



**AMENDMENT NO. 2
TO AGREEMENT NO. WQC-2021-KC_oNRP-00074
BETWEEN
THE STATE OF WASHINGTON DEPARTMENT OF ECOLOGY
AND
King County-Natural Resources and Parks**

PURPOSE: To amend the above-referenced agreement (AGREEMENT) between the state of Washington Department of Ecology (ECOLOGY) and King County-Natural Resources and Parks (RECIPIENT) for the Ship Canal Water Quality Project, Construction (PROJECT).

This amendment is needed to include additional funds provided for this project in the FY2023 Water Quality Combined Funding Cycle Final Offer List.

- 1) The Scope of Work remains the same. Task 2, Construction budget will increase by \$26,015,629, from \$65,990,000, to \$92,015,629.
- 2) The Initiation of Operation and Completion Date of January 1, 2025, remain the same. Based on this date, Loan (EL230082) repayment is scheduled to begin no later than January 1, 2026.
- 3) The total funding amount is increased by \$26,015,629, from \$66,000,000, to \$92,015,629.
- 4) Loan EL230082 is added in the amount of \$26,015,629, at an interest rate of 1.4 percent for a term of 30 years.
- 5) Loan EL21335 and its Estimated Loan Repayment Schedule 0338 remains the same.
- 6) Estimated Loan Repayment Schedule 0572, created on October 17, 2022, is added for Loan EL230082.

IT IS MUTUALLY AGREED that the AGREEMENT is amended as follows:

Total Eligible Cost:

Original: 66,000,000.00 Amended: 92,015,629.00

CHANGES TO THE BUDGET

Funding Distribution EL230082

Funding Title: SRF Loan (FY23-State)

Funding Type: Loan

Funding Effective Date: 01/01/2020

Funding Expiration Date: 01/01/2025

Funding Source:

Title: CWSRF-SFY23 (State) (WQC-2021)

Fund: FD0727

Type: State

Funding Source %: 100%

Description: The Clean Water Act (CWA) (33 U.S.C 1251-1387) established the State Revolving Fund (SRF) low interest loans program (40. C.F.R. Part 31, 35 Sub Part (K)). Washington State administers the program under Chapter 173-98 WAC. The portion of this project funded with this funding distribution comes from non-federal source and are not subject to Federal Funding Accountability and Transparency Act (FFATA) and Single Audit Act (SAA). However, this project is subject to the federal requirements outlined in Section 4 and 5 of agreement terms and conditions.

Approved Indirect Costs Rate: Approved State Indirect: 30%

Recipient Match %: 0%

InKind Interlocal Allowed: No

InKind Other Allowed: No

Is this Funding Distribution used to match a federal grant? No

Effective Interest Rate: 1.4% Interest Rate: 1.1% Admin Charge: 0.3%

Terms: 30 years

Project Start Date: 01/01/2020 Project Completion Date: 01/01/2025

Estimated Initiation of Operation date: 01/01/2025

Loan Security: Revenue Secure Lien Obligation of the Recipient

Final Accrued Interest: \$

Final Loan Amount: \$

Repayment Schedule Number: 572

SRF Loan (FY23-State)	Task Total
Construction	\$ 26,015,629.0

Total: \$ 26,015,629.0

CHANGES TO THE BUDGET

Funding Distribution EL210335

Funding Title: SRF Loan

Funding Type: Loan

Funding Effective Date: 01/01/2020

Funding Expiration Date: 01/01/2025

Funding Source:

Title: CWSRF-SFY21 (State)

Fund: FD0727

Type: State

Funding Source %: 100%

Description: The Clean Water Act (CWA) (33 U.S.C 1251-1387) established the State Revolving Fund (SRF) low interest loans program (40. C.F.R. Part 31, 35 Sub Part K). Washington State administers the program under Chapter 173-98 WAC. The portion of this project funded with this funding distribution comes from non-federal source and are not subject to Federal Funding Accountability and Transparency Act (FFATA) and Single Audit Act (SAA). However, this project is subject to the federal requirements outlined in Section 4 and 5 of agreement terms and conditions.

Approved Indirect Costs Rate: Approved State Indirect: 30%

Recipient Match %: 0%

InKind Interlocal Allowed: No

InKind Other Allowed: No

Is this Funding Distribution used to match a federal grant? No

Effective Interest Rate: 1.6% Interest Rate: 1.3% Admin Charge: 0.3%

Terms: 30 years

Project Start Date: 01/01/2020 Project Completion Date: 01/01/2025

Estimated Initiation of Operation date: 01/01/2025

Loan Security: Revenue Secure Lien Obligation of the Recipient

Final Accrued Interest: \$

Final Loan Amount: \$

Repayment Schedule Number: 338

SRF Loan	Task Total
Grant and Loan Administration	\$ 10,000.00
Construction	\$ 65,990,000.0

Total: \$ 66,000,000.0

CHANGES TO SCOPE OF WORK

Task Number: 3 **Task Cost: \$92,005,629.00**

Task Title: Construction

Task Description:

A. The RECIPIENT will include ECOLOGY’s specification insert in the bid documents. The RECIPIENT will execute a

contract with the low responsive responsible bidder to construct the project. The RECIPIENT will submit Bid Tabs, the Notice of Award, Notice to Proceed and a copy of the executed contract before ECOLOGY will provide reimbursement for work performed under this task.

B. The RECIPIENT will complete the construction in accordance with the approved Plans, Specifications and Addenda in the approval letter dated June 27, 2019. The construction project will include:

- Storage tunnel (~14,000 lf; approx. 18.8 ft. diameter) and odor control
- Micro-tunnel under ship canal (~650-ft. long 94-inch diameter)
- West shaft
- Eleventh Avenue shaft
- Fremont shaft
- Third Avenue shaft
- East shaft

C. The RECIPIENT will conduct a pre-construction conference and will invite ECOLOGY staff, and provide minutes of the conference.

D. As a condition of receiving this funding, the RECIPIENT will review their energy use looking for cost effective energy savings. The recipient may also submit documentation of an energy efficiency review conducted within the last 5 years.

E. As a condition of receiving this funding, the RECIPIENT will develop an asset management program (fiscal sustainability plan). The RECIPIENT will certify that a program that contains at least the minimum required elements has been developed and is being implemented.

F. The RECIPIENT will negotiate all change orders to the construction contract necessary for successful completion of the project as provided for in WAC 173-240.

G. The RECIPIENT will conduct appropriate cultural resources reviews of the project. The RECIPIENT will provide a 05-05/106 Cultural Resources Review form. The RECIPIENT will provide any additional information for ECOLOGY to lead the required cultural resources consultation.

H. The RECIPIENT will complete an Ecology inadvertent discovery plan template for their project.

I. As a condition of receiving this funding, the RECIPIENT will apply all applicable state and federal laws and authorities. The RECIPIENT will coordinate with ECOLOGY to determine which environmental laws and authorities are required. The RECIPIENT will provide information for ECOLOGY to lead the as required under Section 106 of the National Historic Preservation Act or under the Endangered Species Act, unless ECOLOGY defers to another agency. The RECIPIENT will include additional information on the outcome of these laws and authorities as part of the State Environmental Review Process (SERP) to ECOLOGY for review prior to ECOLOGY issuing the SERP determination.

Task Goal Statement:

See Overall Goal

Task Expected Outcome:

See Overall Goal.

Deliverables

Number	Description	Due Date
3.1	Documentation of the RECIPIENTS procurement process including advertisement for bids and the affidavit of publication.	
3.2	Bid Tabs, the Notice of Award, and Notice to Proceed.	
3.3	Documentation of an energy efficiency review.	
3.4	Executed construction contract.	
3.5	Minutes of the pre-construction meeting.	
3.6	Certification that the asset management program (fiscal sustainability plan) has been developed and is being implemented.	
3.7	05-05/106 Cultural Resources Review form.	
3.8	Inadvertent Discovery Plan.	

Funding Distribution Summary

Recipient / Ecology Share

Funding Distribution Name	Recipient Match %	Recipient Share	Ecology Share	Total
SRF Loan	0 %	\$ 0.00	\$ 66,000,000.00	\$ 66,000,000.00
SRF Loan (FY23-State)	0 %	\$ 0.00	\$ 26,015,629.00	\$ 26,015,629.00
Total		\$ 0.00	\$ 92,015,629.00	\$ 92,015,629.00

Estimated loan repayment schedule

Loan number:	EL230082	Loan amount:	\$26,015,629.00
Agreement #:	WQC-2021-KCoNRP-00074	Term of loan:	30 Years
Recipient name:	KING COUNTY NATURAL RESOURCES	Effective interest rate:	1.400%
Amortization method:	Compound-365 D/Y	Interest compounded:	Monthly
Initiation of Operations:	1/1/2025	Loan date:	1/1/2026
Project Completion:	1/1/2025	Schedule creation date:	10/17/2022
Schedule number:	AS-000000572		

Payment number	Due date	Payment amount	Principal amount	Interest amount	Admin amount	Balance amount
1	1/1/2026	536,545.31	169,980.32	288,015.35	78,549.64	25,845,648.68
Subtotal	FY 2026	536,545.31	169,980.32	288,015.35	78,549.64	25,845,648.68
2	7/1/2026	536,545.31	355,097.26	142,566.32	38,881.73	25,490,551.42
3	1/1/2027	536,545.31	357,590.21	140,607.58	38,347.52	25,132,961.21
Subtotal	FY 2027	1,073,090.62	712,687.47	283,173.90	77,229.25	25,132,961.21
4	7/1/2027	536,545.31	360,100.65	138,635.09	37,809.57	24,772,860.56
5	1/1/2028	536,545.31	362,628.72	136,648.75	37,267.84	24,410,231.84
Subtotal	FY 2028	1,073,090.62	722,729.37	275,283.84	75,077.41	24,410,231.84
6	7/1/2028	536,545.31	365,174.53	134,648.47	36,722.31	24,045,057.31
7	1/1/2029	536,545.31	367,738.22	132,634.14	36,172.95	23,677,319.09
Subtotal	FY 2029	1,073,090.62	732,912.75	267,282.61	72,895.26	23,677,319.09
8	7/1/2029	536,545.31	370,319.91	130,605.67	35,619.73	23,306,999.18
9	1/1/2030	536,545.31	372,919.72	128,562.96	35,062.63	22,934,079.46
Subtotal	FY 2030	1,073,090.62	743,239.63	259,168.63	70,682.36	22,934,079.46
10	7/1/2030	536,545.31	375,537.79	126,505.91	34,501.61	22,558,541.67
11	1/1/2031	536,545.31	378,174.23	124,434.42	33,936.66	22,180,367.44
Subtotal	FY 2031	1,073,090.62	753,712.02	250,940.33	68,438.27	22,180,367.44
12	7/1/2031	536,545.31	380,829.18	122,348.39	33,367.74	21,799,538.26
13	1/1/2032	536,545.31	383,502.77	120,247.71	32,794.83	21,416,035.49
Subtotal	FY 2032	1,073,090.62	764,331.95	242,596.10	66,162.57	21,416,035.49
14	7/1/2032	536,545.31	386,195.14	118,132.28	32,217.89	21,029,840.35
15	1/1/2033	536,545.31	388,906.40	116,002.00	31,636.91	20,640,933.95
Subtotal	FY 2033	1,073,090.62	775,101.54	234,134.28	63,854.80	20,640,933.95
16	7/1/2033	536,545.31	391,636.70	113,856.76	31,051.85	20,249,297.25
17	1/1/2034	536,545.31	394,386.16	111,696.47	30,462.68	19,854,911.09

Payment number	Due date	Payment amount	Principal amount	Interest amount	Admin amount	Balance amount
Subtotal	FY 2034	1,073,090.62	786,022.86	225,553.23	61,514.53	19,854,911.09
18	7/1/2034	536,545.31	397,154.93	109,521.01	29,869.37	19,457,756.16
19	1/1/2035	536,545.31	399,943.13	107,330.28	29,271.90	19,057,813.03
Subtotal	FY 2035	1,073,090.62	797,098.06	216,851.29	59,141.27	19,057,813.03
20	7/1/2035	536,545.31	402,750.92	105,124.16	28,670.23	18,655,062.11
21	1/1/2036	536,545.31	405,578.41	102,902.56	28,064.34	18,249,483.70
Subtotal	FY 2036	1,073,090.62	808,329.33	208,026.72	56,734.57	18,249,483.70
22	7/1/2036	536,545.31	408,425.75	100,665.37	27,454.19	17,841,057.95
23	1/1/2037	536,545.31	411,293.08	98,412.47	26,839.76	17,429,764.87
Subtotal	FY 2037	1,073,090.62	819,718.83	199,077.84	54,293.95	17,429,764.87
24	7/1/2037	536,545.31	414,180.54	96,143.75	26,221.02	17,015,584.33
25	1/1/2038	536,545.31	417,088.28	93,859.09	25,597.94	16,598,496.05
Subtotal	FY 2038	1,073,090.62	831,268.82	190,002.84	51,818.96	16,598,496.05
26	7/1/2038	536,545.31	420,016.42	91,558.41	24,970.48	16,178,479.63
27	1/1/2039	536,545.31	422,965.13	89,241.57	24,338.61	15,755,514.50
Subtotal	FY 2039	1,073,090.62	842,981.55	180,799.98	49,309.09	15,755,514.50
28	7/1/2039	536,545.31	425,934.53	86,908.47	23,702.31	15,329,579.97
29	1/1/2040	536,545.31	428,924.78	84,558.99	23,061.54	14,900,655.19
Subtotal	FY 2040	1,073,090.62	854,859.31	171,467.46	46,763.85	14,900,655.19
30	7/1/2040	536,545.31	431,936.03	82,193.01	22,416.27	14,468,719.16
31	1/1/2041	536,545.31	434,968.41	79,810.42	21,766.48	14,033,750.75
Subtotal	FY 2041	1,073,090.62	866,904.44	162,003.43	44,182.75	14,033,750.75
32	7/1/2041	536,545.31	438,022.09	77,411.10	21,112.12	13,595,728.66
33	1/1/2042	536,545.31	441,097.20	74,994.94	20,453.17	13,154,631.46
Subtotal	FY 2042	1,073,090.62	879,119.29	152,406.04	41,565.29	13,154,631.46
34	7/1/2042	536,545.31	444,193.90	72,561.82	19,789.59	12,710,437.56
35	1/1/2043	536,545.31	447,312.34	70,111.62	19,121.35	12,263,125.22
Subtotal	FY 2043	1,073,090.62	891,506.24	142,673.44	38,910.94	12,263,125.22
36	7/1/2043	536,545.31	450,452.67	67,644.22	18,448.42	11,812,672.55
37	1/1/2044	536,545.31	453,615.05	65,159.49	17,770.77	11,359,057.50
Subtotal	FY 2044	1,073,090.62	904,067.72	132,803.71	36,219.19	11,359,057.50
38	7/1/2044	536,545.31	456,799.63	62,657.32	17,088.36	10,902,257.87
39	1/1/2045	536,545.31	460,006.57	60,137.58	16,401.16	10,442,251.30
Subtotal	FY 2045	1,073,090.62	916,806.20	122,794.90	33,489.52	10,442,251.30
40	7/1/2045	536,545.31	463,236.02	57,600.16	15,709.13	9,979,015.28

Payment number	Due date	Payment amount	Principal amount	Interest amount	Admin amount	Balance amount
41	1/1/2046	536,545.31	466,488.15	55,044.91	15,012.25	9,512,527.13
Subtotal	FY 2046	1,073,090.62	929,724.17	112,645.07	30,721.38	9,512,527.13
42	7/1/2046	536,545.31	469,763.10	52,471.74	14,310.47	9,042,764.03
43	1/1/2047	536,545.31	473,061.05	49,880.49	13,603.77	8,569,702.98
Subtotal	FY 2047	1,073,090.62	942,824.15	102,352.23	27,914.24	8,569,702.98
44	7/1/2047	536,545.31	476,382.15	47,271.05	12,892.11	8,093,320.83
45	1/1/2048	536,545.31	479,726.57	44,643.30	12,175.44	7,613,594.26
Subtotal	FY 2048	1,073,090.62	956,108.72	91,914.35	25,067.55	7,613,594.26
46	7/1/2048	536,545.31	483,094.46	41,997.10	11,453.75	7,130,499.80
47	1/1/2049	536,545.31	486,486.00	39,332.31	10,727.00	6,644,013.80
Subtotal	FY 2049	1,073,090.62	969,580.46	81,329.41	22,180.75	6,644,013.80
48	7/1/2049	536,545.31	489,901.35	36,648.83	9,995.13	6,154,112.45
49	1/1/2050	536,545.31	493,340.68	33,946.49	9,258.14	5,660,771.77
Subtotal	FY 2050	1,073,090.62	983,242.03	70,595.32	19,253.27	5,660,771.77
50	7/1/2050	536,545.31	496,804.15	31,225.20	8,515.96	5,163,967.62
51	1/1/2051	536,545.31	500,291.94	28,484.79	7,768.58	4,663,675.68
52	7/1/2051	536,545.31	503,804.22	25,725.14	7,015.95	4,159,871.46
53	1/1/2052	536,545.31	507,341.15	22,946.13	6,258.03	3,652,530.31
54	7/1/2052	536,545.31	510,902.91	20,147.60	5,494.80	3,141,627.40
55	1/1/2053	536,545.31	514,489.68	17,329.42	4,726.21	2,627,137.72
56	7/1/2053	536,545.31	518,101.62	14,491.47	3,952.22	2,109,036.10
57	1/1/2054	536,545.31	521,738.93	11,633.58	3,172.80	1,587,297.17
58	7/1/2054	536,545.31	525,401.77	8,755.64	2,387.90	1,061,895.40
59	1/1/2055	536,545.31	529,090.33	5,857.48	1,597.50	532,805.07
60	7/1/2055	536,545.60	532,805.07	2,938.99	801.54	0.00
Subtotal	Undefined	5,901,998.70	5,660,771.77	189,535.44	51,691.49	0.00
Grand total		32,192,718.89	26,015,629.00	4,853,427.74	1,323,662.15	0.00