in the proposal is accurate. If the tank dimensions or information is not accurate as listed then additional costs may be added.

**Completion Date** – With acceptance this work will be completed at a mutually acceptable date within one year. If money budgeted for this work must be used by a specific date, please indicate the date on this line and every attempt will be made to meet the given date: \_\_\_\_\_

**Option** – If a hatch gasket (\$125), a #24 mesh vent screen (\$75) and/or a lock for the hatch (\$25) is needed, would you like the dive team to install while on-site? **Yes** \_\_\_ **No** \_\_\_

**To accept**, please sign and date the proposal. Please fax both pages to 303-400-4215 or scan and email them to me at [paul@inlandpotableservices.com](mailto:paul@inlandpotableservices.com).

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_