

AGREEMENT TO PERFORM GOVERNMENTAL ACTIVITIES
Between
THURSTON COUNTY
And
CITY OF OLYMPIA

THIS AGREEMENT is entered into in duplicate originals between Thurston County, hereinafter "County," and the City of Olympia, hereinafter "City."

WHEREAS, the County is planning a highway project entitled the Yelm Highway Phase V Project between Henderson Boulevard and Rich Road (County Road Project #61192), hereinafter "County Road Project"; and

WHEREAS, within the limits of the County Road Project, the City has a need to perform certain "Utility Work" including installing a new sewer pump station; new sewer mains and sewer laterals to property lines, together with all appurtenances; upgrading existing potable water mains and installing water services to property lines, together with all appurtenances; as well as a need to perform certain "City Road Work" including making improvements to the intersection of Henderson Boulevard and Yelm Highway and to the portion of the roadway of Yelm Highway lying within the City limits easterly of said intersection; and

WHEREAS, the City wishes to contract with the County to incorporate such Utility Work and City Road Work into the County Road Project; and

WHEREAS, the Utility Work and City Road Work shall include all materials, equipment, labor, materials and compaction testing and acceptance, administration and any other efforts required to perform the construction of the Utility Work and City Road Work; and

WHEREAS, the City is solely responsible for all costs associated with the Utility Work, and for those costs associated with the City Road Work that are not paid for by the Transportation Improvement Board grant; and

WHEREAS, the County and the City have negotiated the Scope of Utility Work and City Road Work and Cost Estimate for the Utility Work and City Road Work to be included in the County Road Project as set forth in this Agreement; and

WHEREAS, it is to the mutual advantage of the County and the City and in the best interest of the public to cooperate, as described herein, in order to make the most efficient use of their resources to provide services and facilities needed by the citizens residing within their respective jurisdictions; and

WHEREAS, RCW 39.34.080 authorizes a public agency to contract with another public agency to perform any governmental activity that each public agency is authorized by law to perform; and

NOW, THEREFORE, pursuant to chapter 39.34 RCW and in consideration of the terms, conditions, covenants, and performances contained herein, or attached and incorporated and made a part hereof,

IT IS MUTUALLY AGREED BY THE COUNTY AND THE CITY AS FOLLOWS:

PURPOSE

The purpose of this Agreement is to include the City's Utility Work and City Road Work in the County's Yelm Highway Phase V Project between Henderson Boulevard and Rich Road (County Road Project #61192), hereinafter "County Road Project", and to set forth the responsibilities of the City and the County in relation to the Utility Work and City Road Work. The map attached as Exhibit C delineates the City and County boundary for the City Road Work.

1. PLANS AND SPECIFICATIONS

1.1 The County, through its selected contractor, agrees to perform the Utility Work and City Road Work, in accordance with the Scope of Work set out in Exhibit A, Cost Estimate set out in Exhibit B, Plans and Specifications for the Utility Work and the City Road Work, and Exhibit C, all of which by this reference are incorporated into this Agreement.

1.2 The Plans and Specifications for the Utility Work have been prepared by the City. The Plans and Specifications for the City Road Work have been prepared by the County and reviewed and approved by the City. The County will incorporate the City's and County's Plans and Specifications into the County Road Project.

1.3 When the County receives Transportation Improvement Board ("TIB") funding approval the County will provide written notice of this approval to the City. The County will provide the City with a complete copy of the final Plans and Specifications package within 21 calendar days of the County's written notice to the City of the TIB funding approval. The City shall provide either written concurrence of the readiness of the bid documents for advertising within 14 calendar days of receipt of the final bid package or a written request for specific changes to the bid documents. If the City does not respond within the stated time frame, concurrence will be deemed to have been given and the County will proceed with the advertisement for construction bids. If the City provides written requests for changes within the stated time frame the County will provide a written response to each request prior to advertising the project for bids.

1.4 Once the bids are received and opened, the County will share the bid responses with the City. In the event that the low bidder provides a bid for the Utility Work portion of the County Road Project that exceeds the City Engineer's estimate by more than 20%, prior to bid award, the County will consider input from the City about rejection of all bids.

2. CONSTRUCTION, INSPECTION AND WORK ACCEPTANCE

2.1 The County shall require its contractor to construct the Utility Work and City Road Work in accordance with the City designed Utility Work and approved City Road Work Plans and Specifications.

2.2 The City shall furnish an inspector for the Utility Work and City Road Work. The inspector shall be available during the entire construction phase of the Utility Work and City Road Work. Any costs for such inspections shall be borne solely by the City. The

City agrees to follow the inspection process as provided in Exhibit A. The County shall promptly notify the City in writing when the Utility Work and City Road Work begins and is substantially complete.

2.3 The City shall, within thirty (30) calendar days of being notified that the Utility Work and City Road Work is completed: (a) deliver a letter of acceptance to the County or (b) deliver to the County written notification, listing all reasons for withholding acceptance.

2.4 If the City does not respond within thirty (30) calendar days, the Utility Work and City Road Work will be deemed accepted by the City.

2.5 Separate from the time established under section 2.3 and 2.4 above, the City and the County will respond in writing within five (5) business days to each other's written inquiries and requests, unless otherwise specified in Exhibit A.

2.6 If a dispute or claim arises concerning the Utility Work and/or City Road Work performed by the contractor, the City agrees to take full responsibility for acts, errors, or omissions of the City and all expenses thereof, including but not limited to attorneys' fees, costs, claims preparation, expert fees, courts costs, and other expenses of any nature incurred by the County should the County receive a claim submitted by the contractor or there is a dispute with the contractor regarding such work or if the City requests that the County pursue any action against the contractor. Provided, however, that this provision would not apply where the dispute or claim is a result of the acts, errors or omissions of the County.

3. COST LIABILITY AND PAYMENT

3.1 The City agrees that it shall be responsible for the County's actual direct and related indirect costs associated with the Utility Work and City Road Work. The Cost Estimate for the Utility Work and City Road Work is \$8,393,798.38, as provided in Exhibit B. Exhibit B reflects the City's costs for the City Road Work not paid for by the TIB grant.

A. Direct Costs include but are not limited to the costs for the contractor to perform the Utility Work and City Road Work as set forth in the County Road Project bid response, change orders, and Exhibit A. The City and County agree that the final approved contract documents for the Utility Work and City Road Work bid, including the associated schedule for unit bid items and quantities are an estimate of the direct costs of such work.

B. Indirect costs include but are not limited to Exhibit A, contract administration, inspection, costs associated with the County's creation of record drawings, survey time for construction staking, materials and compaction testing and acceptance, and County costs directly attributable to the Utility Work and City Road Work.

3.2 The City agrees that the Cost Estimate is an estimate only and summarizes the anticipated costs for both the County and the contractor and may not be the actual cost to complete the Utility Work and City Road Work. It is the intent of the City and the County to equitably adjust the estimated amount at the conclusion of the County Road Project once all actual costs are known.

3.3 The City agrees that it is responsible for the bid price for the Utility Work and City Road Work, including, but not limited to, any increased costs resulting from differing site conditions, delays, inaccurate utility location information, and other circumstances beyond the control of either the County or the contractor. If contractor has a right to additional compensation under the contract as it relates to the Utility Work or City Road Work, City is responsible for payment of the additional compensation.

3.4 The City agrees that it shall be responsible for any construction delays, claims, costs, and damages associated with or resulting from:

A. utility conflicts from existing City water or sewer infrastructure misidentified or omitted from the City's Plans and Specifications for the Utility Work, or not correctly located in the field;

B. untimely relocation of all utilities within City's right-of-way regardless of any franchise the City may have with a utility provider; and

C. relocation by a third party utility where said relocation is necessitated as a result of the City's design for the Utility Work.

3.5 The County is responsible for all costs associated with new sewer connections and decommissioning of well and septic systems that are part of the contract document requirements as a result of the County Road Project right of way negotiations for road improvement.

3.6 The City, in consideration of the faithful performance of the Utility Work and City Road Work to be done, agrees to pay the County the bid price for the Utility Work and the bid price, minus the TIB grant participation, for the City Road Work, including change orders and any increased costs as provided in section 3.3. The County shall invoice the City as described in Exhibit A. The Parties agree that any payment will not constitute agreement as to the appropriateness of any item and that, at the time of final invoice, the Parties will resolve any discrepancies.

3.7 Should the City fail to make payment according to the terms of this Agreement, the County shall have the right to terminate this Agreement, charging the City for all associated costs of termination, including non-cancellable items, as well as associated delay and contractor claims.

4. FRANCHISE

4.1 In accordance with chapter 36.55 RCW, the City shall obtain a franchise with the County to use County right of ways for City utility purposes.

5. RIGHT OF ENTRY; OWNERSHIP, OPERATION, MAINTENANCE AND REPAIR

5.1 The City hereby grants to the County and its contractor a right of entry upon all land in which the City has an interest for the purposes of performing the Utility Work and City Road Work.

5.2 Upon completion of the Utility Work and City Road Work, all ownership, operation, maintenance, repair, and replacement of the City's facilities, including but not limited to sewer and water infrastructure and appurtenances, and intersection and roadway improvements, shall be the sole responsibility of the City at the sole cost of the City and without expense to the County.

6. RELATIONSHIP OF THE PARTIES

6.1 The employees or agents of each Party who are engaged in the performance of this Agreement shall continue to be employees or agents of that Party and shall not be considered for any purpose to be employees or agents of the other Party. This Agreement is for the benefit of the Parties, and no third party beneficiary relationship is intended unless specifically set forth herein. No separate legal entity is created by this Agreement and no joint organization is established. No common budget is to be established and no personal or real property is to be jointly acquired or held.

7. DURATION

7.1 This Agreement shall commence upon the last date of execution and shall continue until the Utility Work and City Road Work is completed and accepted unless terminated sooner by the City or the County.

8. INDEMNIFICATION AND HOLD HARMLESS

8.1 The City and the County shall indemnify and hold harmless one another and their officers, officials, and employees from and shall process and defend at its own expense any and all claims, demands, suits at law or equity, actions, penalties, losses, damages (both to persons and/or property), or costs, of whatsoever kind or nature, brought against the one Party arising out of, in connection with, or incident to the other Party's performance or failure to perform any aspect of this Agreement; provided, however, that if such claims are caused by or result from the concurrent negligence of (a) the City and (b) the County, their officers, officials, and/or employees, or involves those actions covered by RCW 4.24.115, this indemnity and hold harmless provision shall be valid and enforceable only to the extent of the negligence of the City or the County; and provided further, that nothing herein shall require the City or the County to hold harmless or defend the other or its officers, officials, and/or employees from any claims arising from that Party's sole negligence or that of its officers, officials, and/or employees. The terms of this section shall survive the termination of this Agreement and completion of the Utility Work and City Road Work. This indemnification and hold harmless provision only applies to third party claims.

The County and the City waives its immunity under the Washington State Industrial Insurance Act, Title 51 RCW, to the extent required by this indemnification and hold harmless provision. Provided, however, the foregoing waiver shall not in any way preclude the County or the City from raising such immunity as a defense against any claim brought against the County or the City by any of each entity's respective employees. This waiver has been mutually negotiated by the Parties.

9. GENERAL PROVISIONS

9.1 Dispute Resolution: Should disputes arise between the County and the City, the County Engineer and the City Engineer shall meet to resolve said disputes. This dispute resolution clause is not intended to waive any right either Party may have to pursue redress in the courts.

9.2 Governance: This Agreement is entered into pursuant to and under the authority granted by the laws of the State of Washington. The provisions of this Agreement shall

be construed to conform to those laws, and shall be governed by those laws as to interpretation and performance. Any action at law, suit in equity, or judicial proceeding arising out of this Agreement shall be instituted and maintained only in any of the courts of competent jurisdiction in Thurston County, Washington. Each Party shall be responsible for its own attorneys' fees and costs.

9.3 Equal Opportunity to Draft. The parties have participated and had an equal opportunity to participate in the drafting of this Agreement, and the attached Exhibits. No ambiguity shall be construed against any party upon a claim that that party drafted the ambiguous language.

9.4 Termination: This Agreement may be terminated upon sixty (60) days written notice given by either the City or the County. If this Agreement is so terminated by the City prior to the fulfillment of the terms stated herein, the County shall be reimbursed for all actual direct and related indirect expenses and costs, including intersection mobilization and road improvement designs, construction engineering, contract administration and overhead costs incurred up to the date of termination, as well as the cost of non-cancellable obligations and/or contractor claims relating to the termination of the Utility Work and City Road Work incurred by the County or its contractor. If this Agreement is terminated by the County prior to the fulfillment of the terms stated herein for reasons other than set out under section 3.7, the City shall be reimbursed for all actual direct and related indirect expenses and costs, including construction engineering, contract administration and overhead costs incurred up to the date of termination, as well as the cost of non-cancellable obligations and/or claims relating to the termination of the Utility Work and City Road Work incurred by the City.

Should the Parties mutually agree to terminate this Agreement, each Party shall pay its own costs of termination.

9.5 Records and Audit: During the progress of the Utility Work and City Road Work and for a period of not less than six (6) years from the date of final payment, both Parties shall maintain the records and accounts pertaining to the Utility Work and City Road Work and shall make them available for inspection and audit by the other Party and/or Federal or State Government, and copies of all records, accounts, documents or other data pertaining to the Utility Work and City Road Work will be furnished upon request. If any litigation, claim or audit is commenced, the records and accounts along with supporting documentation shall be retained until all litigation, claim or audit finding has been resolved even though such litigation, claim or audit continues past the six-year retention period.

9.6 Amendment: This Agreement may be amended by the mutual agreement of the Parties. Such amendments or modifications shall not be binding unless put in writing and signed by persons authorized to bind each of the Parties.

9.7 Waiver: A failure by either Party to exercise its rights under this Agreement shall not preclude that Party from subsequent exercise of such rights and shall not constitute a waiver of any other rights under this Agreement unless stated to be such in a writing signed by an authorized representative of the Party.

9.8. Severability: If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other

provisions of this Agreement which can be given effect without the invalid provision, if such remainder conforms to the requirements of applicable law and the fundamental purpose of this Agreement, and to this end the provisions of this Agreement are declared to be severable.

9.9 Entire Agreement: This Agreement, together with those documents incorporated herein by reference, sets forth all terms and conditions agreed upon by the City and the County and supersede any prior agreements oral or otherwise with respect to the subject matter addressed herein.

9.10 Recording: Prior to its entry into force, this Agreement shall be filed in accordance with RCW 39.34.040.

9.11 Notice: Any notice required under this Agreement shall be to the Party at the address listed below and shall become effective three (3) days following the date of deposit in the United States Postal Service:

CITY OF OLYMPIA
Attention: Jim Rioux
PO Box 1967
Olympia, WA. 98507-1967


THURSTON COUNTY
Attention: Theresa Parsons
2404-A Heritage Court SW
Olympia, WA. 98502-6031

9.12 Preamble: The preamble to this Agreement is not a mere recital of facts, but consists of binding and agreed upon statements that form the basis of this Agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on the date of the last authorizing signature below.

Board of County Commissioners
Thurston County, Washington

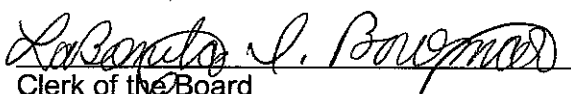

Chair


Vice-Chair


Commissioner

Date: March 9, 2010

ATTEST:


Clerk of the Board

City of Olympia


Doug Mah, Mayor

Date: 3-2-10

Approved as to Form:


City Attorney for Olympia (ACA)

Approved as to Form:
EDWARD G. HOLM
PROSECUTING ATTORNEY

By: 
Deputy Prosecuting Attorney

EXHIBIT A – SCOPE OF WORK

Task 1 - UTILITY WORK

The Utility Work shall consist of the installation of a new sewer pump station, installation of new sewer mains and sewer laterals to property lines, together with all appurtenances, and upgrade of existing potable water mains and installation of water services to property lines, together with all appurtenances, all as designed by the City and set forth in the City's Yelm Highway Sewer and Water Improvements Plans and Specifications.

Task 2 - CITY ROAD WORK

The City Road Work shall be that work performed within the City limits for the improvements to the intersection of Henderson Boulevard and Yelm Highway and to the portion of the roadway of Yelm Highway lying within the City limits easterly of said intersection Henderson Boulevard, approximately 900'. This work shall include, but not be limited to, curb, gutter, and sidewalks, planter strips, landscaping, drainage, lighting, signal improvements, road reconstruction, and other associated work as set forth in the County Road Project #61192 Plans and Specifications.

City Responsibilities under Task 1 and Task 2

1. Any direction the City wishes to give the Contractor shall be relayed only to the County Project manager or County inspector. The County will consult with the City to determine the appropriate action to be taken with the Contractor.
2. The City will have an inspector available at all times during the construction of the Utility Work and City Road Work, and the County will consult with the inspector on said Work. The City inspector will be provided an opportunity to review the County inspector's Individual Daily Report form on a daily basis. The City's Inspector will be given the opportunity to provide additional written comments.. The City will provide the County with the opportunity to examine and provide additional written comments on City's inspection documentation. The City will apprise the County inspector of any issue involving the Utility Work or City Road Work upon the City becoming aware of the issue.
3. The City inspector will work with the County inspector to develop weekly quantity calculations for Utility Work and City Road Work that will be used to calculate the monthly pay estimate to generate the monthly payment to the contractor.
4. The City agrees that it shall be responsible for all costs associated with:
 - A. Trench restoration for water and sewer construction including, but not limited to, pipe bedding, trench backfill, excavation, and necessary road reconstruction up to and including the asphalt leveling course of the road, and all other work necessary for a complete installation, including traffic control.
 - B. Permanent hot mix asphalt trench patch and/or temporary asphalt and its maintenance for temporary roads or temporary trench patches to keep traffic flowing through the work zone due to the Utility Work or City Road Work; and relocations of new and/or existing water and sewer utilities for the final road improvements.

C. All costs for materials and compaction testing and acceptance attributable to the installation of the Utility Work and City Road Work together with all trench compaction and materials testing.

D. The one-year warranty bid item for materials and workmanship for Utility Work and City Road work.

E. Any difference between the costs to construct a roadway intersection versus a simple driveway entrance to the City's property located on the north side of the intersection of Yelm Highway and Brassfield St., outside of the County's right of way, in accordance with the Road Construction Agreement between the City and County dated February 19, 2009,

5. The City shall work with the County on the Utility Work and City Road Work to establish dates of "substantial completion," "physical completion," and "completion date" as defined in the County Road Project contract documents.

6. The City shall prepare punch list items for all walk throughs in a timely manner.

7. The City shall keep construction red line drawings for Utility Work and City Road Work and provide them to the County for record drawing creation. All costs associated with work provided by the County for creation of record drawings shall be paid by the City.

8. The City shall provide a direct contact for responding to citizens' questions and requests for information that is related to the Utility Work and City Road Work.

County Responsibilities under Task 1 and Task 2

1. The County will seek instruction from the City inspector on any questions the contractor or County may have on the Utility Work or City Road Work. The County will apprise the City inspector of any issue involving the Utility Work or City Road Work upon the County becoming aware of the issue.

2. The County will prepare a single bid packet for the County Road Project that includes the Utility Work and City Road Work and will be responsible for bidding and award of the County Road Project.

3. The County will submit the County Road Project Plans, Specifications, and the cost Estimate to the City for review and approval prior to finalizing the bid documents.

4. The County will enter into a contract with a contractor for construction of the County Road Project that includes the Utility Work and City Road Work, and will administer the contract with the contractor.

5. The County will invite the City to all construction meetings and to all substantial completion and final completion walk throughs. The County will incorporate City punch list comments in an overall County Road Project punch list, as appropriate for each schedule of the County Road Project.

6. The County inspector will give copies of the Individual Daily Reports and weekly quantity calculations for the Utility Work and City Road Work to the City Inspector.

7. The County will include in the bid documents an item for a one-year warranty covering materials and workmanship for Utility Work and City Road Work.
8. The County will include in the bid documents that the contractor will be responsible for obtaining all applicable permits.
9. The County will incorporate the City's red line drawings for the Utility Work and City Road Work into the County Road Project record drawings.
10. The County will administer all Transportation Improvement Board (TIB) grant reimbursement and administration related to the grant.
11. The County will construct a roadway intersection entrance to the City's property located on the north side of the intersection of Yelm Highway and Brassfield Street, and construct the roadway intersection in accordance with the Road Construction Agreement dated February 19, 2009 and the design provided to the County by the City.

General Provisions Applicable to Both County and City under Task 1 and Task 2

1. Change Orders

The County will advise the City of any proposed change order to Utility Work and City Road Work as soon as possible and will provide the City with an opportunity to review and approve the change order as provided below. The City and County recognize two types of change orders: (A) Required and (B) Elective.

(A) *Required* change orders involve such changes in the work, work methods, working days, or quantities necessary to satisfactorily complete the scope of the advertised Project. All other change orders shall be considered elective. The County reserves the right to direct the contractor prior to City approval of a required change order when, in the opinion of the County, direction is needed to address an emergency, there is a safety issue, or when the failure to make an immediate decision will result in undue added contract costs. Required change orders shall require the prior written approval of the City before execution unless one or more of the conditions listed above apply. In such cases written concurrence from the City may be obtained after execution.

(B) *Elective* change orders are anything other than required change orders that impact City costs and/or Utility Work or City Road Work. Elective change orders shall require the prior written approval of the City before execution.

2. Progress Reports, Pay Estimates, and Invoicing

A. Monthly Progress Updates. The County will provide the City with monthly updates to the construction schedule.

B. Monthly Pay Estimates/Review. The County will prepare a monthly Pay Estimate and will provide a copy to the City inspector for review. For Utility Work, the Pay Estimate will be broken into separate schedules for sewer and for water, with unit bid items. For City Road Work, the Pay Estimate will be broken into separate schedules for the unit bid items for the City Road Work and County road work. The Pay Estimate will show the estimated material quantities and the actual material quantities. The City will have five (5) business days to review the Pay Estimate before the County processes it. If the City and/or Contractor have issues with the City's portion of the Pay Estimate, the County will facilitate a discussion. Any dispute shall be resolved according to the Dispute Resolution provision.

C. Monthly Invoicing. The County shall invoice the City on a monthly basis and provide supporting documentation. Supporting documentation shall include a breakdown of City costs, County costs to be reimbursed by the City, and costs reimbursable through TIB. The City agrees to make payment to the County within thirty (30) days of receipt of an approved invoice.

EXHIBIT B - BUDGET**SCHEDULE B - CITY ROADWAY**

Estimated construction costs -Roadway Hederson Blvd to City Limits	\$ 860,278.00
Award Contingency @ 10%	\$ 86,027.80
Estimated Construction Engineering @ 10%	\$ 86,027.80
Total City Roadway	\$ 1,032,333.60
Estimated TIB Reimbursement @ 34%*	\$ 350,993.42
Total City Roadway minus TIB Reimbursement	\$ 681,340.18

Estimated construction costs -Ward Lake Park Entrance	\$ 44,408.00
Award Contingency @ 10%	\$ 4,440.80
Estimated Construction Engineering @ 10%	\$ 4,440.80
Total construction Ward Lake Park Entrance	\$ 53,289.60
Total City Roadway plus Ward Lake Park Entrance	\$ 734,629.78

SCHEDULE C - CITY SANITARY SEWER

Estimated construction costs	\$ 5,237,851.57
Award Contingency @ 10%	\$ 523,785.16
Estimated Construction Engineering @ 10%	\$ 523,785.16
Total Sanitary Sewer	\$ 6,285,421.88

SCHEDULE D - CITY WATER

Estimated construction costs	\$ 1,144,788.93
Award Contingency @ 10%	\$ 114,478.89
Estimated Construction Engineering @ 10%	\$ 114,478.89
Total Water	\$ 1,373,746.72

TOTAL ESTIMATED CONSTRUCTION ENGINEERING	\$ 728,732.65
TOTAL ESTIMATED REINBURSEMENT TO COUNTY	\$ 8,393,798.38

Notes:

1 These costs are estimates and the actual costs will be calculated and the City will reimburse the County for all actual costs expended by the County for City Road, Sanitary Sewer and Water, minus the TIB reimbursement for City Road Work.

3 TIB reimbursement is the amount of the TIB grant that will be applied to the City's portion of the roadway. The City' proportional share was determined as follows;

*Grant % Reimbursement = TIB Grant/ (City Construction Costs + County Construction Costs)

Grant Reimbursement % = \$3,900,000/(\$1,032,333.60 + \$10,500,000.00)= 34%

City Share of Grant = \$ 1,032,333.60 x (0.34)

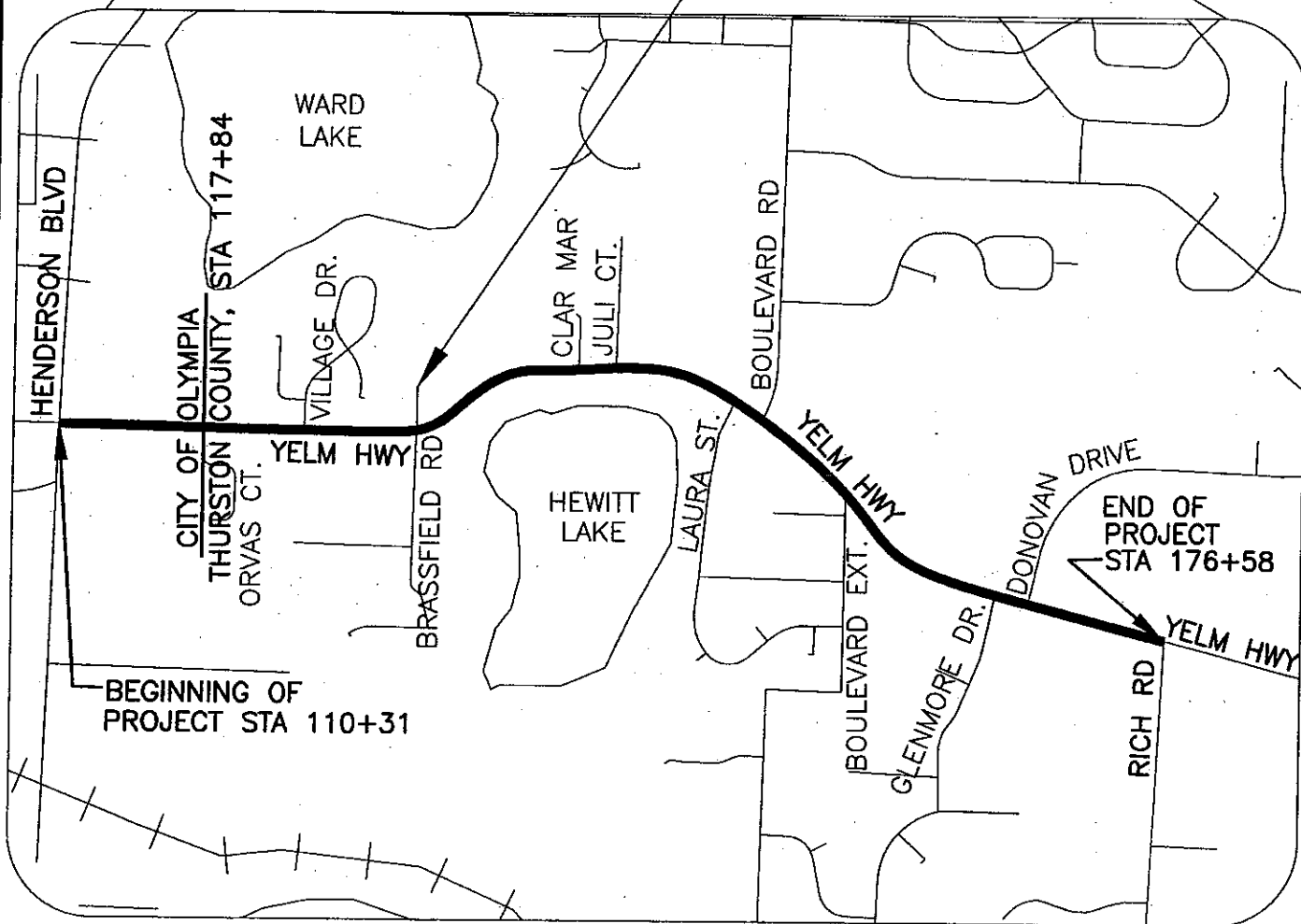
City Share of Grant = \$ 350,993.42

THURSTON COUNTY

EXHIBIT C



CITY OF OLYMPIA
PARK PROPERTY ACCESS
TO BE INCLUDED IN CITY
OF OLYMPIA ROAD WORK



YELM HIGHWAY PHASE V - PROJECT LIMITS