



# City of Port Orchard Council Meeting Agenda

## December 19, 2023

### 6:30 p.m.

#### Mayor:

Rob Putaansuu  
Administrative Official

#### Councilmembers:

Mark Trenary (Mayor Pro-Tempore)  
E/D & Tourism Committee, **Chair**  
Utilities/Sewer Advisory Committee  
Transportation Committee  
KRCC-alt

Shawn Cucciardi  
Finance Committee  
E/D & Tourism Committee  
Lodging Tax, **Chair**

Fred Chang  
Economic Development & Tourism Committee  
Land Use Committee  
Transportation Committee

Jay Rosapepe  
Finance Committee,  
Land Use Committee  
KRCC, PSRC-alt, PSRC Transpol-alt, KRCC Transpol-alt, KRCC Planpol-alt,

John Clauson  
Finance Committee, **Chair**  
Utilities/Sewer Advisory Committee  
Kitsap Public Health District-alt

Cindy Lucarelli  
Festival of Chimes & Lights Committee, **Chair**  
Utilities/Sewer Advisory Committee, **Chair**  
Kitsap Economic Development Alliance

Scott Diener  
Land Use Committee, **Chair**  
Transportation Committee

#### Department Directors:

Nicholas Bond, AICP  
Development Director

Denis Ryan  
Public Works Director

Tim Drury  
Municipal Court Judge

Noah Crocker, M.B.A.  
Finance Director

Matt Brown  
Police Chief

Brandy Wallace, MMC, CPRO  
City Clerk

#### Meeting Location:

Council Chambers, 3<sup>rd</sup> Floor  
216 Prospect Street  
Port Orchard, WA 98366

#### Contact us:

(360) 876-4407  
cityhall@portorchardwa.gov

*Pursuant to the Open Public Meetings Act, the City Council is conducting its public meeting in the Council Chambers at City Hall. Members of the public may view and provide public comment during the meeting in person at City Hall, via the online platform zoom (link below), or via telephone (number below). The public may also view the meeting live on the City's YouTube channel.*

#### Remote access

Link: <https://us02web.zoom.us/j/88552837936>

Zoom Meeting ID: 885 5283 7936

Zoom Call-In: 1 253 215 8782

#### Guiding Principles

- Are we raising the bar?
- Are we honoring the past, but not living in the past?
- Are we building connections with outside partners?
- Is the decision-making process positively impacting diversity, equity, and inclusion?

### 1. CALL TO ORDER

#### A. Pledge of Allegiance

### 2. APPROVAL OF AGENDA

### 3. CITIZENS COMMENTS

*(Please limit your comments to **3 minutes** for items listed on the Agenda and that are not for a Public Hearing. Please keep your comments respectful and no personal attacks. This is a comment period and not a question-and-answer session. When recognized by the Mayor, please state your name for the official record. If you are attending remotely via telephone, enter \*9 from your keypad to raise your hand.)*

### 4. CONSENT AGENDA

*(Approval of Consent Agenda passes all routine items listed below, which have been distributed to each Councilmember for reading and study. Consent Agenda items are not considered separately unless a Councilmember so requests. In the event of such a request, the item is returned to Business Items.)*

#### A. Approval of Vouchers and Electronic Payments

#### B. Approval of Payroll and Direct Deposits

#### C. Adoption of a Resolution Approving an Agreement with Puget Sound Energy for an Energy Conservation Grant (Ryan) Page 4

#### D. Approval of Amendment No. 2 to Contract No. 001-15 with Aspect Consulting, LLC for Marina Mart/Vlist Property Environmental Services (Ryan) Page 16

#### E. Approval of Amendment No. 12 to Contract No. 066-20 with Rice Fergus Miller, Inc. for the Community Events Center Project (Bond) Page 24

#### F. Adoption of a Resolution Approving a Contract with OpenSquare for Furniture Installation and Design Services (Ryan) Page 38



## 5. PUBLIC HEARING

- A. Ordinance Approving the First Amendment to the McCormick Communities Development Agreement for Transportation (Bond) **Page 117**

## 6. BUSINESS ITEMS

- A. Adoption of an Ordinance Approving the First Amendment to the McCormick Communities Development Agreement (Bond) **Page 119**
- B. Adoption of an Ordinance Amending the 2023-2024 Biennial Budget Including Exhibit A Personnel (Crocker) **Page 137**
- C. Adoption of an Ordinance Authorizing the Positions of Principal Planner, Human Resources Analyst, GIS/Asset Management Coordinator and Establishing General Duties and Qualifications (Lund) **Page 146**
- D. Second Reading and Adoption of an Ordinance Approving a Franchise Agreement with the City of Bremerton (Bond) **Page 153**
- E. Adoption of a Resolution Confirming Mayoral Appointments to Boards, Committees and Commissions Boards (Wallace) **Page 169**
- F. Adoption of a Resolution Authorizing the Purchase of a Portion of Kitsap County Tax Parcel No. 342401-4-027-2008 (Freeman) for the Pottery Sidewalk Extension & Road Project (Ryan) **Page 173**
- G. Adoption of a Resolution Authorizing the Purchase of a Portion of Kitsap County Tax Parcel No. 342401-4-023-2002 (Magneson) for the Pottery Sidewalk Extension & Road Project (Ryan) **Page 183**
- H. Adoption of a Resolution Declaring Intent to be Reimbursed for Capital Expenditures from a Future Borrowing (Crocker) **Page 193**
- I. Approval of an Amendment No. 3 to Contract No. 048-23 with Lincoln Construction, Inc. for the City Hall Renovations Project (Ryan) **Page 195**
- J. Approval of the November 21, 2023, City Council Work Study Session Meeting Minutes **Page 255**
- K. Approval of the November 28, 2023, City Council Meeting Minutes **Page 259**

## 7. DISCUSSION ITEMS (No Action to be Taken)

## 8. PRESENTATION

- A. Recognition of Outgoing Councilmembers

## 9. REPORTS OF COUNCIL COMMITTEES

## 10. REPORT OF MAYOR

## 11. REPORT OF DEPARTMENT HEADS

## 12. CITIZEN COMMENTS

*(Please limit your comments to 3 minutes for any items not up for Public Hearing. When recognized by the Mayor, please state your name for the official record. If you are attending remotely via telephone, enter \*9 from your keypad to raise your hand.)*

- 13. EXECUTIVE SESSION:** Pursuant to RCW 42.30.110, the City Council may hold an executive session. The topic(s) and the session duration will be announced prior to the executive session.

## 14. CITY COUNCIL GOOD OF THE ORDER

## 15. ADJOURNMENT

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Please turn off cell phones during meeting and hold your questions for staff until the meeting has been adjourned.

The Council may consider other ordinances and matters not listed on the Agenda, unless specific notification period is required.

Meeting materials are available on the City's website at: [www.portorchardwa.gov](http://www.portorchardwa.gov) or by contacting the City Clerk's office at (360) 876-4407.



**COMMITTEE MEETINGS**

	<b>Date &amp; Time</b>	<b>Location</b>
Economic Development and Tourism	TBD, 2024; 9:30am	Remote Access
Utilities	TBD, 2024; 5:00pm	Remote Access
Finance	TBD, 2024 5:00pm	Remote Access
Transportation	TBD, 2024; 4:30pm	Remote Access
Festival of Chimes & Lights	December 18, 2023; 3:30pm	Remote Access
Land Use	TBD, 2024; 4:30pm	Remote Access
Lodging Tax Advisory	TBD, 2024	City Hall with Remote Access
Sewer Advisory	February 21, 2024; 6:30pm	West Sound Utility*
Outside Agency Committees	Varies	Varies

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## City of Port Orchard

216 Prospect Street, Port Orchard, WA 98366

(360) 876-4407 • FAX (360) 895-9029

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### Agenda Staff Report

Agenda Item No.:	<u>Consent Agenda 4C</u>	Meeting Date:	<u>December 19, 2023</u>
Subject:	<u>Adoption of a Resolution Approving an</u>	Prepared by:	<u>Denis Ryan</u>
	<u>Agreement with Puget Sound Energy for</u>		<u>Public Works Director</u>
	<u>an Energy Conservation Grant</u>	Atty Routing No:	<u>366922-0009</u>
		Atty Review Date:	<u>12/13/2023</u>

**Summary:** The City of Port Orchard endeavors to conserve energy resources and has incorporated conservation measures into the renovation of its City Hall. The City has received a grant from Puget Sound Energy (PSE) as an incentive for utilizing conservation measures. Under PSE’s Electric Schedule 253, Gas Schedule 253, Electric Schedule 83, and Gas Schedule 183 as currently in effect and on file with the Washington Utilities and Transportation Commission (collectively, “Tariffs”), PSE offers grants for certain conservation measures installed or implemented at facilities that receive electric or natural gas service from PSE. The incentive-based grant would be paid to the City over a period of five years, and based on the conservation measures installed and implemented by the City during that period. A total amount of up to \$171,870 would be paid to the City over this five year period.

**Recommendation:** Staff recommends that the City Council authorize the Mayor to Execute a Conservation Grant Agreement with Puget Sound Energy.

**Relationship to Comprehensive Plan:** Chapter 7.3 – Non-City Managed Utilities

**Motion for Consideration:** I move to adopt a Resolution authorizing the Mayor to Execute a Conservation Grant Agreement with Puget Sound Energy.

**Fiscal Impact:** There is no local match required. The grant is for an amount up to \$171,870, based on incentive measures met during the five year process.

**Alternative:** Do not accept Grant and provide alternative direction.

**Attachment:** Resolution, PSE Conservation Grant Agreement



**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY OF PORT ORCHARD, WASHINGTON, AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH PUGET SOUND ENERGY (PSE) THEREBY ACCEPTING A GRANT FOR ENERGY CONSERVATION FOR PORT ORCHARD CITY HALL.**

**WHEREAS**, the City of Port Orchard endeavors to conserve energy resources and has incorporated conservation measures into the renovation of its City Hall; and

**WHEREAS**, under PSE's Electric Schedule 253, Gas Schedule 253, Electric Schedule 83, and Gas Schedule 183, as currently in effect and on file with the Washington Utilities and Transportation Commission (UTC) (collectively, "Tariffs"), PSE offers grants for certain conservation measures installed or implemented at facilities that receive electric or natural gas service from PSE; and

**WHEREAS**, the City has received a grant from Puget Sound Energy (PSE) as an incentive for utilizing conservation measures; and

**WHEREAS**, the incentive-based grant, if accepted, would be paid to the City over a period of five years, based on the conservation measures installed and implemented an amount up to \$171,870; and

**WHEREAS**, the Port Orchard City Council has determined it to be in the best interest of the City to accept the grant funding from PSE for the program; now, therefore,

**THE CITY COUNCIL OF THE CITY OF PORT ORCHARD, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:**

**THAT:** It is the intent of the Port Orchard City Council that the recitals set forth above are hereby adopted and incorporated as findings in support of this Resolution.

**THAT:** The City Council authorizes the Mayor to Execute the Conservation Grant Agreement with Puget Sound Energy, attached hereto as Exhibit A and incorporated herein by this reference, and to execute all documents necessary to effectuate the receipt of this grant funding.

**THAT:** The Resolution shall take full force and effect upon passage and signatures hereon.

**PASSED** by the City Council of the City of Port Orchard, **SIGNED** by the Mayor and attested by the City Clerk in authentication of such passage this 19th day of December 2023.

\_\_\_\_\_  
Robert Putaansuu, Mayor

ATTEST:

\_\_\_\_\_  
Brandy Wallace, MMC, City Clerk





Conservation Program: **Pay for Performance**  
Agreement No.: **1**  
Project No.: **P\_1377771**

## CONSERVATION GRANT AGREEMENT

This AGREEMENT is made this 13th day of November, 2023, by and between **PUGET SOUND ENERGY** (“PSE”) and **CITY OF PORT ORCHARD** (“Participant”).

### RECITALS

- A. Under PSE’s Electric Schedule 253, Gas Schedule 253, Electric Schedule 83, and Gas Schedule 183 as currently in effect and on file with the Washington Utilities and Transportation Commission (collectively, “Tariffs”), PSE offers grants for certain conservation measures installed or implemented at facilities that receive electric or natural gas service from PSE.
- B. Participant intends to install or implement conservation measures and is requesting a grant from PSE.

### AGREEMENTS

PSE and Participant agree as follows:

1. **PROJECT PREMISES/METER LOCATION ADDRESS: 216 PROSPECT ST PORT ORCHARD WA 98366 - CITY OF PORT ORCHARD - CITY HALL – PAY FOR PERFORMANCE** *(Please note: meter location/address may differ from the site mailing address)*. Participant will install or implement the conservation measures listed in paragraph 2 (“Conservation Measures”) at the above located facilities (the “Premises”). Participant represents either (a) that it is the owner or otherwise has the lawful authority to make the statements herein on behalf of the owner of the Premises, or (b) that it is the lawful tenant of the Premises and that it has obtained written authorization from the owner of the Premises. That written authorization from the owner to the tenant shall be provided to PSE.
2. **Conservation Measures.** Participant represents that it will purchase equipment or materials or has entered or will enter into an agreement with one or more contractors (the “Contractor”) for the purchase and installation or implementation at the Premises of the Conservation Measures which may be detailed in **Attachment C: Attachment to Conservation Grant**, at the following costs:

	Conservation Measures	Measure Life	Total Cost <sup>1</sup>	Eligible Grant <sup>2</sup>
1.	PFP: Base Incentive - Year 1	19	\$161,714.00	\$70,310.00
2.	PFP: Base Incentive - Year 2	19	\$40,429.00	\$17,578.00
3.	PFP: Performance Incentive - Year 2	1	\$17,968.00	\$7,812.00
4.	PFP: Base Incentive - Year 3	19	\$40,429.00	\$17,578.00
5.	PFP: Performance Incentive - Year 3	1	\$17,968.00	\$7,812.00



6.	PFP: Base Incentive - Year 4	19	\$40,429.00	\$17,578.00
7.	PFP: Performance Incentive - Year 4	1	\$17,968.00	\$7,812.00
8.	PFP: Base Incentive - Year 5	19	\$40,429.00	\$17,578.00
9.	PFP: Performance Incentive - Year 5	1	\$17,968.00	\$7,812.00
	<b>TOTAL (includes sales tax)</b>		<b>\$395,302.00</b>	<b>\$171,870.00</b>

<sup>1</sup> Participant represents that the total cost of the Conservation Measures is the net amount of its obligation with respect thereto.

<sup>2</sup> The grant amount may be reduced at PSE's sole discretion in the event of project cost reductions or additional energy savings benefiting Participant. See Section 3.

3. **Grant.** Upon the execution by both parties and PSE's receipt of this Conservation Grant Agreement within 90 days of the agreement date, PSE agrees to grant the Participant, after installation by Participant of the Conservation Measures, an amount equal to the eligible Conservation grant ("the Grant") set forth in Attachment C. The parties agree that the Conservation Measures in Attachment C must be installed within 12 months (but not to exceed 15 months) and the Grant paid within 64 months of the signing of this Conservation Grant Agreement. If for any reason the installed cost of the Conservation Measures is less than the amount shown above and on Attachment C, PSE may decrease pro rata the amount of the Grant. Grant paid to Participant may, at PSE's sole discretion, be reduced to reflect such benefits. Participant shall be responsible for paying any amount in excess of the amount of the Grant.
4. **Separate Contract.** Participant acknowledges and agrees that PSE is not, and shall not be deemed to be, a party to any purchase, installation, implementation, or service contract relating to Conservation Measures, which shall be installed or implemented pursuant to a contract between Participant and its Contractor(s). Participant expressly acknowledges that PSE's involvement with respect to any aspect of the Conservation Measures is limited to the furnishing of the Grant. **PSE HAS NOT MADE AND DOES NOT MAKE (AND PARTICIPANT ACKNOWLEDGES THAT PSE DOES NOT MAKE) ANY IMPLIED OR EXPRESS WARRANTY (INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS) REPRESENTATION, OR PROMISE WITH RESPECT TO EITHER (A) THE CONSERVATION MEASURES, (B) ANY MATERIALS AND LABOR REQUIRED FOR OR USED IN THE INSTALLATION OR IMPLEMENTATION OF THE CONSERVATION MEASURES, OR (C) THE INSTALLATION OR IMPLEMENTATION OF THE CONSERVATION MEASURES.**
5. **Final Cost Documentation, Access & Inspection:** Participant agrees to promptly provide PSE, upon request, and for a period no shorter than the longest applicable measure life: (1) documentation verifying equipment purchased and/or work performed in connection with the Conservation Measures installed; (2) reasonable access to and inspection of the Facility and Conservation Measures installed therein before, during and/or after implementation; and (3) reasonable access to, inspection and use of energy usage data related to the Conservation Measures including release of utility bills and Facility energy consumption information following implementation.
6. **Release.** Participant releases PSE from any and all claims, losses, harm, costs, liabilities, damages and expenses directly or indirectly resulting from or in connection with (a) the Conservation Measures, (b) any materials and labor required for or used in the installation or implementation of the Conservation Measures, (c) the installation or implementation of the Conservation Measures, or (d) the identification, handling and disposal of any associated hazardous waste materials.
7. **Disclaimer.** PSE conducts energy analyses at the request of its customers to determine the extent to which conservation measures are cost-effective. Any estimate of energy savings made by PSE in connection with any






Conservation Program: **Pay for Performance**  
Agreement No.: **1**  
Project No.: **P\_1377771**

such analyses is solely for the purpose of determining the cost-effectiveness of the particular conservation measures and not to be used for any other purpose. PSE has not and does not make any promise, warranty or representation with respect to any savings in energy consumption from Conservation Measures.

8. **Termination.** (a) Participant agrees to provide deliverables (specified in Attachment C) for this multi-year grant agreement and understands that failure to provide such deliverables by the deadline set forth in Attachment C may result, at PSE's sole discretion, in the Participant's forfeiture of any remaining grant incentive funds detailed in Paragraph 2 of this Agreement. (b) In the event a Participant's contribution to PSE's recovery of energy efficiency program costs is affected by all or a portion of Participant's electric and/or gas delivery service being provided by a party other than PSE, then Participant agrees to and shall refund to PSE an amount equal to the ratio of the unused Measure Life of the measure(s) to the total Measure Life of such Conservation Measure(s) multiplied by the dollar amount of the Grant with respect to such Conservation Measure(s), payable within ninety (90) days of notice to Participant by PSE of such obligation. (c) This Conservation Grant Agreement may be reviewed annually to determine the cost-effectiveness and assess continuance. Either party may terminate this agreement with 30 days' notice to the other parties.
9. **Incorporation of tariffs by reference.** This Agreement and the Attachment To Conservation Grant are subject to the terms of the Tariffs, incorporated herein by reference. Specific terms and conditions from one or more conservation schedules from similar filed tariffs may also apply, as determined by PSE at its sole discretion, based on various criteria. A complete list of conservation schedules is available at:  
<https://www.pse.com/en/pages/rates/electric-tariffs-and-rules>
10. **Publications.** Except as may be required by law, neither party to this Agreement shall, without the prior written consent of the other, make any news release or public announcement or place any advertisement stating that PSE and Participant have contracted for the products or services specified in this Agreement or have entered into any business relationship. Participant may not use any PSE trademark or service mark in any promotional materials without PSE's prior review of such usage and written approval of it, at PSE's sole discretion.
11. **Entire Agreement.** This Agreement and its attachments set forth the entire agreement between the parties and supersede any and all prior agreements with respect to the Conservation Measures. No change, amendment or modification of any provision of this Agreement shall be valid unless set forth in writing and signed by both parties.

## PUGET SOUND ENERGY

By: 

Name: Leslie Wright

Title: Mgr. Business Energy Management

## PARTICIPANT CITY OF PORT ORCHARD

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

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

Federal Tax I.D. No.: \_\_\_\_\_



## ATTACHMENT C TO CONSERVATION GRANT

*Conservation Measure(s) shall consist of the following:*

### **Base Year Capital Projects**

The PFP Program Application list of capital savings opportunities table provides a list of capital projects submitted by PARTICIPANT on 08/26/2022. Bidding closed in May 2023 and construction commenced in Sept 2023. These projects are to be completed in the first 12 months, not to exceed 15 months, of the 5 year grant term. If all projects are completed in less than 12 months, and the required documentation has been submitted to PSE, the Year 1 Base Incentive can be made before the end of the first year.

### **Incentive Specifications**

PSE will provide incentives on an annual basis in accordance with the proposed capital projects. In order to receive the incentive, PARTICIPANT shall provide all deliverables required in Participant Requirements. The incentives will be as follows:

- 1) Base Incentives: The Base Incentives are calculated using proposed 1st year savings from the Estimated Project Savings in Attachment A. The total Base Incentive rate is not to exceed \$0.45/kWh. PARTICIPANT may receive an incentive for between 0-50% of the Base Year 1 incentive. PARTICIPANT has agreed to 50%. This payment may be received after completing the projects & submitting required documentation, even if they are completed in less than 1 year. The remaining 50% has been used to calculate a \$0.05625/kWh rate to be paid annually for the rest of the contract discounted based on achieved saving.
- 2) Performance Incentives: The performance incentive will be calculated after each of the 4 performance years. A performance incentive rate equal to \$0.05/kWh will be paid for annual savings achieved beyond the projected Base Year Projects savings total.

The above specifications are solely for the purpose of defining energy-related components of Conservation Measure(s) for which the Grant is offered. Puget Sound Energy is not responsible for ensuring the health, safety, comfort, or well-being of workers or facility occupants or the suitability of equipment selected for the intended application. It is the responsibility of the grant Participant and the Participant's hired designers, contractors, consultants to ensure compliance of the Conservation Measure(s) with Participant's needs and all applicable codes and standards.

The following shall be submitted by Participant prior to Grant payment:

- ☐ Completed Request for Taxpayer I.D. Number ("W-9").
- ☒ Copies of invoicing (no purchase orders, quotes, or estimates) for all expenses, including but not limited to equipment, materials, and labor associated with installation of Conservation Measure(s).



## ATTACHMENT C TO CONSERVATION GRANT

*Conservation Measure(s) shall be verified as follows prior to Grant payment:*

### **Participant Requirements**

By participating in the P4P program, the PARTICIPANT agrees to:

1) Establish a primary contact: PARTICIPANT must designate a primary contact for communicating with PSE over the course of the program. If the primary contact changes at any time, PARTICIPANT agrees to notify PSE of a new contact. PARTICIPANT designates Denis Ryan of City of Port Orchard Public Works department.

2) Complete Quarterly Reporting: PARTICIPANT must complete and submit Quarterly Reporting for the building(s) identified in the Grant Agreement. The reports must note any significant action that impacted energy usage including:

- a. Capital projects status
- b. O&M changes (schedules, set points, etc.)
- c. Behavioral campaigns
- d. Changes in occupied hours
- e. Changes in occupancy
- f. Changes in site square footage

Quarterly Reports are due 9/31, 12/30, 3/29, and 6/31 of each year of the grant. The final project costs for any addition capital measures are due by 06/31 of each year of the grant. PARTICIPANT has up to 60 calendar days from the due date to submit the deliverable requirement or within a time period determined by PSE. If PARTICIPANT does not provide the deliverables, PSE may terminate the contract and all services. A sample Quarterly Report Template is provided in Attachment D.

### **Baseline**

The prior 12 month's consumption is generally the fixed baseline. The baseline period for this grant agreement is proposed to be electric billing cycle ending 8/24/2022-7/25/2023 + electric equivalent of gas billing cycle ending 4/6/2022-3/7/2023.



## **ATTACHMENT C TO CONSERVATION GRANT**

The combined equivalent electric consumption of PSE/CNG supplied energy during the baseline period was 492,702 kWh. The Base Year projects represent a 56% savings over baseline.

### **PSE Savings Calculations**

PSE will calculate the savings of the performance period against the baseline period on an annual basis for PARTICIPANT. The baseline period consumption will be adjusted to the independent variables that impact consumption, which may include weather, occupancy hours, production units, etc. PSE will also deduct the deemed savings from any capital measures implemented by customer that have already been incentivized through other rebate programs. PSE has identified the likely independent variables as HDD and CDD, but reserves the right to change the independent variables used. PARTICIPANT shall submit any information that would support adjustments to the baseline. This may include changes to the building area, changes in occupancy, significant addition of plug loads (greater than 1% of annual consumption), etc.

If intended energy savings are not being achieved by Conservation Measure(s) because specified equipment efficiency parameters or performance parameters defined above are not used, Participant shall be required to correct such deficiencies prior to Grant payment. Failure to comply with specified equipment efficiency or performance parameters may result in forfeiture or reduction of Grant payment.



## ATTACHMENT D - QUARTERLY REPORT TEMPLATE

### BUILDING INFORMATION

Building Name:					
Person Completing this Form:				Date:	
Building Area (ft2):		Annual kWh:		Annual Therms:	
Current EUI (kBtu/ft2):		Last EUI:		Target EUI:	
ENERGY STAR Score:					
Electric Meter:			Gas Meter:		

### CAPITAL PROJECTS STATUS

Project Name	Start Date	Completion Date	Status/Progress Notes
Project A			
Project B			
Project C			

### Occupancy schedule for the next 3 months (or see attachment)

Day	Start	Stop	Notes
Sunday			
Monday			
Tuesday			
Wednesday			
Thursday			
Friday			
Saturday			
Holidays			

### Breaks, Holidays, and Events for the next 3 months (or see attachment)

Type	Start Date	End Date	Notes



## ATTACHMENT D - QUARTERLY REPORT TEMPLATE

System Settings (or see attachment)					
Description	Setting				Notes
HVAC Schedule					
Lighting Schedule					
Heating Setpoints (°F)		occupied		unoccupied	
Cooling Setpoints (°F)		occupied		unoccupied	

CHECKLIST				
#	Question	Confirmation Method	Yes	No
1	Does the HVAC schedule align with system settings?	Look at the controls schedule (if available) for all major HVAC systems. Look at the interval data for a typical week.	<input type="checkbox"/>	<input type="checkbox"/>
2	Do the HVAC zone setpoints align with system settings?	Look at the control system for typical system setpoints.	<input type="checkbox"/>	<input type="checkbox"/>
3	Are upcoming holidays, breaks, and events scheduled?	Look at the controls schedule for all major HVAC systems. Look at the interval data for past holidays/events to confirm scheduling is working properly.	<input type="checkbox"/>	<input type="checkbox"/>
4	Are economizers functioning?	Look at major HVAC systems to confirm that outside air dampers are open above minimum setpoint and mechanical cooling is disabled when outside air temperature is less than the cooling setpoint.	<input type="checkbox"/>	<input type="checkbox"/>
5	Are all major pieces of equipment operating in automatic mode (rather than manual, hand, off, etc)?	Look at the control system or electrical panels to confirm equipment is operating in automatic mode.	<input type="checkbox"/>	<input type="checkbox"/>
6	Does your interior lighting schedule match occupancy?	Look at the lighting control system.	<input type="checkbox"/>	<input type="checkbox"/>
7	Does your exterior lighting match non-daylight hours?	Look at the lighting control system, time clock, or other lighting controls.	<input type="checkbox"/>	<input type="checkbox"/>
8	How have you engaged with occupants and/or implemented behavioral campaigns?	Consider reminders, posters, stickers, newsletters, websites, meetings, etc.	<input type="checkbox"/>	<input type="checkbox"/>



## ATTACHMENT D - QUARTERLY REPORT TEMPLATE

9	Have any major changes (occupancy, staffing, production, building area, additional plug loads, etc) occurred at your building?		<input type="checkbox"/>	<input type="checkbox"/>
10	Have you started, completed, or plan on completing any capital projects? If so, when?		<input type="checkbox"/>	<input type="checkbox"/>
11	Have there been any changes (positive or negative) in your monthly billing data?	Look at your monthly bill data (adjusted for weather or other variables, if possible) and make comments regarding trends.	<input type="checkbox"/>	<input type="checkbox"/>
12	Do your system settings align with interval data?	Look at the interval data for a typical week and holidays/events.	<input type="checkbox"/>	<input type="checkbox"/>

### NOTES

*[Please provide specific information related to checklist items or other energy activities. Examples include "Changed heating setpoint from 70 F to 69 F in West Wing based on system settings on 1/1/2018", "Added square footage on 9/1/2017", "Changed 30 HP pump operation from HAND to AUTO on 11/1/2017". The description should include the effective date, the baseline condition, and the new condition.]*

Checklist#	Date	Description
1		
2		
3		
4		

### ATTACHMENTS

*[Please include attachments that support the checklist or notes. Examples include HVAC schedule screenshots, HVAC setpoint screenshots, energy interval data screenshots, occupant communications, and monthly bill data]*

#	Description
1	
2	
3	
4	



## ATTACHMENT E - EXAMPLE SAVINGS & INCENTIVES CALCULATIONS

The following table demonstrates how savings may be claimed for a sample portfolio:

**Table 3: Example Savings & Incentives for 15% Projected Capital Savings, Taking 50% of the Base Incentive at the end of Year 1 (\$0.30/kWh)**

Year	Adjusted Baseline Usage (kWh)	Yearly Usage (kWh)	Yearly Savings (kWh)	Base Incentive Rate (\$/kWh)	Base Incentive (\$)	Performance Incentive @ \$0.05/kWh (\$)
1	1,000,000	850,000	150,000	\$0.15/kWh	\$22,500	N/A
2	1,000,000	900,000	100,000	\$0.0375/kWh	\$3,750	\$0
3	1,000,000	800,000	200,000	\$0.0375/kWh	\$5,625	\$2,500
4	1,000,000	790,000	210,000	\$0.0375/kWh	\$5,625	\$3,000
5	1,000,000	800,000	200,000	\$0.0375/kWh	\$5,625	\$2,500
				<b>Total</b>	<b>\$43,125</b>	<b>\$8,000</b>

### Table 1 Definitions

- Adjusted Baseline Usage – The baseline usage adjusted based on current independent variables (weather, occupancy hours, building area, production units, etc) that impact consumption.
- Yearly Usage – The usage of the site during the year’s reporting period.
- Yearly Savings – The *Adjusted Baseline Usage* minus the *Yearly Usage*.
- Base Incentive Rate – The capital incentive rate per year. Not to exceed \$0.30/kWh (or \$5.00/therm) total. In Year 1, not to exceed \$0.15/kWh (or \$2.50/therm). In Years 2-5, it is the remaining \$/kWh (or therm) divided by 4.
- Base Incentive – The *Yearly Savings* multiplied by the *Base Incentive Rate*. Note that this number can’t be negative.
- Performance Incentive – Any yearly savings greater than the Year 1 Projected Capital Savings amount, multiplied by \$0.05/kWh (or \$0.50/therm). Note that this number can’t be negative.





## City of Port Orchard

216 Prospect Street, Port Orchard, WA 98366  
(360) 876-4407 • FAX (360) 895-9029

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### Agenda Staff Report

Agenda Item No.:	<u>Consent Agenda 4D</u>	Meeting Date:	<u>December 19, 2023</u>
Subject:	<u>Approval of Amendment No. 2 to</u>	Prepared by:	<u>Denis Ryan</u>
	<u>Contract No. C001-15 with Aspect</u>		<u>Public Works Director</u>
	<u>Consulting, LLC for Marina Mart/Vlist</u>	Atty Routing No.:	<u>366922-0009</u>
	<u>Property Environmental Services</u>	Atty Review Date:	<u>12/13/2023</u>

**Summary:** For many years the City of Port Orchard’s Maintenance shop was located at the property located at 514 Bay Street (the “Property”). The Property was included in Washington State Department of Ecology’s Voluntary Cleanup Program. The Property was later sold by the City. On November 14, 2014, following a procurement process that complied with state and federal law and the City’s procurement policies, the Port Orchard City Council approved Contract No. C001-15 with Aspect Consulting, LLC (the “Consultant”) for the Marina Mart/Vlist Property Environmental Services (the “Project”). On December 19, 2019, Amendment No. 1 to the Underlying Agreement was approved, which extended the duration of the Agreement, updated the scope and increased the compensation. Continued environmental services are required for the Project. Amendment No. 2 will increase the “Time and Materials Not to Exceed” amount by an additional \$22,900, for a new “Not to Exceed” total of \$75,218, inclusive of all work performed and compensated to date. Finally, Amendment No. 2 will extend the term of the Agreement to December 31, 2025.

**Recommendation:** Staff recommends the Council authorize the Mayor to execute Amendment No. 2 to Contract No. C001-15 with Aspect Consulting, LLC for the Marina Mart/Vlist Property Environmental Services to extend the duration of the contract to December 31, 2025, and increase the contract amount by \$22,900 for a total amended contract amount of \$75,218.

**Relationship to Comprehensive Plan:** N/A

**Motion for Consideration:** I move to authorize the Mayor to execute Amendment No. 2 to Contract No. C001-15 with Aspect Consulting, LLC for the Marina Mart/Vlist Property Environmental Services.

**Fiscal Impact:** \$13,600 was budgeted in the 2023-2024 Biennial Budget in GL Account 001.05.518.20.40. In 2023 \$7,305.60 was expended leaving a budget balance of ~\$6,300. A budget amendment may be needed in 2024. Funds for 2025 will be allocated during the 2025-2026 Budget process.

**Alternatives:** Do not approve and provide alternative guidance.

**Attachments:** Authorization for Amendment No. 2  
Amendment No. 2 w/ Exhibits A & B



# CITY OF PORT ORCHARD

## Authorization for Amendment No. 2

Date: December 19, 2023  
 Project: Marina Mart/Vlist Property  
Environmental Services

Consultant: Aspect Consulting, LLC  
4201 2<sup>nd</sup> Avenue South, Suite 201  
Seattle, WA 98104

Contract / Job # C001-15

This Amendment Authorizes the following changes to the Agreement: Section 1 A. of the Agreement is hereby amended to read as follows: Consultant shall perform the services described in the Scope of Work attached to this Agreement as Exhibit "A" (as revised). The services performed by the Consultant shall not exceed the Scope of Work without prior written authorization from the City. Section 3 of the Agreement is hereby amended to read as follows: This Agreement shall commence on January 1, 2015 ("Commencement Date") and shall terminate December 31, 2025 unless extended or terminated in writing as provided herein. Section 4 of the Agreement is hereby amended to read as follows: TIME AND MATERIALS NOT TO EXCEED. Compensation for these services shall not exceed \$75,218, inclusive of all amounts paid prior to the execution of Amendment No. 2 to this Agreement, without written Authorization and will be based on billing rates and reimbursable expenses attached hereto as Exhibit A and B (as revised). In all other respects the Underlying agreement between the parties shall remain in full force and effect, amended as set forth herein, but only as set forth herein.

Agreement History					
	Amount	Sales Tax	Total	Date	Appvd by
Original Agreement	\$26,648.00	\$0.00	\$26,648.00	12-Nov-14	Council
Amendment #1	\$25,670.00	\$0.00	\$25,670.00	19-Dec-19	Mayor
Amendment #2	\$22,900.00	\$0.00	\$22,900.00	19-Dec-23	Council
<b>Total Agreement</b>	<b>\$75,218.00</b>	<b>\$0.00</b>	<b>\$75,218.00</b>		

I have reviewed the Amendment information above and certify that to the best of my knowledge descriptions and costs are true and accurate.

*Carla E. Brock*

Contractor Approval Signature

**CARLA E. BROCK** **PRINCIPAL GEOLOGIST**

Printed Name & Title

*Denis Ryan*

Public Works Director

**Denis Ryan**

Printed Name

**Public Works Contracts Greater than \$35,000:** Change Orders that do not exceed 10%, with a maximum of \$50,000, of either legally authorized budget limit or contract amount established by City Council can be approved by the Public Works Director. Total Contract Amount shall reset to reflect new Council-approved contract totals authorized prior to the requested change order. \$50,000-\$100,000 require Mayor's Approval, \$100,000 and over require Council Approval.

**Public Works Contracts under \$35,000:** change orders that individually do not exceed \$7,500 with an aggregate cap of \$10,000.

**Public Works Contracts unbudgeted and under \$7,500:** All Change Orders that do not exceed an aggregate cap of \$7,500 (Excluding underlying value), provided there are departmental funds available in the budget.

**All Departments:** Mayor approves any and all Change orders that do not exceed 10% of either authorized budget limit or contract amount established by City Council. With a maximum aggregate amount of \$100,000. Total Contract Amount shall reset to reflect new Council-approved contract totals authorized prior to the requested change order. Any individual Change order that is over \$100,000 requires Council approval.

Approved: \_\_\_\_\_  
 Mayor

Attest: \_\_\_\_\_  
 City Clerk

Council Approval Date \_\_\_\_\_



**Amendment No. 2 to Contract No. 001-15**  
**CITY OF PORT ORCHARD PROFESSIONAL SERVICES AGREEMENT WITH**  
**Aspect Consulting, LLC**

THIS AMENDMENT No. 2 to Contract No. 001-15 ("Amendment") is entered into between the City of Port Orchard, a Washington municipal corporation ("City" or "Port Orchard") and Aspect Consulting, LLC, a Washington limited liability company ("Consultant"). City and Consultant are each a "Party" and together "Parties" to this Amendment.

**RECITALS:**

WHEREAS, on the November 12, 2014, the City executed a Professional Services Agreement for the provision of Marina Mart/Vlist Property Environmental Services with the Consultant ("Underlying Agreement"); and

WHEREAS, on December 19, 2019, Amendment No. 1 was approved, which extended the duration of the Agreement to December 31, 2023, updated the scope, and increased the compensation.

WHEREAS, Section 1B ("Terms") of the Underlying Agreement provides that "The City may from time to time require changes or modifications in the Scope of Work. Such changes, including any decrease or increase in the amount of compensation, shall be agreed to by the parties and incorporated in written amendments to the Agreement"; and

WHEREAS, The City requires continued environmental services for the Marina Mart Vlist Property; and

WHEREAS, the Consultant and the City have conferred and agreed to extend the Underlying Agreement, update the Scope of Work and an increase in compensation; and

WHEREAS, the parties wish to memorialize their agreement to so extend the Underlying Agreement;

NOW, THEREFORE, in consideration of the mutual benefits accruing, it is agreed by and between the parties thereto as follows:

**SECOND AMENDMENT TO AGREEMENT:**

**1. Amendment.**

Section 1 A. of the Agreement is hereby amended to read as follows: Consultant shall perform the services described in the Scope of Work attached to this Agreement as Exhibit "A" (as revised). The services performed by the Consultant shall not exceed the Scope of Work without prior written authorization from the City.

Section 3 of the Agreement is hereby amended to read as follows: This Agreement shall commence on January 1, 2015 ("Commencement Date") and shall terminate December 31, 2025 unless



extended or terminated in writing as provided herein.

Section 4 of the Agreement is hereby amended to read as follows: TIME AND MATERIALS NOT TO EXCEED. Compensation for these services shall not exceed \$75,218, inclusive of all amounts paid prior to the execution of Amendment No. 2 to this Agreement, without written Authorization and will be based on billing rates and reimbursable expenses attached hereto as Exhibit A and B (as revised).

2. **Severability.** The provisions of this Amendment are declared to be severable. If any provision of this Amendment is, for any reason, held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other provision.

3. **Entire Agreement.** The written provisions and terms of this Amendment shall supersede all prior verbal statements of any officer or other representative of the parties, and such statements shall not be effective or be construed as entering into or forming a part of or altering in any manner whatsoever, this Amendment. The entire agreement between the Parties with respect to the subject matter hereunder is contained in the Agreement and exhibits thereto, any prior executed amendments and this Amendment. Should any language in any of the Exhibits to the Agreement or prior amendments conflict with any language contained in this Amendment, then this Amendment shall prevail. Except as modified by this Amendment, all other provisions of the original Agreement and any amendments thereto not inconsistent with this Amendment shall remain in full force and effect.

4. **Effective date.** This Amendment shall be effective as of December 19, 2023.

DATED this 19th day of December 2023.

CITY OF PORT ORCHARD, WASHINGTON

CONSULTANT

\_\_\_\_\_  
Robert Putaansuu, Mayor



Signature

ATTEST/AUTHENTICATED:

CARLA E. BROCK, PRINCIPAL GEOLOGIST

Printed Name and Title

\_\_\_\_\_  
Brandy Wallace, MMC, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Charlotte A. Archer, City Attorney





A Geosyntec Company

November 30, 2023

Mr. Denis Ryan  
City of Port Orchard  
216 Prospect Street  
Port Orchard, Washington 98366

**Re: Proposal for Ongoing Groundwater Compliance Monitoring  
Marina Mart/Vlist Property, Port Orchard, WA  
Project No. AS140310A**

Dear Denis:

Aspect Consulting (Aspect) is pleased to present this proposal to the City of Port Orchard (City) for ongoing groundwater compliance monitoring at the former Marina Mart/Vlist Property, located in Port Orchard, Washington (herein referred to as the Site). Aspect has been monitoring groundwater quality at the Site since 2014 and was previously contracted by the City to provide environmental consulting services at the Site through 2023. At your request, we have prepared this proposal to present the scope, cost, and schedule for annual groundwater monitoring and reporting for an additional 2 years, through 2025.

### **Background and Coordination with Others**

Two Kitsap County tax parcels, located at 514 and 528 Bay Street, are currently operated by Vlist Motors for used car sales and service. These properties are defined as:

- **Vlist Property** – The property located at 514 Bay Street, which includes the Vlist Motors sales offices, three garage bays, and asphalt parking areas, was previously owned and operated by the City as a maintenance shop for City vehicles. Three underground storage tanks (USTs) were used by the City between approximately 1972 and 1990 for the storage and distribution of gasoline and diesel fuel. The USTs were temporarily closed in place in 1990 and removed in 1999.
- **Marina Mart Property** – The property located at 528 Bay Street is an asphalt parking lot and was previously a retail gasoline service station, known as the Marina Mart. Three USTs were formerly located on the Marina Mart Property. The USTs were removed in 1992. Remedial actions, consisting of limited soil excavation on both properties, were conducted between 1999 and 2002. Environmental contractors working for Vlist Motors continue operating an in situ remediation system to treat groundwater on the Marina Mart Property. Groundwater has been monitored periodically on both properties since 2003.

Groundwater on both properties contains gasoline-range petroleum hydrocarbons and benzene at concentrations that exceed the Washington State Model Toxics Control Act cleanup regulation (MTCA) Method A cleanup levels. Seven monitoring wells are located on the Vlist Property to monitor groundwater quality following soil-cleanup activities conducted in 1999, 2001, and 2002. Two monitoring wells, installed by others in 2017, are located on the Marina Mart Property. The City is responsible for completing an annual groundwater monitoring and sampling event, typically during the first half of the year. Filco Company Inc. (Filco), an environmental consultant





City of Port Orchard  
November 30, 2023

Project No. AS140310A

representing the owners of the former Marina Mart Property, completes compliance monitoring at the same nine monitoring wells during the second half of the year.

### **Scope of Work**

The work will consist of annual groundwater monitoring, sampling, and reporting in 2024 and 2025. Each sampling event will include measurement of water levels and collection and analysis of groundwater samples from the nine wells, review of the data collected by Filco, and preparation of an annual groundwater data report. The schedule for the work will be coordinated with Filco so the sampling events are completed two times per year and separated by approximately 6 months. Based on the 2023 sampling schedule, and communication with Filco, the 2024 sampling event will be conducted in June.

Prior to sampling, the monitoring wells will be opened and the water level in each well will be measured using an electronic water level meter to the nearest 0.01 inches. Each well will be sampled using a peristaltic pump and dedicated tubing in accordance with standard U.S. Environmental Protection Agency (EPA) low-flow purge techniques. Upon stabilization, groundwater samples will be collected from each monitoring well for laboratory analysis of gasoline-range petroleum hydrocarbons by Northwest Method NWTPH-Gx and benzene, toluene, ethylbenzene, and xylenes (BTEX) by EPA Method 8260C on standard laboratory turnaround times of 10 days. Purge water that is generated by the sampling will be temporarily stored on the Vlist Property in a 55-gallon steel drum pending receipt of the laboratory results. The cost estimate presented below includes the disposal of two drums of nonhazardous investigation-derived wastewater.

Following receipt of the laboratory results each year, we will prepare a data report to summarize the results of the sampling event. The report will include a text summary of the field activities and results, summary tables of water level measurements and chemical data compared to the applicable MTCA Method A cleanup levels, a figure depicting the groundwater flow direction, and an evaluation of contaminant trends over time. If warranted, the report will include recommendations for modifications to the monitoring program.

### **Schedule and Cost Estimate**

Groundwater sampling is estimated to occur in June of each year. However, this schedule may be modified based on the Filco sampling schedule. Any decisions regarding changes to the sampling schedule will be made in consultation with the City. The data report will be submitted to the City within 15 working days of receipt and validation of the final laboratory report.

The cost estimate to perform the work described herein is provided in Table 1.



City of Port Orchard  
November 30, 2023

Project No. AS140310A

**Table 1. Cost Estimate for Ongoing Compliance Groundwater Monitoring**


<b>Task Name</b>	<b>Labor</b>	<b>Field Equipment</b>	<b>Subcontractors</b>	<b>Total</b>
Project Management & Communications	\$3,120	\$0	\$0	\$3,120
2024 Sampling & Reporting	\$7,540	\$560	\$1,790	\$9,890
2025 Sampling & Reporting	\$7,540	\$560	\$1,790	\$9,890
<b>Total</b>				<b>\$22,900</b>

### Closing

The above Services will be billed on a time-and-materials basis in accordance with the attached Schedule of Charges. We will notify you and obtain your authorization if additional effort above and beyond the estimated scope of this work is required. We will use a Contract Change Form to request your authorization for any changes to the above description of Services. This cost proposal is valid for 90 days unless extended in writing by Aspect Consulting.

Sincerely,

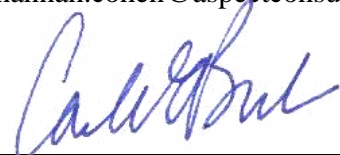
**Aspect consulting**



**Hannah Cohen, LG**

Project Geologist

[hannah.cohen@aspectconsulting.com](mailto:hannah.cohen@aspectconsulting.com)



**Carla Brock, LHG**

Principal Geologist

[carla.brock@aspectconsulting.com](mailto:carla.brock@aspectconsulting.com)

Attachments: Schedule of Charges

V:\140310 Marina Mart\Contracts\Proposal Material\Proposal\_2024 to 2025\_2023.11.30\_140310.docx



CONFIDENTIAL

**ASPECT CONSULTING**  
**2024 U.S. RATE SCHEDULE**  
 (All Values are in \$USD)

Staff Professional	\$150
Senior Staff Professional	\$170
Professional	\$195
Project Professional	\$220
Senior Professional	\$255
Principal	\$285
Senior Principal	\$315
Technician I	\$ 85
Technician II	\$ 95
Senior Technician I	\$100
Senior Technician II	\$110
Site Manager I	\$125
Site Manager II	\$135
Construction Manager I	\$145
Construction Manager II	\$155
Senior Designer	\$200
Designer	\$165
Senior Drafter/Senior CADD Operator	\$155
Drafter/CADD Operator/Artist	\$135
Project Administrator	\$100
Clerical	\$ 75
Direct Expenses	Cost plus 15%
Subcontract Services	Cost plus 15%
Specialized Computer Applications (per hour)	\$ 15
Personal Automobile (per mile)	Current Gov't Rate Plus 15%
Photocopies (per page)	\$ .09

Rates are provided on a confidential basis and are client and project specific.  
 Unless otherwise agreed, rates will be adjusted annually based on a minimum of the Producer Price Index  
 for Engineering Services.

Rates for field equipment, health and safety equipment, and graphical supplies presented upon request.  
 Construction management fee presented upon request.





## City of Port Orchard

216 Prospect Street, Port Orchard, WA 98366  
(360) 876-4407 • FAX (360) 895-9029

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### Agenda Staff Report

Agenda Item No.: Consent Agenda 4E  
Subject: Approval of Amendment No. 12 to Contract  
No. 066-20 with Rice Fergus Miller, Inc. for  
the Community Events Center Project

Meeting Date: December 19, 2023  
Prepared by: Nicholas Bond  
DCD Director  
Atty Routing No.: N/A  
Atty Review Date: 12/14/2023

**Summary:** The City of Port Orchard is under contract with Rice Fergus Miller, Inc (RFM) for the Community Event Center project (C066-20). The project as designed by RFM and its team is partly located on two separate Department of Natural Resources (DNR) lease areas where the City of Port Orchard is the lessee. The terms for these lease areas are ending within the next two years and DNR's requirements for lease extension include completing a JARPA application and describing all proposed improvements to be constructed within five years of lease renewal/extension. The JARPA application also requires the preparation of graphics showing the location of improvements within the lease area. In order to extend these leases, the City requires the assistance of RFM to perform a survey of the lease boundary relative to the proposed improvements. It also requires that RFM's graphics be presented in a format as required by DNR and showing the full lease area extents even though the City's project only occupies a portion of the lease area. The JARPA also requires additional environmental information that has not previously been gathered.

The City has prepared a contract amendment for time and materials to assist the city with extending its DNR leases to facilitate the completion of the CEC project. The contract amount is not to exceed \$62,900.

**Relationship to Comprehensive Plan:** The planned CEC project is shown in the City's Comprehensive Plan, Parks Plan, and Downtown Subarea Plan.

**Recommendation:** Staff recommends approval of Contract Amendment #12 to C066-20 as presented.

**Motion for consideration:** "I move to approve amendment #12 to C066-20 as presented."

**Fiscal Impact:** \$62,900

**Alternatives:** None.

**Attachments:** Amendment #12, Rate Sheets for RFM and subconsultants.



**Amendment No. 12 to Contract No. C066-20**  
**CITY OF PORT ORCHARD PROFESSIONAL SERVICES AGREEMENT WITH**  
**RICE FERGUS MILLER, INC.**

THIS AMENDMENT to Contract No. C066-20 (“Amendment”) is made effective as of the 20<sup>th</sup> day of December, 2023, by and between the City of Port Orchard (“City”), a municipal corporation, organized under the laws of the State of Washington, and Rice Fergus Miller, Inc., a corporation organized under the laws of the State of Washington, located and doing business at 275 5<sup>th</sup> St., Bremerton, WA 98337 (“Consultant”).

WHEREAS, on July 29, 2020, the City executed a Professional Services Agreement with Consultant for the South Kitsap Community Event Center Project (the “Project”) (“Underlying Agreement”); and

WHEREAS, on July 27, 2021, the City and Consultant executed Amendment No. 1 to the Underlying Agreement, increasing the contract amount and adding additional scope of work (work within the scope of the initial Request for Qualifications); and

WHEREAS, on September 17, 2021, the City and Consultant executed Amendment No. 2 to the Underlying Agreement, adding additional scope of work (work within the scope of the initial Request for Qualifications); and

WHEREAS, on October 12, 2021, the City and Consultant executed Amendment No. 3 to the Underlying Agreement, increasing the contract amount and adding additional scope of work (work within the scope of the initial Request for Qualifications); and

WHEREAS, on January 25, 2022, the City and Consultant executed Amendment No. 4 to the Underlying Agreement, increasing the contract amount and adding additional scope of work due to unforeseen on-site conditions; and

WHEREAS, on March 21, 2022, the City and Consultant executed Amendment No. 5 to the Underlying Agreement, extending the contract term to accommodate the scope of work; and

WHEREAS, on April 12, 2022, the City and Consultant executed Amendment No. 6 to the Underlying Agreement, updating the scope and fee for tasks 4 and 5 of C082-19; and

WHEREAS, on September 13, 2022, the City and the Consultant executed Amendment No. 7 to the Underlying Agreement, adding additional design work related to shoreline improvements and permitting; and

WHEREAS, on December 13, 2022, the City and the Consultant executed Amendment No. 8 to the Underlying Agreement, adding additional design work LEED Certification feasibility; and

WHEREAS, in February 2023, the City and Consultant executed Amendment No. 9 to the Underlying Agreement, adding a modification to the architectural plans to meet LEED silver certification; and



WHEREAS, in May 2023, the City and Consultant executed Amendment No. 10 to the Underlying Agreement, making design modifications to portions of the CEC space to be occupied by the Library; and

WHEREAS, in June 2023, the City and Consultant executed Amendment No. 11 to the Underlying Agreement, extending site design scope to include Orchard Plaza Schematic Design as an element of the Community Event Center; and

WHEREAS, the City has been working with the Washington State Department of Natural Resources regarding the existing and necessary aquatic land lease(s) and associated permits due to the location of the CEC along the City's waterfront and within regulated lands, and the City has determined that services from Consultant to assist in the preparation and submission of application materials to DNR for this Project; and

WHEREAS, the City now wishes to add these services to complete the Project within the Project scope referenced in the original 2020 Request for Proposals and as outlined in proposed contract amendment #12 as attached hereto; and

WHEREAS, Contract Amendment #12 provides for the performance of these services on an as-needed, hourly basis, as the City will utilize in-house expertise for as much of the permit preparation and submission as possible, using Consultant to supplement those efforts; and

WHEREAS, the Consultant was selected as the most qualified firm to perform all phases of the Project, and to date the Consultant and City and have completed phases 1-3 as set out in C082-19; and

WHEREAS, the Parties wish to memorialize their agreement to so amend the Underlying Agreement; NOW, THEREFORE,

In consideration of the mutual benefits accruing, it is agreed by and between the parties thereto as follows:

1. The Underlying Agreement, including previous Amendments Nos. 1-11, is amended as follows (amendment shown in legislative marks):
  - a. The Scope of Work is amended to add the tasks as set out on Attachment 1 hereto (Amendment #12 Request).
  - b. For the Amendment #12 Scope of Work, compensation for these services shall be based on the list of billing rates attached hereto as Attachment 2 and incorporated herein by this reference, with a **not to exceed for the Amendment #12 Scope of Work of \$62,900**.
  - c. The City will issue task orders for work set out on the Amendment #12 Scope of Work authorizing specific tasks and the Consultant will provide said services based on the billing rates set out in Attachment 2, provided the total compensation for all authorized work under the Amendment #12 Scope of Work shall not exceed \$62,900.
  - d. The contract term remains with a termination date of December 31, 2024, unless extended or earlier terminated in accordance with the terms of the Underlying Agreement.
2. In all other respects, the Underlying Agreement between the parties shall remain in full force and effect, amended as set forth herein, but only as set forth herein.

IN WITNESS WHEREOF, the parties have executed this Amendment on the day and year set forth above.



CITY OF PORT ORCHARD,  
WASHINGTON

CONSULTANT

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Robert Putaansuu, Mayor

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Signature

ATTEST/AUTHENTICATED:

---

Printed Name and Title

---

Brandy Wallace, MMC, City Clerk

APPROVED AS TO FORM:

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Charlotte A. Archer, City Attorney



**KPG Psomas Inc.**  
**Summary of Negotiated Costs**  
**Effective November 10, 2023 through December 31, 2024**

Classification	2024 Inclusive Rate (Rounded to \$1)
<b>Principal</b>	<b>299</b>
Engineering Manager	264
Senior Engineer	226
Senior Project Engineer	213
Project Engineer I	156
Project Engineer II	184
Project Engineer III	197
Design Engineer I	140
Design Engineer II	147
Engineering Technician	120
Technician	107
Engineering Assistant	96
Senior Project Manager Survey	264
Survey Crew I (w/Equip)	215
Survey Crew II (w/Equip)	273
Field Surveyor I	96
Field Surveyor II	128
Field Surveyor III	152
Survey Assistant	96
Project Surveyor	172
Surveyor I	96
Surveyor II	127
Surveyor III	143
Urban Design Manager	210
<b>Project Landscape Architect</b>	<b>162</b>
<b>Landscape Technician</b>	<b>107</b>
Landscape Assistant	95
Senior Transportation Planner	199
Transportation Planner	120
Environmental Manager	230
Senior Environmental Planner I	191
Senior Environmental Planner II	258
Managing Biologist I	191
Managing Biologist II	213
Managing Biologist III	242
Senior Archaeologist	177
GIS Manager	168
Senior Biologist I	143
Senior Biologist II	166
Word Processor	125
Biologist I	83
Biologist II	111
Biologist III	134
Environmental Planner	166
Editor	96
GIS Tech	92
Cultural Resource Specialist	86
Senior Construction Manager	257
Construction Manager	194
Senior Resident Engineer	181
Resident Engineer	162
Assistant Resident Engineer	152
Senior Construction Observer	201
Construction Observer I	111
Construction Observer II	137
Construction Observer III	150
Construction Technician	96
Document Control Specialist I	127
Document Control Specialist II	150
Document Control Admin	109
Construction Assistant	80
CAD Manager	189
Senior CAD Technician	144
CAD Technician	131
Business Manager	186
Senior Admin	140
<b>Office Admin</b>	<b>108</b>
Office Assistant	86
Subs billed at cost plus 5%.	
Reimbursables billed at actual costs.	
Mileage billed at the current approved IRS mileage rate.	





## Rate Schedule—2024

Expert Witness Testimony/Litigation Support	Double the Hourly Rate
President	\$ 250.00 / Hour
Professional Biologist	\$ 220.00 / Hour
Biologist V	\$ 187.00 / Hour
Biologist IV	\$ 170.00 / Hour
Biologist III	\$ 142.00 / Hour
Biologist II	\$ 130.00 / Hour
Biologist I	\$ 113.00 / Hour
Biologist Entry Level	\$ 102.00 / Hour
Field Director	\$ 83.00 / Hour
Field Technician IV	\$ 78.00 / Hour
Field Technician III	\$ 71.00 / Hour
Field Technician II	\$ 67.00 / Hour
Field Technician I	\$ 63.00 / Hour
Graphics Manager	\$ 155.00 / Hour
Graphics Professional	\$ 150.00 / Hour
Graphics Technician V	\$ 142.00 / Hour
Graphics Technician IV	\$ 140.00 / Hour
Graphics Technician III	\$ 124.00 / Hour
Graphics Technician II	\$ 110.00 / Hour
Graphics Technician I	\$ 99.00 / Hour
Project Coordinator III	\$ 116.00 / Hour
Project Coordinator II	\$ 85.00 / Hour
Project Coordinator I	\$ 71.00 / Hour
Standard Mileage	\$ 1.00 / Mile
Company Truck Mileage	\$ 1.00 / Mile
Government Mileage Rate	\$ .65 / Mile <i>(or current rates)</i>

**In the event that a subcontractor is needed** for a project and the client wishes to have the subcontractor bill ELS directly, a **10% handling fee will be added** to client invoice for this service.

**In the event that permit costs are needed** for a portion of a project and the client wishes to have ELS or pay costs at time of request, a **10% handling fee will be added** to client invoice for this service.

**For other project expenses paid in advance by ELS a 10% handling fee will be added to client invoice.** These costs can include but are not limited to: aerial photos, specialty maps, government documentation, color copies, oversized copies, film development and field related supplies.





December 13, 2023

Lorie Limson Cook  
Rice Fergus Miller  
275 Fifth Street, Suite 100  
Bremerton, WA, 98337

Subject: Port Orchard Community Event Center  
Survey, Civil Engineering, and Permitting Group Additional Service Request for  
DNR Lease Support  
RFM Amendment #12

Dear Lorie:

This proposal is for the additional service request (ASR) to support the City of Port Orchard's lease renewal process with the Department of Natural Resources (DNR) to allow for design progression associated with the Community Events Center and Orchard Plaza projects.

### **SCOPE OF WORK**

#### **BASE SCOPE**

##### **Task 1 – Survey DNR Lease Support - Aquatic Land Lease Survey (Hourly)**

- Perform control survey to establish control on the Washington State Plane Coordinate System.
- Utilize previous site topographic survey for the required site plan and supplement any additional items needed to prepare the ALL survey.
- Coordinate with the Port of Bremerton surveyor to adjust the lease boundary lines to avoid encroachments between the leaseholders' improvements.
- Prepare ALL surveys and submit to DNR for review and comments.
- Address DNR comments and submit for final approval.
- Record the record of survey with the Kitsap County Auditor.
- Deliverables will be a Record of Survey for Aquatic Land Lease recorded with the Kitsap County Auditor.

##### **Task 2: Civil DNR Lease Support (Hourly)**

Civil efforts for this additional service include the following items that have both occurred and are anticipated.

- Support the City team's efforts of applying for updated DNR leases.
- Provide an updated exhibit showing adjacent property boundaries.
- Attend four (4) DNR lease related meetings.
- We have anticipated approximately 40 hours to support these efforts.



### **Task 3: Waterfront Services DNR Lease Support (Hourly)**

Waterfront Services efforts for this additional service include the following items that have both occurred and are anticipated.

- Support the City team's efforts of applying for updated DNR leases.
- Review exhibit prepared by others and potential repackage of SSDP documents to support the City's applications
- Attend four (4) DNR lease related meetings.
- We have anticipated approximately 40 hours to support these efforts.

### **POTENTIAL ADD SERVICE:**

#### **Task A: Waterfront Services DNR Lease JARPA Support (Hourly)**

Waterfront Services will provide the follow in support the planned DNR lease extension:

- Prepare draft and final Joint Agency Resource Permit Applications (JARPA) for the leases associated with the port property, the upland plaza, and the overwater structures.
- Prepare necessary JARPA exhibits
- Attend four (4) DNR lease related meetings.
- We have anticipated approximately 40 hours of senior planner effort for each JARPA plus 8 hours of CAD technician.

### **ASSUMPTIONS**

In addition to any assumptions or exclusions previously made in KPFF's proposals, the following assumptions have been made in preparation of this scope of work:

1. Scope of work requested or required that is not specifically identified in one of the tasks above may be considered an additional service. Prior to completing any such work, KPFF will discuss with you the need and impact on the scope and fee.
2. All recording and application fees will be the responsibility of the client and are not included in the fee schedule given below.
3. KPFF will be allowed unrestricted access to site during course of project to perform survey and site walks.
4. Reimbursement fee given does not include any DNR fees or payments for lease holds, fee given includes title reports and recording of the Record of Survey.



**FEES**

We propose to provide the above additional services for the following ***hourly not to exceed fee.***

**Base Scope:**

Task 1 – Survey DNR Lease Support	\$ 17,900	HR
Task 2 – Civil DNR Lease Support	7,500	HR
Task 3 – Waterfront Services DNR Lease Support	<u>7,000</u>	HR

***Base Scope Total*** ***\$32,400***

**Potential Add Service:**


Task A – Waterfront Services DNR Lease JARPA Support	<u>\$ 29,000</u>	HR
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**Reimbursable Cost\*** **\$1,500**

\*Reimbursable expenses for items such as travel, reprographic copying, title reports, recording and application fees, and courier service will be billed at cost.

We appreciate the opportunity to continue supporting the success of Port Orchard's Community Event Center project redevelopment. If you have any questions regarding this proposal, please contact me at (206) 926-0549.

Sincerely,

  
Jennifer Clapham, PE  
Principal

JRC

1004200510





**KPFF CONSULTING ENGINEERS  
LACEY OFFICE  
  
FEE SCHEDULE  
FOR  
PROFESSIONAL SURVEYING SERVICES  
  
Effective July 2023**

**Personnel Charges**

Principal . . . . .	\$ 270/hour
Sr. Project Surveyor . . . . .	\$160-170/hour
Project Surveyor . . . . .	\$150-165/hour
Survey Crew Chief . . . . .	\$125-140/hour
Survey Crew . . . . .	\$210-220/hour
Survey CAD Technician . . . . .	\$100-115/hour
UAV Pilot . . . . .	\$125-140/hour
Utility Locator . . . . .	\$125-140/hour
 Project Cost Accountant . . . . .	 \$135-145/hour
Project Coordinator . . . . .	\$100-115/hour
Administration . . . . .	\$100-115/hour

**Reimbursable Expenses**

Non-salary costs such as charges for express mail, delivery, photography, reproduction, automobile mileage, parking, and client-directed out-of-town travel shall be reimbursed at cost without mark-up.

**Sub-consultants**

The billing of sub-consultants will be marked up 10 percent.





**FEE SCHEDULE  
CIVIL ENGINEERING SERVICES**

Hourly rate ranges for KPFF employees per labor category listed below:

<b><u>Labor Category</u></b>	<b><u>Rate Range</u></b>
Principal	\$220 - \$230/Hour
Associate	\$165 - \$210/Hour
Project Engineer	\$137 - \$155/Hour
Design Engineer	\$120 - \$135/Hour
Civil3D/CADD Tech	\$105 - \$160/Hour
Project Coordinator	\$120 - \$130/Hour
Administration	\$90 - \$100/Hour

***Rates are subject to adjustment in July 2024.***





**KPFF CONSULTING ENGINEERS**  
**Waterfront Services**

**FEE SCHEDULE**  
**for**  
**PROFESSIONAL PLANNING AND ENGINEERING SERVICES**

*Rates are effective July 1, 2023*  
*and are subject to change July 1, 2024*

**Personnel Charges**

	<b><u>2023 Hourly Rates</u></b>
Principal	\$250
Senior Technical Specialist	\$310
Senior Project Manager/Associate	\$245
Project Manager	\$205
Senior Engineer	\$190
Prof. Engineer/Sr. Planner	\$170
Construction Project Manager	\$165
Design Engineer/Planner	\$120
Sr. CAD Technician	\$150
Designer/CAD Technician	\$130
Program Support Specialists	\$135
Administration	\$100

**Reimbursable Expenses**

Non-salary costs such as charges for express mail, delivery, photography, reproduction, automobile mileage, parking and client-directed out-of-town travel shall be reimbursed at cost without mark-up.

**Subconsultants**

The billings of subconsultants will be marked up 8%.





275 Fifth Street, Suite 100  
Bremerton, WA 98337  
Phone: (360) 377-8773  
rfmarch.com

## 2023 Hourly Billing Rates

Date of Proposal:

Project:

Project No.:

The hourly billing rates shall be annually adjusted in accordance with normal salary review practices of Rice Fergus Miller.

Principal in Charge:	\$ 250.00 - \$ 300.00
Senior Planner:	\$ 140.00 - \$ 300.00
Project Manager:	\$ 130.00 - \$ 250.00
Project Architect:	\$ 120.00 - \$ 250.00
Staff Architect:	\$ 110.00 - \$ 190.00
Project Designer:	\$ 110.00 - \$ 190.00
Staff Designer:	\$ 100.00 - \$ 190.00
Interior Designer:	\$ 80.00 - \$ 200.00
Technical Designer:	\$ 100.00 - \$ 170.00
Production Support:	\$ 100.00 - \$ 170.00
Graphics Visualization:	\$ 140.00
Project Coordinator:	\$ 140.00
Administrative Support Staff:	\$ 90.00 - \$ 140.00





Sider + Byers Hourly Rate Schedule:

Principal:	\$180.00	CAD Technician:	\$ 100.00
Senior Engineer:	\$170.00	Administrative:	\$ 75.00
Electrical Engineer:	\$160.00		
Project Engineer:	\$150.00		





## City of Port Orchard

216 Prospect Street, Port Orchard, WA 98366  
(360) 876-4407 • FAX (360) 895-9029

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### Agenda Staff Report

Agenda Item No.: Consent Agenda 4F  
Subject: Adoption of a Resolution Approving a  
Contract with OpenSquare for Furniture  
Installation and Design Services

Meeting Date: December 19, 2023  
Prepared by: Denis Ryan  
Public Works Director  
Atty Routing No.: 366922.0009  
Atty Review Date: 12/13/2023

**Summary:** The Port Orchard City Hall facility was constructed in 1999, and through the years, weather, normal wear and tear, and increased staffing have triggered a need to update and renovate the building. The City is seeking to purchase and install new furniture in City Hall in parallel to the structural renovation project currently underway.

The City is a member of purchasing cooperative Sourcewell (via City Contract No. C075-14) which allows the City to utilize contracts procured by Sourcewell for services and purchases, so long as the City confirms the contract complies with all applicable statutory procurement requirements for the purchase or service, per RCW 39.34.030. Consistent with City Contract No. C075-14 and the City's Procurement Procedures Policies, adopted as Resolution No. 073-23, as amended, the City's Public Works Department identified Opensquare, as an authorized vendor for the furniture and associated design services, awarded via Sourcewell Contract No. 121919-STI ("Sourcewell Contract").

Staff requested a quote from the vendor for the purchase of furniture and associated installation/design services. The City received a quote of \$11,340 installation/design services (some of which can occur prior to delivery of furniture) and is still awaiting a quote for the purchase of furniture. Staff confirmed the quote was consistent with the Sourcewell Contract pricing. The City Public Works Department completed the Interlocal Agreement Purchase Checklist and reviewed the procurement process utilized by Sourcewell for the Sourcewell Contract and confirmed the applicable procurement requirements were met and obtained all necessary documentation from Sourcewell and the vendor regarding procurement.

The City's Procurement Policies require City Council authorization for purchasing budgeted items that cost \$35,000 or more. The installation/design services plus the cost of the furniture (to be submitted to the Council separately upon receipt of the quote) will exceed \$35,000.

**Recommendation:** Staff recommends adopting a resolution approving an agreement with OpenSquare for installation/design services.



**Relationship to Comprehensive Plan:** N/A

**Motion for consideration:** “I move to approve a Resolution authorizing an agreement with vendor OpenSquare for installation/design services for City Hall furnishings.”

**Fiscal Impact:** Costs are budgeted (inclusive of furniture costs).

**Alternatives:** Do not approve and provide alternative guidance.

**Attachment:** Resolution, Exhibit A-Quote, Sourcewell Contract



RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY OF PORT ORCHARD, WASHINGTON,  
APPROVING A CONTRACT WITH OPENSQUARE FOR  
INSTALLATION AND DESIGN SERVICES FOR CITY HALL  
RENOVATION PROJECT AND DOCUMENTING PROCUREMENT  
PROCEDURES.**

**WHEREAS**, the Port Orchard City Hall facility was constructed in 1999, and through the years, weather, normal wear and tear, and increased staffing have triggered a need to update and renovate the building; and

**WHEREAS**, the City is seeking to purchase and install new furniture in City Hall in parallel to the structural renovation project currently underway; and

**WHEREAS**, as authorized by City Contract No. C075-14, the City is a member of the purchasing cooperative Sourcewell, formally known as the National Joint Power Alliance (NJPA), a Minnesota Public Agency; and

**WHEREAS**; consistent with City Contract No. C075-14 and the City's Procurement Procedures Policies, adopted as Resolution No. 073-23, as amended, the City's Public Works Department identified OpenSquare as an approved vendor for the desired furniture purchases and design services through Sourcewell Contract No. 121919-STsl (Sourcewell Contract); and

**WHEREAS**, staff reviewed the procurement process utilized by Sourcewell for the Sourcewell Contract, confirmed the statutory procurement requirements were met, and obtained all necessary documentation from Sourcewell and Opensquare regarding procurement; and

**WHEREAS**, Public Works staff requested a quote for installation and associated design services from OpenSquare and received a quote of \$11,340, and confirmed that this pricing was consistent with the Sourcewell Contract; and

**WHEREAS**, Public Works staff have requested quotes for the purchase of associated furniture from OpenSquare and will submit these to the City Council as a component of this Project upon receipt; and

**WHEREAS**, upon receipt of the quote, the City's Public Works Department completed the Interlocal Agreement Purchase Checklist for the selected vendor and confirmed the quote was consistent with the Sourcewell Contract; and

**WHEREAS**, the 2023-2024 Biennial Budget includes funding for the purchase and installation of furniture; and



**WHEREAS**, the City's Procurement Policies require City Council authorization for purchasing budgeted items that cost \$35,000 or more and for unbudgeted purchases, and because staff is phasing this project into multiple purchases the total cost will exceed \$35,000; and

**WHEREAS**, the Port Orchard City Council, at the 2015 recommendation of the State Auditor's Office, wishes to document their selection/procurement process as described herein for this purchase by Resolution; now, therefore,

**THE CITY COUNCIL OF THE CITY OF PORT ORCHARD, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:**

**THAT:** It is the intent of the Port Orchard City Council that the recitals set forth above are hereby adopted and incorporated as findings in support of this Resolution.

**THAT:** The City Council authorizes the Mayor or his designee to execute an Agreement with OpenSquare for Design Services in an amount not to exceed \$11,340, and the Mayor is authorized to take all actions necessary to effectuate the purchase consistent with this authorization.

**THAT:** The Resolution shall take full force and effect upon passage and signatures hereon.

PASSED by the City Council of the City of Port Orchard, SIGNED by the Mayor and attested by the City Clerk in authentication of such passage on this 19<sup>th</sup> day of December 2023.

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Robert Putaansuu, Mayor

ATTEST:

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Brandy Wallace, MMC, City Clerk





Wednesday, December 13, 2023

Rob Putaansuu  
rputaansuu@cityofportorchard.us  
City Of Port Orchard Mayor  
City of Port Orchard  
216 Prospect Street  
Port Orchard, WA 98366

RE: Port Orchard City Hall, Level 01-03 Renovations

Dear Rob:

Pursuant to your request, we are pleased to submit to you the attached proposal for Design Services.

We will provide you with professional guidance and assistance for the scope of services outlined for this project. We look forward to the opportunity of working with you and to the completion of a successful project.

If you have any questions regarding this proposal, or about any of the services OpenSquare can provide, please do not hesitate to call.

Sincerely,

*Todd Reps*

Todd Reps  
Team Lead

cc: Designer  
Sales  
File





## SCOPE OF SERVICES

Verification of field conditions to ensure the proper installation of systems and freestanding furniture. Meet with the client's designated representative to clarify departmental and individual requirements.

Production of a furniture space plan for (3) floors based upon the previously gathered programming information. \*

- Floor 1 (Police Office): Approximately (9) workstations, (3) private offices, (2) shared offices, and miscellaneous storage.
- Floor 2 (Public Office): Approximately (3) workstations, (1) support area (counter)
- Floor 3 (Court/Clerk Office): Approximately (4) workstations

Inventory documentation of any seats and/or storage product to incorporate into the new final layout.

Production of furniture specifications for product required to facilitate a complete installation.

*\*One revision shall be allotted prior to owner approval of the documents, with no increase to the fee, provided the established program is not substantially altered.*

## FEES

We estimate that the Scope of Services will require approximately (126) hours of design time at the rate of \$90.00 per hour. All hours will be billed actual to a maximum fee not to exceed \$11,340.00

Requests made for additional services other than what is described previously, and/or revisions are made after owner approval, constitute an increase in the scope of work and shall be billed in addition to the aforementioned fees. Should there be any deadlines requested requiring overtime work, such work will be billed at one and one-half times the normal hourly billing rate.

## REIMBURSABLE EXPENSES

Expenditures and out-of-pocket expenses made by OpenSquare for the direct benefit of your project will be invoiced at 1.15 x cost in addition to the Design fees. Such reimbursable expenses may include:

- Print charges for reproduction of drawings, photographs, or any other special processes.
- Special mail, messenger/delivery service, and long-distance communications.
- Travel fares, mileage, parking, taxi, and tolls.
- Special consultant fees, if required and authorized by the client's representative.





## TERMS and CONDITIONS

Invoices will be submitted monthly for the hourly fees and expenses charged to your project. Payment is due and payable in full to OpenSquare upon receipt.

The program outlined and proposed fees for this project are based on our present understanding of the area to be designed, the general objectives of your program and the scope of responsibility. Client will agree to cooperate in scheduling meetings and making decisions on our submissions without undue delay in order to permit completion of this project within time frames to be presented.

Should the scope of the program be modified or completion of this project be extended, we reserve the right to negotiate an appropriate adjustment to our proposed fees and to our schedule commitments.

OpenSquare assumes no responsibility for the accuracy of the inventory report, should items be moved, removed, added or in any way altered by the client after completion of, or during the physical inventory.

If any dispute, whether or not involving litigation, arises out of or relating to this Agreement, the prevailing party shall be entitled to recover all costs and expenses, including reasonable attorney's fees, incurred in enforcing any of the terms, conditions or provisions of this agreement.

Either party may terminate this agreement at any time by giving written notice to the other and no charges other than those already incurred shall be payable.

## ACCEPTANCE

If this proposal is hereby accepted as set forth and the fees and conditions are agreed to as stated, please sign and return one copy to our office as your authorization to begin work.

Todd Reps  
OpenSquare

12.13.23  
Date

## AGREED AND ACCEPTED

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date







**Solicitation Number: RFP#121919****CONTRACT**

This Contract is between **Sourcewell**, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and **Steelcase Inc.**, 901 44<sup>th</sup> Street SE, Grand Rapids, MI 49508 (Vendor).

Sourcewell is a State of Minnesota local government agency and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to its members. Participation is open to all levels of governmental entity, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada.

Vendor desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and its Members (Members). "Vendor" when used in connection with a purchase order shall refer to the Dealer responsible for activities related to fulfilling the purchase order including, but not limited to, specifying, quoting, ordering, delivering, installing, invoicing, and collection in accordance with the terms of this Agreement. In certain situations or in locations where no Dealer is available Steelcase may act as the Vendor under this Agreement.

"Dealer" means always an authorized Steelcase dealer who will become bound to the terms and conditions of this Agreement through signing a separate document agreeing to the same.

**1. TERM OF CONTRACT**

A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.

B. **EXPIRATION DATE AND EXTENSION.** This Contract expires February 18, 2024, unless it is cancelled sooner pursuant to Article 24. This Contract may be extended up to one additional one-year period upon request of Sourcewell and with written agreement by Vendor.

C. **SURVIVAL OF TERMS.** Articles 11 through 16 survive the expiration or cancellation of this Contract.

**2. EQUIPMENT, PRODUCTS, OR SERVICES**

A. **EQUIPMENT, PRODUCTS, OR SERVICES.** Vendor will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above.



Vendor's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new/current model. Vendor may offer close-out or refurbished Equipment or Products if they are clearly indicated in Vendor's product and pricing list. Unless agreed to by the Member in advance, Equipment or Products must be delivered as operational to the Member's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

**B. LAWS AND REGULATIONS.** All Equipment, Products, or Services must comply fully with applicable federal laws and regulations, and with the laws of the state or province in which the Equipment, Products, or Services are sold.

**C. WARRANTY.** Vendor warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Vendor warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended. Vendor's dealers and distributors must agree to assist the Member in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that is effective past the expiration of the Vendor's warranty will be passed on to the Member.

**D. DEALERS AND DISTRIBUTORS.** Upon Contract execution, Vendor will make available to Sourcewell a means to validate or authenticate Vendor's authorized Distributors/Dealers relative to the Equipment, Products, and Services related to this Contract. This list may be updated from time-to-time and is incorporated into this Contract by reference. It is the Vendor's responsibility to ensure Sourcewell receives the most current version of this list.

### **3. PRICING**

All Equipment, Products, or Services under this Contract will be priced as stated in Vendor's Proposal.

Regardless of the payment method chosen by the Member, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Member at the time of purchase, excluding applicable sales or use taxes and/or surcharges, which will be captured on the applicable invoice.

Unless otherwise provided herein, when providing pricing quotes to Members, all pricing quoted must reflect a Member's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Member's requested delivery location.



A. **SHIPPING AND SHIPPING COSTS.** All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Vendor must permit the Equipment and Products to be returned within a reasonable time at no cost to Sourcewell or its Members. Members reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery.

Vendor must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Vendor in breach of this Contract if the Vendor intentionally delivers substandard or inferior Equipment or Products. In the event of the delivery of nonconforming Equipment and Products, the Member will notify the Vendor as soon as possible and the Vendor will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Member.

B. **SALES TAX.** Each Member is responsible for supplying the Vendor with valid tax-exemption certification(s). When ordering, Members must indicate if it is a tax-exempt entity.

C. **HOT LIST PRICING.** At any time during this Contract, Vendor may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Vendor determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Members.

#### **4. PRODUCT AND PRICING CHANGE REQUESTS**

Vendor may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Contract Administrator. This form is available from the assigned Sourcewell Contract Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number
- Clearly specify the requested change
- Provide sufficient detail to justify the requested change



- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change)
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Request Form will become an amendment to this Contract and be incorporated by reference.

## **5. MEMBERSHIP, CONTRACT ACCESS, AND MEMBER REQUIREMENTS**

A. **MEMBERSHIP.** Membership in Sourcewell is open to public and nonprofit entities across the United States and Canada; such as municipal, state/province, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Members that can legally access the Equipment, Products, or Services under this Contract. A Member's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Vendor understands that a Member's use of this Contract is at the Member's sole convenience and Members reserve the right to obtain like Equipment, Products, or Services from any other source.

Vendor is responsible for familiarizing its sales and service forces with Sourcewell membership requirements and documentation and will encourage potential members to join Sourcewell. Sourcewell reserves the right to add and remove Members to its roster during the term of this Contract.

B. **PUBLIC FACILITIES.** Vendor's employees may be required to perform work at government-owned facilities, including schools. Vendor's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Member policies and procedures, and all applicable laws.

## **6. MEMBER ORDERING AND PURCHASE ORDERS**

A. **PURCHASE ORDERS AND PAYMENT.** To access the contracted Equipment, Products, or Services under this Contract, Member must clearly indicate to Vendor that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Vendor. Typically a Member will issue a purchase order directly to Vendor. Members may use their own forms for purchase orders, but it should clearly note the applicable Sourcewell contract number. Members will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Member.



B. **ADDITIONAL TERMS AND CONDITIONS.** Additional terms and conditions to a purchase order may be negotiated between a Member and Vendor, such as job or industry-specific requirements, legal requirements (such as affirmative action or immigration status requirements), or specific local policy requirements. Any negotiated additional terms and conditions must never be less favorable to the Member than what is contained in Vendor's Proposal.

C. **PERFORMANCE BOND.** If requested by a Member and accepted by Vendor (whose acceptance shall not be unreasonably withheld), Vendor will provide a performance bond that meets the requirements set forth in the Member's purchase order.

D. **SPECIALIZED SERVICE REQUIREMENTS.** In the event that the Member requires service or specialized performance requirements (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements) not addressed in this Contract, the Member and the Vendor may enter into a separate, standalone agreement, apart from this Contract. Sourcwell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

E. **TERMINATION OF PURCHASE ORDERS.** Members may terminate a purchase order, in whole or in part, immediately upon notice to Vendor in the event of any of the following events:

1. The Member fails to receive funding or appropriation from its governing body at levels sufficient to pay for the goods to be purchased;
2. Federal or state laws or regulations prohibit the purchase or change the Member's requirements; or
3. Vendor commits any material breach of this Contract or the additional terms agreed to between the Vendor and a Member.

F. **GOVERNING LAW AND VENUE.** The governing law and venue for any action related to a Member's purchase order will be determined by the Member making the purchase.

## **7. CUSTOMER SERVICE**

A. **PRIMARY ACCOUNT REPRESENTATIVE.** Vendor will assign an Account Representative to Sourcwell for this Contract and must provide prompt notice to Sourcwell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcwell and Member inquiries; and
- Business reviews to Sourcwell and Members, if applicable.



B. BUSINESS REVIEWS. Vendor must perform a minimum of one business review with Sourcewell per contract year. The business review will cover sales to members, pricing and contract terms, administrative fees, supply issues, customer issues, and any other necessary information.

## **8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT**

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Vendor must provide a contract sales activity report (Report) to the Sourcewell Contract Administrator assigned to this Contract. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Vendor must submit a report indicating no sales were made).

The Report must contain the following fields:

- Customer Name (e.g., City of Staples Highway Department);
- Customer Physical Street Address;
- Customer City;
- Customer State;
- Customer Zip Code;
- Sourcewell Assigned Entity/Member Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Vendor.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcewell, the Vendor will pay an administrative fee to Sourcewell on all Equipment and Products provided to Members. The Vendor will submit a check payable to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment and Products purchased by Members under this Contract during each calendar quarter. Payments should note the Sourcewell-assigned contract number in the memo and must be mailed to the address above "Attn: Accounts Receivable." Payments must be received no later than forty-five (45) calendar days after the end of each calendar quarter.

Vendor agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract. Any such audit will include transactions which have occurred within two (2) years of the agreed upon audit date.

Steelcase and Dealers shall make available to Sourcewell representatives no more than once per calendar year, during reasonable business hours and upon reasonable notice during the term of the agreement and two (2) years thereafter, any books, records, and invoices directly



related to the respective performance under this agreement. The parties will make their best efforts to resolve any discrepancies in a fair and equitable manner.

In the event the Vendor is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Vendor in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than thirty (30) days from the cancellation date.

## **9. AUTHORIZED REPRESENTATIVE**

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Vendor's Authorized Representative is the person named in the Vendor's Proposal. If Vendor's Authorized Representative changes at any time during this Contract, Vendor must promptly notify Sourcewell in writing.

## **10. ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE**

A. **ASSIGNMENT.** Neither the Vendor nor Sourcewell may assign or transfer any rights or obligations under this Contract without the prior consent of the parties and a fully executed assignment agreement. Such consent will not be unreasonably withheld.

B. **AMENDMENTS.** Any amendment to this Contract must be in writing and will not be effective until it has been fully executed by the parties.

C. **WAIVER.** If either party fails to enforce any provision of this Contract, that failure does not waive the provision or the right to enforce it.

D. **CONTRACT COMPLETE.** This Contract contains all negotiations and agreements between Sourcewell and Vendor. No other understanding regarding this Contract, whether written or oral, may be used to bind either party.

E. **RELATIONSHIP OF THE PARTIES.** The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, master-servant, principal-agent, or any other relationship.

## **11. LIABILITY**

Vendor must indemnify, save, and hold Sourcewell and its Members, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees, arising out of the performance of this Contract by the Vendor or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused



by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications.

## **12. AUDITS**

Sourcwell reserves the right to review the books, records, documents, and accounting procedures and practices of the Vendor relevant to this Contract for a minimum of six (6) years from the end of this Contract. This clause extends to Members as it relates to business conducted by that Member under this Contract.

## **13. GOVERNMENT DATA PRACTICES**

Vendor and Sourcwell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcwell under this Contract and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Vendor under this Contract.

If the Vendor receives a request to release the data referred to in this article, the Vendor must immediately notify Sourcwell and Sourcwell will assist with how the Vendor should respond to the request.

## **14. INTELLECTUAL PROPERTY**

As applicable, Vendor agrees to indemnify and hold harmless Sourcwell and its Members against any and all suits, claims, judgments, and costs instituted or recovered against Sourcwell or Members by any person on account of the use of any Equipment or Products by Sourcwell or its Members supplied by Vendor in violation of applicable patent or copyright laws.

## **15. PUBLICITY, MARKETING, AND ENDORSEMENT**

A. **PUBLICITY.** Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Vendor individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

B. **MARKETING.** Any direct advertising, marketing, or offers with Members must be approved by Sourcwell. Materials should be sent to the Sourcwell Contract Administrator assigned to this Contract.

C. **ENDORSEMENT.** The Vendor must not claim that Sourcwell endorses its Equipment, Products, or Services.



## 16. GOVERNING LAW, JURISDICTION, AND VENUE

Minnesota law governs this Contract. Venue for all legal proceedings out of this Contract, or its breach, must be in the appropriate state court in Todd County or federal court in Fergus Falls, Minnesota.

## 17. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

## 18. SEVERABILITY

If any provision of this Contract is found to be illegal, unenforceable, or void then both Sourcewell and Vendor will be relieved of all obligations arising under such provisions. If the remainder of this Contract is capable of performance, it will not be affected by such declaration or finding and must be fully performed.

## 19. PERFORMANCE, DEFAULT, AND REMEDIES

A. PERFORMANCE. During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Vendor will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Vendor may escalate the resolution of the issue to a higher level of management. The Vendor will have thirty (30) calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Vendor must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Vendor fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, any additional costs incurred by Sourcewell and/or its Members as a result of such failure to proceed will be borne by the Vendor.

B. DEFAULT AND REMEDIES. Either of the following constitutes cause to declare this Contract, or any Member order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.



Written notice of default and a reasonable opportunity to cure must be issued by the party claiming default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

## 20. INSURANCE

A. REQUIREMENTS. At its own expense, Vendor must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*

Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:

\$500,000 each accident for bodily injury by accident

\$500,000 policy limit for bodily injury by disease

\$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Vendor will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition). At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Minimum Limits:

\$1,000,000 each occurrence Bodily Injury and Property Damage

\$1,000,000 Personal and Advertising Injury

\$2,000,000 aggregate for Products-Completed operations

\$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Vendor will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer).



Minimum Limits:

\$1,000,000 each accident, combined single limit

4. *Umbrella Insurance.* During the term of this Contract, Vendor will maintain umbrella coverage over Workers' Compensation, Commercial General Liability, and Commercial Automobile.

Minimum Limits:

\$2,000,000

5. *Professional/Technical, Errors and Omissions, and/or Miscellaneous Liability.* During the term of this Contract, Vendor will maintain coverage for all claims the Vendor may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Vendor's professional services required under this Contract.

Minimum Limits:

\$2,000,000 per claim or event

\$2,000,000 – annual aggregate

6. *Network Security and Privacy Liability Insurance.* During the term of this Contract, Vendor will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Vendor's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:

\$2,000,000 per occurrence

\$2,000,000 annual aggregate

Failure of Vendor to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. **CERTIFICATES OF INSURANCE.** Prior to commencing under this Contract, Vendor must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Contract Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf. All policies must include there will be no cancellation, suspension, non-renewal, or reduction of coverage without thirty (30) days' prior written notice to the Vendor.

Upon request, Vendor must provide to Sourcewell copies of applicable policies and endorsements, within ten (10) days of a request. Failure to request certificates of insurance by



Sourcewell, or failure of Vendor to provide certificates of insurance, in no way limits or relieves Vendor of its duties and responsibilities in this Contract.

C. **ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE.** Vendor agrees to name Sourcewell and its Members, including their officers, agents, and employees, as an additional insured under the Vendor's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Vendor, and products and completed operations of Vendor. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. **WAIVER OF SUBROGATION.** Vendor waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Vendor or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Vendor or its subcontractors. Where permitted by law, Vendor must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. **UMBRELLA/EXCESS LIABILITY.** The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies).

F. **SELF-INSURED RETENTIONS.** Any self-insured retention in excess of \$10,000 is subject to Sourcewell's approval.

## **21. COMPLIANCE**

A. **LAWS AND REGULATIONS.** All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. **LICENSES.** Vendor must maintain a valid status on all required federal, state, and local licenses, bonds, and permits required for the operation of the business that the Vendor conducts with Sourcewell and Members.

## **22. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION**

Vendor certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Vendor declares bankruptcy, Vendor must immediately notify Sourcewell in writing.



Vendor certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota, the United States federal government, or any Member. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Vendor further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

### **23. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS**

Members that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Members may also require additional requirements based on specific funding specifications. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Member accesses Vendor’s Equipment, Products, or Services with United States federal funds.

A. **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of “federally assisted construction contract” in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 C.F.R. § 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.” The equal opportunity clause is incorporated herein by reference.

B. **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** When required by federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, “Contractors and Subcontractors on Public Building or Public Work



Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Vendor must be in compliance with all applicable Davis-Bacon Act provisions.

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. § 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Vendor certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Vendor must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency. Vendor certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Vendor must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of \$150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Vendor certifies that during the term of this Contract will comply with applicable requirements as referenced above.



F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Vendor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Vendors must file any required certifications. Vendors must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Vendors must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Vendors must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Vendor must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Vendor further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of three (3) years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Vendor must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Vendor must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition. Vendor does not certify compliance with the provisions of the Buy American Act and will address the issue with any Member on a case-by-case basis.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Vendor agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Vendor that are directly pertinent to Vendor's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right



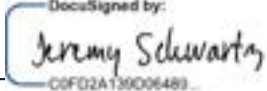
also includes timely and reasonable access to Vendor's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

## 24. CANCELLATION

Sourcwell or Vendor may cancel this Contract at any time, with or without cause, upon sixty (60) days' written notice to the other party. However, Sourcwell may cancel this Contract immediately upon discovery of a material defect in any certification made in Vendor's Proposal. Termination of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to termination.

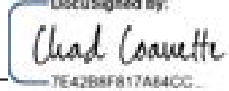
Sourcwell

By:   
DocuSigned by: C6FD2A139D06489  
 Jeremy Schwartz  
 Title: Director of Operations &  
 Procurement/CPO  
 Date: 2/26/2020 | 1:47 PM CST

Steelcase Inc.

By:   
DocuSigned by: A0BF1525703B456  
 Megan Maguire  
 Title: Leader, Contract Specialist  
 Date: 2/27/2020 | 10:13 AM PST

Approved:

By:   
DocuSigned by: TE42BBF817A84CC  
 Chad Coauette  
 Title: Executive Director/CEO  
 Date: 2/27/2020 | 1:18 PM CST



# RFP 121919 - Furniture Solutions with Related Accessories and Services

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## Vendor Details

Company Name: Steelcase Inc.  
Address: 901 44th Street SE  
Grand Rapids, MI 49508  
Contact: Kevin Loubert  
Email: kloubert@steelcase.com  
Phone: 616-246-9455  
Fax: 616-246-4918  
HST#: 380819050

## Submission Details

Created On: Monday November 11, 2019 14:01:43  
Submitted On: Thursday December 19, 2019 15:01:54  
Submitted By: Kevin Loubert  
Email: kloubert@steelcase.com  
Transaction #: aa9c07dd-ad11-4214-8ae6-09316e3fe6ac  
Submitter's IP Address: 198.105.64.21

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## Specifications

**Table 1: Proposer Identity & Authorized Representatives**

Line Item	Question	Response *	
1	Proposer Legal Name (and applicable d/b/a, if any):	Steelcase Inc.	*
2	Proposer Address:	901 44th Street SE, Grand Rapids, MI 49508	*
3	Proposer website address:	www.steelcase.com	*
4	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer):	Kevin Loubert, Industry Leader, Steelcase State & Local Government Solutions, 901 44th Street SE, Grand Rapids, MI 49508, Email: kloubert@steelcase.com, Phone: 616.246.9455	*
5	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Kevin Loubert, Industry Leader, Steelcase State & Local Government Solutions, 901 44th Street SE, Grand Rapids, MI 49508, Email: kloubert@steelcase.com, Phone: 616.246.9455	*
6	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Jeff Fredrickson, Director, Steelcase Government Solutions, 901 44th Street SE, Grand Rapids, MI 49508, Email: jfredric@steelcase.com, Phone: 616.292.9904	

**Table 2: Company Information and Financial Strength**

Line Item	Question	Response *	
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7	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	<p><b>OUR HISTORY</b>  Founded in 1912 as the Metal Office Furniture Company, our first patent for a metal wastebasket meant safety for office workers. In crowded cities where fires spread quickly, replacing wicker with steel was a lifesaving innovation. Our past, present and future are all about turning insights into innovations that unlock the promise of people at work and make the world a better place.</p> <p>Steelcase is a global, industry-leading company with approximately 13,000 employees and fiscal year 2019 revenue of approximately \$3.4 billion, is headquartered in Grand Rapids, Michigan and became publicly-traded in 1998. We are globally accessible through a network of channels, including over 800 dealer locations.</p> <p><b>OUR VALUES</b>  More than 100 years ago, our founders made a commitment to do business differently. Our seven core values ground us and push us to do more and be better every day.</p> <p>At Steelcase we:</p> <ul style="list-style-type: none"> <li>• Act with integrity</li> <li>• Tell the truth</li> <li>• Keep commitments</li> <li>• Treat people with dignity and respect</li> <li>• Promote positive relationships</li> <li>• Protect the environment</li> <li>• Excel</li> </ul> <p><b>OUR PORTFOLIO</b>  Steelcase leads the way in creating great experiences by offering a range of architecture, furniture and technology products and services designed to help people reach their full potential. Our comprehensive portfolio is anchored by three core brands: Steelcase, Coalesse and Turnstone. Together with our partners, we design spaces to help people work, learn and heal.</p> <p>Our strategy is to grow by leveraging our deep understanding of the patterns of work, workers and workspaces to offer solutions for new ways of working, new customer markets and new geographies. We are recognized as a responsible company that creates social, economic and environmentally sustainable value.</p> <p>And because protecting the environment is in our DNA, we drive sustainable social, economic and environmental change through our decisions and actions. At Steelcase, we don't just do what's right, we do what's best — for people and for the planet.</p> <p>Please see Additional Document T2.7 for more information, including a video about who we are and what we do.</p>
8	Provide a detailed description of the products and services that you are offering in your proposal.	<p>Products Steelcase's family of brands and partner products provide an integrated portfolio of furniture settings, user-centered technologies and interior architectural products for both individual and collaborative work across a range of price points. We have expanded our offerings through investments in product development and our recent acquisitions and marketing partnerships.</p> <ul style="list-style-type: none"> <li>• Our furniture portfolio includes panel, fence and beam-based furniture systems, storage, fixed and height-adjustable desks, benches and tables and complementary products such as worktools.</li> <li>• Our seating products include task chairs which are highly ergonomic, seating that can be used in collaborative or casual settings and specialty seating for specific vertical markets such as healthcare and education.</li> <li>• Our technology solutions support group collaboration by integrating furniture and technology.</li> <li>• Our interior architectural products include full and partial height walls and architectural pods.</li> </ul> <p>The comprehensive Steelcase product portfolio includes:</p> <p>Seating</p> <ul style="list-style-type: none"> <li>- Office Chairs</li> <li>- Guest Chairs + Stools</li> <li>- Collaborative Chairs</li> <li>- Lounge Seating</li> <li>- Healthcare Chairs</li> <li>- Sofas + Sleepers</li> </ul>



- Desks + Tables
  - Desk Systems
  - Desks
  - Height-Adjustable Desks
  - Benching
  - Occasional Tables
  - Conference + Classroom Tables
- Storage
  - Laterals + Pedestals
  - Bookcases, Cabinets + Credenzas
  - Bins + Shelves
  - Carts
  - Towers + Lockers
  - Waste + Recycling
- Integrated Technology
  - Collaboration
  - Workplace Optimization + Analytics
  - Room Scheduling + Navigation
  - Apps
  - Acoustic Solutions
- Architecture + Space Division
  - Fences + Beams
  - Modular Walls
  - Pods
  - Panels
  - Screens
  - Power + Flooring
- Related Accessories
  - Office Décor + Rugs
  - Lighting
  - Organizational Tools
  - Computer Support
  - Power + Cable Management
  - Whiteboards + Podiums

Please see Additional Document T2.8 for more information, including product line descriptions. Please see Pricing Zip document titled Pricing and Product Specifications for full product details.

Services We and our Steelcase dealers also offer services designed to facilitate the full range of services are:

- Workplace strategy consulting
- Data-driven space measurement
- Finance and lease service
- Hosted event experiences.

The dealers for Sourcewell Members offer an extensive range of services, including, but not limited to:

- Furniture Project Management – management of all aspects of furniture project from inception through complete furniture installation. This service is normally included with new furniture orders.
- Interior Design Services – combine creative aesthetics with functional solutions to produce productive and comfortable environments in all interior spaces. This can include Customer's-Own-Material (COM) when desired by a Member.
- Space Planning Services – identify the client's key issues that set the parameters of the project for the purpose of space planning, encompassing the following:
  - CAD Space Planning Services – upon receipt of an approved CAD-based block plan from the architect or client, this service provides detailed drawings to be used for installation purposes.
  - Verification of Field Dimensions – this service confirms room dimensions shown on client-provided CAD drawings or plans, as compared with actual site conditions, and as it relates to furniture installation.
  - Furniture Specification Services – utilizes an automated specification tools to prepare furniture component list and costs.



- Installation Coordination Services – coordinates the logistical management of furniture installation, such as project management, installation of product, coordination of product arrival from manufacturer, verification of site conditions, logistical staging of product and enforcement of quality/safety/code standards (NOTE: Normal installation is typically included with new product to “room ready site conditions.”)
- Punch List Coordination Services – within this typical service is the identification of any discrepancies to complete furniture installation in compliance to furniture plan, including issuing punch list and updating punch list with resolution and completion.
- Post-Installation Evaluation – provide a team to audit a project for installation quality compliance.
- Transportation Coordination Services – typically ensures product delivery meets client requirements and site conditions. Included with these services are determination of appropriate vehicle type for project site, obtaining appropriate municipal clearances for parking, if necessary and coordination of delivery in compliance with property management requirements. Normal delivery is often included with purchase of new product.
- Studies to Reduce Costs – Steelcase dealers strive to reduce costs in products and services through the following activities: continual update of workstation typicals, utilization of existing products, value engineering when performance or function is not sacrificed and recommendations to avoid duplications of services/products.
- Alternative Office Design – is a planning service that includes analysis and related planning services as they relate to business results and facilities issues.
- Ergonomic Evaluation – basic ergonomic evaluation is available to provide recommendations for improved safety and ergonomics as they relate to furniture. This service might include providing product for evaluation on a limited basis or providing training on the usage of furniture as it relates to ergonomics.
- Furniture Disposition – provides coordination of the removal and liquidation of your surplus furniture through qualified furniture brokers.
- Furniture Rental – typically available at most dealerships in the event of project delays. Normally with furniture rentals, systems furniture installation is not included, nor is the subsequent dismantle and removal upon receipt of new product. Products that are strictly for rental purposes only (not associated with a new product purchase) are also available.
- Maintenance and Repair Services – qualified technicians provide maintenance and repair of all furniture products including non-warranty repair, parts supply and emergency repairs after-normal-business hours. These services are typically quoted on a per-project basis.
- Furniture Refurbishment – include re-fabrication and cut down of panels and worksurfaces, painting of all metal surfaces, refinishing or restoring wood, and cleaning and re-upholstery of seating products. Some dealers might also offer stain and fire protection services, professional wood refinishing and furniture repainting.
- Reconfiguration – optimize re-use of your furniture assets to meet changing work needs. This would include inventorying existing products; creating over/under balance to specify new product/parts requirements; dismantling and rebuilding existing products and applying new, existing, and/or stored products to implement furniture plan.
- Move Coordination – relocation services are coordinated with you, your contracted vendors, and the Steelcase dealer(s) and provide move strategy consultation, supply labels and workstation designation numbers, make available floor location map for movers, offer labor to implement small internal moves and manage large moves.
- In/Out – bringing furniture in or out of a warehouse or storage.
- Inventory / Asset Management – service typically includes full-service customer storage, inventory management, inventory-list maintenance, condition reports, and movement history. This could involve picking up, storing, repairing, inventorying, salvaging, and delivering products falling within the scope of this contract. Most dealers will use SnapTracker and/or bar coding as part of this service. The intention in using an Asset Management Contract is to promote the long-term efficiency of the Sourcewell contract by (among other things) extending the use and re-use of products. Asset Management Contracts cannot be created under this Contract unless they are executed within the authorized term of a contract resulting from this RFP. The actual term of the Asset Management Contract may, however, extend beyond the expiration date of this Contract.



		<ul style="list-style-type: none"> <li>Electronic Ordering – with electronic ordering you can efficiently transmit orders, reports, invoices, etc., from your computer to your Steelcase dealers' computer.</li> <li>Educational Seminars – most Steelcase dealers will conduct seminars concerning end user personnel training in proper and safe use of furniture, business trends and their effects in the workplace, end user education in ergonomic support tools and instruction in furniture care and maintenance.</li> <li>Emergency Services – some dealers offer emergency services including keys locked in desk, electrical failures, broken chair mechanisms, and any condition threatening safety or productivity.</li> </ul>	
9	What are your company's expectations in the event of an award?	<p>In the event of an award, Steelcase's expectations are that Steelcase and Sourcewell would work closely to implement an aggressive go-to-market strategy for the new contract. Our Sourcewell contract has been central for Steelcase in SLED sector and we see significant potential to grow our business together in both the US and Canada.</p> <p>Steelcase and Sourcewell would conduct joint kick off meetings at Sourcewell in Staples, MN and/or Steelcase in Grand Rapids to launch the new contract to Steelcase and Steelcase dealer sales to increase enthusiasm, awareness and knowledge, coordinated with press releases the to the marketplace. In addition, regularly scheduled webinars would be put in place on an ongoing basis to continue to train and market our Sourcewell contract to the Steelcase and Steelcase dealer sales organization.</p> <p>Steelcase would continue to work to partner with other Sourcewell contract holders like National Cooperative Leasing and others in noncompeting segments to share ideas, collaborate, improve training and grow Sourcewell contract acceptance.</p> <p>Internally and externally, Steelcase will communicate the award utilizing our Steelcase intranet Village site and Steelcase social media as appropriate.</p> <p>We also expect we would establish a regular communication cadence for feedback and review on mutual contract progress and performance. The continuing goal is to provide superior total solutions and value to Sourcewell Members, promoting Membership while increasing contract utilization and growth.</p>	*
10	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	<p>Steelcase is financially strong and a fiscally responsible company, with fiscal 2019 revenue of \$3.4 billion. Our global revenue enables us to have the financial security and resources to stay at the forefront of the industry and serve our customers with a high level of service and innovation.</p> <p>Please see Financial Strength and Stability T2.10 for more information, including our 2019 Annual Report and most recent SEC Filings.</p>	*
11	What is your US market share for the solutions that you are proposing?	Steelcase has the greatest global market share compared to other global market leaders that we've included as a graph in Additional Document T2.11. Steelcase is the global industry leader in scale and innovation. Additionally, based on our FY19 revenue, 72% of Steelcase's revenue was in the Americas.	*
12	What is your Canadian market share, if any?	Canada is included in our Americas market share, per our publicly reportable regions (Americas, EMEA, APAC, Other).	*
13	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	<p>As a 100+ year old industry leading company with global operations, Steelcase Inc. naturally gets involved in periodic legal proceedings including contract disputes and other claims arising from time to time in the normal course of business. Steelcase business practices have been sound throughout our existence, and we believe there is no past, current, or contemplated future situation that would have any material adverse effect on Steelcase's integrity, financial stability or reputation, or that should cause our customers concern regarding Steelcase's overall business practices or continuing ability to serve them.</p> <p>Please see Financial Strength and Stability T2.13 for the Dun and Bradstreet Report.</p>	*



14	How is your organization best described: is it your written authorization to act as a distributor with your sales and service force and with your	<p>Steelcase is a manufacturer. For over 100+ years, we've served the world's leading organizations and supported their workplace needs. We design for a wide variety of customer needs through a comprehensive portfolio of architecture, furniture, technology and services.</p> <p>Steelcase Account Management Kevin Loubert is the strategic and empowered single point-of-contact for Sourcewell and is accountable for the relationship Sourcewell Members hold with Steelcase. Kevin is responsible for the successful implementation and fulfillment of any resulting Sourcewell contract award and reports to Jeff Fredrickson, Director for Steelcase Government Solutions. Jeff works closely with Kevin to further enhance and promote the Sourcewell relationship. This continuity helps Steelcase maintain an emphasis on the contract requirements and bring management focus to the contract.</p> <p>Additionally, Kevin has access to a breadth of resources, tools, and teams to support Sourcewell Members and their business objectives working with local Steelcase sales and participating Steelcase dealers. Kevin Loubert and Jeff Frederickson are both Steelcase employees. Steelcase Distribution</p> <p>We operate through an extensive and experienced distribution network that allows us to deliver great experiences to our customers at both a local and global level. One of the main benefits of working with Steelcase is our reach and ease of doing business around the world. We offer the industry's most extensive manufacturing, sales, service and research footprint with:</p> <ul style="list-style-type: none"> <li>• 13 manufacturing facilities across three continents (6 in the Americas)</li> <li>• 70 offices in over 37 countries</li> <li>• 750+ dealers over 800 locations worldwide (400 in US and Canada)</li> </ul> <p>To serve our customers across North America and in several export markets, Steelcase has a network of 6 Americas manufacturing facilities. These plants operate in tandem with a network of seven regional distribution centers, or RDCs. All products are shipped from the plants to the RDCs, where they are consolidated into complete customer orders in preparation for delivery. Our RDC locations match up with the major population centers of the United States, while also giving us access to Canada and major cargo ports for our export markets.</p> <p>The majority of our manufacturing and distribution teams are Steelcase employees. Each Regional Distribution team has a third-party operated fleet that is dedicated to Steelcase loads and deliveries. The fleet drivers wear Steelcase uniforms and drive Steelcase branded vehicles.</p> <p>Authorized Dealer Network</p> <p>We make our products and services available through the largest, most experienced network of dealers in the industry. The Steelcase dealer network is comprised of 750+ dealers with over 800 locations around the world—400 of which are in the US and Canada. Steelcase dealers are committed to building long-term customer relationships, and they will serve as Sourcewell's local, first-point-of-contact for all product, service, and warranty questions and requests.</p> <p>Our dealers help us respond nimbly to the needs of our clients, and perform as a familiar, local partner. The Authorized Dealer Network is the standard operating procedure for Steelcase, and it's how we go to market. The Steelcase Dealer Network manages day-to-day relationship with our customers, and we rely on them to represent our family of brands and optimize the customer experience. They are held to a high level of quality and service, and will perform installation, warranty work, and other valuable services to Sourcewell Member's expectations.</p> <p>While Steelcase Authorized Dealers are not direct employees of Steelcase, they go through a thorough evaluation and vetting process to ensure alignment and market viability. Because of the personal nature of each dealer appointment and the importance of continuing successful customer relationships, Steelcase assesses each dealer candidate, including the principal owner(s) of the business, along with the proposed management team, before appointing an Authorized Steelcase Dealer.</p> <p>Any additional subcontracting would be performed according to your requirements. Subcontractors must pass a qualification process and sign a master services agreement agreeing to Steelcase standards for quality and service delivery.</p> <p>Please see Additional Document T2.14 for more information, including our global locations and complete dealer list.</p>
15	If applicable, provide a detailed explanation outlining the licenses and certifications that	<p>Steelcase is subject to a variety of federal, state, local and foreign laws and regulations requiring registrations, licenses and certifications in pursuit of doing</p>



are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.

commerce and business in addition to many industry practices. We believe our operations are in substantial compliance with all.

Our products and operations carry a number of third-party verified certifications, reflecting our commitment to sustainability and dedication to delivering on our promises.

#### Global Standards + Reporting

- Carbon Disclosure Report
- Global Reporting Initiative Index (GRI)
- UN Global Compact

#### Americas

- BIFMA level certification program. As a partner in the development of the ANSI/BIFMA e3 furniture sustainability standard, we introduced the first level 3 certified product in the industry. Steelcase level certified products are accredited by third-party certifiers using a point-based system that spans social responsibility, energy use, materials selection and human and ecosystem health impacts. Currently, Steelcase has over 170 BIFMA level Certified products.
- Cradle to Cradle certification program. The Cradle to Cradle certification is an industry benchmark that we actively pursue to help designers and customers specify and purchase products to meet their sustainability goals. We offer more Cradle to Cradle Certified products than any other company in any industry globally. Currently, Steelcase has over 50 products certified under the Cradle to Cradle Certified Product Program.
- Forestry Stewardship Council Chain of Custody certification. Steelcase supports chain of custody programs as a way to ensure our customers receive wood from responsible sources. Our Wood Manufacturing Facility is FSC Chain of Custody certified to provide customers with FSC certified products.
- LEED certification program. We help customers leverage our product performance in the certification of their buildings through materials and resources, ergonomics, social equity in the supply chain, innovation in design, and low-emitting materials. Steelcase products can also contribute to WELL Building Standards (Air, Light, Fitness, Comfort, Nutrition, and Mind) and BREEAM (Indoor air quality, Acoustic performance, Environmental impact of materials, Responsible sourcing of materials, Material efficiency, and Waste management).
- SCS Indoor Advantage certification program. We pursue industry-independent, third-party testing and indoor air quality certification for many of our products and materials through the SCS Global Services' Indoor Advantage™ program. Currently, Steelcase has over 350 SCS Indoor Advantage certificates, which demonstrates compliance to ANSI/BIFMA criteria for low-emitting furniture, potential to provide credits toward the U.S. Green Building Council's LEED certification, and compliance to compliance to California 01350, ASHRAE 189.1, and CHPS Collaborative for High Performance Schools Criteria for furniture.
- Canadian Electrical Standards. When applicable and required, Steelcase products are tested according to Canadian product performance standards. Often this testing is performed by an accredited agency or testing laboratory. For electrical components, Underwriter's Laboratory is often utilized to certify that Steelcase product has been tested and met with Canadian agency approval. Steelcase product can then be marked as "c(UL)us LISTED." Canadian authorities accept this c(UL)us listing as equivalent to CSA (Canadian Standards Association) approval. Canadian standards also require all safety warning labeling to be bilingual (English and French). Steelcase product warning labels are, therefore, marked as such with warnings in both English and French.
- ISO Certifications. Steelcase performs internal audits to verify compliance with the requirements of our management systems and certifications that include ISO 9001, ISO 14001 and ISO 17025 as well as OHSAS 18001. All Steelcase-owned manufacturing operations around the world have ISO 14001 registered environmental management systems. This certification assures we have a systematic way of managing our impact and risk with methods that meet internationally accepted criteria.
- E-verify. U.S. law requires companies to employ only individuals who may legally work in the United States — either U.S. citizens, or foreign citizens who have the necessary authorization. This diverse workforce contributes greatly to the vibrancy and strength of our economy. Steelcase verifies its compliance with this U.S. law and has registered with and uses the federal work authorization program commonly known as E-Verify. Steelcase E-Verify Company ID Number # 7685.
- Sustainable Facilities. Steelcase is proud of our sustainability initiatives and certifications. A number of our facilities around the world hold environmental



		accomplishments and certifications. In North America those facilities include our Learning + Innovation Center, Wood Products plant, Kentwood West plant, and our Global Business Center.	
16	Provide all "Suspension or Disbarment" information that has applied to your organization during the past ten years.	As a company operating for over 100+ years, Steelcase Inc. has been involved in litigation, contract disputes, liens, and other claims from time to time in the course of business. Steelcase business practices have been sound throughout our existence, and we believe there is no current or historic situation that has any material adverse effect on Steelcase's integrity, financial stability or reputation, or that should cause our customers concern regarding Steelcase's overall business practices or continuing ability to serve them.	*
17	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	Please see Additional Document T2.17 for a matrix of our offerings to meet Sourcewell Members requirements.  We've included our subcategories in the response to T2.8 underneath each product category (office chairs, desks, lighting, etc.). A list of our services can also be found in question T2.8.	*

**Table 3: Industry Recognition & Marketplace Success**

Line Item	Question	Response *	
18	Describe any relevant industry awards or recognition that your company has received in the past five years	<p>2019</p> <ul style="list-style-type: none"> <li>Ranked #1 in the Home Equipment and Furniture category on Fortune Magazine's 2019 "World's Most Admired Companies" annual list</li> <li>Placed 85th overall out of 300 top U.S. companies and 13th in the "Consumer Goods" sector in Newsweek's first "Most Responsible" list for our positive efforts in environmental stewardship, social impact and corporate governance</li> <li>SILQ received multiple design and innovation awards, including a Product Design Award in the prestigious Red Dot Awards</li> <li>Honored by the Women's Forum of New York for 30% of our board being made up of women</li> <li>Multiple industry awards at NeoCon, including Gold for Steelcase Flex and Steelcase Roam in their respective categories, Gold for Designtex Biophilia 2.0 in the Healthcare Fabrics category, and Silver for Metallic wallcoverings</li> </ul> <p>2018</p> <ul style="list-style-type: none"> <li>NeoCon Best in Competition and Best Large Showroom</li> <li>NeoCon Gold for our SILQ product and Best of NeoCon innovation award for our Mackinac product</li> <li>Fortune magazine's 2018 "World's Most Admired Companies," earning third rank in the Home Equipment and Furnishings industry sector</li> <li>Multinational finalist in the 2018 Circulars awards, an initiative of the World Economic Forum recognizing companies leading the way to a circular economy</li> <li>Included in the 2018 World's Most Admired Companies list by Fortune, earning third rank in the Home Equipment and Furnishings industry sector</li> <li>Multinational finalist in the 2018 Circulars awards, an initiative of the World Economic Forum recognizing companies leading the way to a circular economy</li> <li>Recognition as a Winning "W" Company by 2020 Women on Boards, a national campaign to increase the percentage of women on U.S. company boards to 20 percent or greater by the year 2020, for the seventh year in a row.</li> <li>A perfect 100 score in all categories on the Human Rights Campaign's 2018 Corporate Equality Index, the fourth consecutive year</li> <li>A top 30 position as one of the largest 100% Green Power Users in the U.S., according to the EPA's Green Power Partnership.</li> <li>Member of CE 100, The Ellen MacArthur Foundation Circular Economy 100</li> </ul> <p>2017</p> <ul style="list-style-type: none"> <li>Clean Corporate Citizen (C3) designation from the Michigan Department of Environmental Quality</li> <li>Recognized by 2020 Women on Boards as a 2016 Winning 'W' Company for</li> </ul>	*



		<p>the sixth consecutive year</p> <ul style="list-style-type: none"> <li>Human Rights Campaign Foundation – Corporate Equality Index 100%</li> <li>Silver Bicycle Friendly Business award, from the League of American Bicyclists (2017 - 2021)</li> <li>2017 Analytics 50 honoree, a national recognition honoring organizations using analytics to solve business challenges, from Drexel University's LeBow College of business</li> <li>2016 Human Rights Campaign Foundation – Corporate Equality Index. 100%</li> <li>Fortune magazine's 2016 "World's Most Admired Companies," named for the tenth time</li> <li>2016 Civic 50, honored by Points of Light as one of the 50 most community-minded companies in America</li> <li>Goodwill of Greater Grand Rapids Collaborative Partner Award for Steelcase's assistance in the creation of Goodwill's new Workforce Development office</li> <li>2016 Best and Brightest Sustainable Companies in Michigan, honored by the Michigan Business &amp; Professional Association</li> <li>HR executive magazine, #34 in the top 50 companies most admired for HR: people management, innovation and management quality</li> <li>2015 Steelcase named to Fortune Magazine's Worlds Most Admired Companies list. Respondents rate their industry peers and competitors on nine criteria: innovation, people management, use of corporate assets, social responsibility, quality of management, long-term investment, financial soundness, quality of products and services and global competitiveness. Steelcase was the only office furniture company on the list.</li> <li>Human Rights Campaign Foundation – Corporate Equality Index. 100%</li> </ul>	
19	What percentage of your sales are to the governmental sector in the past three years	Steelcase sales to federal government agencies was approximately 3% of our consolidated revenue for FY2017-2019.	*
20	What percentage of your sales are to the education sector in the past three years	No vertical market represented more than 14% of Steelcase revenue. Please see Additional Document T3.20 for more information about the Steelcase vertical markets from FY17-FY19.	*
21	List any state or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	<p>Our Sourcewell contract is our primary national cooperative contract Steelcase markets to state &amp; local government entities, education, nonprofits, chosen as a national vehicle to maximize our effectiveness in reaching these entities.</p> <p>Other cooperative procurement contracts that Steelcase holds:</p> <ul style="list-style-type: none"> <li>Educational and Institutional Cooperative (E&amp;I)</li> <li>Vizient – Healthcare GPO</li> <li>Intalere – Healthcare GPO</li> <li>HPG – Healthcare GPO</li> <li>ROI – Healthcare GPO</li> <li>Premier – Healthcare GPO</li> <li>Green Health Exchange – Healthcare GPO</li> <li>NASPO Valuepoint</li> <li>GSA Contract – Federal Government</li> <li>BuyBoard</li> <li>State contracts: AL, AK, AR, CT, FL, GA, HI, ID, KS, LA, MN, MS, MT, NV, NJ, NM, NY, NC, ND, OH, OR, PA, SC, TX, UT, WI</li> </ul>	*
22	List any GSA contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	Our Steelcase GSA contract is GS-27F-0014V. Steelcase also holds other federal government contracts as well. In fiscal year 2019, our sales to U.S. federal government agencies represented approximately 3% of our consolidated revenue which is consistent with fiscal years 2018 and 2017. \$3.4 billion in revenue in FY2019.	*



Table 4: References/Testimonials

Line Item 23. Supply reference information from three customers who are eligible for Sourcwell membership.

Entity Name *	Contact Name *	Phone Number *	
Larimer County	Connie Gunter	970-498-5909	*
Tri-County Technology Center	Eric Randall	918-331-3249	*
County of San Diego	Mindy Ripley	619-806-7921	*
County of Albemarle	Sheila Hoopmann	434-975-9340	
Francis Tuttle Vocational Technical Center	Brenda Hoover	405-717-4248	

Table 5: Top Five Government or Education Customers

Line Item 24. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
Customer 1	Government	District of Columbia - DC	264 product lines	\$19,518	\$219,502,675	*
Customer 2	Education	California - CA	262 product lines	\$6,354	\$86,102,262	*
Customer 3	Government	BC - British Columbia	164 product lines	\$19,721	\$26,090,588	*
Customer 4	Education	New York - NY	201 product lines	\$11,414	\$21,913,976	*
Customer 5	Education	California - CA	197 product lines	\$11,056	\$19,214,910	*

Table 6: Ability to Sell and Deliver Service

Describe your company’s capability to meet the needs of Sourcwell Members across the US, and Canada if applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *	
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25	Sales force.	<p>Steelcase's sales force is a unified effort between Steelcase sales—both at the corporate and local levels—and our Authorized Dealer Network. While each Steelcase dealer maintains its own sales force, the Steelcase sales representatives complement the market and work closely together to bring our customers quality solutions and unparalleled service.</p> <p>Steelcase Sales Many Steelcase sales and support staff have a 'home base' in their local employees— including over 375 salespeople. The Work</p> <ul style="list-style-type: none"> <li>• Atlanta, Georgia</li> <li>• Boston, Massachusetts</li> <li>• Chicago, Illinois</li> <li>• Dallas, Texas</li> <li>• Los Angeles, California</li> <li>• Mexico City, Mexico</li> <li>• New York, New York</li> <li>• San Francisco, California</li> <li>• Toronto, Canada</li> <li>• Washington, D.C.</li> </ul> <p>Additionally, our Global Business Center Headquarters is located in Grand Rapids, Michigan and has over 2,200 employees whose roles cross a variety of functions, including providing support to the sales field and dealers. Our Business Center in Monterrey, Mexico will also have teams that support Sourcewell Members.</p> <p>Leading our sales efforts through a newly awarded contract would be Kevin Loubert. He will serve as the primary point of contact for Sourcewell and accountability for Steelcase. Kevin has responsibility for the successful implementation and fulfillment of any resulting Sourcewell contract, if awarded. He reports to Jeff Fredrickson, the Director for Steelcase Government Solutions. Jeff works closely with Kevin to further enhance and promote Sourcewell and provide service to Sourcewell Members. This continuity has helped Steelcase maintain an emphasis on the contract requirements and bring management focus to the contract with Sourcewell.</p> <p>In addition, any resulting Sourcewell award and contract would have the support of Jean-Marie Murphy, Vice President, leading our East Business Group as well as our government business segments. Jean-Marie has a solid history at Steelcase in sales as well as leadership of our Channel Development group. The combination of Jean-Marie's Sales and Channel experience, as well as her strong relationships in key markets make her a great fit to help us grow our volume with Sourcewell Members. Jean-Marie will be an advocate of an awarded cooperative contract agreement with Sourcewell and bring Steelcase support where needed to leverage the contract to serve Sourcewell Members.</p> <p>Each Steelcase dealer maintains its own sales force who work closely with Steelcase sales representatives throughout the selling process. The attention of our Steelcase sale force is fully focused on selling the entire Steelcase Inc. portfolio and Partner products being offered in this Sourcewell RFP proposal response. Here are a few additional facts about the sales support provided to Sourcewell and Sourcewell Members.</p> <ul style="list-style-type: none"> <li>• We serve North American customers mainly through approximately 400+ Steelcase dealer sales locations</li> <li>• We serve our dealers and customers with 375+ sales personnel in the U.S. and Canada which include sales representatives, sales management and sales support</li> <li>• Both Steelcase and our dealers have specific sales representatives assigned to Sourcewell Member sectors as well as specialized workplace consultants in the higher education and healthcare segments</li> </ul> <p>All Steelcase sales representatives and support personnel are employed by Steelcase and the dealer personnel are the employees of our independently owned authorized dealerships. However, the sales and service employees at Steelcase and our dealerships work to create a seamless experience for our customers.</p> <p>Please see Additional Document T6.25 for more information, including the Steelcase team supporting Sourcewell.</p>
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26	Dealer network or other distribution methods.	<p>The Steelcase Authorized Dealer Network is comprised of 400 dealer locations throughout North America and Canada. These local dealer teams have the capabilities and experience to execute large, complex projects consistently, within budget, and on-time. Our dealers provide the local point of contact and significant scalability to respond to large and important projects for Steelcase. Our dealers offer local knowledge, skilled labor, workplace installation, regional asset management, and other services that may include providing audio-visual technology, floor coverings, ceilings and more to satisfy customer projects and high expectations.</p> <p>Steelcase is responsible for providing insights based, high quality, and innovative products to our dealers to meet the evolving needs of our customers and Sourcewell Members. Steelcase gives Sourcewell Members local, national, and international representation via our dealer network with over 800 locations worldwide – the industry's strongest network of its kind. Each dealership utilizes its own sales and services force – supported closely by Steelcase – to provide Members with the specific services they require. As experienced business owners, dealers recognize that they can only be successful by fully meeting or exceeding their customers' needs. To that end, they are committed to providing Sourcewell Members exemplary service in their local marketplace.</p> <p>The relationship we have with our dealers is extremely unique—instead of signed agreements we have trusted long term relationships with our dealers and treat them as business partners. In fact, many of our largest dealers have been partners with Steelcase for more than twenty years. Because of the personal nature of each dealer selection and the importance of continuing successful customer relationships, Steelcase thoroughly assesses each candidate, including the principal owner(s) of the business and proposed management team, before appointed an Authorized Steelcase Dealer.</p> <p>Once appointed to be part of our Authorized Dealer Program, Steelcase monitors performance throughout the year and dealers must meet annual performance goals in order to maintain their accreditation. We hold our dealers to a high level of quality and exceptional performance and will utilize all of our resources to ensure customer needs are met. Steelcase management conducts annual formal sessions with dealer management to identify any training or resource needs.</p> <p>Steelcase also awards dealers as Platinum Partners when they standout for exceptional service and extraordinary results. Steelcase grants this status to dealers that strongly engage with Steelcase, customers, and the community to deliver exceptional value.</p> <p>While Kevin Loubert, Jeff Fredrickson and Jean-Marie Murphy provide the key leadership and management of our Sourcewell contract, Steelcase is proactively focused with our regional sales management teams, our 375+ Steelcase sales representatives and with our authorized Steelcase dealers on the Sourcewell Membership.</p> <p>It has been a privilege for Steelcase and Steelcase dealers to work with Sourcewell and its Members delivering products and services. Our hope is to continue this level of support and service for Sourcewell by earning a new contract award.</p> <p>Please see Additional Document T6.14 to access dealer locations.</p>
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27	Service force.	<p>Over 400 Steelcase dealer locations—with approximately 5,300 dealer sales, sales management, installers and support staff located throughout North America—serve as our customers' local, first-point-of-contact for all product, service, and warranty questions and requests. As experienced business owners, dealers recognize that they can only be successful by fully meeting or exceeding their customers' needs. A significant percentage of the products sold by Steelcase dealers are the Steelcase and partner products being offered in this Sourcewell RFP proposal response. Most of our Steelcase dealer sales force attention is focused on selling the entire Steelcase Inc. portfolio and partner products we are proposing. They are committed to providing their customers exemplary service and to building long-term relationships with them.</p> <p>To support our dealers in their customer service efforts, each dealer has dedicated Customer Service Representatives in the Order Fulfillment Team at Steelcase. In addition to their dedicated representatives, dealers and Sourcewell Members have access to a variety of Steelcase customer service experts by calling 1-888-STEELCASE. This toll-free number serves as the single point of contact for all dealer questions and to reach experts in:</p> <ul style="list-style-type: none"> <li>• Billing Services</li> <li>• Distribution</li> <li>• Network Orders</li> <li>• Sales Services</li> <li>• Service Parts</li> <li>• Problems, Complaints, and Warranty Issues</li> </ul> <p>To further ensure that their customers have a positive experience:</p> <ul style="list-style-type: none"> <li>• In-house experts receive specialized training from Steelcase (workplace consultants, designers, order entry, project management and installers) For example, there are approximately 1,700 dealer installers and on average, Steelcase provides additional training to more than 400 installers a year. If a Sourcewell Member did have their own installers, they could have access to Steelcase training, however, every third party must be sponsored by a dealer or Steelcase. We have provided examples of some of the courses Steelcase conducts in Additional Document T8.36.</li> <li>• Documented project processes are in place to address every step from solution development to final installation</li> <li>• Steelcase also provides easy online access to our product installation instructions 24/7 here: <a href="http://www.steelcase.com/installers/">www.steelcase.com/installers/</a></li> </ul> <p>Ensuring A Smooth Process</p> <p>This is an example of the order process Steelcase dealer customer service representative employ. They use our Hedberg Data Systems, a fully owned subsidiary of Steelcase, which is tightly integrated with Steelcase's business systems. Hedberg ensures a streamlined order process and virtually eliminates order errors. Through EDI transactions Hedberg provides a constant, audited flow of your information. With this system, Sourcewell Members can:</p> <ul style="list-style-type: none"> <li>• Receive electronic quotes, orders, invoices, and reports</li> <li>• Assign required delivery dates</li> <li>• Add special delivery requirements</li> <li>• Apply color coding if needed</li> <li>• Include tagging, etc.</li> <li>• Send the order to Steelcase via EDI.</li> </ul> <p>Steelcase receives EDI orders Monday through Friday from 7:45am until 11:45pm, and Saturday at 6:45pm. Once Steelcase received the order in SAP, your representative will review the order to ensure your needs have been met. Additionally, your dealer will receive an acknowledgement via EDI the same time. Real time status of the order can be viewed via Web Tracks.</p>
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28	<p>Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.</p>	<p>Between your servicing Steelcase dealer(s) and Steelcase Account team, Sourcewell Members will have access to a wide breadth of teams and resources to meet your needs—all of whom will apply a high level of customer service. Response times vary depending on scope of issue, yet Steelcase and your dealer will work quickly and efficiently towards a prompt resolution. An example of customer service teams and processes are listed below:</p> <p>Steelcase Order Fulfillment Team (OFT). Steelcase dealers have dedicated customer service representative teams based our Business Center Headquarters in Grand Rapids, Michigan. The OFT links Steelcase and dealers to provide Members timely order and delivery information, keep Members up to date on project status and provide value-added services to make sure project requirements are met.</p> <p>Customer Service Availability. Most Steelcase teams are available from 8am-5pm Monday through Friday. Kevin Loubert, the Sourcewell Account Manager can delegate issues/tasks to Steelcase or dealer team Members to ensure your needs are met quickly and efficiently, even outside of normal business hours. Once an order has been processed, the dealer will follow up with Steelcase to ensure purchase orders have been received and there are no questions or delays. The dealer will update any status reports, monitor lead times and ship dates, and identify any potential problems with deliveries.</p> <p>Additional responsibilities include:</p> <ul style="list-style-type: none"> <li>• Prepare quotations, provide information to set up new vendors, and place orders and ensure accuracy—all in our operating system, Hedberg</li> <li>• Track order, contact vendor as necessary to obtain ship dates</li> <li>• Verify order acknowledgements from vendors</li> <li>• Prepare status reports</li> <li>• Schedule delivery and installation with our operations team</li> <li>• Coordinate truck schedule with the manufacturer</li> <li>• Resolve processing of Completion Report orders in a timely fashion.</li> </ul> <p>Warranty Claims. In the event that you receive a Steelcase product that is freight damaged, malfunctions or requires warranty service, Steelcase has a plan in place to make sure issues are resolved quickly and to your satisfaction. To place a service request, first call the selling participating Steelcase dealer. The Member servicing dealer will evaluate the defect and the product's manufacturing date to determine warranty coverage under Steelcase Warranty Policy. The issue will be explained in detail to the OFT representative by the servicing dealer and they will submit a request for a replacement product and/or part, if necessary. Steelcase will provide the servicing dealer with the product or replacement part, and the servicing dealer will deliver and install it swiftly and at no charge to the Member.</p> <p>Issue Escalation. All significant issues are directed to the manufacturing location or distribution center from where the issue originated. The in-plant teams work to conduct investigations and drive root cause corrective actions to eliminate issues from occurring again in the future. Plants produce monthly reports on their top contributing complaints and the corrective action project plans to address the issues.</p> <p>There are three levels of escalation to address issues of varying complexities:</p> <ul style="list-style-type: none"> <li>• Level 1: Quality Solutions Team handles roughly 85% of quality claim data</li> <li>• Level 2: Customer Satisfaction Leaders who are experts on plant process handles the next 10% of volume</li> <li>• Level 3: Field Quality Project Managers handle the most difficult 5% of claims, often in need of traveling to site to understand issues and troubleshoot.</li> <li>• Each level handles increasingly more difficult claims, with level one being the easiest and level three the hardest. Sourcewell Account Manager, Kevin Loubert, will step in to navigate and rectify any issues that are not resolved by the three-level escalation process.</li> </ul> <p>Ongoing Quality Assurance. To closely monitor our quality initiatives, Steelcase has a management tool that integrates each area of the company and shows how processes are impacting one another. This tool, called the Steelcase Lean Management System allows us to see where we're going and monitor all operating functions to ensure everything is running smoothly. Management watches performance indicators regularly to ensure that Steelcase's reputation as a quality manufacturer remains intact.</p> <p>Our quality system tracks several key, customer-centered metrics:</p> <ul style="list-style-type: none"> <li>• Defective parts per million and splits parts per million</li> <li>• Perfect orders delivered on time</li> <li>• Response to customer complaints</li> <li>• Ability to say yes to requested delivery dates.</li> </ul>
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29	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	Steelcase and our dealers have been serving ALL geographic areas and Sourcewell market segments of the United States and expanded into Canada over the past five years. We are eager to continue serving all geographic areas and plan to continue to develop new strategies to grow our reach with this proposed contract to Sourcewell Members in the United States and Canada.	*
30	Identify any Sourcewell Member sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	Please see our response to T6, 29. Steelcase will offer and promote an awarded contract of comprehensive solutions to all Sourcewell Member segments and Sourcewell defined verticals.	*
31	Define any specific contract requirements or restrictions that would apply to our Members in Hawaii and Alaska and in US Territories.	<p>All shipments to Alaska and Hawaii (and the US Islands if and when they become a viable option to be included) will be shipped F.O.B. factory; freight prepaid, and allowed to port of embarkation. Steelcase reserves the right to select shipping method and the port of embarkation. All charges beyond the point of embarkation are to be quoted by and payable to the dealer.</p> <p>For Alaska and Hawaii (in the United States), additional freight charges apply and will be quoted upon request. For deliveries in Alaska and Hawaii (in the United States) and the Northwest Territories, Nunavut and Yukon (in Canada), a service charge equal to five percent (5%) of list price shall be assessed for Orders up to \$200,000 list price. The service charge for orders above \$200,000 list price shall be negotiated.</p> <p>Remote Location(s) Installation &amp; Service: Any location outside of a 25-mile radius of the Steelcase dealer's location(s) are considered remote. Upon request, the dealer would provide a NOT TO EXCEED estimate with respects to travel, per diem, lodging and equipment rental, if needed, at the time of project quotation. Member would pay ACTUAL invoice of these items upon verification of the fees. For the Northwest Territories, Nunavut and Yukon (in Canada), additional freight charges apply and will be quoted upon request.</p>	*

**Table 7: Marketing Plan**

Line Item	Question	Response *
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32	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	<p>Should Steelcase be fortunate enough to receive a Sourcewell award, we would immediately take the following steps over the first ninety (90) days to proactively launch our agreement:</p> <ul style="list-style-type: none"> <li>• Develop a comprehensive launch package for Steelcase dealers that includes a Sourcewell overview including key positioning points, Sourcewell-Steelcase agreement highlights, pricing overview, Sourcewell Membership information, and a detailed Participation Letter which must be signed and returned to Steelcase prior to being added to the Agreement as a Steelcase Subcontractor/authorized participating dealer.</li> <li>• Communicate broadly to Steelcase dealers via our intranet regarding the scope/availability of the Sourcewell-Steelcase agreement.</li> <li>• Host webinars with Steelcase Dealers and Sourcewell representatives to review the agreement, terms, Membership specifics, Sourcewell marketing/sales support, and key targets by region.</li> <li>• Establish a regular cadence of communication between Steelcase POC and Sourcewell Contract Administrator to include frequency of business reviews, protocols for communication engagement between Sourcewell, Steelcase, and Steelcase dealers, and guidance for issue resolution.</li> <li>• Work collaboratively with Sourcewell to craft and release press release statements regarding our new agreement and who can utilize this agreement moving forward.</li> <li>• Post summary information of the Sourcewell-Steelcase relationship on our public website. Complete agreement information including pricing, terms, Member information, and dealer Participation Letters will be loaded to our Steelcase Village intranet site.</li> <li>• Work proactively with Sourcewell to craft relevant co-branded marketing materials that elaborate on the nature of our relationship, the scope of our agreement, and the process by which clients may procure Steelcase solutions through the Sourcewell-Steelcase agreement.</li> <li>• Steelcase will continue to regularly attend national, regional, and supplier-specific trade shows and expos on an annual basis to grow awareness and business in the SLED segment.</li> <li>• We will work collaboratively with Sourcewell to develop relevant promotion materials that will help both Steelcase and dealer sales representatives best position Sourcewell and the value of the Sourcewell-Steelcase agreement to prospective clients in the sectors Sourcewell serves.</li> <li>• Steelcase will create a Sourcewell specific page on our Village intranet site which contains all the items listed above. For confidentiality purposes, we will not post these items on our public Steelcase.com site where competitors may freely view them. Steelcase will provide Sourcewell with multiple layers of communication touch-points during our post-award kick-off meeting. Anything pertaining to the Sourcewell agreement will be directed to our agreement owner, Kevin Loubert. Project-specific questions from sector clients would first be directed to one of our local participating Steelcase dealers. Should there be a need for further escalation, Kevin Loubert would be the next point of contact.</li> <li>• Steelcase will work collaboratively with Sourcewell post-award to develop a list of priority accounts/opportunities based on the current Sourcewell Membership list. We will also follow-up on all leads provided by Sourcewell in a timely way. Steelcase has many branded sales materials, all Steelcase brochures, cut-sheets, and technical specification documents with which we market and promote our offering to these sectors. A few of those are attached and most are available electronically, 24/7 via <a href="http://www.steelcase.com">www.steelcase.com</a>.</li> </ul> <p>Please see Marketing Plan/Samples T7.32 for more information, including the Value of Steelcase Cooperative Purchasing, state and local government capabilities, and Active Learning space insights and applications.</p>
33	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	<p>Steelcase utilizes multiple technology and digital platforms to market our comprehensive offering to all market segments. The specific state and local government homepage on our public site provides valuable information to prospective customers looking for furniture solutions and Sourcewell. Similarly, the "Steelcase Village" intranet site provides even more specific information to our Steelcase and dealer sales force, giving them tools they need to serve our Sourcewell sector customers using the Sourcewell contract. Marketing a new Sourcewell national contract, should we be awarded, would include using the "Steelcase family of brands" social media accounts, to provide the broadest possible reach. These platforms allow us to learn, collaborate and share broadly to a growing audience using technology as a primary source of information.</p> <p>Steelcase North America</p> <ul style="list-style-type: none"> <li>• Facebook: It's the largest social media platform in the world with over 2.4 billion</li> </ul>



users.

- Twitter: The microblog news flash of our digital lives that keeps us connected in 140 characters or less creates a forum for discussion.
- Pinterest: Pinterest is one of the fastest growing social media networks posting images of design inspiration, global office trends or other useful knowledge.
- Instagram: Instagram is a quick and easy way to snap an instant memory. #Steelcase helps leading organizations – in business, healthcare and education – create the places that can unlock the promise of their people.
- Steelcase TV on YouTube: We have some great video clips on YouTube that are worth promoting, and our Sourcewell contract would be a great addition. They are short, well-made and are statistically more likely to be watched than a brochure is to be read.
- LinkedIn: It's replaced the business card rolodex as the dominant tool for professional networking, and it will improve networking opportunities among current and prospective Sourcewell Members.

All of our social media accounts can be found by searching 'Steelcase' in the respective mediums. Please note that our YouTube account is under Steelcase TV.

Steelcase Education – reaching the education audience

- Steelcase Education Facebook - Search Steelcase Education
- Steelcase EDU on Twitter - Search SteelcaseEDU
- Steelcase Education Playlist – YouTube - Search Steelcase Education
- Education Insights & Ideas on Pinterest – Accessible via [pinterest.com/steelcase/education-insights-ideas/](https://pinterest.com/steelcase/education-insights-ideas/)

Coalesse – reaching the ancillary spaces audience

- Coalesse Facebook – Search Coalesse
- Coalesse Twitter - Search Coalesse
- Coalesse Pinterest: Link - Accessible via [pinterest.com/coalesse/](https://pinterest.com/coalesse/)
- Coalesse Instagram - Search Coalesse
- Coalesse YouTube - Search Coalesse Furniture
- Coalesse LinkedIn – Accessible via [linkedin.com/company/232502](https://linkedin.com/company/232502)

Turnstone – reaching the ancillary spaces audience

- Turnstone Facebook - Search Turnstone
- Turnstone Twitter - Search My Turnstone
- Turnstone Pinterest - Accessible via [pinterest.com/myturnstone/](https://pinterest.com/myturnstone/)
- Turnstone Instagram - Search My Turnstone
- My Turnstone YouTube - Accessible via [tv.myturnstone.com/](https://tv.myturnstone.com/)
- Turnstone LinkedIn - Accessible via [linkedin.com/company/1537474](https://linkedin.com/company/1537474)

Polyvision

- Polyvision Facebook - Search Polyvision Corp
- Polyvision Twitter - Search Polyvision
- Polyvision Pinterest – Accessible via [pinterest.com/steelcase/](https://pinterest.com/steelcase/)
- Polyvision LinkedIn - Accessible via [linkedin.com/company/polyvision/](https://linkedin.com/company/polyvision/)

It is no longer enough to simply market to just the end consumer; it has become increasingly important to market to both current and potential Sourcewell Members and influencers in many platform areas. Social media engages with a variety of influencers and can strategically help us connect with them. In addition, Steelcase works with our Steelcase dealers to assist in their marketing efforts and extend reach.

Our Steelcase Co-Marketing program aims to help dealer partners use and share the Steelcase brand and story in local markets, while supporting access to customers to relevant experiences, touchpoints and support materials.

Steelcase helps dealers in reaching your customers and influencers in a convenient way that informs and inspires. Each quarter, dealers can take advantage of compelling information they are able to share with audiences – from workplace research and insights, to product news, thought-provoking podcasts and articles and more. Steelcase provide articles and visuals for each dealer to build an eNewsletter on whatever platform they choose (Constant Contact, HubSpot, Mail Chimp, etc).

Steelcase Dealer Social Media: The Dealer Social Media program aims to help dealers grow their online following, connect with customers and other key audiences to share relevant information.

Dealer Digital Transformation includes the implementation of these important technology initiatives:



		<ul style="list-style-type: none"><li>• Reinvention of the Hedberg System to a modern, cloud-based platform focused on core functionality</li><li>• Creation of a website for customers to get quote and order status and subscribe to receive notifications when updates occur</li><li>• Development of an integration platform (Dealer Connect) to tie critical dealer business technologies together at the data level</li></ul>	
34	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	Sourcewell's role is to continue to demonstrate the highest level of integrity, business practices, and ethics with their Members and vendors, growing Membership while providing best in value solutions to their contract users. We would see Sourcewell working collaboratively with Steelcase to provide the highest level of service to Members to grow contract awareness and utilization via marketing materials, tools, social media, training, trade show participation and direct Member contact.	*



35	<p>Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.</p>	<p>Steelcase dealers work on a common business platform called Hedberg Business Management System, wholly owned by a subsidiary of Steelcase. This system supports the entire sales, planning, order management, receiving, warehousing and financial management life cycle.</p> <p>Through Hedberg, Steelcase Authorized Dealers can:</p> <ul style="list-style-type: none"> <li>• Create a direct link between the designers' drawing and the corresponding quote</li> <li>• Automate and manage all discount levels supplied to Sourcewell</li> <li>• Color code sections of the order to efficiently manage the staging of a project while maintaining a tight projects schedule</li> <li>• Convert the quote into an electronic order that connects directly to the manufacturing process</li> <li>• Manage all deficiency reorders and track metrics to measure performance.</li> </ul> <p>The Hedberg system also allows Steelcase Authorized Dealers to electronically and proactively manage product lead times by individual product. The lead time for every item is provided—based on the actual order at the manufacturing facility—and can be run many times throughout the quote and post-order stages. This ensures we properly align any reservation dates and logistical requirements regarding the quote, such as overall cubage and delivery groupings.</p> <p>The Hedberg platform would require a single enablement for each Member. Steelcase is responsible for the software development, hosting, implementation management, and all technical aspects of site setup, configuration, integration, and testing. Dealers are responsible for local content definition and management of catalogs plus additional content/customization in support of each Member.</p> <p>Steelcase also offers our eBusiness web-based solution to simplify the furniture procurement process. eBusiness enables Sourcewell Members to more effectively manage a range of facility management tasks through a customizable portal. Since it is integrated with our business and inventory solutions, Members will find options to easily collaborate with teams, simplify purchasing, monitor performance, and manage inventory.</p> <p>With eBusiness, we have found that our customers:</p> <ul style="list-style-type: none"> <li>• Save valuable time through easy access and management of information</li> <li>• Visualize solutions quickly and create effective workspaces</li> <li>• Streamline the product and service purchase process—saving time and money</li> <li>• Improve and simplify the management of furniture assets.</li> </ul> <p>We are continuously improving our technology and how we support our customers. Recently we expanded and built upon our current customer platform to create Steelcase Exchange. This platform is designed to bring the consumer experience of on-line shopping platforms to our business customers.</p> <p>Steelcase Exchange enhances the experience for both Sourcewell's employees and program managers in the following ways:</p> <ul style="list-style-type: none"> <li>• Easily accessibility from a link within your intranet site</li> <li>• Streamlined self-registration</li> <li>• Automated password reminders for reduced administration</li> <li>• Rich information to increase understanding about product and process, which will lead to making transactions with greater confidence</li> <li>• Efficient checkout and secure credit card handling</li> <li>• Shopper friendly order confirmations, status, and transaction receipts</li> </ul> <p>The Steelcase Exchange platform has been integrated with customers using Ariba, BuySpeed, eMars, Lawson, CGI Advantage, Coupa, Exostar, Jaggaer, Oracle, Peoplesoft, Prodigio, SAP, Tyler Munis, VITG, Workday, as well as custom cXML and OCI Based systems.</p> <p>Please see Marketing Plan/Samples T7.35 for more information, including eProcurement and eBusiness capabilities.</p>
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Table 8: Value-Added Attributes



Line Item	Question	Response *
36	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell Members. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	<p>Steelcase and our dealer network provide a variety of training and educational programs for Sourcewell Members. We've included a list of examples below and are happy to discuss more opportunities with Sourcewell. Costs for dealer services may vary depending on scope and nature of agreement.</p> <p>Move-in Experience. Steelcase and our dealers want Sourcewell Members to feel comfortable and excited about their new space. We can offer assistance through the pre-move, move, and post-move processes with a variety of tools to contribute to a successful move-in experience. Tools can include a pre-move calendar, move booklets, signage templates, move and post-move product demonstrations, and access to web-based instructional videos. Costs are dependent on the servicing dealer agreement and the level of move-in engagement. Please note that if the move-in experience is part of an Applied Research + Consulting engagement, it is not subject to additional fees.</p> <p>Educational Seminars. Most Steelcase dealers will conduct seminars about proper and safe use of furniture for end-users. Additional educational topics could include business trends and their effects in the workplace, end-user education in ergonomic support tools, and instruction in furniture care and maintenance. These seminars are subject to an added cost and can be determined prior to any purchase.</p> <p>Training Videos. Steelcase can provide Sourcewell Members with online instructional videos that demonstrate how to adjust your new furniture and use all settings and features appropriately. Training collateral, such as videos, are included as part of your purchase.</p> <p>Cleaning and Care. Steelcase provides cleaning instructions that can support a wide range of protocols depending on the environment our products are located, such as an office, hospital, or education facility. Our high-performance materials support cleaning protocols with bleach, viox, and other hospital grade disinfectants.</p> <p>Ergonomic + Wellbeing Training. Steelcase has an in-house, board certified professional ergonomist—along with a number of field specialists and sales support personnel—who can provide hands-on training to assist employees with the proper use of ergonomic products.</p> <p>Our Ergonomist and Wellbeing Consultants can provide insights and services related to:</p> <ul style="list-style-type: none"> <li>• Ergonomic science and the conditions for physical, cognitive, and emotional wellbeing</li> <li>• Workplace solutions that contribute to a comfortable environment</li> <li>• Applications designed to promote worker wellbeing, engagement, and productivity</li> <li>• Proper use of solutions, including positioning of monitor supports, how to correctly adjust and use specific task chairs, and the importance of changing posture during the workday</li> <li>• Ergonomic and wellbeing training are subject to an additional cost and can be determined prior to purchase.</li> </ul> <p>Dealer Training. Steelcase offers exclusive training opportunities to dealer personnel and dealer-sponsored participants through Steelcase University. Courses include: Systems &amp; Component Installation Training which is focused on sequential systems installation; Sales and Design Installation Training where participants learn how to properly install all Steelcase products and how to perform warranty and reconfiguration work in the field; and Lead Installer Training where participants learn to be better leaders through managing capital, building teams, coordinating projects, understanding building codes, reading prints, and training other installers. Our dealers are required to maintain certain standards in order to be considered a Steelcase Authorized Dealer and to work with our customers. Sourcewell Members are not expected to provide payment or reimbursement for dealer training.</p> <p>Please see Additional Document T8.36 for more information, including lead installer training.</p>



37	Describe any technological advances that your proposed products or services offer.	<p>At Steelcase, we believe a thoughtfully designed ecosystem of interconnected and interdependent spaces supports employee wellbeing, provides a range of destinations and technologies, and enables and encourages the ways people create. When designing these workspaces, we focus on people, place, choice + control and technology.</p> <p>Steelcase has an entire suite of products that focuses on technology tools that support both employee productivity and workplace performance. This suite is called Smart + Connected and it provides our customers with digital wayfinding, room scheduling, smart collaboration, and workplace analytics. Some technologically advanced and integrated products we offer include:</p> <ul style="list-style-type: none"> <li>• The Steelcase Rise app elevates the height adjustable experience. It brings personal presets to any desk with an Active Touch controller, provides subtle reminders to change posture and tracks activity toward wellbeing goals.</li> <li>• media:scape brings together people, space and information. This integrated tool boosts collaboration and allows participants to access and share digital information equally, quickly, and seamlessly.</li> <li>• Flex Mobile Power is a portable and lightweight charger designed and developed in collaboration with Anker, a global leader in charging technology. It is the first of its kind enterprise-level mobile power solution for the workplace. This latest innovation combines deep knowledge of how work and the workplace is changing from Steelcase with Anker's expertise around the future of consumer technology and charging devices.</li> <li>• Steelcase Workplace Advisor Subscription is an integrated system of embedded sensors that provides use trends over time for collaborative spaces. Armed with this kind of information, organizations and their design partners can make decisions about how to use their valuable real estate based on real data. It empowers our customers to measure the effectiveness of the workplace, and improve it based on easy-to-understand, actionable data accessible through an online dashboard.</li> <li>• Steelcase Workplace Advisor Study includes the Steelcase installation temporary sensors. This study provides decision-making assistance prior to a major capital investment or can help</li> <li>• Steelcase and Microsoft have also been working together since 2017 to explore how a thoughtfully-designed ecosystem of places and devices can support the new ways teams and individuals are working.</li> </ul> <p>We're excited to collaborate, learn about unique work environments, and integrate real, measurable data into the best solution for Sourcewell Members.</p> <p>Please see Additional Document T8.37 for more information, including examples of Smart + Connected ecosystems.</p>
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38	Describe any “green” initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	<p>Steelcase continuously identifies ways to reduce material inputs and finds alternative end-of-use stewardship are through the products we create, the ways we operate, and the investments we</p> <p>Some areas we focus on include:</p> <ul style="list-style-type: none"> <li>• Ensuring Material Health: As a leader in our industry, our materials chemistry practice assesses materials to understand their potential impacts on human and environmental health. We've assessed over 1,800 materials and are actively working with our supply chain to phase out materials of concern, developing suitable alternatives where they may not yet exist.</li> <li>• Optimizing Product Life Cycles: Steelcase measures a product's impact on the environment and human health at every phase to uncover opportunities to improve. We design products for circularity by avoiding and eliminating materials of concern, optimizing performance throughout the life cycle and for remaking, recovery, and end of life strategies.</li> <li>• Environmental Footprint Reductions: Since 2001, Steelcase's public goals are aimed at reducing our global environmental footprint. Thanks to teams of dedicated employees and our ISO 14001 Environmental Management System, we've made great strides in significantly reducing our VOC emissions, energy use, water consumption and waste output.</li> <li>• End-of-Use and Recycling Programs. Steelcase offers a variety of end-of-use asset redeployment solutions, such as: selling surplus assets in the secondary market through our extensive broker network; matching surplus assets with non-profit organizations; reclaiming value from assets that have reached their 'end-of-life' through recycling to best environmental practices; and composting/incinerating assets that have reached their 'end-of-life' as an alternative to landfill disposal when items do not have other viable means of redeployment.</li> <li>• Investing in our Local Environments: We work closely with community organizations to extend their offerings and further their impact. By focusing on initiatives that benefit our local environments—including partnering with schools to develop sustainability curriculum—we work to develop the next generation of scientists equipped to study and solve for the biggest design challenges facing our human and environmental ecosystems today.</li> <li>• Investing in Renewable Energy: We're investing in renewable energy equivalent to 100% of our global electricity consumption. We've also executed a 12-year VPPA for 25 megawatts of wind power, making up nearly half of Steelcase's renewable energy purchases and directly supporting the construction of a new clean energy facility and local jobs.</li> <li>• Environmental Footprint Reductions: Since 2001, Steelcase has had public goals aimed at reducing our global environmental footprint. We've made great strides in significantly reducing our VOC emissions, energy use, water consumption and waste output.</li> <li>• Sustainable Procurement Strategies: Helping our customers to succeed in their businesses and meet their sustainability goals is a driving force at Steelcase. We believe that providing the best solutions for our customers begins by ensuring they're the best solutions for our environment. That's why every step of the way – through design, manufacturing, delivery and product lifecycle – we consider the impact of our work on people and on the environment and uncover opportunities to make things better.</li> </ul> <p>Please see Additional Document T8.38 for more information, including our Corporate Sustainability Report.</p>
39	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	<p>Steelcase products and materials are certified to several third-party standards including:</p> <ul style="list-style-type: none"> <li>• BIFMA level®</li> <li>• Cradle to Cradle®</li> <li>• Forestry Stewardship Council (FSC) Certification</li> <li>• SCS Indoor Advantage™</li> <li>• LEED certification</li> <li>• U.S. EPA Green Power Partnership</li> </ul> <p>Additionally, Steelcase has:</p> <ul style="list-style-type: none"> <li>• Over 45 Environmental Product Declarations</li> <li>• Evaluated over 1,800 materials in our product portfolio against more than 20 human and environmental health indicators</li> <li>• Designed for circularity which further optimizes performance throughout the life cycle and for remaking, recovery, and end of life strategies.</li> </ul>



40	<p>Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.</p>	<p>While Steelcase is not a certified as WMBE, SBE, or veteran owned, we are committed to diverse channels around the world and our Supplier Diversity program has been in place since 1991. Our Supplier Diversity vision is to grow, develop, and retain our diverse businesses by creating the best supplier diversity program that surpasses the requirements of our industry and customers. We focus on promoting the growth and development of minority-owned, women-owned, service veteran-owned as well as service-disabled veteran-owned businesses and HUBzone in the United States by integrating them into our procurement process.</p> <p>We participate in trade shows, conferences, networking events, customer showcases and meetings of associations representing diverse businesses to share information and best practices. We hold regular supplier conferences to exchange best practices. We work with our suppliers to monitor and grow performance through a system of common metrics on a daily, weekly, monthly, and quarterly basis.</p> <p>In order to seek out and utilize diverse suppliers, Steelcase engages with a variety of organizations and maintain relationships with diverse business associations, as well as small business associations, including National Minority Supplier Development Council, Michigan Minority Supplier Development Council, Michigan Chamber of Commerce, Michigan Manufacturers Association, The Right Place, Inforum Michigan, Business Leaders for Michigan, The Grand Rapids Area Chamber of Commerce, and National Veteran-Owned Business Association.</p> <p>Please see WMBE/NBE/SBE or Related Certificates T8.40 for more information, including our Diversity Supplier Spend.</p>
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41	<p>What unique attributes does your company, your products, or your services offer to Sourcewell Members? What makes your proposed solutions unique in your industry as it applies to Sourcewell members?</p>	<p>One of the reasons our customers choose to do business with Steelcase is because they trust us. They trust our ability to translate research into workplace insights, perform at a consistently elevated level, develop products that meet evolving workplace needs, leverage our team to deliver great experiences and our willingness to assess ourselves critically for improvement opportunities.</p> <p>We are focused on creating a great experience for Sourcewell Members wherever work happens. We leverage our knowledge in the industry to grow and learn alongside our customers. By learning from our customers—what they value, what their pain points are, how they view the workplace—we can create a truly customized workspace that inspire and engage.</p> <p>Listed below are just a few ways Steelcase helps people perform better at work and why Sourcewell Members can trust Steelcase as a partner:</p> <p>Commitment to Research. Steelcase invests heavily in research, design and developmental activities to better understand the needs of individuals, teams, and organizations. Our global research is a combination of user observations, feedback sessions and sophisticated analyses. To expand and deepen our understanding of how people work, we maintain collaborative relationships with external world-class innovators, including leading universities, think tanks and knowledge leaders. These relationships and insights help us develop social, spatial and informational insights into work effectiveness for our customers.</p> <p>New Products + Enhancements. Our dedication to innovation and research is reflected in the ever-evolving intelligent design of our products and philosophies. Our portfolio continues to grow as we find new ways to support and positively impact the workplace. This investment has accelerated in the last two years, with over 80 new products, enhancements, and extensions added to our portfolio just last year. Some of our new product offerings include simpler workstations, ancillary and informal areas, and innovative products at a broader range of price points.</p> <p>Ancillary Spaces. Our journey in the ancillary market spans several decades. Over the years, we have designed our own products to fill and augment the in-between spaces throughout a workplace. We've also developed brands like Coalesse and Turnstone to response to growing ancillary needs. In the past few years we've established partnerships with other companies to increase the breadth of our offering, and we've acquired companies like Orangebox, Smith System, and AMQ to further enhance our portfolio.</p> <p>Continuing Education. Our Continuing Education Units (CEUs) are focused around our active learning principles, how universities can increase student engagement, and discovering ways to add value as it relates to space and applications. Developed for the architecture and design community—including firms and internal staff—CEUs can also benefit educators who are interested in active learning research. These courses are conducted in-person by a Steelcase employee who has achieved certification through a mandatory course and a mastery test.</p> <p>Applied Research + Consulting. Through a team of experienced of consultants, ARC brings deep knowledge to our customers and delivers benefits that typically include alignment of the workspace strategy, business strategy and desired behaviors; validation of how people work and interact with others—and their work environment; a co-created, integrated solution that supports the business direction; development of higher performing solutions; and employee and leadership buy-in for the proposed solution</p> <p>Workplace Tools + Resources. Through a combination of asking, observing, and creating experiences to bring a deeper understanding of the explicit, tacit, and latent needs to be uncovered. WT+R can host discovery exercises and collaborative situation workshops with Sourcewell Members that focus on understanding workplace issues of your organization and user needs. They also offer concept reviews of applications that help our customers to visualize the ways Steelcase products can support specific workplace needs in place, posture, and control.</p> <p>For Sourcewell Members. With our research and insights about the workplace, we are able to deliver solutions that address real workplace challenges for Sourcewell Members. Through our combination of acquisitions, partnerships and internal product development, we have broadened our market and can provide Sourcewell Members greater choice and a supportive work experience.</p> <p>Please see Additional Document T8.41 for more information, including new product enhancements and an overview of our Applied Research + Consulting team.</p>
42	<p>Identify your ability and willingness to provide your products and services to Sourcewell member agencies in Canada.</p>	<p>Steelcase has the capacity, capability and willingness to service all provinces, local municipalities and any other qualifying Sourcewell Members in Canada, as long as the laws and statues allow for such a cooperative contract to be used by Sourcewell Member entities. As the largest furniture provider in the world, Steelcase offers the same extensive coverage in Canada as we do in the U.S. through our Steelcase sales force and authorized dealer network.</p>



**Table 9: Warranty**

**Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.**

Line Item	Question	Response *	
43	Do your warranties cover all products, parts, and labor?	The Steelcase Limited Lifetime Warranty provides consistent coverage for both parts and labor for Steelcase products.  Please see Warranty Information T9.43 for more information, including Steelcase warranty and the warranties for our partners.	*
44	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	The Steelcase warranty prorates warranty coverage regardless of shift usage. Steelcase doesn't limit warranty coverage to single shift only—and we offer 24/7 coverage.  Please see Warranty Information T9.43 for our partner warranties and information regarding usage for their products.	*
45	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	In the Americas, Steelcase and our Dealers do not charge customers for labor or associated expenses. Steelcase reimburses the Dealer for travel and labor expenses. Steelcase will pass along any warranty with respect to Partner Products.	*
46	Are there any geographic regions of the United States (and Canada, if applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell Members in these regions be provided service for warranty repair?	Certified technicians are available in all regions across the Americas and Canada.  If a Sourcewell Member receives a Steelcase product that is freight damaged, malfunctions or requires warranty service, Steelcase has a plan in place for warranty service. To place a service request:  1. Call the servicing Steelcase dealer.  2. The servicing dealer will evaluate the defect and the product's manufacturing date to determine if it's covered under Steelcase Warranty Policy. The dealer will then contact Steelcase and explain the issue to the Order Fulfillment Team representative.  3. The servicing dealer submits a request for replacement product and/or parts to the Order Fulfillment Team representative. (Products, such as pneumatics cylinders, controls, lock cylinders, fasteners, hardware, screws, etc., are carried in service vehicles, so that any defects in these can be taken care of during one service call.)  4. Steelcase will provide the dealer with the product or replacement part.  5. The dealer will deliver and install the new product or part swiftly and at no charge to Sourcewell.	*
47	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	The Steelcase Warranty does not cover other manufacturers' products. Steelcase shall pass along any warranty it receives with respect to other manufacturers' branded products, including Bolia, Emu, Carl Hansen, FLOS, Mitchell Gold + Bob Williams and others.	*
48	What are your proposed exchange and return programs and policies?	All Steelcase products are manufactured to your specifications and, therefore, are not subject to return. Non-conforming products will be repaired or replaced at no charge to you. A product is considered non-conforming if it is defective or if it fails to comply with information published in the Steelcase Specification Guide or your purchase order. Replacement orders for nonconforming products are processed immediately, and Steelcase expedites the shipment of replacement items to the location you specify.	*
49	Describe any service contract options for the items included in your proposal.	Please see our list of services in T2.8.	*

**Table 10: Payment Terms and Financing Options**

Line Item	Question	Response *	
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50	What are your payment terms (e.g., net 10, net 30)?	<p>The payment terms in place with our current Sourcewell/Steelcase contract will be extended to any new contract. The current agreement indicates:</p> <p>Invoicing and Terms of Payment. Invoices, inclusive of applicable sales or use taxes and/or surcharges will be issued by Dealer upon delivery of the Products/Services and will be paid within ten (10) days from the date of invoice. For Large Orders (as defined in Exhibit O), Members will be invoiced 40% at time of order placement, 50% at delivery and the 10% balance upon completion of installation. A service charge of 1 ½% per month (18% per annum) may be added to invoiced unpaid as of the due date. If partial delivery of an order is made, Member will make payment for products delivered and services provided. Dealer will invoice Member for shortages or replacement upon delivery of those items.</p>
51	Do you provide leasing or financing options, especially those options that schools and governmental entities may need to use in order to make certain acquisitions?	<p>Yes, Steelcase Financial Services offers flexible and convenient financing and leasing alternatives to schools, government entities and other Sourcewell Members.</p> <p>Whether you are optimizing your cash flow, looking at your organization's complete strategy to create an interconnected workplace, or trying to figure out a way to best utilize your budget, Steelcase Financial Services can help.</p> <p>Our Financial Services team has flexible lease and financing options to meet your needs. You can plan to own the products or you can use the products now and decide later on whether you want to purchase or return them. We can also provide information on topics such as tax implications, trends, as well as an analysis of tactics like lease vs. buy.</p> <p>We offer flexible and convenient financing alternatives that let you create an inspiring workplace while conserving capital, preserving bank lines and reducing tax liabilities. We can offer Sourcewell members a variety of financing options, including capital leases, operating leases &amp; short term leases.</p> <p>Wholly owned by Steelcase Inc., Steelcase Financial Services is the office furniture industry's only captive finance company. Steelcase Financial Services offers flexible financing and lease options to achieve unique customer goals. All of our plans come with advantages such as:</p> <ul style="list-style-type: none"> <li>• Fixed rates – your payment remains the same throughout the term.</li> <li>• Soft costs – we can include costs for design, delivery, and installation.</li> <li>• Easy add-ons – you can easily add product to your Steelcase Financial Master Lease.</li> <li>• Customized invoicing – you'll have a dedicated team that can customize your invoicing/billing by location, cost center, floor, etc.</li> <li>• Account access – account information online 24/7 that includes payment history summary, remaining payments, contract terms, invoices, and more.</li> </ul> <p>Some valuable benefits our customers find in Steelcase Financial Services are:</p> <ul style="list-style-type: none"> <li>• Conserving capital</li> <li>• Avoiding capital budget restraints</li> <li>• Protecting credit lines</li> <li>• Managing balance sheet</li> <li>• Gaining tax benefits</li> <li>• Maximizing purchasing power</li> <li>• Increasing flexibility</li> <li>• Workplace sustainability</li> </ul> <p>If you're looking to refresh your space or have the option for leasing, Steelcase Financial Services can fulfill those needs from two of their most popular options:</p> <p>Fair Market Value Lease</p>



		<p>At the end of the lease term, purchase products for fair market value, renew the lease or return products to Steelcase Financial Services because you are either done using them or you are going to refresh your space with all new products.</p> <ul style="list-style-type: none"> <li>Lease payment may be able to be deducted by lessee</li> <li>May qualify for off-balance sheet, operating lease treatment for reporting purposes</li> <li>Lower payment compared to a \$1 Buy Out Lease</li> </ul> <p>\$1 Buy Out Lease This popular ownership options includes: Depreciated be claimed by lessee</p> <ul style="list-style-type: none"> <li>Interest portion of lease payment may be able to be deducted by lessee</li> <li>At the end of the lease term, purchase the products for \$1.00</li> </ul> <p>Steelcase also offers two furniture Membership models allowing for more frequent change of furniture to refresh your workplace: altSpace and Membership.</p> <p>altSpace is a Space-as-a-service solution in partnership with LiquidSpace. This model is a turnkey workplace solution for teams of 20-500+ employees. It bundles real estate, furniture, and technology through simple, monthly terms. altSpace also combines the privacy and personalization of a traditional office with the flexibility of a coworking space.</p> <p>Membership is a furniture-as-a-service solution and allows clients to subscribe to a number of furniture settings featuring the entire Steelcase Portfolio. With Membership, clients will find the option to change out 25% of subscribed settings every year for any reason. Once the initial design/installation fee is paid, the monthly subscription fee covers all subsequent charges. Additional terms and conditions include:</p> <ul style="list-style-type: none"> <li>Term: 3-year minimum</li> <li>Renewal: Steelcase and client will evaluate whether this works for both sides</li> <li>Refresh: Option to refresh settings quarterly, and up to 25% of all subscribed settings annually</li> <li>Cost to join: Initiation fee covers design + initial install</li> <li>Ongoing cost: One all-inclusive monthly Membership fee</li> <li>Purchase option: Option to purchase anytime. Pricing to be negotiated based on Membership length and furniture type.</li> </ul> <p>In addition, Steelcase makes Steelcase dealers aware of additional financing options available to Sourcewell Members via another Sourcewell competitively bid and awarded contract from National Cooperative Leasing. There is no ownership, common ownership, or control between Steelcase and National Cooperative Leasing.</p> <p>Please see Additional Document T10.51 for more information, including our financing and leasing options.</p>	*
52	Briefly describe your proposed order process. Include enough detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template. For example, indicate whether your dealer network is included in your response and whether each dealer (or some other entity) will process the Sourcewell Members' purchase orders.	<p>When Sourcewell Members are ready to place an order for Steelcase products, their Steelcase participating dealer will accept and enter the order as the seller using their Hedberg Data System. Hedberg is integrated with Steelcase's business systems through EDI transactions that provide a constant, audited flow of your information. Through this system we provide you with electronic quotes, orders, invoices, reports, and more.</p> <p>Member shall initiate orders by sending to Steelcase Participating Dealer a written or EDI purchase order ("Order") containing the minimum required information listed below:</p> <ul style="list-style-type: none"> <li>Member's order reference number.</li> <li>Sourcewell Steelcase contract #</li> </ul>	



<ul style="list-style-type: none"><li>• Sourcewell Member #</li><li>• Designation of products (e.g., style number) and/or services covered by the order</li><li>• Designation of surface materials</li><li>• Quantity ordered</li><li>• Price</li><li>• Requested delivery date</li><li>• "Ship to" address including contact name, dock information, etc.</li><li>• Billing address for invoices</li><li>• Any special shipping or handling requirements</li><li>• For Worktool products, specify "ship complete" unless split shipments are acceptable</li></ul> <p>Steelcase participating dealers and Steelcase will use their best efforts to comply with delivery dates requested by Member on orders. For large orders (see below for definition), Steelcase recommends that Members provide as much notice as possible to Steelcase participating dealer in advance of the order to reserve manufacturing capacity. Steelcase participating dealer shall acknowledge receipt of each order to Member, noting the acknowledged Steelcase ship and scheduled local delivery dates.</p> <p>Member has the right to change or cancel any order by delivering written notice to Steelcase participating dealer. Except as otherwise provided herein, any such change or cancellation shall be without charge prior to Steelcase's commencement of production of such order. If production has begun (including the ordering of parts and materials), a charge may be applied up to the full invoice amount of the order. In determining applicable charges for change or cancellation, each request shall be reviewed on an individual basis taking into consideration the complexity and the scheduled ship date. Steelcase participating dealer and Steelcase will endeavor to minimize any charges to Member as a result of a request for change or cancellation and will use commercially reasonable efforts to accommodate Member's requests for changes.</p> <p>There is no guarantee that production schedules will be available to match requested changes. Steelcase shall identify any applicable charges at the time the change/cancellation request is received by Steelcase; and Member shall, at that time, determine if it wishes to proceed with such change/cancellation. No such charge shall exceed the invoice amount of the changed/cancelled portion of the order plus any Steelcase participating dealer-related costs (e.g., design) if applicable. In no event shall the change/cancellation charge(s) include any penalties to Member. The following are not subject to change or cancellation without charge once the order has been received by Steelcase: Special Products, Products using Customer's Own Material ("COM"), Partner Products, quick ship orders, Turnstone and service parts, Large Orders* imported Coalesse.</p> <p>Large Order – One quantity of Products to be shipped at one time to one location with a minimum list price value of:</p> <ul style="list-style-type: none"><li>• Steelcase Products (other than exceptions below).. USD 500,000 or equivalent</li><li>• Coalesse..... USD 75,000 or equivalent</li><li>• Turnstone, Steelcase Health..... USD 150,000 or equivalent</li></ul> <p>Changes and cancellations of Architectural Solutions products may be made, yet may result in additional charges and/or schedule adjustments after order has been placed with Steelcase or after shop drawings have been approved. Additional charges and schedule impact will vary depending on the complexity of the change and schedule impact. All questions relating to change order or cancellation must be made with your Steelcase participating dealer who will contact the project manager and the Steelcase on your order. Steelcase provides participating Steelcase dealers with an operation Playbook with instructional order procedures regarding Sourcewell Members orders.</p> <p>Steelcase utilizes a participating facilities designation, loading and recognition procedure to verify compliance in recognizing and reporting for our Sourcewell contract. This acts as a formalized process reconcile our sales with the Sourcewell Membership list.</p>	
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		<p>Also, orders processed by Members with our dealers are to have the Sourcewell contract number noted and dealers are to then use quotes specific to Sourcewell, which ensures Members get the correct contract pricing.</p> <p>The Membership list provided by Sourcewell and our automated reporting system is the basis of how we designate, load and recognize Sourcewell sales. We download the Membership roster from Sourcewell's website and convert this into a usable file that can link to our internal reporting system, quotes, and unique site IDs each Member has.</p> <p>Our internal reporting team uses the converted file to match Members to the Sourcewell master quote and any quotes that are linked to the Sourcewell agreement through bilateral agreements and letters of commitment. The Sourcewell master quote and linked quotes are unique numbers that provide as accuracy to insure Sourcewell sales are recognized by Steelcase. So, any Member electing to purchase through the Sourcewell agreement receives pricing from an authorized participating Steelcase dealer who must use Sourcewell quote numbers to complete Member transactions.</p> <p>In addition, our reporting system deploys a matching algorithm which automatically matches member sites (every member as a unique site ID) to Sourcewell sales through our authorized participating dealers. In the event that we do find that an error was made and eligible sales were not reported, we will reconcile and report those eligible sales in the next reporting cycle and pay any associated fees, consistent with our agreement and our values and business practices.</p> <p>Please see Additional Document T10.52 for more information, including our order fulfillment process, order change and cancellation policy, Steelcase Playbook, and a list of Steelcase Authorized Dealers in the US and Canada.</p>	
53	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell Members for using this process?	Steelcase dealers take orders and process payment on this contract a P- card may be negotiated between Member and Participating Dea	*

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *
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54	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	<p>Our pricing response is a “catalog discount by product category.” This model is one in which product line discounts are provided and those discounts are used as a percentage off list pricing drop ship. List pricing for all parts and unit numbers for the products lines on the discount schedule are included in published Product Catalogs, which is submitted as a Price List PL190 with this proposal. The Member’s total cost of acquisition is the drop ship product pricing and any services quoted.</p> <p>The proposal pricing submitted is based on our current Steelcase price list, PL190 which is in effect today. If awarded, we would propose to be on the current price list when announced nationally as it becomes effective. All the proposed product line discounts would remain the same.</p> <p>The discounts shown are based on drop ship delivery to the customer’s designated location. Exceptions include Alaska and Hawaii (in the United States) and the Northwest Territories, Nunavut and Yukon (in Canada), where additional freight charges apply and will be quoted upon request. Installation and other services are available from participating dealers per the rates submitted, subject to the terms and conditions in the attached discount schedule.</p> <p>Please see Pricing zip file for more information, including our pricing proposal.</p>	*
55	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	As mentioned above in T11.54, our product pricing response will be a “catalog discount by product category.” In order to provide the best pricing, we have provided product line discounts as a percentage off list drop ship, pricing by individual product line and balance of line categories for those products that are not listed individually or as exceptions and we have included Service Parts. For the products listed, our overall discount range is drop ship off our published list price and Service Parts at 35% off. The discount range by product line and services are shown in our pricing proposal found in the Pricing zip file.	*
56	Describe any quantity or volume discounts or rebate programs that you offer.	<p>Please see our discount schedule with tiered discounting levels that will provide a higher discount for large orders. Steelcase product category purchases as defined, may be combined to reach higher tiers and better discount on individual purchases. Complete terms and conditions related to this method of volume discounting are located on the discount schedule provided as part of our pricing proposal found in the Pricing zip file.</p> <p>Please note there are tiers of pricing noted for virtually all product line categories, meaning Sourcewell Members can negotiate better discounting than what is provided in the 3rd tier where appropriate.</p> <p>The proposed product discounting established by the Sourcewell discount schedule provided (in Pricing zip file) is also “ceiling pricing,” meaning prices may be reduced to allow for volume considerations and to meet the specific and unique needs of a Sourcewell Member. At no time may the proposed products/services be offered pursuant to this contract at prices above the ceiling price without approval by Sourcewell.</p>	*



57	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	<p>Our method for facilitating "Sourced Equipment/Products and/or related Services" solutions as defined by the RFP document is to ensure that the Steelcase/Sourcwell contract includes as many Steelcase Inc. and partner product categories as possible. This alleviates the number of times in which a proposed solution includes products that are not listed on the existing Sourcwell contract. This simple strategy has served Sourcwell Members well over the past contracts. If and when, new products or related services become available during the term of the contract, Steelcase will submit a request for approval to add those items per the Sourcwell process and appropriate form(s).</p> <p>Additionally, there may be instances where a Member may need "Open Market Items" not on the Sourcwell contract. If the Open Market Items further provides a complete comprehensive solution to the Member, it may be quoted and sold along with the contract items/services to complete the PO. The dealer may supply a quote to include such Member request with the Open Market Item listed as such on a separate line item. No admin fee will be paid on Open Market items and Open Market Items will not be included in any reporting. Open Market Items are not to be quoted separately and associated with this contract.</p>	*
58	Identify any element of the total cost of acquisition that is NO pre- delivery inspection, installation, set up, mandatory training	<p>The "total cost of acquisition" is as stated in the proposed Sourcwell Discounting Schedule for products and related services provided as part of our response to question T11.54: Our pricing response is a "catalog discount by product category." This model is one in which product line discounts are provided and those discounts are used as a percentage off list pricing drop ship. List pricing for all parts and unit numbers for the products lines on the discount schedule are included in published Product Catalogs, which is submitted as a Price List PL190 with this proposal. The Member's total cost of acquisition is the drop ship product pricing and any services quoted.</p> <p>Over the past five years, Steelcase has provided a turnkey and complete furniture solution to all Sourcwell Members based on their specific situations. The structure of our offering is flexible so that our dealers can provide the best value and best solutions to meet their individual needs.</p> <p>The discounting structure is set up as a ceiling price on the product only on drop ship basis yet allows participating dealers to facilitate discussions about the scope of services at the best price. This flexibility, based on determining the scope of labor and services required, allows Steelcase dealers to provide the services appropriate to each Member and each project in providing a complete project with a total acquisition price.</p> <p>This method of providing complete solutions for each Sourcwell Member has proven to be very effective. With millions worth of business being sold through the contract in the past five years, we have not received any Member complaints related to a customer not receiving the value and the total cost expected. This speaks volumes on the success of the model in place as Sourcwell Member satisfaction is ultimately the best measure of our success with the contract.</p>	*
59	If freight, delivery, or shipping is an additional cost to the Sourcwell Member, describe in detail the complete freight, shipping, and delivery program.	Deliveries from Dealer to Sourcwell Members shall be FOB, Sourcwell Members Designated Location for Orders within the United States, and FCA, Sourcwell Members Designated Location for Orders outside of the United States. Exceptions include Alaska, Hawaii, the Northwest Territories, Nunavut and Yukon, where additional freight charges apply and will be quoted upon request. For deliveries in Alaska, a service charge equal to five percent (5%) of list price shall be assessed to Sourcwell for Orders up to \$200,000 list price. The service charge for Orders above \$200,000 list price shall be negotiated.	*
60	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	All shipments to Alaska and Hawaii and the US Islands are shipped FCA factory; freight prepaid, and allowed to port of embarkation. Steelcase reserves the right to select shipping method and the port of embarkation. All charges beyond the point of embarkation are collect. For Alaska and Hawaii (in the United States) and the Northwest Territories, Nunavut and Yukon (in Canada), additional freight charges apply and will be quoted upon request.	*



61	Describe any unique distribution and/or delivery methods or options offered in your proposal.	<p>Our global distribution network is unmatched in the industry. Our strategically designed network of manufacturing facilities, regional distribution centers (RDC) and business centers work together for the good of the customer through improved quality, cost, consistency and speed to market. For the US and Canada we utilize these optimally located RDCs.</p> <p>Distribution Centers 1. Grand Rapids, Michigan, U.S. 2. Hazleton, Pennsylvania, U.S. 3. Atlanta, Georgia, U.S. 4. Desoto, Texas, U.S. 5. Rancho Cucamonga, California, U.S. 6. Puyallup, Washington, U.S. 7. Aurora, Colorado, U.S.</p> <p>Our delivery routes cover more than 64 million miles each year, that's 250,000 each day, delivering to over 78,000 unique addresses around the globe.</p> <p>We strategically locate our regional distribution centers close to high density population areas, mostly where our customers are, so our routes are shorter which supports meeting our customers needs with high quality, on time deliveries. This results in over 150,000 Steelcase products delivered to our customers each day. This capability enables us to meet Sourcewell Member demands.</p> <p>Our agility within our data driven industrial model allows us to adjust so you don't have to. We're not perfect yet our network delivers complete shipments to our customers 99.93% of the time. Our global network and capabilities help us meet your needs and take care of the details at the same time. We believe we do this better than anyone.</p> <p>At Steelcase we care about the details. We focus on predicting, identifying and solving problems before they happen. Coupled with an intelligently architected global distribution network, nobody takes care of the details like Steelcase does.</p> <p>Here's a list of items we manage every day to help ensure we're taking care of the things that could impact you.</p> <ul style="list-style-type: none"> <li>• Weather Tracking</li> <li>• Traffic Analysis</li> <li>• Webcam Observation</li> <li>• News &amp; Events Monitoring</li> <li>• Social Media Monitoring</li> <li>• Change Order Adaptability</li> <li>• Collaborative Problem Solving</li> <li>• Dynamic Routing</li> <li>• Predictive Delivery Reporting</li> <li>• Data Driven Decision Making</li> </ul> <p>Please see Additional Document T11.61 for more information, including a video of our distribution and global logistics capabilities.</p>	*
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**Table 12: Pricing Offered**

Line Item	The Pricing Offered in this Proposal is: *	Comments
62	d. other than what the Proposer typically offers (please describe).	The pricing offered to Sourcewell is comparable to those offered to any other similarly situated GPO customer of Steelcase's, based on similar conditions such as timeframe, commitment/intent to purchase, product mix, delivery requirements, volume and service levels.



**Table 13: Audit and Administrative Fee**

Line Item	Question	Response *
63	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell Members obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell.	<p>Steelcase utilizes a participating facilities designation, loading and recognition procedure to verify compliance in recognizing and reporting for our Sourcewell contract. This acts as a formalized process reconcile our sales with the current Sourcewell Membership list from the Sourcewell website. Also, orders processed by Members with participating Steelcase dealers are to have the Sourcewell contract number noted and dealers utilize competitive discount authorization quotes specific to Sourcewell, which ensures Members get the correct contract pricing.</p> <p>The Membership list provided by Sourcewell and our automated reporting system is the basis of how we designate, load and recognize Sourcewell product sales. We download the Membership roster from the Sourcewell website quarterly and convert this into a usable file linked to our internal reporting system, quotes, and unique site IDs for each Member.</p> <p>Our internal reporting team uses the converted file to match Members to the Sourcewell master and any related quotes to the Sourcewell agreement through bilateral agreements and letters of commitment. The Sourcewell master quote and linked quotes are unique numbers that provide as accuracy to insure Sourcewell sales are recognized by Steelcase. So, any Member electing to purchase through the Sourcewell agreement receives pricing from an authorized participating Steelcase dealer who must use the Sourcewell quote number to complete Member transactions.</p> <p>In addition, our reporting system deploys a matching algorithm which automatically matches Member sites (every Member as a unique site ID) to Sourcewell sales through our authorized participating dealers. In the event that we do find that an error was made and eligible sales were not reported, we will notify Sourcewell, reconcile and report those eligible sales in the next reporting cycle and pay any associated fees, consistent with our agreement and our values and business practices previously mentioned and listed below.</p> <p>At Steelcase, our core values are to:</p> <ul style="list-style-type: none"> <li>* Act with integrity.</li> <li>* Tell the truth.</li> <li>* Keep commitments.</li> <li>* Treat people with dignity and respect.</li> <li>* Promote positive relationships.</li> <li>* Protect the environment.</li> <li>* Excel.</li> </ul>
64	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	The current Steelcase Sourcewell contract stipulates a 1% administrative fee payable to Sourcewell on a quarterly basis on contract product purchases. We propose the fee on the new contract be calculated at the existing 1% percentage on contract product purchases upon award of the contract payable to Sourcewell for facilitating, managing and promoting the Sourcewell contract.

**Table 14: Industry Specific Questions**

Line Item	Question	Response *
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65	<p>If you are awarded a contract, provide examples of internal metrics that will be tracked to measure whether you are having success with the contract.</p>	<p>Sourcwell is an important key account at Steelcase, and Steelcase/Sourcwell success volume— as</p> <p>In order to report on usage numbers, deliver new insights and innovations, and discuss any topics of concern, we will engage a variety of reports and reviews to measure the success of—and hold Steelcase and our dealers accountable for—our relationship with Sourcwell Members.</p> <p>We propose to hold regular meetings with Sourcwell Members to discuss the above topics, and any additional discussions around what is working, what didn't work, and any lessons learned.</p> <p>These meetings can take form in the following ways:</p> <ul style="list-style-type: none"><li>• Annual Business Reviews — A chance to review the past year's activities and plan for the coming year in person, we'll look contract volume, market segments, areas for process improvement, discuss recent product introductions and research, and conclude with a learning session on a mutually agreed upon topics.</li><li>• Quarterly Business Reviews — During these meetings with key workplace stakeholders, we'll touchbase on project activities and proactively address any open issues. If there are any issues or concerns with dealer or Steelcase performance, we can discuss in detail here and approach potential ideas for improvement.</li></ul>
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66	Describe any industry testing procedures, quality controls and certifications that apply to the products proposed.	<p>Steelcase products have long been recognized for their enduring quality. Part of the reason is that every one of our products is designed according to predetermined standards of manufacturability. These standards are developed by a multi-disciplinary team consisting of individuals from product development, manufacturing, quality assurance and manufacturing engineering. Along with having quality standards for manufacturing products, we maintain guidelines for testing, inspecting, and deliver products.</p> <p>Manufacturing</p> <p>Product quality inspections are conducted throughout the manufacturing process, such as:</p> <ul style="list-style-type: none"> <li>• Quality Acceptance Standards</li> <li>• Product Packaging Shipping Performance</li> <li>• Employee Qualification/Training</li> <li>• Vision Testing and Color Judgement</li> <li>• Purchase Part Release/Classification</li> <li>• Non-cyclical Standard Work</li> <li>• Process Qualification</li> <li>• Special Process Paint</li> </ul> <p>Steelcase has also implemented an Enterprise Excellence Assessment Program based on the Shingo Model for Operational Excellence that focuses on principles, behaviors and effectiveness in our journey to develop a culture focused on lean and continuous improvement.</p> <p>Testing + Certifications</p> <p>Steelcase performs internal audits to verify compliance with the requirements of our management systems and certifications that include ISO 9001, ISO 14001 and ISO 17025. All Steelcase-owned manufacturing operations around the world have ISO 14001 registered environmental management systems. This means our environmental management systems meet the requirements of the International Organization for Standardization and assures we have a systematic way of managing our impact and risk with methods that meet internationally accepted criteria.</p> <p>All Steelcase brand products are developed and tested to meet or exceed ANSI (American National Standards Institute) and BIFMA (The Business and Institutional Furniture Manufacturer's Association) and all applicable Underwriters Laboratories (UL) requirements.</p> <p>We provide a set of internal product performance standards far more stringent than those required by outside parties. For example, because we require that our products meet a variety of deflection requirements, we take measurements that aren't required by either ANSI or BIFMA. While BIFMA has 22 desk-testing procedures, Steelcase tests in over 120 ways to address corrosion, fade, stain, stability, safety, durability, functionality, ergonomics, environmental exposure, shipping/vibration and more.</p> <p>Order + Delivery</p> <p>Our approach to order fulfillment and project execution process is focused extensively on quality and risk mitigation. Before an order is sent to Steelcase, your dealer uses an audit process to provide a final check to all specification by a senior designer. Once audited, orders are sent electronically from the dealer to Steelcase, and each order is verified and acknowledged within 48 hours. Final prices and delivery dates are established and communicated to the team immediately. The Hedberg system also allows your dealer to manage product lead times electronically and proactively by individual product. Orders are not shipped unless they are of the finest quality and built to customer specifications.</p> <p>We also utilize a LASER (Lean After Ship Experience Rationalization) system for dealers to submit post-delivery issues and bring swift resolution to damage claims and other post-delivery issues.</p>
67	Describe your ability and plan to address member needs for collaborative space or open concept solutions and how your proposed products factor in to them.	<p>Steelcase takes a holistic approach when designing workplaces. We consider people's sustained wellbeing which requires ergonomic support and comfort, eliminates distractions, inspires and rejuvenates, and makes people feel better while they're at work. By creating a workplace that brings together people, place and technology, organizations can give people choice and control over where and how they work — something that correlates directly with high workplace engagement and satisfaction.</p> <p>Our products and workspace applications give employees new ways to facilitate conversation and support different ways of working throughout the day. Our proposed products integrate and enhance collaborative spaces through:</p> <ul style="list-style-type: none"> <li>• Flexible kit of parts. The design and functionality of our products offer a distinct</li> </ul>



advantage to futureproofing and provides the built-in flexibility to grow and evolve as a Member's company does.

- Consistent design language. The wide range of aesthetic options ensures integration into any environment—while optimizing real estate.

- Continuous improvements. Steelcase continues to enhance the features and capabilities of our products to ensure compatibility across product generations and changing workplace needs. As technology and user needs evolve, our products evolve, too. The investment our customers make serves them well because this solution grows alongside them, and all enhancements are backward compatible.

With our robust product portfolio and streamlined kit of parts, we can support a variety of workplace strategies, including collaborative spaces and open concept. And, when people are put at the core of the workplace, the open plan doesn't have to be a source of frustration. It can be a tool to help people and teams thrive.

When designing a collaborative, open, and resilient workplace for Sourcewell Members, we would consider the intentional combination of five spatial zones to accommodate and anticipate changing organization and employee needs. Those zones are:

- Nomadic - A destination for mobile workers to connect with others or find an appropriate space to focus. Products in this zone could be our Brody WorkLounge, which allows for shielded privacy in an open space, or FrameOne benching that meets varied and fast-changing requirements.

- Resident - Assigned spaces for workers to complete everyday tasks. Products in this zone could be our Migration and Ology Height-Adjustable Tables or a variety of our ergonomic task chairs.

- Resource – A convenient central location where Worktools and shared materials are available to everyone. Products in this zone could be our Universal Storage System or the Flex Mobile Cart to allow easily accessible storage and access to our suite of Worktools.

- Meeting – A variety of settings to support different forms of collaboration. Products in this zone could be media:scape that integrates technology and furniture to bring people together, or B-Free which creates spaces where people can easily connect and collaborate.

- Social – A comfortable area to socialize, rejuvenate, informally collaborate, focus and seek nourishment. Products in this zone could be our Campfire Lounge System or LessThanFive Chair.

In order to create spaces that are informal and inspiring, yet that also allow real work to get done, Members need to carefully consider design, materiality and performance. We offer more choices to help Members achieve the design aesthetic wanted. Our broad portfolio of brands and partners include over 1,000 products and endless options to fit different aesthetics, postures and price points.

And, because of our scale and experience, Steelcase can deliver:

- Product performance through our industry leading quality and warranty

- Operational performance with our streamlined specification, delivery and installation, and on-time performance in the US, Canada, and globally

- Application performance by taking into consideration privacy, postures, proximities, personality, productivity, and psychological comfort

At Steelcase, we employ user-based research to drive innovation in areas like these related to work, learning and collaborative spaces. We've studied many of these spaces to figure out what people and organizations need, and what works and doesn't work. It has to be the right combination of design, materiality and performance, so these settings aren't just nice to look at; they're hard working, too. And with our scale and fulfillment capabilities, working with us saves Members time and money.

Steelcase can help Sourcewell Members adapt to an open concept solution, and we're prepared to design a workplace that integrates people, place and technology with a focus on design, materiality, and performance. We've invested in and launched more new and enhanced product offerings to provide choices for informal areas, simpler open areas, and more collaborative spaces. We've also established product partnerships with other companies to further increase the breadth of our product offering on contract to Members for these spaces.



		<p>To help simplify and manage all of these options, we've introduced Steelcase Marketplace. This tool helps aggregate all the products from the Steelcase family of brands, as well as Steelcase partner products, into one searchable tool. Steelcase Marketplace allows users to look for a specific product quickly and simply—and gives designers and Members more control over their choices.</p> <p>While the unique needs of each Member organization may differ, we recommend designing for wellbeing and creating an ecosystem of spaces to enable organizational resiliency. We are eager to connect with each Sourcewell Member to determine, design, and implement the best solutions for their workplace goals.</p> <p>Please see Additional Document T14.67 for more information, including a link to access Steelcase Marketplace and our research around collaborative spaces.</p>
68	Describe your design resources to develop or enhance culture, change management and integrated technology needs.	<p>Whether Sourcewell Members are seeking greater organizational growth, improved performance or enhanced engagement from employees or constituents, the workplace and work experience play important roles in reaching those goals. The process of helping people adopt and adapt to changes is an investment that will pay off in terms of both the work experience and organizational results.</p> <p>A key resource to enabling and supporting change in the workplace comes from our Applied Research + Consulting (ARC) team. This team brings deep knowledge to the Member organization and delivers benefits that typically include alignment of the workspace strategy, business strategy and desired behaviors; development of higher performing solutions; and employee and leadership buy-in for the proposed solution.</p> <p>The Steelcase approach to change management encompasses the four elements that must work together to achieve organizational ambitions:</p> <ul style="list-style-type: none"> <li>• Culture (norms and values)</li> <li>• Process (the way work gets done)</li> <li>• Tools (technology and other work aids)</li> <li>• Space (physical workplace)</li> </ul> <p>Focusing on Culture. There is an organizational and design challenge to meet business needs while also serving the needs of users and creating thoughtfully curated destinations. By involving Steelcase in the workplace journey of a Sourcewell Member, we can design an ecosystem of spaces that supports employee wellbeing, provides a range of destinations and technologies, and fosters the culture desired for the organization. With Steelcase and our Applied Research + Consulting team, we can help Sourcewell Members design and adapt a workplace that contributes to people feeling a sense of belonging and purpose—translating into trust of the organization and increased collaboration among colleagues.</p> <p>Our intentional and holistic approach considers not just the communication that occurs with explaining a change in the workplace, yet also how the change is part of the culture. A main component of ensuring a positive change management experience is for leaders to be engaged with their people. When employees see their leaders modeling values and behaviors in the workplace, culture can begin to take root and be a driving force in the work environment. By acknowledging that the transition will be challenging—and inviting employees into the process—everyone will feel more involved and engaged.</p> <p>Change Management. When Sourcewell Members make changes to their work experience, they will also need to make an intentional investment in the process for managing the change. A thorough process before, during and after the change will contribute to an experience that is positive for stakeholders and helps them adopt and adapt to the change.</p> <p>Steelcase's Applied Research + Consulting team can define and drive change through a Change Management consulting engagement. While each engagement is unique in order to support and enhance workplace culture and needs, some main steps often involved in bringing significant workplace change to fruition include:</p> <ul style="list-style-type: none"> <li>• Mapping the strategy</li> <li>• Appointing a team of leaders, managers, and change champions</li> <li>• Repeated messaging to stakeholders</li> <li>• Engaging relentlessly and meeting people where they are</li> <li>• Populating a pilot space</li> <li>• Developing protocols</li> <li>• Purging and packing with purpose</li> <li>• Attending to move-day details</li> <li>• Supporting changes in technology</li> </ul> <p>Our change management process is founded in research and gleaned insights from the field. We translate our learnings into something tangible and measurable for our</p>



clients. Our leadership in research around work and the workplace gives us, and in turn Sourcewell Members, unparalleled knowledge about the work environment and how to leverage it for optimum results. We will use our experience transitioning organizations into new work environments and apply it to Sourcewell Members to deliver a successful and positive change.

Integrated Technology. The workplace needs to support a diverse range of postures and technology, as well as offer options for collaboration and privacy. By creating a workplace that brings together people, place and technology, organizations can give people choice and control over where and how they work — something that correlates directly with high workplace engagement and satisfaction.

Steelcase's insights into work, worker, and the workplace inform our product and application design. Products ranging from meeting tables with integrated technology and visual privacy screens to scalable sound masking systems and virtual wayfinding, we design technology products that seamlessly integrate in a work environment and support an employee's true potential.

Examples of integrated technology in the workplace include spaces that:

- Give remote colleagues a great experience so they can feel and act as if they are present in the room
- Help co-located team Members remain present and focused
- Feature easy to use technology that's smart and connected to not only their immediate team, yet also their organization
- Provide access to data so people can find colleagues and meeting rooms quickly
- Use technology to enhance the place and the experience

Through integrated technology and spaces that focus on individual and collaborative work, Sourcewell Members' real estate can become a space that promotes engagement and interaction. And, by ensuring the move-in process includes training in new hardware and software and instructs people on new systems, they will have an intentionally designed space that improves the experience people have working with technology.

Working with Sourcewell Members. Our tools and the steps in the program tailored to Sourcewell Members will serve and inform design and change management. To best leverage the wealth of workplace tools and knowledge—as well as maximize successful outcomes—we strongly urge you to include Steelcase and our dealer partners in the project as early as possible. We have experienced a strong correlation between early engagement and successful projects that exceed our clients' expectations with happy users on day one and afterwards.

Please see Additional Document T14.68 for more information, including about ARC Change Management process.



69	Describe your ability to evaluate and enhance the utilization or return on investment for design alternatives utilizing your products.	<p>Organizations need to ensure their culture is in sync with desired behaviors and perform well- designed workplaces won't generate an optimal return on</p> <p>Through ongoing research and exploration of work, workers, and the workplace, we've uncovered design principles that help our customers create better outcomes. Work environments must be intentionally designed to support a user's evolving needs and wants. And while physical space can be a powerful tool to shape the attitudes and behaviors that drive improved performance, we know that investing in place alone isn't enough.</p> <p>By partnering with Steelcase and our dealer partners, Sourcewell Members are gaining access to differentiated value through informed insights, analysis and engagement, and reach. We can help with:</p> <ul style="list-style-type: none"> <li>• Alignment of the workspace strategy, business strategy and desired behaviors</li> <li>• Validation of how people work and interact with others, as well as with their work environment</li> <li>• Co-create an integrated solution that supports the business direction and desired future work experience</li> <li>• Develop higher performing solutions from the perspective of real estate efficiency, space utilization and employee effectiveness</li> <li>• Transition from traditional work habits to new and agile ways of working</li> <li>• Employee and leadership buy-in for the proposed solution through Change Management.</li> </ul> <p>Sourcewell Members can also engage with Steelcase's Workplace Tools + Resources (WT+R), a team who brings a deeper understanding of the explicit, tacit and latent needs to be uncovered at the workplace. WT+R can host discovery exercises and collaborative situation workshops with Sourcewell Members that focus on understanding workplace issues of the organization and user needs. They also can offer concept reviews of applications that help Sourcewell Members visualize the ways Steelcase product can support your workplace needs in place, posture, and choice and control.</p> <p>Please see Additional Document T.14.68 for more information, including about Steelcase Workplace Tools + Resources.</p>
70	Describe how your products are integrated or factor into a LEED certified facility.	<p>Steelcase has helped our clients with hundreds of LEED building projects, and we have more than 10 LEED certified facilities around the globe. Thanks to this expertise, we can partner early in the design phase to provide guidance on the best applications and space design options. We can provide detailed product and project documentation to help Sourcewell Members meet the LEED credits they are pursuing. Almost all Steelcase products can contribute to LEED certification through a variety of ways, including materials and resources, ergonomics, social equity in the supply chain, innovation in design and low-emitting materials. Each product contributes differently as their materials and applications vary.</p> <p>Steelcase helps customers seeking LEED certification identify products and programs that can contribute to LEED criteria in the categories of Energy and Atmosphere, Materials and Resources, Indoor Environmental Quality, and Innovation (Ergonomics Training, Sustainability Training, and Product Innovation). It is important to note that LEED does not certify products; consequently, they are not awarded LEED points. If certain LEED criteria are met, products may contribute to the credits that are awarded to the building project.</p> <p>Please see Additional Document T8.38 for more information, including our Product Environmental Profiles (PEPs). You may also access the PEPs via <a href="http://steelcase.com/resources/documents">steelcase.com/resources/documents</a>.</p>



71	Describe your approach to serving members in state/local Government, education, non-profit, and how you will grow those markets using your products and the Sourcewell contract.	<p>Steelcase is the world's leading manufacturer of office environments. Inspired by over 100 years of insight gained serving the world's leading organizations, we design for a wide variety of customer needs through a comprehensive portfolio of architecture, furniture, technology and services.</p> <p>Our strategy is to grow by leveraging our deep understanding of the patterns of work, workers and workspaces to offer solutions for new ways of working, new customer markets and new geographies, which includes Sourcewell Members in all Sourcewell market segments. Steelcase takes our insights from user-centered research and delivers high performance and sustainable work environments to Sourcewell Members to meet and exceed expectations. We and our Steelcase dealers strive to be trusted partners to Sourcewell Members who seek to use space as a strategic asset using it as a tool to attract and retain talent while serving their constituents and employees. We strive to meet the diverse needs of Sourcewell Members while minimizing complexity by using a platform approach—from product components to common processes—wherever possible to provide integrated solutions.</p> <p>We serve Members primarily through approximately 400 Steelcase participating dealer locations who sell directly to Sourcewell Members according to the contract in their local marketplaces.</p> <p>Each of our dealers maintains its own sales force which is complemented by our sales representatives who work closely with our dealers throughout the selling process. We provide extensive tool and resources to our mutual sales organizations to support customer needs to help provide great experiences in work, learning and health environments which encompass these Sourcewell markets. We also constantly are training and working with Steelcase dealer sales and Steelcase representatives to grow and enhance their knowledge and understanding our Sourcewell contract, contract selling, Sourcewell Membership and the processes involved in serving Members in state/local Government, education, non-profit, markets. This increases our ability and proficiency to better serve while growing in these markets as well.</p>
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**Table 15: Exceptions to Terms, Conditions, or Specifications Form**

Only those Proposer Exceptions to Terms, Conditions, or Specifications that have been accepted by Sourcewell have been incorporated into the contract text.



## Documents

### Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
  2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
  3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
  4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."
- [Financial Strength and Stability](#) - Financial Strength and Stability.pdf - Wednesday December 18, 2019 18:00:30
  - [Marketing Plan/Samples](#) - Marketing Plan Samples.pdf - Thursday December 19, 2019 14:53:19
  - [WMBE/MBE/SBE or Related Certificates](#) - WMBE\_MBE\_SBE or Related Certificates.pdf - Wednesday December 18, 2019 17:58:22
  - [Warranty Information](#) - Warranty Information .pdf - Wednesday December 18, 2019 17:59:10
  - [Pricing](#) - Pricing.zip - Thursday December 19, 2019 10:56:59
  - [Additional Document](#) - Additional Document.pdf - Thursday December 19, 2019 14:48:15



**Proposers Assurance of Comp****PROPOSER ASSURANCE OF COMPLIANCE****PROPOSER'S AFFIDAVIT**

The undersigned, authorized representative of the entity submitting the foregoing proposal (the "Proposer"), swears that the following statements are true to the best of his or her knowledge.

1. The Proposer is submitting its proposal under its true and correct name, the Proposer has been properly originated and legally exists in good standing in its state of residence, the Proposer possesses, or will possess before delivering any products and related services, all applicable licenses necessary for such delivery to Sourcwell member agencies. The undersigned affirms that he or she is authorized to act on behalf of, and to legally bind the Proposer to the terms in this Contract.
2. The Proposer, or any person representing the Proposer, has not directly or indirectly entered into any agreement or arrangement with any other vendor or supplier, any official or employee of Sourcwell, or any person, firm, or corporation under contract with Sourcwell, in an effort to influence the pricing, terms, or conditions relating to this RFP in any way that adversely affects the free and open competition for a Contract award under this RFP.
3. The contents of the Proposer's proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or agent of the Proposer and will not be communicated to any such persons prior to the official opening of the proposals.
4. The Proposer has examined and understands the terms, conditions, scope, contract opportunity, specifications request, and other documents in this solicitation and affirms that any and all exceptions have been noted and included with the Proposer's Proposal.
5. The Proposer will, if awarded a Contract, provide to Sourcwell Members the /products and services in accordance with the terms, conditions, and scope of this RFP, with the Proposer-offered specifications, and with the other documents in this solicitation.
6. The Proposer agrees to deliver products and services through valid contracts, purchase orders, or means that are acceptable to Sourcwell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcwell Members under an awarded Contract.
7. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
8. The Proposer understands that Sourcwell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statute §13.591, Subd. 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals generally become public data. Minnesota Statute §13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.

The Proposer understands that it is the Proposer's duty to protect information that it considers nonpublic, and it agrees to defend and indemnify Sourcwell for reasonable measures that Sourcwell takes to uphold such a data designation.

☒ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Kevin Loubert, Industry Leader, State & Local Government Solutions, Steelcase Inc.

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

☒ Yes ☐ No

**I have reviewed the below addendum and attachments (if applicable)**

Pages

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ADDITIONAL DEFINITIONS

For the purpose of this Agreement, the following definitions are agreed upon and may be used in both the singular and the plural without affecting their significance.

**Designated Location**– The physical delivery location as specified on Member’s purchase order and acknowledged by Dealer.

**Drop Ship** – Pursuant to FCA (Incoterms®2010) and FOB (Uniform Commercial Code), freight is prepaid and pricing for Products includes delivery from the applicable Steelcase factory to the receiving dock of Member’s Designated Location. For drop shipments, it will be Member’s responsibility to inspect the Products upon delivery and report claims to Dealer within a reasonable time frame to ensure that proper claims procedures are followed in the event of damage.

**EDI (Electronic Data Interchange)** – A computer-to-computer transfer of business documents used for the transmission of purchasing documents such as purchase orders, modifications, and invoices.

**Large Order** – One quantity of Products to be shipped at one time to one location with a minimum list price value of:

Steelcase Products (other than exceptions below).....	USD 500,000 or equivalent
Coalesse .....	USD 75,000 or equivalent
Turnstone, Steelcase Health.....	USD 150,000 or equivalent

**List Price** – The price set forth in Steelcase’s published Price List.

**Negotiate** – Mutually agreed upon price to be arrived at between Member, Dealer, and Steelcase.

**New Products** – Products are considered new for a period of two years from the date on which they are first shipped in a particular market.

**Order Size** – One quantity of Product to be shipped at one time to one location.

**Port of Embarkation** – The port from which a vessel (ship or airplane) departs upon the start of a voyage when Product is exported.

**Price List** – A general term which covers a variety of specific naming conventions such as Specification Guides, Price Guides, Price and Product Manuals, Catalogs, and Electronic Catalogs (ECAT’s).

**Special Products** – Products that are not available as such in Steelcase’s standard Price Lists and require variations in design, i.e., dimensions, features, function, colors and/or other type of finishes, in order to meet customer specific requests.



## PRODUCTS AND PRICING

### FOR DELIVERIES IN THE UNITED STATES AND CANADA

The price for Products purchased under this Agreement shall be those prices shown in the applicable Price List in effect at the time the purchase order is placed, less the minimum discounts on the items listed below. Any Product list-price adjustment shall be effective upon a thirty (30) day written notification given to Member.

The price for Partner Products purchased under this Agreement shall be the current Price List in effect at the time the purchase order is placed, less the minimum discounts on identified Partner Products listed below.

Deliveries from Dealer to Member shall be FOB, Member's Designated Location for Orders within the United States, and FCA, Member's Designated Location for Orders outside of the United States. Exceptions include Alaska, Hawaii, the Northwest Territories, Nunavut and Yukon, where additional freight charges apply and will be quoted upon request. For deliveries in Alaska, a service charge equal to five percent (5%) of list price shall be assessed to Member for Orders up to \$200,000 list price. The service charge for Orders above \$200,000 list price shall be negotiated.

Remote Location(s) Installation & Service: Any location outside of a 25-mile radius of the Steelcase Dealer's location(s) are considered remote. Upon request, the dealer would provide a not to exceed estimate with respects to travel, per diem, lodging and equipment rental, if needed, at the time of project quotation. Member would pay actual invoice of these items, upon verification of the fees.

Steelcase Products	Price List / Order Size (in CAD/USD)		
	Discounts off List		
	Drop Ship		
	\$1 - \$50,000 List	\$50,001 - \$150,000 List	\$150,001 list and above
Service Parts   Coalesse	35.00%	35.00%	35.00% or more*
Carl Hansen Seating/Tables	45.00%	47.00%	47.00% or more*
Hosu Lounge Seating	48.00%	50.00%	50.00% or more*
Lagunitas	48.00%	50.00%	50.00% or more*
Balance of Coalesse (other than Exceptions below)	48.42%	50.00%	50.00% or more*
Lessthanfive	48.42%	50.00%	50.00% or more*
Massaud Collection	48.42%	50.00%	50.00% or more*
Massaud Conference Collect	48.42%	50.00%	50.00% or more*
Montara650	48.42%	50.00%	50.00% or more*
Potrero415	48.42%	50.00%	50.00% or more*
Balance of Orangebox Acoustic Pods (other than Exceptions below)	42.75%	44.25%	44.25% or more*
Balance of Orangebox Other (other than Exceptions below)	42.75%	45.00%	45.00% or more*
Flow	40.00%	41.00%	41.00% or more*
Motif	40.00%	41.00%	41.00% or more*
Sans	40.00%	41.00%	41.00% or more*
Balance of Polyvision by Designtex (other than Exceptions below)	41.56%	44.21%	44.21% or more*
Service Parts   Steel	35.00%	35.00%	35.00% or more*
Brody Lounge Seating	43.00%	45.00%	45.00% or more*
Thread Floor Power System	43.00%	44.00%	44.00% or more*
media:scape	44.00%	45.00%	45.00% or more*
media:scape Lounge	44.00%	45.00%	45.00% or more*
Sylvi Lounge	44.38%	46.95%	46.95% or more*
Umami	45.00%	47.00%	47.00% or more*
B Free - Furniture	46.00%	48.00%	48.00% or more*
B Free - Seating	46.00%	48.00%	48.00% or more*
c::scape	46.00%	51.23%	51.23% or more*
Flex	47.00%	51.95%	51.95% or more*
Flex Had	47.00%	51.95%	51.95% or more*



Steelcase Products	Price List / Order Size (in CAD/USD)		
	Discounts off List		
	Drop Ship		
	\$1 - \$50,000 List	\$50,001 - \$150,000 List	\$150,001 list and above
Ology Bench	47.00%	51.95%	51.95% or more*
Ology Desk	47.00%	51.95%	51.95% or more*
Wiesner Hager Nooi	47.50%	49.70%	49.70% or more*
Divisio Screens	47.72%	51.23%	51.23% or more*
Univ Privacy Screens	48.00%	53.61%	53.61% or more*
Sarto Privacy Screens	48.00%	53.00%	53.00% or more*
V.I.A. Lsg	48.10%	51.00%	51.00% or more*
V.I.A.	48.10%	51.00%	51.00% or more*
Irys	48.75%	50.00%	50.00% or more*
Pw Lsg	48.75%	50.00%	50.00% or more*
SILQ Seating	48.75%	52.74%	52.74% or more*
Adj Tables - Series 5	49.00%	50.00%	50.00% or more*
Adj Tables - Series 7	49.00%	50.00%	50.00% or more*
Bottomline Task Light	49.00%	50.00%	50.00% or more*
LED Linear	49.00%	50.78%	50.78% or more*
LED Personal Task Light	49.00%	50.00%	50.00% or more*
LED Shelf Light	49.00%	50.00%	50.00% or more*
Privacy Walls	49.00%	51.00%	51.00% or more*
Series Benches	49.00%	53.75%	53.75% or more*
Underline Task Light	49.00%	50.00%	50.00% or more*
464 Leap Work Lounge	50.00%	52.00%	52.00% or more*
FrameOne	50.50%	53.70%	53.70% or more*
475 Player	52.00%	54.00%	54.00% or more*
Migration SE Bench	52.00%	53.50%	53.50% or more*
cobi	52.00%	54.00%	54.00% or more*
i2i	52.00%	54.00%	54.00% or more*
Migration	52.00%	53.50%	53.50% or more*
Migration SE Desk	52.00%	53.50%	53.50% or more*
Verb	52.00%	55.00%	55.00% or more*
eno Accessories	52.00%	52.00%	52.00% or more*
Node	52.50%	54.50%	54.50% or more*
Node Health	52.50%	54.50%	54.50% or more*
487 Cachet Seating	53.00%	54.00%	54.00% or more*
490 Move	53.00%	54.00%	54.00% or more*
Gesture	53.00%	54.00%	54.00% or more*
QiVi	53.00%	54.00%	54.00% or more*
Groupwork	54.00%	57.00%	57.00% or more*
eno Whiteboards	54.00%	54.00%	54.00% or more*
Amia	54.50%	56.00%	56.00% or more*
Think - Task	54.50%	56.00%	56.00% or more*
466 Reply	54.88%	56.27%	56.27% or more*
Max Stacker III	57.00%	60.00%	60.00% or more*
Post & Beam System	57.00%	60.00%	60.00% or more*
Balance of Steelcase Steel (other than Exceptions below)	57.00%	60.00%	60.00% or more*
800 Laterals	57.93%	60.84%	60.84% or more*
900 Laterals	57.93%	60.84%	60.84% or more*
High Density Storage	57.93%	60.84%	60.84% or more*
Overfile Cabinets	57.93%	60.84%	60.84% or more*
Universal Bookcases	57.93%	60.84%	60.84% or more*
Universal Combination Cabinets	57.93%	60.84%	60.84% or more*
Universal Lateral Files	57.93%	60.84%	60.84% or more*
Universal Storage Cabinets	57.93%	60.84%	60.84% or more*
Universal Storage Laminate	57.93%	60.84%	60.84% or more*
Universal Towers	57.93%	60.84%	60.84% or more*



Steelcase Products	Price List / Order Size (in CAD/USD)		
	Discounts off List		
	Drop Ship		
	\$1 - \$50,000 List	\$50,001 - \$150,000 List	\$150,001 list and above
Universal Wardrobe Cabinets	57.93%	60.84%	60.84% or more*
Universal Workstation Verticals	57.93%	60.84%	60.84% or more*
Universal Storage Acc.	57.93%	60.84%	60.84% or more*
200 Series Laterals	58.00%	62.00%	62.00% or more*
Adj Tables - Airtouch	58.00%	62.00%	62.00% or more*
Montage	58.00%	62.00%	62.00% or more*
Duo Storage for Answer	58.00%	63.25%	63.25% or more*
Univ System WKSF-Wood	58.00%	63.25%	63.25% or more*
Duo Storage for Montage	58.51%	60.50%	60.50% or more*
Duo Storage for Post & B	58.51%	60.50%	60.50% or more*
462 Leap	58.75%	59.75%	59.75% or more*
Kick	59.00%	62.00%	62.00% or more*
Kick Freestanding Casegoods	59.00%	62.00%	62.00% or more*
Avenir	60.00%	62.00%	62.00% or more*
TS Laterals	60.12%	62.38%	62.38% or more*
Answer Beam	61.00%	63.03%	63.03% or more*
Answer Fence	61.00%	63.03%	63.03% or more*
Standard Lighting	61.00%	64.50%	64.50% or more*
Utility Lighting	61.00%	64.50%	64.50% or more*
453 Criterion	61.00%	62.00%	62.00% or more*
Answer	61.00%	63.03%	63.03% or more*
Answer Freestanding Desking	61.00%	63.03%	63.03% or more*
Univ ITC/OTC Bins/Shelves	61.00%	63.03%	63.03% or more*
Univ Pedestals	61.00%	63.03%	63.03% or more*
Universal System Screens	61.00%	63.03%	63.03% or more*
Universal System Worksurface	61.00%	63.03%	63.03% or more*
Universal Tables	61.00%	63.03%	63.03% or more*
Akira Tables	48.41%	51.75%	51.75% or more*
Architectural Modular Power	51.18%	53.56%	53.56% or more*
FitWork	43.00%	44.70%	44.70% or more*
Kart Seating	48.41%	51.36%	51.36% or more*
Low Profile Floor	51.18%	53.56%	53.56% or more*
Pathways Power & Communication	57.21%	61.30%	61.30% or more*
Premium Whiteboard	49.36%	52.12%	52.12% or more*
QT Pro	51.18%	53.56%	53.56% or more*
RoomWizard 2.0	46.52%	46.52%	46.52% or more*
Runner Tables	48.41%	51.75%	51.75% or more*
Steelcase Series 1	55.62%	57.00%	57.00% or more*
TS Bins & Shelves	60.12%	61.75%	61.75% or more*
TS Fixed Pedestals	60.12%	61.75%	61.75% or more*
TS Large Storage Cabinets	60.12%	62.05%	62.05% or more*
TS Mobile Pedestals	60.12%	61.75%	61.75% or more*
TS Tower Too	60.12%	61.75%	61.75% or more*
TS Underworksurface Latera	60.12%	61.75%	61.75% or more*
TS Worksurfaces	60.12%	61.75%	61.75% or more*
Service Parts   Steelcase Health	35.00%	35.00%	35.00% or more*
Balance of Steelcase Health (other than Exceptions below)	45.00%	47.00%	47.00% or more*
Ainsley	45.00%	47.00%	47.00% or more*
Convey	45.00%	47.00%	47.00% or more*
Cura Seating	45.00%	47.00%	47.00% or more*
Davenport	45.00%	47.00%	47.00% or more*
Embold	45.00%	47.00%	47.00% or more*
Empath Recliner Seating	45.00%	47.00%	47.00% or more*
Exchange Tables	45.00%	47.00%	47.00% or more*



Steelcase Products	Price List / Order Size (in CAD/USD)		
	Discounts off List		
	Drop Ship		
	\$1 - \$50,000 List	\$50,001 - \$150,000 List	\$150,001 list and above
Folio	45.00%	47.00%	47.00% or more*
Leela	45.00%	47.00%	47.00% or more*
Mineral Recliner Seating	45.00%	47.00%	47.00% or more*
Mobile Overbed Tables	45.00%	47.00%	47.00% or more*
Opus	45.00%	47.00%	47.00% or more*
Park	45.00%	47.00%	47.00% or more*
Pocket	45.00%	47.00%	47.00% or more*
Regard	45.00%	47.00%	47.00% or more*
Senza	45.00%	47.00%	47.00% or more*
Sonata	45.00%	47.00%	47.00% or more*
Surround	45.00%	47.00%	47.00% or more*
Sync	45.00%	47.00%	47.00% or more*
Tava	45.00%	47.00%	47.00% or more*
Waldorf	45.00%	47.00%	47.00% or more*
Service Parts   Turnstone	35.00%	35.00%	35.00% or more*
Balance of Turnstone (other than Exceptions below)	54.00%	57.00%	57.00% or more*
Balance of West Elm (other than Exceptions below)	49.00%	50.50%	50.50% or more*
Service Parts   Wood	35.00%	35.00%	35.00% or more*
Victor2	50.00%	51.83%	51.83% or more*
Mackinac	50.50%	55.00%	55.00% or more*
FlexFrame	52.00%	55.00%	55.00% or more*
Verlay	52.50%	54.57%	54.57% or more*
Currency	54.00%	57.00%	57.00% or more*
Payback	54.00%	57.00%	57.00% or more*
Sawyer	54.00%	57.00%	57.00% or more*
Elective Elements	54.88%	57.93%	57.93% or more*
Siento Seating	50.17%	52.94%	52.94% or more*
Balance of Wood (other than Exceptions below)	50.17%	52.94%	52.94% or more*
Service Parts   Worktools	35.00%	35.00%	35.00% or more*
Mobile Power	48.13%	51.22%	51.22% or more*
Balance of Worktools (other than Exceptions below)	49.00%	52.29%	52.29% or more*

Partner Products	Price List / Order Size (in CAD/USD)		
	Discounts off Partner MSRP		
	Drop Ship		
	\$1 - \$50,000 Partner MSRP	\$50,001 - \$150,000 Partner MSRP	\$150,001 Partner MSRP and above
Moooli Carpets	6.88%	9.76%	9.76% or more*
Moooli	6.88%	9.76%	9.76% or more*
Uhuru	6.88%	9.76%	9.76% or more*
Bolia	8.75%	10.98%	10.98% or more*
Mitchell Gold + Bob W.	18.75%	21.95%	21.95% or more*
Extremis	22.50%	24.39%	24.39% or more*
FLOS Lighting	6.25%	8.54%	8.54% or more*



<b>PRODUCTS AND PRICING (continued)</b>
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<b>FOR DELIVERIES IN THE UNITED STATES AND CANADA (continued)</b>
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Smart + Connected Products	Price List / Order Size (in CAD/USD)		
	Discounts off List		
	Drop Ship		
	\$1 - \$50,000 List	\$50,001 - \$150,000 List	\$150,001 list and above
Workplace Advisor Hardware	33.33%	36.54%	36.54% or more*
Smart Connected Subscription	47.06%	50.00%	50.00% or more*
Live Map Setup	37.50%	39.63%	39.63% or more*

**\*Mutually agreed upon discount to be arrived at between Member, Dealer, and Steelcase. However, the discount to Member shall be no less than the discount in the preceding tier of that pricing category.**

#### EXCEPTIONS

- All Price Lists: New Products.
- Coalesce Price Lists: Arzu, Nanimarquina Collection.

#### OTHER

- Terms and conditions for the delivery and installation of architectural products will be negotiated on a project-by-project basis.
- Orders from more than one Price List may be combined for the purpose of defining Order Size (e.g. Steelcase Steel, Steelcase Wood, and Steelcase Worktools.)
- For Canadian Orders, the list-dollar amounts will be converted into Canadian Dollars (CAD) using the exchange factor of the corresponding Price List, and the discount will be applied to the applicable Steelcase Canada Price List(s).

**PARTNER PRODUCTS** - A general term which includes third party products sold in accordance with this Agreement. Partner Products include: FLOS Lighting, Mitchell Gold + Bob Williams, Bolia, Extremis, Moooi, Uhuru. Notwithstanding anything to the contrary, Product list-price adjustments for Partner Products will be made in conjunction with the price adjustments of Partner Products' manufacturers and are not subject to written notification to Member. The product selection evolves over time; availability is confirmed upon request at time of order. Any intellectual property related to Partner Products sold under this Agreement will be owned and retained by the manufacturer of such Products. Orders for Partner Products are not subject to change or cancellation without charge once the Order has been received. Steelcase will pass along any warranty with respect to Partner Products.

**SMART + CONNECTED PRODUCTS** – A general term which includes Steelcase's technology products which are geared towards workplace optimization and analytics. Smart + Connected Products include: Workplace Advisor Hardware, Smart Connected Subscription, Live Map Setup. Notwithstanding anything to the contrary, the terms and conditions of any master agreement which may result from this RFP will not apply to Smart + Connected Products. In order to activate any services related to the listed Smart + Connected Products, such Member must enter into a separate agreement with Steelcase.

**APPLIED RESEARCH + CONSULTING** - Through a team of experienced consultants, ARC brings deep knowledge to our customers and delivers benefits that typically include alignment of the workspace strategy, business strategy and desired behaviors; validation of how people work and interact with others—and their work environment; a co-created, integrated solution that supports the business direction; development of higher performing solutions; and employee and leadership buy-in for the proposed solution. Notwithstanding anything to the contrary, Applied Research + Consulting will not be subject to reporting or administrative fee payment for Contract Sales Activity unless otherwise agreed to in writing by Steelcase on a case-by-case basis.

**WORKPLACE TOOLS + RESOURCES** - Through a combination of asking, observing, and creating experiences to bring a deeper understanding of the explicit, tacit, and latent needs to be uncovered. WT+R can host discovery exercises and collaborative situation workshops with Sourcewell Members that focus on understanding workplace issues of your organization and user needs. They also offer concept reviews of applications that help our customers to visualize the ways Steelcase products can support specific workplace needs in place, posture, and control. Notwithstanding anything to the contrary, Workplace Tools + Resources will not be subject to reporting or administrative fee payment for Contract Sales Activity unless otherwise agreed to in writing by Steelcase on a case-by-case basis.



**PRODUCTS AND PRICING (continued)**

**DEALER SERVICES AND RATES**

The rates below are subject to periodic rate increases, subject to prior written notification from Steelcase. Other terms may apply due to specific scope and will be quoted by the Dealer on a case-by-case basis. Rates are ceiling-based rates.

SERVICE FEES	RATES
<b>UNION/PREVAILING WAGE INSTALLATION/REPAIR/DELIVERY</b>	
Standard Straight Time, per hour*	Per Local Rates
Time and Half, per hour*	Per Local Rates
Double Time, per hour*	Per Local Rates
<i>*Added Terms may apply, minimums, after hours, Sundays, holidays, etc.</i>	
<b>NON-UNION WAGE INSTALLATION/REPAIR/DELIVERY</b>	
Standard Straight Time, per hour*	\$80.00
Time and Half, per hour*	\$120.00
Double Time, per hour*	\$160.00
<i>*Added Terms may apply, minimums, after hours, Sundays, holidays, etc.</i>	
<b>PROJECT MANAGEMENT/COORDINATION &amp; DESIGN SERVICES</b>	
Project Management/Coordination, per hour	\$100.00
Field Verifications	\$90.00 per hour
Floor Core locations	
Inventory of existing product in field	
Coordination of electrical	
Design Programming with schematic design	
Space Planning	
Occupancy Planning/CAD Drafter	
Test Fits	
Accessorizing	
Architectural Finish Selection	
Strategic Planning Services	\$150.00
Reconfiguration of existing product with or without new product	\$125.00
Furniture Renderings: depending on type requested	\$150 to \$600 each
Virtual Reality Simulation	Quoted to scope
<b>WAREHOUSE &amp; ASSET MANAGEMENT</b>	
Storage	\$5 per cubic ft per month
Asset Management	\$90.00 per hour
Long Term Asset Management of products (per separate Agreement)	Quoted to scope
Ins and Outs	
On-Site Asset Management	
<b>MOVE MANAGEMENT</b>	
Decommissioning Services	Quoted to scope
Move Management Services	



<b>PRODUCTS AND PRICING (continued)</b>
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<b>DEALER SERVICES AND RATES (continued)</b>
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SERVICE FEES	RATES
<b>MAINTENANCE/REPAIR/REFURBISHING</b>	
Maintenance* – Servicing accessories: locks, chairs, keyboards, monitor arms, etc.  <i>*Added Terms may apply, minimums, after hours, Sundays, holidays, etc.</i>	\$80.00/hr. Std. Straight Time \$120.00/hr. Time & Half \$160.00/hr. Double-time
Maintenance* - Repair, Refinishing, Touch up, trim repainting; laminate trim/edge repairs  <i>*Added Terms may apply, minimums, after hours, Sundays, holidays, etc.</i>	\$80.00-\$130.00/hour Std. Straight Time Plus Travel
Fabric Cleaning*: seating and panel  <i>*Added Terms may apply, minimums, after hours, Sundays, holidays, etc.</i>	\$35.00 each piece* Plus Travel
Seating fabric-guarding* (task, desk, and side chairs)  <i>*Added Terms may apply, minimums, after hours, Sundays, holidays, etc.</i>	\$35.00 per chair* Plus Travel
Leather Seating Upholstery Cleaning	Quoted to scope
<b>MISCELLANEOUS</b>	
Supplier Personnel travel expenses	Member's Prior Approval
Disposal/Recycling	Quoted to scope

Travel expenses will be quoted extra.

#### Additional Services

Rates submitted for services are ceiling-based rates which will vary based on pricing variables such as varying site conditions, hours of installation, size of projects, and other factors. These rates are ceiling-based, and therefore we encourage Sourcewell Members to negotiate lower rates for these services on a project-by-project basis with authorized Steelcase Dealers, when more specific project information is known.

#### Union or Prevailing Wage

Where applicable, servicing Dealers will abide by union or prevailing wage rates and quote accordingly.

#### Customer Own Material ("COM")

Customer Own Material ("COM") includes fabric, laminates, and non-contracted ancillary products. COMs are allowed and may include an associated dealer mark-up and in some cases a freight charge, depending on the COM selected by the Member. COM mark-up will have a 35% ceiling.

#### Additional Charges May Apply For:

- Orders of an aggregate unit quantity, example of 1 - 10 chairs, desks, files, peds, etc. - CB \$300 fee per delivery.
- Major Metro Markets and any non-ground floor installation: CB 1% - 3.5% of list product value
  - Major Metro Markets include large population centers and urban environments.
- Installation in a clinical/medical environment: CB 1% - 3.5% of list product value
- Special restrictions or limits established by local laws, ordinances, or the directions of the Member, including yet not limited to restrictions on transportations of materials, street access to the job site and/or dock facilities: CB 1% - 3.5% of list product value
- Installations outside normal service area, which is typically a 25-mile radius of the servicing dealer: CB 2% of list product value.
- Local Prevailing Wage and/or Union Labor Rates
- Any additional charges shall be quoted by the dealer and approved by the Member prior to performance of the work.
- "CB" = Ceiling Based



<b>PARTICIPATING DEALERS</b>
------------------------------

<b>LIST OF PARTICIPATING STEELCASE DEALERS</b>
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Participating Dealers as of the date of this Agreement are listed below. Additions to and/or deletions from this list may be requested at any time by Sourcewell. The most current listing of authorized Steelcase dealers can be consulted at [WWW.STEELCASE.COM](http://WWW.STEELCASE.COM).

Sourcewell may add or delete an authorized dealer to participate in this Agreement at its discretion. In such event, Sourcewell shall provide a written notification to Steelcase. In the event that Sourcewell desires to add an authorized dealer, Steelcase will secure such authorized dealer's written acceptance of the terms of the Agreement. In the event of a deletion, such deletion will become effective thirty (30) days from receipt of Sourcewell's written notification.

Changes to this Exhibit [ ] need not be incorporated into a written amendment to the Agreement.

**UNITED STATES:**

**CANADA:**



<b>ORDERS - PROCEDURE; CANCELLATION AND CHANGES</b>
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**A. Procedure**

Member shall initiate orders by sending to Dealer a written or electronically transmitted (EDI) purchase order ("Order") containing the minimum required information listed below:

- Member's Order reference number.
- Designation of Products (e.g., style number) and/or services covered by the Order.
- Designation of surface materials.
- Quantity ordered.
- Price.
- Requested delivery date.
- "Ship to" address including contact name, dock information, etc.
- Billing address for invoices.
- Any special shipping or handling requirements.

Dealer and Steelcase will use their best efforts to comply with delivery dates requested by Member on Orders. For Large Orders, Steelcase recommends that Member provide as much notice as possible to Dealer in advance of the Order to reserve manufacturing capacity. Dealer shall acknowledge receipt of each Order to Member, noting the acknowledged Steelcase ship from factory and scheduled local delivery dates.

**B. Cancellation and Changes**

Member shall have the right to change or cancel any Order by delivering written notice to Dealer. Except as otherwise provided herein, any such change or cancellation shall be without charge prior to commencement of production of such Order. If production has begun (including the ordering of parts and materials), a charge may be applied up to the full invoice amount of the Order.



**DELIVERY AND INSTALLATION PROVISIONS**

Whenever delivery and/or installation is performed by Dealer, the following general provisions shall apply:

**A. Labor Charges**

Installation will be performed by an authorized Steelcase dealer and is based on delivery during normal working hours within the authorized Steelcase dealer's standard service area, utilizing non-union labor. Additional labor charges may result from the following, and shall be confirmed to Member in advance:

- Work performed outside of the normal working hours at Member's request.
- Delivery and Installation outside the standard service area, which is typically outside of a 25-mile radius from a servicing dealer.
- Use of union labor due to trade regulations.
- Installation of, or work in connection with, furniture lighting, HVAC, cabling, wiring, prewired panels, power hook-up and various electrical work.
- Work disruptions due to other trades, unions or subcontractors.

**B. Special Markings, Packaging or Handling**

If special markings, packaging or handling is requested by Member, it may be subject to additional charges.

**C. Condition of Job Site**

The job site shall be clean and free of debris prior to installation. Adequate facilities for offloading, staging, moving, and handling of Products shall be provided without charge by Member.

**D. Job Site Service**

Electric current, heat, hoisting and/or elevator service, and containers for the disposal of packing materials will be furnished without charge by Member.

**E. Storage**

In the event that physical delivery and/or installation are delayed at Member's Designated Location due to causes outside the control of Dealer or Steelcase, the Products will be stored at Member's expense. All charges related to the delay (e.g., storage costs, labor for loading and unloading) will be confirmed to Member by Dealer at the time of the delay. Invoices for Products placed into storage will be sent by Dealer to Member to be paid as if the Products had been delivered as scheduled.

After the Products arrive at the designated site, safe and adequate storage space will be provided by Member if immediate installation cannot be accomplished. If the space provided is inadequate, requiring excessive sorting or movement, a charge may be applied based upon agreement between Member and Dealer.

**F. Assembly**

Dealer's ability to assemble Products shipped knocked down or to attach, affix, or bolt in place movable Products is sometimes dependent on union jurisdictional agreements. If trade regulations in force at the time of installation require the use of union tradesmen or tradesmen other than Dealer's own installation personnel at the site, all resulting additional charges (e.g., the differential between union's or other tradesmen's hourly rate and the non-union hourly rate of Dealer's personnel) will be paid by Member.

**G. Damage**

Pursuant to the applicable Incoterm, any loss or damage to the Products by weather, other trades (such as painting or plastering), fire, or other elements shall be the responsibility of Member after the Products are delivered by Dealer; and Member agrees to hold Dealer harmless from loss for such reason. Notwithstanding the foregoing, however, any loss or damage to the Products caused by Dealer, its employees or subcontractors during installation shall be the responsibility of Dealer.

**H. Insurance**

During the term of this Agreement, Dealer and Steelcase will each maintain all applicable insurance coverage consistent with local insurance requirements and local practices, adequate to meet their liabilities under the Agreement; and Dealer's insurance shall be primary. Insurance certificates are available from Dealer or Steelcase



upon request. Fire, tornado, flood, earthquake, windstorm, and other all risks insurance coverage and other applicable insurance at the site will be the responsibility of Member (including any deductibles thereunder).





## City of Port Orchard

216 Prospect Street, Port Orchard, WA 98366  
(360) 876-4407 • FAX (360) 895-9029

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### Agenda Staff Report

Agenda Item No.: Public Hearing 5A  
Subject: Ordinance Approving the First Amendment  
to the McCormick Communities Development  
Agreement for Transportation

Meeting Date: December 19, 2023  
Prepared by: Nicholas Bond  
DCD Director  
Atty Routing No.: N/A  
Atty Review Date: N/A

**Summary:** On February 1, 2021, the City of Port Orchard and McCormick Communities, LLC entered into a Development Agreement for the purpose of establishing transportation improvements and concurrency for the McCormick Woods development project. Section 9 of that Development Agreement establishes the number of lots and peak pm trips that can be constructed/generated in McCormick Woods. Through this amendment request, McCormick Communities, LLC desires to modify these numbers so that the maximum number of lots is aligned with the maximum number of peak pm trips already approved in the Development Agreement. This First Amendment does not change any impact fee credits, concurrency, development standards, or entitlements for any parcels that may be covered by the original Development Agreement and that have since been sold by McCormick to other parties.

The application for the development agreement was submitted in accordance with POMC 20.26 (Development Agreements) on September 13, 2023. This public hearing was noticed consistent with the requirements of POMC 20.25 on December 5, 2023. As of the date of this report, the Department of Community Development has not received comments regarding the Development Agreement. The City of Port Orchard SEPA Responsible Official issued a Determination of Non-Significance for the project on December 24, 2020. The SEPA Determination was not appealed.

**Relationship to Comprehensive Plan:** The original Development Agreement included two transportation projects (Campus Parkway Roundabout, and McCormick Woods Drive/Old Clifton Road Roundabout) on the City's adopted Transportation Improvement Program (TIP), which is incorporated into the Comprehensive Plan by reference. These projects are also included in Table 8.7.2 of the of the Comprehensive Plan's Transportation Element. These projects remain in this First Amendment to the Development Agreement, with only minor changes to required timelines.

**Recommendation:** Staff recommends that the City Council hold a public hearing regarding the First Amendment to the Development Agreement between the City of Port Orchard and McCormick Communities, LLC. as presented.

**Fiscal Impact** [from original development agreement]: The proposed agreement will result in the developer constructing two projects that are listed on the City's Transportation Improvement Program saving the city money and staff resources. The agreement provides an offsetting traffic impact fee credit for these



improvements which will reduce impact fee revenue by \$1,000 per house in the McCormick area until the credit is exhausted. The project also allows for the creation of a single citywide impact fee program which will allow impact fee funds to be used on any eligible project anywhere in the city regardless of where the development triggering the fee payment occurs.

**Fiscal Impact** [from First Amendment to Development Agreement]: By matching the number of lots to the maximum number of peak pm trips already approved in the Development Agreement, which will allow for 57 additional units that will receive the impact fee credit of \$1,000 per house in the McCormick area before the credit is exhausted.

**Alternatives:** Do not approve the Development Agreement; request changes to the Development Agreement.

**Attachments:** See the attachments associated with Business Item 7A.





## City of Port Orchard

216 Prospect Street, Port Orchard, WA 98366  
(360) 876-4407 • FAX (360) 895-9029

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### Agenda Staff Report

Agenda Item No.: Business Item 6A  
Subject: Adoption of an Ordinance Approving the  
First Amendment to the McCormick  
Communities Development Agreement

Meeting Date: December 19, 2023  
Prepared by: Nicholas Bond  
DCD Director  
Atty Routing No.: N/A  
Atty Review Date: N/A

**Summary:** On February 1, 2021, the City of Port Orchard and McCormick Communities, LLC entered into a Development Agreement for the purpose of establishing transportation improvements and concurrency for the McCormick Woods development project. Section 9 of that Development Agreement establishes the number of lots and peak pm trips that can be constructed/generated in McCormick Woods. Through this amendment request, McCormick Communities, LLC desires to modify these numbers so that the maximum number of lots is aligned with the maximum number of peak pm trips already approved in the Development Agreement. This First Amendment does not change any impact fee credits, concurrency, development standards, or entitlements for any parcels that may be covered by the original Development Agreement and that have since been sold by McCormick to other parties.

The application for the development agreement was submitted in accordance with POMC 20.26 (Development Agreements) on September 13, 2023. This public hearing was noticed consistent with the requirements of POMC 20.25 on December 5, 2023. As of the date of this report, the Department of Community Development has not received comments regarding the Development Agreement. The City of Port Orchard SEPA Responsible Official issued a Determination of Non-Significance for the project on December 24, 2020. The SEPA Determination was not appealed.

**Relationship to Comprehensive Plan:** The original Development Agreement included two transportation projects (Campus Parkway Roundabout, and McCormick Woods Drive/Old Clifton Road Roundabout) on the City's adopted Transportation Improvement Program (TIP), which is incorporated into the Comprehensive Plan by reference. These projects are also included in Table 8.7.2 of the of the Comprehensive Plan's Transportation Element. These projects remain in this First Amendment to the Development Agreement, with only minor changes to required timelines.

**Recommendation:** Staff recommends that the City Council vote to adopt an ordinance approving the First Amendment to the 2023 McCormick Woods development agreement for transportation.

**Motion for Consideration:** "I move to approve an ordinance approving the 2023 First Amendment to the McCormick Woods development agreement for transportation."



**Fiscal Impact:** [from original development agreement]: The proposed agreement will result in the developer constructing two projects that are listed on the City's Transportation Improvement Program saving the city money and staff resources. The agreement provides an offsetting traffic impact fee credit for these improvements which will reduce impact fee revenue by \$1,000 per house in the McCormick area until the credit is exhausted. The project also allows for the creation of a single citywide impact fee program which will allow impact fee funds to be used on any eligible project anywhere in the city regardless of where the development triggering the fee payment occurs.

**Alternatives:** Do not approve the First Amendment to the Development Agreement; request additional changes to the Development Agreement.

**Attachments:** Ordinance; 2023 Development Agreement; Exhibits to 2023 Development Agreement



**ORDINANCE NO. \_\_\_\_**

**AN ORDINANCE OF THE CITY OF PORT ORCHARD, WASHINGTON,  
AUTHORIZING THE MAYOR TO AMEND AN EXISTING DEVELOPMENT  
AGREEMENT WITH MCCORMICK COMMUNITIES, LLC; PROVIDING FOR  
CORRECTIONS; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, pursuant to RCW 36.70B.170, the City Council has the authority to review and enter into development agreements that govern the development and use of real property within the City; and

**WHEREAS**, the City Council has adopted standards and procedures governing the City's use of development agreements, codified at Chapter 20.26 of the Port Orchard Municipal Code (POMC); and

**WHEREAS**, in January 2021, the City and McCormick Communities, LLC entered into a Development Agreement to address the design, construction, and funding of certain transportation improvements within and near the McCormick Woods development in the vicinity of Old Clifton Road and Campus Parkway, as provided in "Exhibit A" of this Ordinance; and

**WHEREAS**, McCormick Communities is requesting to update this previously approved development agreement to correct a discrepancy between the number of peak pm trips and the number of housing units covered by the proposed development agreement; and

**WHEREAS**, on December 9, 2020, the City's SEPA official issued a determination of non-significance for the proposed development agreement and consolidated permits under the Optional DNS process, and there have been no appeals; and

**WHEREAS**, on December 19, 2023, the City Council held a public hearing on the proposed amendment to the development agreement, and (comments received/not received, etc); and

**WHEREAS**, the City Council, after careful consideration of the development agreement and all public comments and testimony, finds that the revised development agreement is consistent with the City's Comprehensive Plan and development regulations, the Growth Management Act, Chapter 36.70A RCW, and that the amendments herein are in the best interests of the residents of the City; now, therefore,

**THE CITY COUNCIL OF THE CITY OF PORT ORCHARD, WASHINGTON, DO ORDAIN AS  
FOLLOWS:**



**SECTION 1.** The City Council adopts all of the “Whereas” sections of this ordinance and all “Whereas” sections of the Development Agreement as findings in support of this ordinance.

**SECTION 2.** The City Council approves of and authorizes the Mayor to execute a development agreement with McCormick Communities, LLC and McCormick Land Company, as provided in “Exhibit A” of this Ordinance.

**SECTION 3. Severability.** If any section, sentence, clause or phrase of this Ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity of constitutionality of any other section, sentence, clause or phrase of this Ordinance.

**SECTION 4. Corrections.** Upon the approval of the city attorney, the city clerk and/or code publisher is authorized to make any necessary technical corrections to this Ordinance, including but not limited to the correction of scrivener’s/clerical errors, references, Ordinance numbering, section/subsection numbers, and any reference thereto.

**SECTION 5. Effective Date.** This Ordinance shall be published in the official newspaper of the city and shall take full force and effect five (5) days after posting and publication as required by law. A summary of this Ordinance may be published in lieu of publishing the entire Ordinance, as authorized by state law.

**SECTION 6. Appeals.** Since the Development Agreement is related to a project permit application, the provisions of chapter 36.70C RCW shall apply to the appeal of the decision of the development agreement.

PASSED by the City Council of the City of Port Orchard, APPROVED by the Mayor and attested by the City Clerk in authentication of such passage this 19th day of December 2023.

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Robert Putaansuu, Mayor

ATTEST:

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Brandy Wallace, MMC, City Clerk



APPROVED AS TO FORM:

SPONSOR:

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Charlotte A. Archer, City Attorney

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\*\*\*\*, Council Member

PUBLISHED:

EFFECTIVE DATE:



EXHIBIT A: MCCORMICK COMMUNITIES, LLC, DEVELOPMENT AGREEMENT



**FIRST AMENDMENT TO DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF PORT ORCHARD AND MCCORMICK COMMUNITIES, LLC FOR THE DEVELOPMENT AND FUNDING OF CERTAIN TRANSPORTATION IMPROVEMENTS**

**THIS FIRST AMENDMENT TO DEVELOPMENT AGREEMENT FOR THE DEVELOPMENT AND FUNDING OF CERTAIN TRANSPORTATION IMPROVEMENTS (“Amendment Agreement”)** is entered into between the City of Port Orchard, a Washington municipal corporation (“City” or “Port Orchard”) and McCormick Communities, LLC, a Washington limited liability company (“McCormick”). City and McCormick are each a “Party” and together the “Parties” to this Amendment Agreement.

**RECITALS:**

**WHEREAS**, on February 1, 2021 the Parties entered into a Development Agreement for the purposes of establishing transportation improvements and concurrency for the McCormick Woods development project; and

**WHEREAS**, Section 9 of the Development Agreement establishes the number of lots and peak pm trips that can be constructed/generated in McCormick Woods and the Parties desire to modify these numbers such that the maximum number of lots is aligned with the maximum number of peak pm trips already approved in the Development Agreement; and

**WHEREAS**, McCormick is the owner of all parcels that will be impacted by the concurrency change; and

**WHEREAS**, this First Amendment does not change any impact fee credits, concurrency, development standards, or entitlements for any parcels that may be covered by the Development Agreement and that have since been sold by McCormick to other parties, therefore, none of the other owners are parties hereto as their rights are not affected; and

**WHEREAS**, the properties impacted by this Amendment are shown on **Exhibit D** which is attached to this Amendment; and

**WHEREAS**, McCormick Land Company’s rights under the Development Agreement are not impacted by this First Amendment, therefore, they are not a party hereto; and

**WHEREAS**, in consideration of the promises and undertakings described above together with those in the Development Agreement, the City and McCormick agree as follows:



## **AGREEMENT:**

1. **Development Agreement affirmed.** The Development Agreement is affirmed except as modified by this Amendment Agreement.

2. **Exhibits.** Section 4 “Exhibits” of the Development Agreement is hereby amended to read as follows:

**Section 4. Exhibits.** Exhibits to this Agreement are as follows:

- a) **Exhibit A-1** – Parcel numbers of the McCormick Property that are subject to impact fee credit.
- b) **Exhibit A-2** – Map depicting the boundaries of the McCormick Property that are subject to the impact fee credit in this Agreement.
- c) **Exhibit B-1** – Parcel numbers of the McCormick Property with vested concurrency.
- d) **Exhibit B-2** – Map depicting the boundaries of the McCormick Property with vested concurrency.
- e) **Exhibit C** – Map showing the original boundaries for the 2005 Transportation DA which remains the reimbursement area for MLC.
- f) **Exhibit D** – Map showing properties impacted by this Amendment.

3. **Concurrency.** Section 9 “Concurrency” of the Development Agreement is hereby amended to read as follows:

**Section 9. Concurrency.** The Parties agree that City streets affected by development of the McCormick Property have the capacity to serve the McCormick Property in compliance with the City’s concurrency requirements so long as such development does not result in the generation of more than 3,806 PM peak hour trips, which is the number of remaining trips identified in Section 9 of the 2005 Transportation DA reserved for the McCormick Property identified on Exhibits B-1 and B-2. This remaining concurrency provided in the 2005 Transportation DA is being carried forward for the duration of this Agreement as set forth below. These trips are available as of December 15, 2020.

Area	Available PM Peak Trips	Lots/Units for Residential <sup>1</sup>	Map Designation on Ex. C
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FIRST AMENDMENT TO McCORMICK TRANSPORTATION DA

Page 2

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McCormick North			North
<ul style="list-style-type: none"> <li>Village local center (residential + commercial)</li> </ul>	659	(See Note 1)	North
<ul style="list-style-type: none"> <li>Single Family Residential</li> </ul>	312	315	North
<b>Total McCormick North</b>	<b>971</b>		
McCormick West			West
<ul style="list-style-type: none"> <li>Multifamily</li> </ul>	415	419	West
<ul style="list-style-type: none"> <li>Single Family Residential</li> </ul>	1,530	1,545	West
<b>Total McCormick West</b>	<b>1,945</b>		
McCormick Woods	697	<u>697</u> 640	Wd
McCormick Woods Retail	63	N/A	Wd
McCormick Woods Conference (Golf Facilities)	122	N/A	GC
McCormick Woods legacy lots	8	8	Not depicted
<b>Total McCormick Woods</b>	<b>890</b>		
<b>Grand Total</b>	<b>3,806</b>		

<sup>1</sup> There are 659 PM Peak Trips available within the Village local center. Residential PM Peak Trips will be calculated per unit and commercial PM Peak trips will be calculated by use type and square footage.

The defined areas for the assigned concurrency numbers above are listed by parcel number on Exhibit B-1 and shown (except for the eight legacy lots, which are vacant lots in prior subdivisions) on Exhibit B-2, which Exhibits are attached hereto and incorporated herein by this reference as if set forth in full. Residential development shall be limited by either the PM peak hour trips or the number of units, whichever is more restrictive. Commercial development shall be limited only by the PM peak hour trips. To the extent that McCormick in the future proposes residential or commercial development within the McCormick Property that will generate more than the number of PM peak hour trips shown in the above table, the City will make a new concurrency determination regarding the capacity of its street system at that time.



4. **Project Schedule.** Section 10 “Project Schedule” of the Development Agreement is hereby amended to read as follows:

**Section 10. Project Schedule.** The Developer will commence construction of the two McCormick Projects on the following schedule:

- a) Work on the roundabout at the intersection of Old Clifton Road and Campus Parkway (Project ID #1.5C on the City’s TIP) (Permits #PW20-031 and PW20-032) shall commence no later than June 30, 2021, and Developer will complete construction in a timely and workmanlike manner. Such work shall be completed no later than September 30, 2022.
- b) Developer will submit a complete set of plans and permit applications for a roundabout at the intersection of Old Clifton Road and McCormick Woods Drive (Project ID #2.08) no later than ~~June 1, 2023~~ January 31, 2025 and McCormick will commence construction of said roundabout no later than June 1, ~~2024~~2026, provided that the City has before then acquired the additional land, not owned by Developer, that is needed for this roundabout; and Developer will complete construction in a timely and workmanlike manner. Such work shall be completed no later than ~~September~~October 30, 20252027, so long as the City has acquired ~~the land necessary~~ any necessary additional right of way and issued the permits for the roundabout before June 1, ~~2024~~2026. If the City has not acquired ~~the land necessary~~ any necessary additional right of way or issued the permits for the roundabout before June 1, ~~2024~~2026, but does so more than 24 months before expiration of ~~this~~ Development Agreement, Developer shall construct the roundabout with 24 months of such acquisition and/or permit issuance, whichever occurs later.

5. **Default.** Failure or delay by either Party to perform any term or provision of this Amendment Agreement shall constitute a default. In the event of alleged default or breach of any terms or conditions of this Amendment Agreement, the Party alleging such default or breach shall give the other Party not less than thirty (30) days’ notice in writing, specifying the nature of the alleged default and the manner in which said default may be cured. During this thirty (30) day period, the Party charged shall not be considered in default for purposes of termination or institution of legal proceedings.

After notice and expiration of the thirty (30) day period, if such default has not been cured or is not being diligently cured in the manner set forth in the notice, the other Party to this Amendment Agreement may, at its option, institute legal proceedings pursuant to this Amendment Agreement.



6. **Non-Waiver of Breach.** The failure of a Party to insist upon strict performance of any of the covenants and agreements contained herein, or to exercise any option herein conferred in one or more instances shall not be construed to be a waiver or relinquishment of said covenants, agreements, or options, and the same shall be and remain in full force and effect.

7. **Conflict.** In the event of any conflict between this Amendment Agreement and the Port Orchard Municipal Code, this Amendment Agreement shall control.

8. **Resolution of Disputes and Governing Law.** If any dispute arises between the City and McCormick under any of the provisions of this Amendment Agreement, jurisdiction of any resulting litigation shall be filed in Kitsap County Superior Court, Kitsap County, Washington. This Amendment Agreement shall be governed by and construed in accordance with the laws of the State of Washington. The non-prevailing party in any action brought to enforce this Amendment Agreement shall pay the other Parties' expenses and reasonable attorney's fees.

9. **Written Notice.** All written communications regarding enforcement or alleged breach of this Amendment Agreement shall be sent to the parties at the addresses listed below, unless notified to the contrary. Unless otherwise specified, any written notice hereunder shall become effective upon the date of both emailing and mailing by registered or certified mail, and shall be deemed sufficiently given if sent to the addressee at the address stated below:

**McCORMICK:**

Eric Campbell  
12332 NE 115th Place  
Kirkland, WA 98033  
[eric@mispgroupllc.com](mailto:eric@mispgroupllc.com)

Nick Tosti  
805 Kirkland Avenue, Suite 200  
Kirkland, WA 98033  
[nicktosti@gmail.com](mailto:nicktosti@gmail.com)

**CITY:**

Rob Putaansuu, Mayor  
City of Port Orchard  
216 Prospect Street  
Port Orchard WA 98366  
[rputaansuu@cityofportorchard.us](mailto:rputaansuu@cityofportorchard.us)

A copy shall also be transmitted to the City Clerk at the above address

10. **Modification.** No waiver, alteration, or modification of any of the provisions of this Amendment Agreement shall be binding unless in writing and signed by a duly authorized representatives of the City and McCormick.

11. **Severability.** The provisions of this Amendment Agreement are declared to be severable. If any provision of this Amendment Agreement is for any reasons held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other provision.



**12. Good Faith and Due Diligence.** The Parties agree to perform all obligations under this Amendment Agreement in good faith and with due diligence.

**13. Impact of First Amendment.** As set forth in the Recitals above and as shown on Exhibit D, McCormick Communities, LLC is the only property owner that is bound by the Development Agreement that is impacted by this First Amendment. This First Amendment does not change any impact fee credits, concurrency, development standards, or entitlements for any parcels that may be covered by the Development Agreement and that have since been sold by McCormick to other parties, therefore, none of the owners other than McCormick Communities, LLC are parties to this First Amendment as their rights are not affected. Therefore, given the limited nature and impacts of this First Amendment, only McCormick Communities, LLC and the City need to be parties to this First Amendment and no other parties who may otherwise be bound by the Development Agreement need to participate in this First Amendment.

**IN WITNESS WHEREOF**, the Parties have executed this Amendment Agreement on this \_\_\_\_ day of \_\_\_\_\_, 2023.

**MCCORMICK COMMUNITIES, LLC**

**CITY OF PORT ORCHARD**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Its: Mayor

**APPROVED AS TO FORM:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Patrick Schneider  
Attorney for McCormick Communities

\_\_\_\_\_  
Jennifer S. Robertson  
Attorney for Port Orchard

**ATTEST:**

\_\_\_\_\_  
Brandy Wallace  
Port Orchard City Clerk



# Exhibit A 1

## List of Parcels Subject to Fee Credit

### McCormick North

052301-4-023-2008  
052301-4-027-2004  
052301-4-024-2007  
052301-4-025-2006  
052301-4-026-2005  
052301-4-013-2000  
042301-3-011-2005

### McCormick West

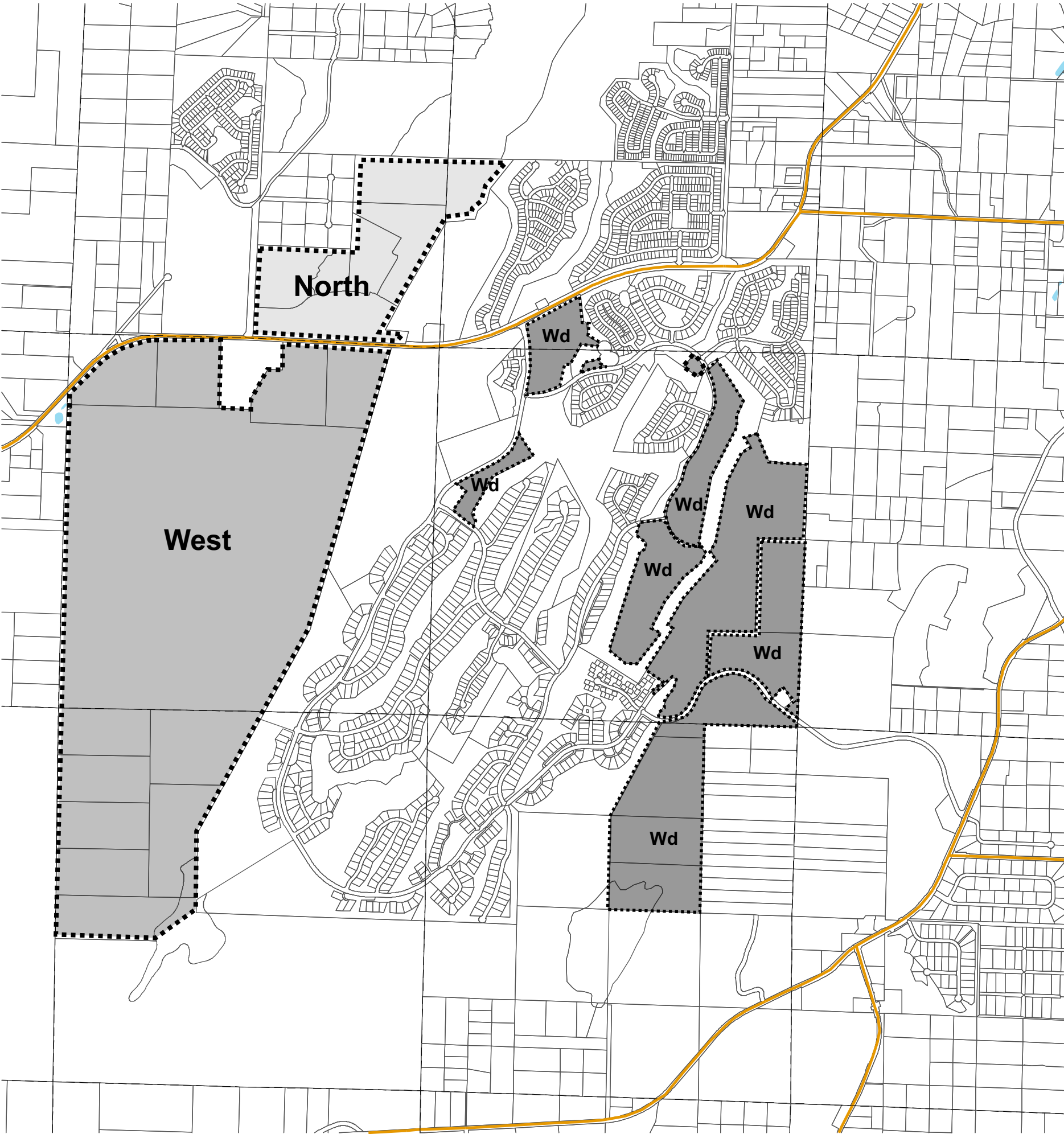
082301-2-002-2004  
082301-2-003-2003  
082301-1-013-2003  
082301-2-004-2101  
082301-1-010-2006  
082301-1-014-2002  
172301-2-002-2003  
172301-2-004-2001  
172301-2-003-2002  
172301-2-006-2009  
172301-2-005-2000  
172301-2-007-2008  
172301-3-004-2009

### McCormick Woods

042301-3-010-2006  
6031-000-131-0002  
5552-000-045-0008  
092301-1-005-2002  
092301-4-004-2007  
092301-1-009-2008  
092301-4-005-2006  
092301-4-003-2008  
092301-4-002-2009  
162301-1-021-2003  
162301-1-020-2004  
162301-1-019-2007



Exhibit A2  
Areas Subject to Fee Credit



Legend

- McCormick North \_\_\_\_\_
- McCormick West \_\_\_\_\_
- McCormick Woods \_\_\_\_\_

North

West

Wd



# Exhibit B 1

## List of Parcels with Vested Concurrency

### McCormick North

052301-4-023-2008  
052301-4-027-2004  
052301-4-024-2007  
052301-4-025-2006  
052301-4-026-2005  
052301-4-013-2000  
042301-3-011-2005

### McCormick West

082301-2-002-2004  
082301-2-003-2003  
082301-1-013-2003  
082301-2-004-2101  
082301-1-010-2006  
082301-1-014-2002  
172301-2-002-2003  
172301-2-004-2001  
172301-2-003-2002  
172301-2-006-2009  
172301-2-005-2000  
172301-2-007-2008  
172301-3-004-2009

### McCormick Woods

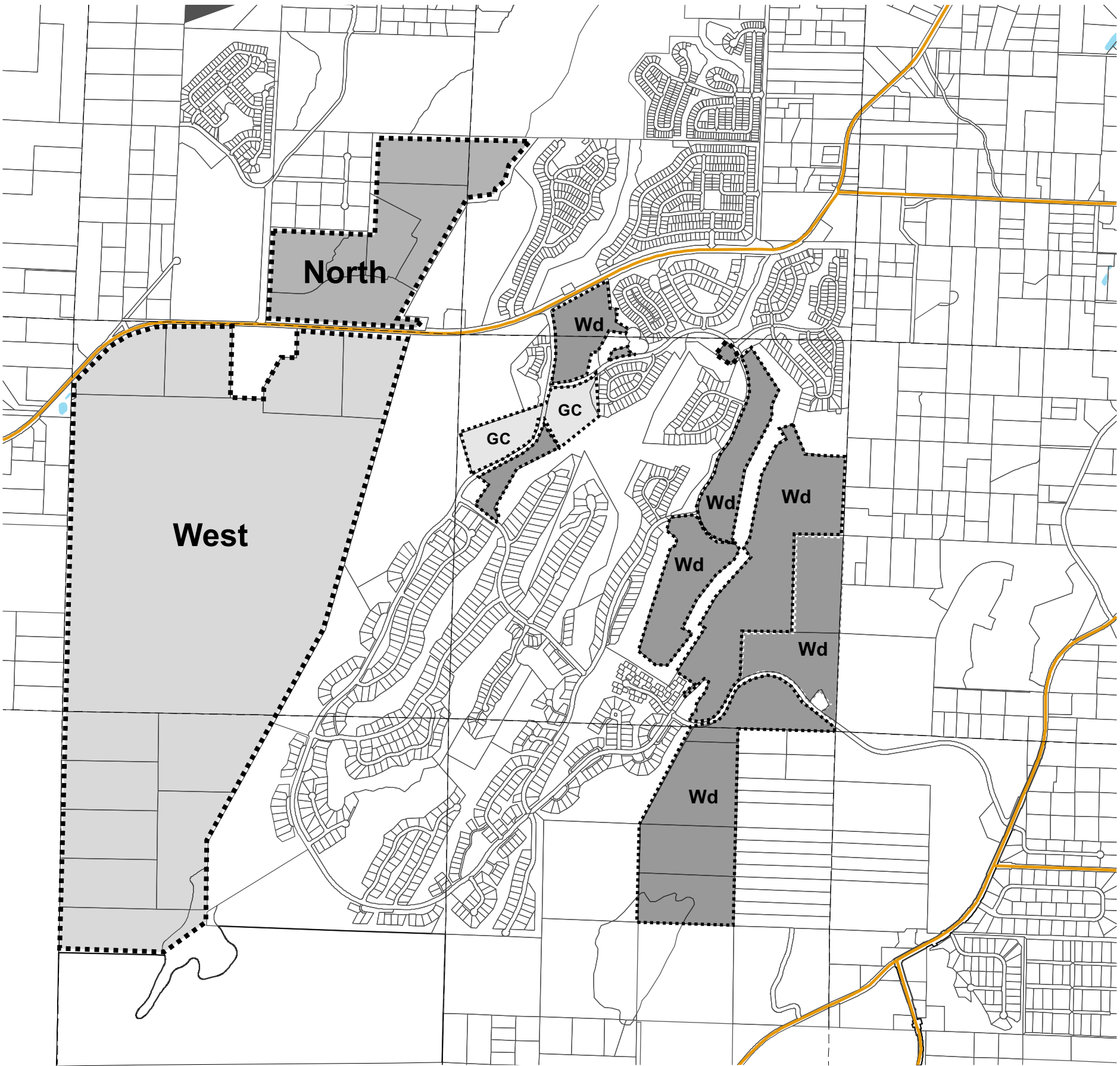
042301-3-010-2006  
6031-000-131-0002  
5552-000-045-0008  
092301-1-005-2002  
092301-4-004-2007  
092301-1-009-2008  
092301-4-005-2006  
092301-4-003-2008  
092301-4-002-2009  
162301-1-021-2003  
162301-1-020-2004  
162301-1-019-2007

### Legacy Lots

5190-000-018-0009  
6031-000-032-0002  
6031-000-025-0001  
6031-000-063-0004  
5161-000-021-0009  
5145-000-023-0008  
5139-000-013-0008  
6031-000-074-0001



Exhibit B2  
New Concurrency Areas



Legend

McCormick North	_____	<b>North</b>
McCormick West	_____	<b>West</b>
McCormick Woods	_____	<b>Wd</b>
Golf Facilities	_____	<b>GC</b>

See Exhibit B1 for legacy lots vested to concurrency with this agreement



Exhibit C

Boundary of 2005 Traffic Agreement

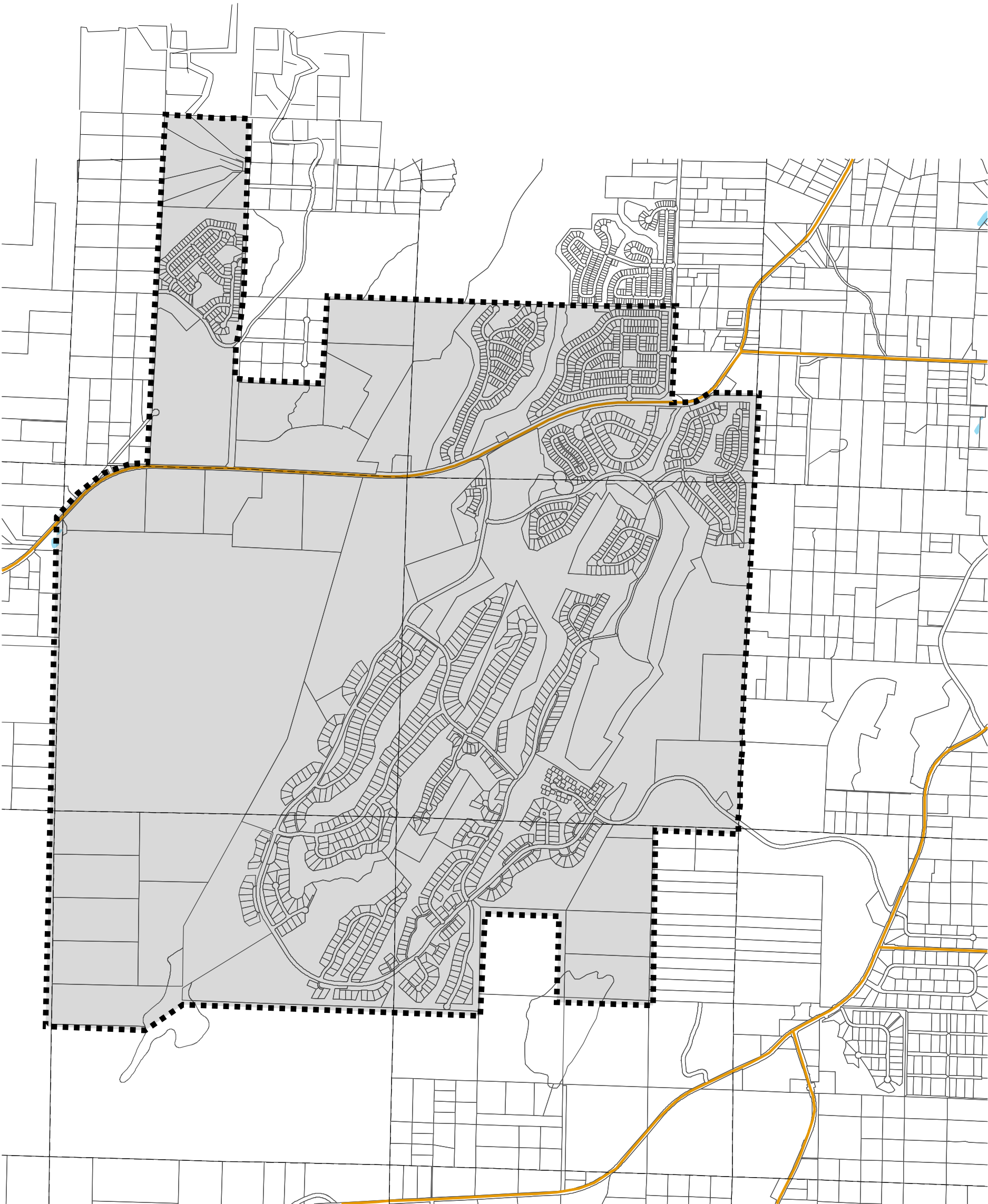
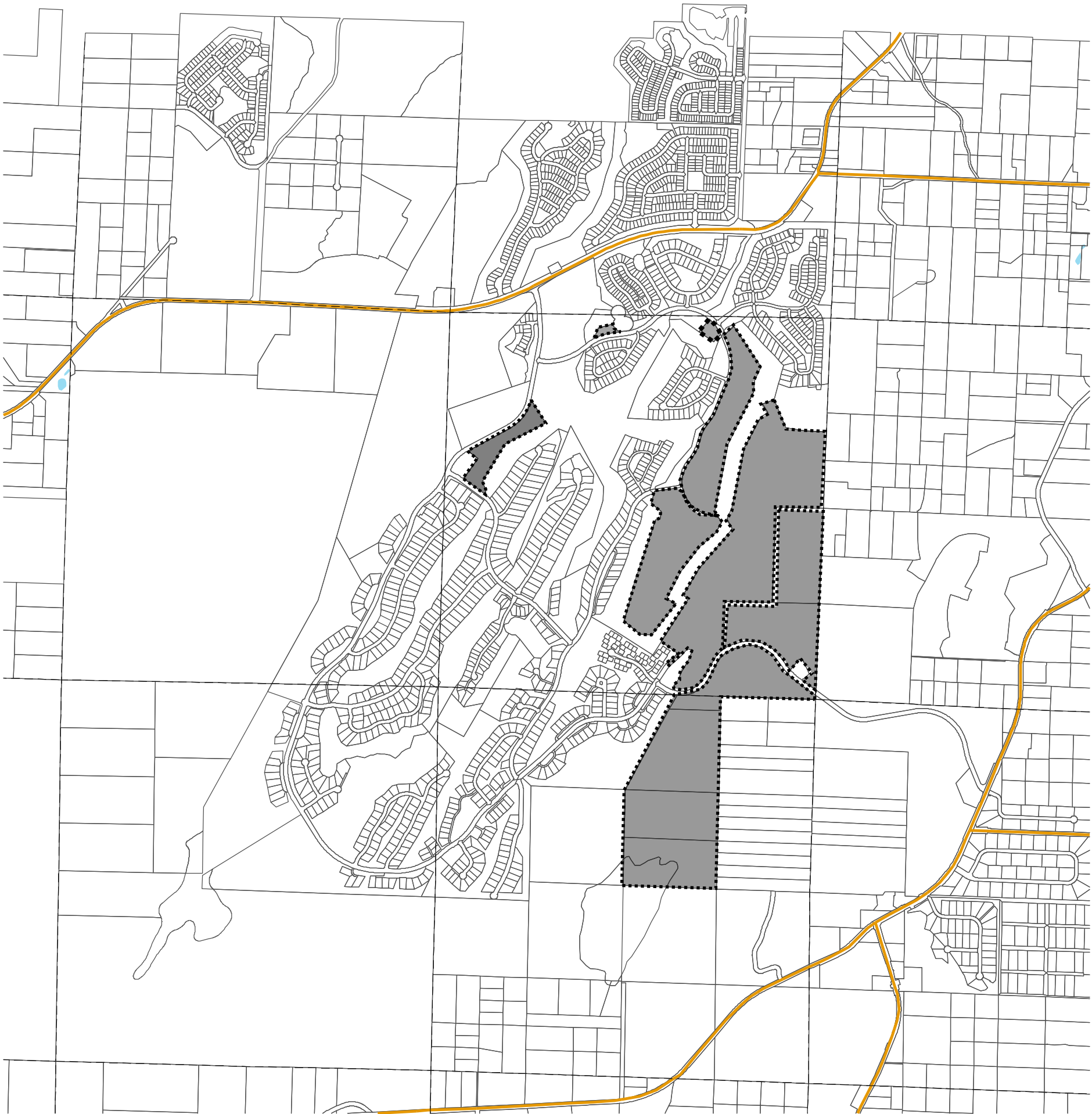




Exhibit D  
Areas Subject to first revision



**Legend**

Parcels subject to 1s revision:



Parcel Numbers

6031-000-131-0002	5552-000-045-0008	092301-1-005-2002
092301-4-004-2007	092301-1-009-2008	092301-4-005-2006
092301-4-003-2008	092301-4-002-2009	162301-1-021-2003
162301-1-020-2004	162301-1-019-2007	





**City of Port Orchard**

216 Prospect Street, Port Orchard, WA 98366  
(360) 876-4407 • FAX (360) 895-9029

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**Agenda Staff Report**

Agenda Item No.:	<u>Business Item 6B</u>	Meeting Date:	<u>December 19, 2023</u>
Subject:	<u>Adoption of an Ordinance Amending</u>	Prepared by:	<u>Noah D. Crocker</u>
	<u>the 2023-2024 Biennial Budget</u>		<u>Finance Director</u>
	<u>Including Exhibit A Personnel</u>	Atty Routing No:	<u>366922-0007</u>
		Atty Review Date:	<u>12/13/2023</u>

**Summary:** The City of Port Orchard Biennial Budget for 2023-2024 is written to capture revenue and expenses over the fiscal period. During the biennial period, changes to the budget in both revenue and expenditures need to be recognized by a Budget Amendment.

By this Ordinance, the City Council would amend the 2023–2024 Biennial Budget, as adopted by Ordinance No. 046-22 and amended by Ordinance No. 018-23, 022-23, and 029-23, including changes to Exhibit A which identifies Salary and personnel positions of the City.

The proposed budget amendment is intended to provide the following:

**1) Fund 001: Current Expense Fund**

- a. Increase transfers out to Fund 302 by \$29,000 for Electric Charging Stations at PW Shop
- b. Increase transfers out to Fund 302 by \$67,000 for the Community Events Center RFM Amendment No. 12
- c. Reduce ending fund balance for Fund 001 by \$96,000

**2) Fund 109: Real Estate Excise Tax Fund**

- a. Increase transfer into Fund 109 for REET 1 from Fund 302 by \$433,000 for Reimbursement of City Hall Expenses
- b. Increase ending fund balance for Fund 109 by \$433,000

**3) Fund 111: Impact Fee**

- a. Increase transfer out from Park Impact Fee’s to Fund 302 by \$352,300 for the Community Events Center RFM Amendment No. 7
- b. Reduce ending fund balance for Fund 111 by \$352,300

**4) Fund 302: Capital Construction**

- a. Increase revenues to recognize the actual bond proceeds by \$759,076
- b. Increase transfers in from Fund 001 by \$29,000 for Electric Charging Stations at PW Shop
- c. Increase transfers in from Fund 001 by \$67,000 for the Community Events Center RFM Amendment No. 12



- d. Increase transfer in from Fund 111 (Park Impact Fee's) by \$352,300 for the Community Events Center RFM Amendment No. 7
- e. Increase Miscellaneous rounding by \$24
- f. Increase transfers out by \$433,000 to Fund 109 to reimburse REET 1 from prior City Hall Expenditures
- g. Increase expenditures for the City Hall Project including cost of issuance, by \$326,100
- h. Increase expenditure authority by \$29,000 for Electric Charging Stations at PW Shop
- i. Increase expenditure authority by \$67,000 for the Community Events Center RFM Amendment No. 12
- j. Increase expenditure authority by \$352,300 for the Community Events Center RFM Amendment No. 7

#### 5) Exhibit A

- a. Adjust the Salary Table for the five groups of city employees who are in collective bargaining agreements by the contractual amounts.
- b. Adjust the Salary Table for the non-represented employees by the results of the salary review and additional 4.0% COLA, as represented in exhibit A
- c. Adjust the Exhibit A -Salary Table for the Council members based on Ordinance No. 009-23
- d. Create 1 FTE for Principal Planner
- e. Defund 1 FTE for Senior Planner
- f. Create 1 FTE for Human Resource Analyst
- g. Defund 1 FTE for Human Resource Specialist
- h. All new positions, removed positions, and salary adjustments will become effective starting the first full pay period of fiscal year 2024 (January 14, 2024)

**Recommendation:** The Finance Director recommends adoption of an Ordinance amending the 2023 – 2024 Biennial Budget.

**Relationship to Comprehensive Plan:** N/A

**Motion for consideration:** I move to adopt an Ordinance, amending the 2023 – 2024 Biennial Budget for the City of Port Orchard.

**Fiscal Impact:** The 2023–2024 Biennial Budget amendment increases expenditure authority by \$1,640,400. Salary adjustments will be absorbed within the current biennial budget allotment.

**Alternatives:** Do not authorize and provide alternative guidance

**Attachments:** Ordinance, Exhibit A, and Income Statement



**ORDINANCE NO. \*\*-23**

**AN ORDINANCE OF THE CITY OF PORT ORCHARD, WASHINGTON, AMENDING ORDINANCE NO. 046-22 AS AMENDED BY ORDINANCE NO. 018-23, 022-23 AND 029-23, THE BIENNIAL BUDGET FOR THE YEARS 2023–2024, TO RECOGNIZE EXPENDITURES AND REVENUES NOT ANTICIPATED AT THE TIME OF THE ADOPTION OF THE 2023–2024 BIENNIAL BUDGET INCLUDING MODIFICATIONS TO THE SALARY AND POSITIONS TABLE; PROVIDING FOR TRANSMITTAL TO STATE; PROVIDING FOR PUBLICATION; AND SETTING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Port Orchard adopted its 2023 – 2024 Biennial Budget via Ordinance No. 046-22, which was previously amended by Ordinance No. 018-23, Ordinance No. 022-23, and Ordinance No. 029-23; and

**WHEREAS**, the City desires to keep current on necessary budget amendments; and

**WHEREAS**, it is necessary to consider adjustments to accounts and/or funds by means of appropriation adjustments that could not have been anticipated at the time of passage of the 2023 – 2024 Biennial Budget; and

**WHEREAS**, the City will adjust Fund 001-the Current Expense fund to reflect additional transfer out authority for the Public Works Shop and the Community Events Center; and

**WHEREAS**, the City will adjust Fund 111-Impact Fee Fund to reflect additional transfer out authority for the Community Events Center from Park Impact fees; and

**WHEREAS**, the City will adjust Fund 302 to reflect additional expenditure and revenue activity related to the Public Works Shop and Community Events Center; and

**WHEREAS**, the City has sold and received bond proceeds for the City Hall project and consistent with the reimbursement resolution and financing plan, the City would like to reimburse fund 109 for funds expended prior to the issuance of the bonds; and

**WHEREAS**, the City will transfer out from Fund 302 to Fund 109 in the amount of not more than \$433,000 to reimburse Fund 109 for funds expended prior to the issuance of the bonds; and

**WHEREAS**, the City evaluated its personnel needs for the 2023-2024 Biennium and this amendment modifies Exhibit A to Ordinance No. 046-22, as amended by Ordinance No. 018-23, No. 022-23, and No. 029-23 to modify personnel positions and salary table; and

**WHEREAS**, the City identified the need to add and fund a 1 Full Time Equivalent (1 FTE)



Principal Planner and defund (1 FTE) Senior Planner; and

**WHEREAS**, the City identified the need to add and fund a 1 Full Time Equivalent (1 FTE) Human Resource Analyst and defund (1 FTE) Human Resource Specialist; and

**WHEREAS**, the Council desires to adjust the budget for revenues identified for funds 109, 302; and

**WHEREAS**, the City will adjust all 2024 ending fund balances to reflect the impact of the proposed budget amendments; and

**WHEREAS**, the City Finance Committee met on December 12, 2023, to review the proposed budget amendments including modifications to Exhibit A (Salary and Positions); and

**WHEREAS**, the City Council has considered the proposed budget amendments and finds that amendments authorized by this Ordinance are consistent with applicable laws and financial policies, and further the public's health, safety and welfare; now, therefore,

**THE CITY COUNCIL OF THE CITY OF PORT ORCHARD, WASHINGTON, DO ORDAIN AS FOLLOWS:**

**SECTION 1.** The 2023 – 2024 Biennial Budget, established by Ordinance No. 046-22, as amended by Ordinance No. 018-23, No. 022-23, and Ordinance No. 029-23, is hereby amended to reflect the following:



2023-2024 Biennial Budget									
Fund No.	Fund Name	Type	Ordinance-046-22	Adjustment	Ordinance-018-23	Adjustment	Ordinance-029-23	Adjustment	Ordinance-XXX-23
001	Current Expense Fund	Revenue	\$ 37,042,700	\$ 7,864,100	\$ 44,906,800	\$ 1,930,400	\$ 46,837,200	\$ -	\$ 46,837,200
		Expense	\$ 37,042,700	\$ 7,864,100	\$ 44,906,800	\$ 1,930,400	\$ 46,837,200	\$ -	\$ 46,837,200
002	City Street	Revenue	\$ 6,555,300	\$ 1,826,400	\$ 8,381,700	\$ 596,600	\$ 8,978,300	\$ -	\$ 8,978,300
		Expense	\$ 6,555,300	\$ 1,826,400	\$ 8,381,700	\$ 596,600	\$ 8,978,300	\$ -	\$ 8,978,300
003	Stabilization	Revenue	\$ 2,890,500	\$ 30,500	\$ 2,921,000	\$ -	\$ 2,921,000	\$ -	\$ 2,921,000
		Expense	\$ 2,890,500	\$ 30,500	\$ 2,921,000	\$ -	\$ 2,921,000	\$ -	\$ 2,921,000
103	Criminal Justice	Revenue	\$ 1,165,000	\$ 257,800	\$ 1,422,800	\$ -	\$ 1,422,800	\$ -	\$ 1,422,800
		Expense	\$ 1,165,000	\$ 257,800	\$ 1,422,800	\$ -	\$ 1,422,800	\$ -	\$ 1,422,800
104	Special Investigative Unit	Revenue	\$ 102,000	\$ 4,900	\$ 106,900	\$ -	\$ 106,900	\$ -	\$ 106,900
		Expense	\$ 102,000	\$ 4,900	\$ 106,900	\$ -	\$ 106,900	\$ -	\$ 106,900
107	Community Events	Revenue	\$ 463,600	\$ 85,600	\$ 549,200	\$ -	\$ 549,200	\$ -	\$ 549,200
		Expense	\$ 463,600	\$ 85,600	\$ 549,200	\$ -	\$ 549,200	\$ -	\$ 549,200
108	Paths & Trails	Revenue	\$ 15,300	\$ 500	\$ 15,800	\$ -	\$ 15,800	\$ -	\$ 15,800
		Expense	\$ 15,300	\$ 500	\$ 15,800	\$ -	\$ 15,800	\$ -	\$ 15,800
109	Real Estate Excise Tax	Revenue	\$ 4,979,100	\$ 803,700	\$ 5,782,800	\$ 1,800,000	\$ 7,582,800	\$ 433,000	\$ 8,015,800
		Expense	\$ 4,979,100	\$ 803,700	\$ 5,782,800	\$ 1,800,000	\$ 7,582,800	\$ 433,000	\$ 8,015,800
111	Impact Fee	Revenue	\$ 15,713,700	\$ 468,100	\$ 16,181,800	\$ -	\$ 16,181,800	\$ -	\$ 16,181,800
		Expense	\$ 15,713,700	\$ 468,100	\$ 16,181,800	\$ -	\$ 16,181,800	\$ -	\$ 16,181,800
206	Bond Redemption Fund	Revenue	\$ 598,400	\$ -	\$ 598,400	\$ 1,199,000	\$ 1,797,400	\$ -	\$ 1,797,400
		Expense	\$ 598,400	\$ -	\$ 598,400	\$ 1,199,000	\$ 1,797,400	\$ -	\$ 1,797,400
302	Capital Construction	Revenue	\$ 2,423,500	\$ 16,431,100	\$ 18,854,600	\$ 2,669,300	\$ 21,523,900	\$ 1,207,400	\$ 22,731,300
		Expense	\$ 2,423,500	\$ 16,431,100	\$ 18,854,600	\$ 2,669,300	\$ 21,523,900	\$ 1,207,400	\$ 22,731,300
304	Street Capital Projects	Revenue	\$ 13,698,100	\$ 1,181,900	\$ 14,880,000	\$ 2,632,400	\$ 17,512,400	\$ -	\$ 17,512,400
		Expense	\$ 13,698,100	\$ 1,181,900	\$ 14,880,000	\$ 2,632,400	\$ 17,512,400	\$ -	\$ 17,512,400
411	Water - Operations	Revenue	\$ 10,685,800	\$ 813,500	\$ 11,499,300	\$ 197,600	\$ 11,696,900	\$ -	\$ 11,696,900
		Expense	\$ 10,685,800	\$ 813,500	\$ 11,499,300	\$ 197,600	\$ 11,696,900	\$ -	\$ 11,696,900
412	Water - Stabilization	Revenue	\$ 955,500	\$ 11,000	\$ 966,500	\$ 100,000	\$ 1,066,500	\$ -	\$ 1,066,500
		Expense	\$ 955,500	\$ 11,000	\$ 966,500	\$ 100,000	\$ 1,066,500	\$ -	\$ 1,066,500
413	Water - Capital Projects	Revenue	\$ 18,683,400	\$ 3,737,400	\$ 22,420,800	\$ 238,000	\$ 22,658,800	\$ -	\$ 22,658,800
		Expense	\$ 18,683,400	\$ 3,737,400	\$ 22,420,800	\$ 238,000	\$ 22,658,800	\$ -	\$ 22,658,800
414	Water - Debt Service	Revenue	\$ 1,502,600	\$ -	\$ 1,502,600	\$ 1,593,700	\$ 3,096,300	\$ -	\$ 3,096,300
		Expense	\$ 1,502,600	\$ -	\$ 1,502,600	\$ 1,593,700	\$ 3,096,300	\$ -	\$ 3,096,300
421	Storm Drainage -Operations	Revenue	\$ 5,215,200	\$ (314,300)	\$ 4,900,900	\$ -	\$ 4,900,900	\$ -	\$ 4,900,900
		Expense	\$ 5,215,200	\$ (314,300)	\$ 4,900,900	\$ -	\$ 4,900,900	\$ -	\$ 4,900,900
422	Storm Drainage -Stabilization	Revenue	\$ 536,800	\$ 6,200	\$ 543,000	\$ -	\$ 543,000	\$ -	\$ 543,000
		Expense	\$ 536,800	\$ 6,200	\$ 543,000	\$ -	\$ 543,000	\$ -	\$ 543,000
423	Storm Drainage -Capital Projects	Revenue	\$ 1,294,500	\$ (401,300)	\$ 893,200	\$ -	\$ 893,200	\$ -	\$ 893,200
		Expense	\$ 1,294,500	\$ (401,300)	\$ 893,200	\$ -	\$ 893,200	\$ -	\$ 893,200
424	Storm Drainage -Debt Service	Revenue	\$ 355,300	\$ -	\$ 355,300	\$ 43,100	\$ 398,400	\$ -	\$ 398,400
		Expense	\$ 355,300	\$ -	\$ 355,300	\$ 43,100	\$ 398,400	\$ -	\$ 398,400
431	Sewer - Operations	Revenue	\$ 15,420,200	\$ 1,885,900	\$ 17,306,100	\$ -	\$ 17,306,100	\$ -	\$ 17,306,100
		Expense	\$ 15,420,200	\$ 1,885,900	\$ 17,306,100	\$ -	\$ 17,306,100	\$ -	\$ 17,306,100
432	Sewer - Stabilization	Revenue	\$ 1,430,000	\$ 16,300	\$ 1,446,300	\$ 100,000	\$ 1,546,300	\$ -	\$ 1,546,300
		Expense	\$ 1,430,000	\$ 16,300	\$ 1,446,300	\$ 100,000	\$ 1,546,300	\$ -	\$ 1,546,300
433	Sewer - Capital Projects	Revenue	\$ 29,024,200	\$ 427,000	\$ 29,451,200	\$ 1,006,000	\$ 30,457,200	\$ -	\$ 30,457,200
		Expense	\$ 29,024,200	\$ 427,000	\$ 29,451,200	\$ 1,006,000	\$ 30,457,200	\$ -	\$ 30,457,200
434	Sewer - Debt Service	Revenue	\$ 1,527,600	\$ 8,900	\$ 1,536,500	\$ 390,700	\$ 1,927,200	\$ -	\$ 1,927,200
		Expense	\$ 1,527,600	\$ 8,900	\$ 1,536,500	\$ 390,700	\$ 1,927,200	\$ -	\$ 1,927,200
500	ER&R	Revenue	\$ 6,928,200	\$ 241,200	\$ 7,169,400	\$ 2,085,900	\$ 9,255,300	\$ -	\$ 9,255,300
		Expense	\$ 6,928,200	\$ 241,200	\$ 7,169,400	\$ 2,085,900	\$ 9,255,300	\$ -	\$ 9,255,300
632	Wastewater Treatment Facility	Revenue	\$ 10,187,900	\$ 147,000	\$ 10,334,900	\$ -	\$ 10,334,900	\$ -	\$ 10,334,900
		Expense	\$ 10,187,900	\$ 147,000	\$ 10,334,900	\$ -	\$ 10,334,900	\$ -	\$ 10,334,900
Grand Total		Revenue	\$ 189,394,400	\$ 35,533,400	\$ 224,927,800	\$ 16,582,700	\$ 241,510,500	\$ 1,640,400	\$ 243,150,900
Grand Total		Expense	\$ 189,394,400	\$ 35,533,400	\$ 224,927,800	\$ 16,582,700	\$ 241,510,500	\$ 1,640,400	\$ 243,150,900

**SECTION 2. Amended Salary Schedule.** Exhibit A to Ordinance No. 046-22, as amended by Ordinance No. 018-23, 022-23 and Ordinance No. 029-23, for authorized positions, is amended as attached hereto as Exhibit A and incorporated herein by this reference. The new positions, removed positions and salary adjustments will become effective starting the first full pay period of 2024, which starts January 14, 2024.

**SECTION 3. Transmittal.** The City Clerk shall transmit a complete, certified copy of the amended budget as adopted to the state auditor and to the Association of Washington Cities per RCW 35.34.130.

**SECTION 4. Severability.** If any section, sentence, clause or phrase of this Ordinance should be held to be unconstitutional or unlawful by a court of competent jurisdiction, such



invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

**SECTION 5. Publication.** This Ordinance shall be published by an approved summary consisting of the title. A summary of this Ordinance may be published in lieu of the entire ordinance, as authorized by State Law.

**SECTION 6. Effective Date.** This ordinance shall be in full force and effect five (5) days after posting and publication as required by law.

PASSED by the City Council of the City of Port Orchard, APPROVED by the Mayor and attested by the Clerk in authentication of such passage this 19th day of December 2023.

\_\_\_\_\_  
Rob Putaansuu, Mayor

ATTEST:

\_\_\_\_\_  
Brandy Wallace, MMC, City Clerk

APPROVED AS TO FORM:

SPONSOR:

\_\_\_\_\_  
Charlotte Archer, City Attorney

\_\_\_\_\_  
John Clauson, Councilmember

PUBLISHED:

EFFECTIVE DATE:



## Governmental Funds (Operating, Stabilization, Special, Debt Service)

Fund: 001 - Current Expense	2023-2024 Current Biennial Budget Ord. 029-23	2023-2024 Adjustments	2023-2024 Amended Biennial Budget
Beginning Fund Balance	\$ 14,319,782	\$ -	\$ 14,319,782
Revenue	\$ 32,517,418	\$ -	\$ 32,517,418
Expense	\$ 44,113,923	\$ 96,000	\$ 44,209,923
Ending Fund Balance	\$ 2,723,277	\$ (96,000)	\$ 2,627,277

Fund: 109 - Real Estate Excise Tax	2023-2024 Current Biennial Budget Ord. 029-23	2023-2024 Adjustments	2023-2024 Amended Biennial Budget
Beginning Fund Balance	\$ 4,182,707	\$ -	\$ 4,182,707
Revenue	\$ 3,400,093	\$ 433,000	\$ 3,833,093
Expense	\$ 5,213,485	\$ -	\$ 5,213,485
Ending Fund Balance	\$ 2,369,315	\$ 433,000	\$ 2,802,315

Fund: 111 - Impact Mitigation Fee	2023-2024 Current Biennial Budget Ord. 029-23	2023-2024 Adjustments	2023-2024 Amended Biennial Budget
Beginning Fund Balance	\$ 5,304,555	\$ -	\$ 5,304,555
Revenue	\$ 10,877,245	\$ -	\$ 10,877,245
Expense	\$ 6,877,890	\$ 352,300	\$ 7,230,190
Ending Fund Balance	\$ 9,303,910	\$ (352,300)	\$ 8,951,610

## Governmental Capital Construction

Fund: 302 - Capital Construction	2023-2024 Current Biennial Budget Ord. 029-23	2023-2024 Adjustments	2023-2024 Amended Biennial Budget
Beginning Fund Balance	\$ 547,631	\$ -	\$ 547,631
Revenue	\$ 20,976,269	\$ 1,207,400	\$ 22,183,669
Expense	\$ 20,930,700	\$ 1,207,400	\$ 22,138,100
Ending Fund Balance	\$ 593,200	\$ -	\$ 593,200



Personnel Position Listing			
Elected Officials	Positions	Wages	
Mayor	1	Annual	123,911.41
Council (Seats 1,4,5)	3	Bi-Weekly	500
Council (Seats 2,3,6)	3	Monthly	1,000
Council (At Large)	1	Bi-Weekly	500
<b>Total Elected</b>	<b>8.00</b>		
Personnel Positions	FTE	Minimum	Maximum
City Clerk	1	50.15	58.15
Community Development Director	1	71.17	82.53
Finance Director	1	72.55	84.13
Human Resources Director	1	60.45	70.11
Police Chief	1	76.71	88.97
Public Works Director	1	74.07	85.90
<b>Total Mayoral Direct Reports</b>	<b>6.00</b>		
Deputy City Clerk	1	37.50	43.49
Human Resources Analyst	1	41.85	48.53
Human Resources Specialist	0	30.83	35.75
<b>Total Administration</b>	<b>2.00</b>		
Deputy Finance Director	1	55.40	64.24
Accounting Assistant I	1	28.65	33.22
Accounting Assistant II	4	31.96	37.06
Accounting Assistant III	2	38.90	45.11
Accounting Assistant III / IT Specialist	1	40.26	46.69
Information Technology Manager	1	58.58	67.94
IT Support Specialist	1	37.99	44.05
<b>Total Finance/IT</b>	<b>11.00</b>		
Deputy Director Community Development	1	54.29	62.97
Permit Center Manager	1	39.34	45.62
Permit Tech	2	32.01	37.12
Permit Clerk	2	29.54	34.28
Permit Center Assistant	0.70	26.03	30.19
Principal Planner	1	54.28	62.96
Senior Planner	1	46.50	53.91
Plans Examiner/Building Inspector II	2	40.07	46.47
Associate Planner	1	40.15	46.56
Assistant Planner	1	35.42	41.08
Building Inspector I	1	36.10	41.86
Code Enforcement Officer I	1	30.64	35.56
Code Enforcement Officer II	1	38.83	45.04
Parking Enforcement Officer (2 PT)	1	29.00	33.63
<b>Total Community Development</b>	<b>16.70</b>		
Municipal Court Judge	0.6	Annual	123,380.28
Municipal Court Administrator	1	50.16	58.17
Lead Clerk	1	31.87	38.08
Court Clerk	2	26.93	32.15
<b>Total Judicial</b>	<b>4.60</b>		
Deputy Police Chief	2	69.74	80.87
Police Services Coordinator	1	35.85	42.82
Records Evidence Specialist	3.7	26.80	31.99
Sergeant	5	53.72	59.48
Patrol Officer	19	36.04	49.48
<b>Total Police Department</b>	<b>30.70</b>		



Personnel Position Listing			
Personnel Positions	FTE	Minimum	Maximum
City Engineer	1	62.82	72.85
Assistant City Engineer	1	56.67	65.72
Operations Manager	1	52.05	60.36
Utility Manager	1	52.05	60.36
Utilities Compliance Specialist	1	37.34	43.28
Civil Engineer II	1	48.97	56.78
Stormwater Program Coordinator	1	40.88	47.41
GIS/Asset Management Coordinator	1	41.90	48.60
Public Works Procurement Specialist	1	38.95	45.16
Project Coordinator/Inspector	2	40.77	47.28
Office Assistant II	1	29.67	34.41
Office Assistant I	1	26.03	30.19
Public Works Foreman	1	39.92	47.65
Mechanic	2	33.26	39.72
Electrician	1	35.28	42.13
Public Works Personnel	15	32.25	38.51
WA/SW/Storm Coordinators	3	34.66	41.38
Public Works Laborer	2	24.02	28.69
<b>Total Public Works</b>	<b>37.00</b>		
		<b>Minimum</b>	<b>Maximum</b>
Seasonal Public Works	Hourly	16.87	22.50
Intern	Hourly	16.87	22.50
Temporary Employee	Hourly	16.87	22.50
<b>Grand Totals</b>	<b>108.00</b>		





## City of Port Orchard

216 Prospect Street, Port Orchard, WA 98366  
(360) 876-4407 • FAX (360) 895-9029

### Agenda Staff Report

Agenda Item No.:	Business Item 6C	Meeting Date:	December 19, 2023
Subject:	Adoption of an Ordinance Authorizing the	Prepared by:	Debbie Lund
	Positions of Principal Planner, Human		HR Director
	Resources Analyst, GIS/Asset	Atty Routing No.:	366922-0008
	Management Coordinator and	Atty Review Date:	12/13/2023
	and Establishing General Duties and		
	Qualifications		

**Summary:** As part of the mid-biennial 2023-2024 budget process, departments were able to make personnel requests for revisions to existing positions as well as requests for new positions. During the budget process, the Community Development Department requested the creation of a Principal Planner position to provide oversight and supervision of the planning functions of the department, thereby reducing the number of direct reports to the Community Development Director and increasing departmental efficiency. The Human Resources Department requested the reclassification of the position of Human Resources Specialist to Human Resources Analyst in order to more accurately reflect the duties and responsibilities being performed by and expected of the current incumbent. The Public Works Department requested a reclassification of the GIS Specialist/Development Review Assistant position to GIS/Asset Management Coordinator to more accurately reflect the duties and responsibilities being performed by and expected of the current incumbent.

By this Ordinance the Council would evidence support for these changes and establish the general duties and responsibilities for the positions of Principal Planner, Human Resources Analyst, and GIS/Asset Management Coordinator.

The City Council previously adopted Ordinance 008-20, which delegates authority to the Mayor to establish and amend job descriptions, provided they are consistent with the general qualifications and duties assigned by the Council. Therefore, attached to this proposed Ordinance for Council's consideration is a summary of qualifications and duties for the three proposed positions and the Mayor will establish job descriptions consistent with these general duties and responsibilities.

**Recommendation:** Staff recommends approval of the attached summary for the positions of Principal Planner, Human Resources Analyst, and GIS/Asset Management Coordinator.

**Relationship to Comprehensive Plan:** N/A

**Motion for consideration:** "I move to adopt an Ordinance establishing the positions of Principal Planner, Human Resources Analyst, and GIS/Asset Management Coordinator and setting general qualifications and duties for these positions."



**Fiscal Impact:** Included in the 2023-2024 budget.

**Alternatives:** Do not approve the position summary and provide alternative guidance.

**Attachments:** Ordinance and Appendix A, position summaries for Principal Planner, Human Resources Analyst, and GIS/Asset Management Coordinator.



**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY OF PORT ORCHARD, WASHINGTON,  
TO ESTABLISH GENERAL QUALIFICATIONS AND DUTIES OF THE  
POSITIONS OF PRINCIPAL PLANNER, HUMAN RESOURCES  
ANALYST, AND GIS/ASSET MANAGEMENT COORDINATOR;  
PROVIDING FOR SEVERABILITY AND PUBLICATION; AND SETTING  
AN EFFECTIVE DATE.**

**WHEREAS**, the City has determined that reclassification of some current positions is justified based on position expectations and needs of the City; and

**WHEREAS**, the proposed 2023-2024 biennial budget contains the addition of the newly created position of Principal Planner; and

**WHEREAS**, the proposed 2023-2024 biennial budget also contains the addition of the newly created position of Human Resources Analyst; and

**WHEREAS**, the proposed 2023-2024 biennial budget also contains the addition of the newly created position of GIS/Asset Management Coordinator; and

**WHEREAS**, through Ordinance 008-20, the City Council delegated authority to the Mayor to establish and amend job descriptions, provided they are consistent with the general qualification and duties assigned by the council; and

**WHEREAS**, a statement of the general qualifications and duties of these three positions is attached hereto as Appendix A, and incorporated herein by reference; and

**WHEREAS**, the rate of pay for these new positions if approved, is set through the 2023-2024 budget adoption process; now, therefore,

**THE CITY COUNCIL OF THE CITY OF PORT ORCHARD, WASHINGTON, DO ORDAIN AS FOLLOWS:**

**SECTION 1.** The City Council hereby authorizes the creation of the position of Principal Planner with qualifications and general duties as generally provided for in Appendix A.

**SECTION 2.** The City Council hereby authorizes the creation of the position of Human Resources Analyst with qualifications and general duties as generally provided for in Appendix A.

**SECTION 3.** The City Council hereby authorizes the creation of the position of GIS/Asset Management Coordinator with qualifications and general duties as generally provided for in



Appendix A.

**SECTION 4. Severability.** If any section, sentence, clause or phrase of this Ordinance should be held to be unconstitutional or unlawful by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

**SECTION 5. Publication.** This Ordinance shall be published by an approved summary consisting of the title.

**SECTION 6. Effective Date.** This Ordinance shall take effect and be in full force and effect five days after publication as provided by law.

PASSED by the City Council of the City of Port Orchard, APPROVED by the Mayor and attested by the Clerk in authentication of such passage this 19<sup>th</sup> day of December 2023.

\_\_\_\_\_  
Robert Putaansuu, Mayor

ATTEST:

\_\_\_\_\_  
Brandy Wallace, MMC, City Clerk

APPROVED AS TO FORM:

SPONSOR:

\_\_\_\_\_  
Charlotte A. Archer, City Attorney

\_\_\_\_\_  
John Clauson, Councilmember

PUBLISHED:

EFFECTIVE DATE:



## Proposed New Positions

<b>Position</b>	<b>Principal Planner</b>
<b>Department</b>	Community Development
<b>Major Job Function and Purpose</b>	
This position is responsible for directing the work of the Planning division of the department. Provides oversight and functions as a resource for Planners and permit staff related to complex urban planning proposals and projects. Serves as the lead Planner on a variety of projects.	
<b>General Function</b>	
Reviews applications for compliance with zoning regulations, assists with updates to the City's Development Code and annual amendments and periodic updates to the Comprehensive Plan. Provides technical assistance and information to the Director, department staff, and the public, including assisting other Planning staff and responding to questions at the front counter, by phone, or via email. Assists the Port Orchard Planning Commission and/or other Planning committees.	
<b>Minimum Qualifications Include*</b>	
<p>Bachelor's degree in Planning or closely related field from an accredited college or university and seven (7) years of professional planning experience are required. AICP certification is required upon hire. Must pass a background check. Valid driver's license required upon hire. Out of state candidates are required to obtain a WA state driver's license in accordance with state law.</p> <p>Preferred qualifications include a Master's degree in a related area of study, supervisory experience; knowledge of the Washington State Management Act; substantial experience in managing complex planning projects and programs, preparing a variety of code and comprehensive plan amendments, and presenting proposals to advisory groups and elected officials.</p>	

*Ordinance 008-20 delegates authority to the Mayor to establish and amend job description as needed provided they are consistent with general qualifications and duties assigned by the City Council at the time the position is created by Council.*



<b>Position</b>	<b>Human Resources Analyst</b>
<b>Department</b>	Human Resources
<b>Major Job Function and Purpose</b>	
Under the direction of the Human Resources Director, this position performs technical work in recruitment, benefits, and personnel administration as well as policy development, interpretation, and monitoring. Assists in overall management of the Human Resources functions of the City.	
<b>General Function</b>	
The Human Resource Analyst coordinates all aspects of recruitment, selection, and benefits administration. Assists with policy research and development, research, and evaluation related to labor negotiations, job description development, salary research, and interpretation and consistent application of City policies and state and federal regulations related to employees.	
<b>Minimum Qualifications Include*</b>	
Bachelor's degree in Business or Public Administration, Human Resources, Personnel, or related field and four (4) years of Human Resources, personnel and/or labor relations experience is required. Attain and maintain CJIS certification for access to law enforcement records. Valid driver's license required upon hire. Out of state candidates are required to obtain a WA state driver's license in accordance with state law.	
Preferred qualifications include experience with county, state, and local governments; Human Resources certification such as PHR or SHRM-CP, and experience in writing and presenting information to the public and elected officials.	



<b>Position</b>	<b>GIS/Asset Management Coordinator</b>
<b>Department</b>	Public Works
<b>Major Job Function and Purpose</b>	
<p>This position is responsible for the day-to-day activities pertaining to coordinating and facilitating the design, provision and maintenance of geographic information systems and related services including asset management throughout the organization. This includes responsibility for implementation of the City's GIS and asset management programs; and maintenance of the integrity and reliability of systems and related data. , Position also assists with reviewing of engineering plans and building permits, and performs field construction inspections of private and public development projects.</p>	
<b>General Function</b>	
<p>This position manipulates and updates GIS according to information provided by other Public Works personnel and development as-builts; maintains appropriate software updates of the GIS program; and is the primary contact for City employee GIS inquiries. Position serves as the primary point of contact for GIS and asset management inquiries. This position also reviews engineering plans and building permits for compliance with regulations and performs on-site inspections of new construction to ensure compliance with appropriate regulations.</p>	
<b>Minimum Qualifications Include*</b>	
<p>High school diploma/GED and five (5) years of experience in ESRI/Arc Online, AutoCAD, and/or Civil Engineering are required. Valid driver's license required upon hire. Out of state candidates are required to obtain a WA state driver's license in accordance with state law.</p> <p>Preferred qualifications include experience with asset management systems and in municipal development or public works projects that include design, design review, and/or inspection; Water Distribution Manager I certification.</p>	





## City of Port Orchard

216 Prospect Street, Port Orchard, WA 98366  
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### Agenda Staff Report

Agenda Item No.: Business Item 6D  
Subject: Second Reading and Adoption of an  
Ordinance Approving a Franchise  
Agreement with the City of Bremerton

Meeting Date: December 19, 2023  
Prepared by: Nicholas Bond  
DCD Director  
Atty Routing No.: N/A  
Atty Review Date: December 13, 2023

**Summary:** In 2009, the City of Port Orchard annexed an area of West Port Orchard that included the McCormick Woods subdivisions. Within this area, north of Old Clifton Road, these subdivisions are served by the City of Bremerton water utility and are in Bremerton’s Washington State Department of Health approved Water Service Area. The City of Bremerton does not have a franchise agreement in place to operate their water system within these recently annexed Port Orchard rights of way.

Staff from the City of Port Orchard and City of Bremerton have negotiated a franchise agreement that outlines the terms of Bremerton’s use of Port Orchard’s right of way. In accordance with RCW 35A.47.040, a franchise agreement must be approved by ordinance and requires two readings and must be passed by a majority of the entire city council. The first reading of the Ordinance occurred at the 12/12/23 City Council meeting and the second reading is scheduled for 12/19/23. The City Council of Bremerton must also approve the agreement and sign the acceptance.

**Relationship to Comprehensive Plan:** The area subject to the franchise agreement is shown in the City’s water system plan (as referenced in the City of Port Orchard Comprehensive Plan) as being served by the City of Bremerton.

**Recommendation:** Staff recommends that the City Council conduct the second reading of the Ordinance and approve the franchise agreement between the City of Port Orchard and the City of Bremerton as presented.

**Motion for consideration:** “I move to adopt an ordinance, approving franchise agreement between the City of Port Orchard and City of Bremerton to allow the City of Bremerton to operate their water system within Port Orchard rights of way as presented.”

**Fiscal Impact:** The franchise agreement will ensure that the City of Bremerton pays utility taxes within their franchise area to the City of Port Orchard, will ensure that the City of Bremerton obtains permits as water system work is completed in the City of Port Orchard, ensures that repairs to Port Orchard’s streets and sidewalks are made upon completion of water system repairs and improvements performed by the City of Bremerton, and provides for better coordination and cooperation between Port Orchard and Bremerton.

**Alternatives:** Amend the proposed franchise agreement.

**Attachments:** Franchise Agreement Ordinance



ORDINANCE NO. \_\_\_\_

**AN ORDINANCE OF THE CITY OF PORT ORCHARD, WASHINGTON, GRANTING A NON-EXCLUSIVE FRANCHISE TO THE CITY OF BREMERTON FOR THE PURPOSES OF ALLOWING BREMERTON TO CONSTRUCT, MAINTAIN, OPERATE, REPLACE, AND REPAIR A WATER SYSTEM WITHIN PUBLIC RIGHTS OF WAY OF THE CITY OF PORT ORCHARD, AND FIXING A TIME WHEN THE SAME SHALL BECOME EFFECTIVE.**

**WHEREAS**, portions of Bremerton’s water utility facilities are located within the city limits of Port Orchard and occupy portions of the Port Orchard rights of way; and

**WHEREAS**, a portion of the Bremerton water service area is also within the city limits of Port Orchard; and

**WHEREAS**, Port Orchard has requested Bremerton to enter into a water utility franchise for these facilities which will allow Bremerton to install, construct, maintain and operate a water system, including mains, appurtenances and service pipe along, under and across such city roads, streets, avenues, boulevards, alleys and public places hereinafter called “Rights-of Way,” within the city limits of Port Orchard; and

**WHEREAS**, the Port Orchard City Council (“Council”) has authority to grant utility franchises pursuant to RCW 35A.47.040; and

**WHEREAS**, the Parties to this franchise are subject to and participants in the Kitsap County Coordinated Water System Plan (“CWSP”) and pursuant to the CWSP have entered into a long term and mutually beneficial relationship for the provision of both wholesale water to Port Orchard and the provision of residential service directly to consumers in Port Orchard; and

**WHEREAS**, pursuant to the CWSP and this relationship, the Parties have entered into a series of interlocal and other agreements providing for the joint ownership and maintenance of water reservoirs in Port Orchard and other matters relating to the provision of water in Port Orchard by both Port Orchard and Bremerton; and

**WHEREAS**, the ongoing nature of this cooperative relationship for the provision of water by neighboring municipalities pursuant to the CWSP provides the basis for the understandings contained in this ordinance;

**NOW, THEREFORE,**



**THE CITY COUNCIL OF THE CITY OF PORT ORCHARD, WASHINGTON, DOES ORDAIN AS**

**FOLLOWS:**

**SECTION 1.** **Definitions.** Where used in this franchise (the "Franchise") these terms have the following meanings:

A. "Port Orchard" means the City of Port Orchard, a Washington municipal corporation, and its respective successors and assigns.

B. "Bremerton" means the City of Bremerton, a Washington municipal corporation, and its respective successors and assigns.

C. "CWSP" means the Kitsap County Coordinated Water System Plan, as the same exists or is hereafter amended.

D. "Facility" or "Facilities" means tanks, reservoirs, water treatment facilities, meters, pipes, mains, valves, blow offs, vaults, fire suppression water facilities, risers, generators, electrical control panels, power meters, telephone connections, pressure reducing valves ("PRVs"), pump stations, meter stations, lines, service lines located in the Franchise Area as defined below, and all other necessary or convenient facilities and appurtenances thereto for the purpose of operating a water utility system, whether the same be located over, on or underground.

E. "Franchise Area" means all areas that are within boundaries of the City of Port Orchard, as the same exist or are hereafter amended, and are also within Bremerton's service area as defined by the CWSP and agreements between the Parties and shall include every and all of the public roads, streets, avenues, alleys, highways and rights-of-way of Port Orchard as now or hereafter laid out, platted, dedicated or improved within the Franchise Area. The Franchise Area shall not include or convey any right to Bremerton to install facilities on, or to otherwise use, City owned or leased properties, provided, however, the Parties have a long standing relationship as neighboring jurisdictions providing joint and other water utility services and nothing herein shall be deemed to abrogate or amend any existing contract, easement, or other understanding regarding the provision of water or shared facilities in place at the date of this franchise or hereafter entered into unless specifically set forth herein.

F. "Ordinance" means this Port Orchard Ordinance No. XXXX, which sets forth the terms and conditions of this Franchise.

G. "Party" or "Parties" means Port Orchard or Bremerton individually, or collectively as addressed in this Franchise.



H. "Routine Maintenance" means miscellaneous maintenance, repair and replacement activities undertaken by Bremerton on Facilities located in the streets and rights-of-way covered by this Franchise. Routine Maintenance includes, but shall not be limited to, flushing mains, video inspection of mains, operations, maintenance, repair and replacement of services, pumps, air-vacs, PRV stations, valves and hydrants, repair of surface areas around existing Facilities, hydro-excavation and potholing, and valve box adjustments.

**SECTION 2.** **Grant of Franchise.** Port Orchard grants to Bremerton and to its successors and assigns, for the term of ten (10) years from the effective date hereof, the right, privilege, authority and franchise for itself, its successors and assigns, to install, construct, maintain and operate water infrastructure including mains, laterals and service lines along, under and across such Port Orchard Rights-of-Way, together with all necessary equipment of every sort necessary, subject to all the terms and conditions herein. This grant shall be solely limited to the City of Port Orchard's present or future Rights-of-Way within Bremerton's Retail Water Service Area, as that service area now exists or as it may be amended or altered in the future (the "Franchise Area"). and does not include other parts of Port Orchard. The term "Rights-of-Way" shall be understood to include any and every Port Orchard city road, street, avenue, alley or other public place designated or specified in this Franchise in, upon, under, over, across and along which rights are, or are intended to be vested in Bremerton, its successors and assigns, under and by virtue of this Franchise, but not to include parks or open space property without specific designation within this Franchise or another written agreement between the Parties.

**SECTION 3.** **Automatic Renewal; Termination.** This Franchise shall automatically renew for successive 10-year terms unless it is terminated in accordance with this Section. Either Party may terminate this franchise after the initial term for any reason upon 730 days' advance written notice to the other Party prior to the end of the renewal term.

**SECTION 4.** **Area of Franchise/Location of Infrastructure.** This Franchise shall apply to those portions of Bremerton's present and future water lines and appurtenances within the City of Port Orchard's present or future Rights-of-Way within Bremerton's Retail Water Service Area, as that service area now exists or as it may be amended or altered in the future (the "Franchise Area"). Upon Port Orchard's request, Bremerton shall provide a map showing the approximate location of Bremerton's water infrastructure within the Franchise Area. The Parties acknowledge the need to maintain adequate security measures regarding the location of water facilities and wish to avoid locating critical water facilities in public documents. In the event Port Orchard desires to design new streets or intersections, renovate existing streets, or make other public improvements, Bremerton will reasonably cooperate with the planning effort. Chapter 19.122 RCW or other applicable law, with respect to determining the location of utility facilities prior to construction, shall control the marking and/or location of facilities and shall define the parties' respective obligations.

**SECTION 5.** **Operation and Maintenance.** Bremerton shall be solely responsible for the operation, maintenance, repair, and construction of its utility infrastructure unless provided



otherwise by a written agreement between the Parties. Bremerton shall maintain its facilities located within the Franchise Area in good operating condition and repair in a manner consistent with applicable law and prudent utility practice.

**SECTION 6.**     **Not an Exclusive Franchise.** This Franchise shall not be deemed or held to be an exclusive franchise and shall not in any manner prohibit the Port Orchard Council from granting other and further franchises of any kind or character that it may deem proper, in, upon under, over, across and along any Rights-of-Way within the area described herein; provided, that no other franchise granted after this Franchise shall require the removal or relocation of Bremerton's then existing facilities. No water franchise shall be granted which is not in compliance with the CWSP. This Franchise shall in no way prohibit or prevent the public from using any such Rights-of-Way or any part thereof, or Port Orchard's power to make all necessary improvements, repairs, or changes therein.

**SECTION 7.**     **Regulation of Use and Control.** Port Orchard in granting this Franchise does not waive any rights which it now has or may hereafter acquire with respect to Port Orchard roads, Rights-of-Way or other Port Orchard property and this Franchise shall not be construed to deprive Port Orchard of any powers, rights or privileges which it now has or may acquire to regulate the use of and to control Port Orchard roads, Rights-of-Way and any other Port Orchard property covered by this Franchise.

**SECTION 8.**     **Compliance with applicable laws and regulations.** The Parties to this Franchise agreement shall at all times adhere to applicable local, state, and federal law and to the provisions of the CWSP. In the event of ambiguity or conflict, interpretation of this franchise ordinance shall be informed by the CWSP and the interlocal and other agreements between the Parties relating to the provision of water or water service by Bremerton within the boundaries of Port Orchard.

**SECTION 9.**     **Vacation.** If at any time Port Orchard shall vacate any Port Orchard road, Rights-of-Way or other Port Orchard property which is subject to rights granted by this Franchise, Port Orchard shall not be liable for any damages or loss to Bremerton by reason of such vacation, provided that Port Orchard shall as a condition of the vacation, reserve an easement perpetuating Bremerton's right to continue the use of the area for the operation and maintenance of its Facilities.

**SECTION 10.**     **Indemnification.** Bremerton shall indemnify, defend and hold harmless Port Orchard, and its officers, officials, boards, commissions, agents and employees (hereinafter in this Section "Port Orchard") from any action, claim, damage, loss, liability, cost or expense, including court and appeal costs and reasonable attorneys' fees and expenses, arising from any action, neglect, omission or inaction of Bremerton or its agents or employees including, but not limited to, delays on construction projects caused by or arising out of Bremerton's failure to relocate its facilities in a timely manner, or the condition of any of its facilities, provided, however, that nothing herein shall require Bremerton to indemnify or hold harmless Port Orchard from any intentional or reckless tortious or criminal act. Bremerton shall consult and cooperate with Port Orchard while



conducting its defense of Port Orchard. If any such claim or demand is subject to RCW 4.24.115 and caused by or results from the concurrent negligence of (a) Port Orchard, its elected or appointed officials, or its agents or employees and (b) Bremerton, or its agents or employees, then in such event the defense and indemnity provisions shall be valid and enforceable only to the extent of Bremerton's negligence.

Port Orchard shall give Bremerton written notice as provided below of any claim or of the commencement of any action, suit or other proceeding covered by the indemnity in this Section. If a claim or action arises, Port Orchard or any other indemnified party shall then tender the defense of the claim to Bremerton as soon as feasible with a goal of tendering to Bremerton within ten (10) business days of receipt of such notice, which defense shall be at Bremerton's expense. Bremerton may not agree to any settlement of claims financially affecting Port Orchard without Port Orchard's prior written approval, which approval shall not be unreasonably withheld.

If separate representation to fully protect the interests of both parties is necessary, such as a conflict of interest between Port Orchard and the counsel selected by Bremerton to represent Port Orchard, Bremerton shall pay the expenses incurred by Port Orchard in defending itself with regard to any action, suit or proceeding indemnified by Bremerton. Port Orchard's expenses shall include all out of-pocket expenses that are necessary for Port Orchard's defense, such as consultants' fees, and shall also include the reasonable value of any services rendered by Port Orchard Attorney or any employees of Port Orchard or its agents but shall not include outside attorneys' fees for services that are unnecessarily duplicative of services provided Port Orchard by Bremerton.

This section shall survive the termination of this Franchise Agreement.

#### **SECTION 11. Insurance.**

A. General requirement. Each Party shall have and maintain adequate insurance or participate in an insurance authority during the entire term of this Franchise (and for a period of twelve [12] months thereafter) to protect itself against claims for death or injuries to persons or damages to property or equipment which in any way relate to, arise from or are connected with this Franchise or the use of Port Orchard's rights-of-way, or their respective officials, agents, representatives, contractors, subcontractors and their employees. Bremerton's insurance shall also protect Port Orchard for claims as described herein that arising from or are connected with this Franchise.

B. Verification of Coverage. The Parties will provide each other with an Evidence of Coverage Letter. The Evidence of Coverage is to be signed by a person authorized to bind coverage on its behalf. The Evidence of Coverage letter must be consistent with standard industry practices and is to be provided to Port Orchard upon acceptance of this Franchise. The Parties hereby warrant that its respective liability coverage satisfy the requirements of this Franchise.



**SECTION 12. Requirement for Construction Permits.** Bremerton and its successors, assigns, or contractors shall have the right and authority to enter upon Port Orchard roads and Rights-of-way described herein for the purpose of constructing, extending, repairing or replacing, servicing and/or operating and maintaining its lines and facilities and connecting the same with consumer service lines, upon the condition that prior to such work within Port Orchard roads or Rights-of-way, Bremerton shall first obtain the necessary permits approved by Port Orchard and shall pay all applicable fees. Bremerton agrees to use best efforts to notify contractors or other parties who will be performing work on the Bremerton Facilities within the Franchise Area of the requirement to obtain permits from Port Orchard prior to commencing work.

Before any work is performed, applications for said permits shall first be presented to the Port Orchard Permit Center which may require copies of plans, profiles, cross-sections, specifications, or such further detail of the work to be done as is or may be required by ordinance in other instances. Such work, whether done by Bremerton, or its contractors, shall include necessary paving, patching, grading and any other reasonable and necessary repair or restoration of Port Orchard roads or Rights-of-way and shall be to Port Orchard City Standards and the reasonable satisfaction of Port Orchard. Any third party seeking to connect to the Bremerton water system and not acting as a contractor or agent of Bremerton shall be responsible for acquiring all necessary permits at its expense from Port Orchard.

All permits for work to be performed by Bremerton's forces shall be applied for and given in the name of Bremerton who shall be held responsible for all work done thereunder, and Port Orchard shall waive bonding. Work performed on behalf of Bremerton by its contractors shall be undertaken in the name of the contractor which shall fully bond for its work.

The preservation of monuments and markers shall be undertaken in compliance with Chapter 332-120 WAC.

If Bremerton or its contractors obtain bonding for work performed by others in Port Orchard within the Franchise Area, Port Orchard shall be named as an additional obligee on said performance bonds.

In the event of an emergency in which Bremerton's facilities within the Franchise Area are in a condition as to immediately endanger property, life, health or safety, Bremerton may take action immediately to correct the dangerous condition without first obtaining permits so long as permits are obtained as soon as practicable thereafter. Bremerton will notify Port Orchard of the nature of the emergency and the work to be performed prior to or at the commencement of the work, if reasonably possible.

In the case of damage to the Rights-of-Way caused by Bremerton or its construction contractors, Bremerton agrees to repair the damage at its own expense and to restore the Rights-of-Way consistent with Section 16 below.



**SECTION 13. Providing “As Built” Drawings.** Bremerton or its agent shall maintain on the jobsite project plans marked to indicate plan revisions made in the field and other details of construction. The drawings shall be made available upon completion of the project to Bremerton for use in preparation of “as built” records. Bremerton shall be responsible for the cost of any required “as-built” drawings. A copy of these “as built” drawings shall be provided to Port Orchard. Bremerton shall be responsible for and present to Port Orchard “as built” records for any work done in the franchise area during the term of this franchise.

**SECTION 14. Notification to Cencom.** If it is necessary to shut down or diminish water pressure so that fire hydrants may be affected, Bremerton shall ensure that Cencom is promptly notified in advance. In addition, when Bremerton will be flushing a portion of its system in Port Orchard or has a service outage or other shut down or reduction in its system, Bremerton Operations will notify Port Orchard Operations by phone or email as soon as feasible. Port Orchard’s Operations telephone number is 360-845-8408 and email is [publicworks@portorchardwa.gov](mailto:publicworks@portorchardwa.gov).

**SECTION 15. Restoration of Rights-of-Way.** Bremerton shall be responsible for and leave all Port Orchard roads and Rights-of-way in as good of condition, after work on, or under or adjacent to Port Orchard roads or Rights-of-way as the same existed before such work, and in addition such restoration or repair shall be consistent with the applicable City of Port Orchard Public Works Engineering Standards and Specifications. In the event that Bremerton, or its contractors connecting to Bremerton’s lines or facilities under work permit, shall fail to restore Port Orchard roads or Rights-of-way to the condition that pre-existed such work to Port Orchard standards and to the reasonable satisfaction of Port Orchard Public Works Director, Port Orchard may request that Bremerton make the repairs or undertake the restoration, but in any case, Port Orchard reserves the right to make such repairs or restoration to such roads or Rights-of-way. If Port Orchard opts to make the repairs and restoration, then upon presentation of an itemized bill for such repairs or restoration, including the cost of labor and equipment, Bremerton shall pay the said bill within sixty (60) days.

**SECTION 16. Removal or Relocation of Facilities Installed by Bremerton.** Upon any construction or Rights-of-Way work or utility installation by Port Orchard that reasonably necessitates the removal, protection, support, temporary disconnection or relocation (hereinafter “relocation or relocate”) of Bremerton facilities, any of Bremerton’s lines or facilities, erected upon or within any portion of such Rights-of-Way, shall, if necessary, be relocated by Bremerton at its own expense so that it shall not interfere with the work of relocation or change of grade and shall be reset in accordance with the provisions above set forth so that the location and elevation of such line or facility shall conform to the new grade and location of the Rights-of-Way or Port Orchard facilities; provided, that if a third party’s project causes the need for the removal or relocation of Bremerton’s facilities, that third party shall pay for the removal or relocation of Bremerton’s facilities. This provision shall not apply to the second (or more) times a facility is required to be relocated by Port Orchard if such second (or more) relocation occurs within 5 years of a previous relocation of the same facility. Liability for any damages to Bremerton that may occur by reason of Port Orchard’s improvements, repairs, or maintenance or by the exercise of any rights reserved in this section shall be determined in accord with the laws of the state of Washington.



**SECTION 17. Applicable Codes.** Bremerton agrees that any new water line/facilities installation or replacement or any fire hydrant installation or replacement done pursuant to this Agreement shall meet fire flow and hydrant requirements, including water main looping, as set forth in approved water system plan and standards adopted by Bremerton and as set out in the current or subsequently adopted codes as adopted by Port Orchard:

City's Building Code, including the International Fire Code,

The CWSP, Chapters 70A and 35.92 RCW, and Chapter 246-293 WAC; and

All other applicable state statutes regarding water works specifications and design.

Work on, in, under, over or across the Port Orchard rights-of-way shall meet all codes and standards adopted by the City of Port Orchard, including the Port Orchard Municipal Code and the Port Orchard Public Works Engineering Standards and Specifications provided, however, that Bremerton's water supply system shall be constructed to its standards and specifications.

**SECTION 18. Joint Planning Work.**

A. The Parties agree to participate in the development of, and reasonable updates to, the other Party's planning documents as follows:

(1) For Bremerton's service area within Port Orchard city limits, Bremerton will respond in a timely and reasonable matter to requests for information from Port Orchard in developing Port Orchard's Comprehensive Plan Utilities Element that meets the requirements described in RCW 36.70A.070(4).

(2) Bremerton agrees that upon request by Port Orchard, it will provide timely review and input of the Port Orchard Comprehensive Plan Utilities Element as it relates to Bremerton's operations.

(3) Bremerton shall submit information related to the general location, and proposed location of all existing and proposed Facilities within Port Orchard as requested by Port Orchard within a reasonable time, not exceeding sixty (60) days from receipt of a written request for such information, provided that such information is in Bremerton's possession, or can be reasonably developed from the information in Bremerton's possession.

(4) Port Orchard will provide information relevant to Bremerton's operations within sixty (60) days of written request to assist Bremerton in the development or update of Bremerton's Water Comprehensive Plan(s) and/or Utilities Plan Element, provided that such information is in Port Orchard's possession, or can be reasonably developed from the information in Port Orchard's possession.



B. Bremerton and Port Orchard shall each assign a representative whose responsibility shall be to coordinate planning for capital improvement plan projects including those that involve undergrounding. At a minimum, such coordination shall include:

(1) For the purpose of planning, Bremerton and Port Orchard shall provide each other with a copy of their respective current adopted Capital Improvement Plan upon request by the other Party.

(2) At least annually, Bremerton shall provide Port Orchard with a schedule of Bremerton's planned capital improvements which may affect the Port Orchard rights-of-way for that year.

(3) At least annually, Port Orchard shall provide Bremerton with a schedule of Port Orchard's planned capital improvements which may affect the rights-of-way within the Franchise Area over the next twelve (12) month period including but not limited to street overlays and repairs, storm drainage improvements and construction, and all other rights-of-way activities that could affect Bremerton's capital improvements and infrastructure.

(4) Bremerton shall meet with Port Orchard, as reasonably necessary, to schedule and coordinate construction activities.

(5) All construction locations, activities, and schedules shall be coordinated to minimize public inconvenience, disruption, or damages.

(6) Port Orchard and Bremerton agree to cooperate in the planning and implementation of emergency operations response procedures.

(7) Without charge to either Party, both Parties agree to provide each other with as-built plans, maps, and records in electronic format as available that show the location of its facilities within rights-of-way.

(8) The Parties agree to meet periodically as needed to coordinate planning as described herein.

#### **SECTION 19. Shared Use of Excavations.**

A. Port Orchard and Bremerton shall exercise best efforts to coordinate construction work either Party may undertake within the Franchise Area so as to promote the orderly and expeditious performance and completion of such work as a whole. Such efforts shall include, at a minimum, reasonable and diligent efforts to keep the other Party and other utilities within the Franchise Areas informed of its intent to undertake such construction work. Port Orchard and Bremerton shall further exercise best efforts to minimize any delay or hindrance to any construction work undertaken by themselves or other utilities within the Franchise Area.

B. If at any time, or from time to time, either Bremerton or Port Orchard shall cause excavations to be made within the Franchise Area, the Party causing such excavation to be made



shall afford the others, upon receipt of a written request to do so, an opportunity to use such excavation, provided that:

(1) No statutes, laws, regulations, ordinances, or Bremerton policies prohibit or restrict the proximity of other utilities or facilities to Bremerton's Facilities installed or to be installed within the area to be excavated;

(2) Such joint use shall not unreasonably delay the work of the Party causing the excavation to be made; and

(3) Such joint use shall be arranged and accomplished on terms and conditions satisfactory to both Parties. The Parties shall each cooperate with other utilities in the Franchise Area to minimize hindrance or delay in construction.

C. Port Orchard reserves the right to not allow open trenching within any Port Orchard street within five (5) years following a street overlay or improvement project; however, Bremerton may open trench provided it grind and overlay a minimum distance of fifty (50) feet each side of the excavation. Bremerton shall be given written notice at least one hundred eighty (180) days prior to the commencement of any street overlay or improvement project.

D. The laying, construction, maintenance, and operation of Bremerton's system of lines and facilities granted under this Franchise shall not preclude Port Orchard, its agents, or its contractors grading or doing other necessary roadwork contiguous to Bremerton's lines and facilities. Port Orchard, its agents or contractors shall be responsible in accordance with Washington law for any and all damage to Bremerton facilities that have been properly located in accordance with Chapter 19.122.

**SECTION 20. Assignment of Rights to Third Party.** Bremerton shall have the right to assign its Franchise with Port Orchard's consent, which shall not be unreasonably withheld. Provided, however, no such assignment shall be of any force or effect unless written notice of such assignment shall be filed with Port Orchard Clerk within thirty (30) days thereafter, together with an acceptance by the assignee in writing of all the terms, covenants, and conditions of this Franchise and an agreement of such assignee to perform and be bound by all the terms and conditions of this Franchise.

All the provisions, conditions, regulations, and requirements herein contained shall be binding upon the successors and assigns of Bremerton, and all privileges, as well as all obligations and liabilities of Bremerton, shall insure to its successors and assigns equally as if they were specifically mentioned wherever Bremerton is mentioned.

**SECTION 21. Obsolete and Discontinued Infrastructure.** Bremerton shall notify Port Orchard when any of its infrastructure subject to this Franchise has been deemed obsolete or its use discontinued. The Parties will confer and may agree to abandon the facilities in place or in the



event that they cannot agree, the facilities shall be removed at Bremerton's expense within two (2) calendar years of notification unless a shorter time frame is reasonably required to facilitate Port Orchard's use of its Rights of Way.

**SECTION 22. Franchise Costs.** Given the ongoing nature of the Parties relationship and the revenues generated by the utility tax imposed by Port Orchard, the Parties shall each bear their respective costs incurred in the negotiation and administration of this franchise agreement, including Port Orchard bearing the legal expense of negotiating and drafting this Agreement.

**SECTION 23. Reservation of Rights.** Port Orchard reserves the right at any time upon ninety (90) days written notice to Bremerton, to so change, amend, modify, or amplify any of the provisions of its ordinances incorporated pursuant to Section 17 and relating to the public health, safety, and welfare. In the event of a change in Washington case law, federal or state statute or regulation that invalidates or makes any term of this franchise illegal or impossible to fulfill, the Parties agree to reopen the negotiation of this franchise to achieve compliance with such law or regulation.

Port Orchard specifically reserves for itself the right to impose taxes, use fees, costs, service requirements, or other fees on Bremerton for the privilege of conducting this business in Port Orchard, for the use of the Port Orchard's rights-of-way, to pay for the costs of regulating this activity, or for any other public purpose so long as those taxes, use fees, costs, service requirements or other fees, as authorized by law, are imposed by ordinance. A utility tax is currently in effect which Bremerton is paying on Port Orchard business. Port Orchard will provide Bremerton with ninety (90) days' advance written notice prior to the effective date of any change to such utility tax. Bremerton agrees that it will not challenge the imposition of these taxes to the extent that they only apply to business or activities that are conducted inside the Port Orchard city limits. Bremerton similarly reserves the right and discretion to adopt ordinances that pass these additional costs on to those customers served in the Franchise Area.

**SECTION 24. Penalty for Violation of Conditions.** If Bremerton shall violate or fail to comply with any of the terms, conditions or responsibilities of this Franchise through neglect or failure to heed or comply with any notice given Bremerton under the provisions of this Franchise, the Council may revoke, amend, alter, change, or supplement this Franchise provided, however, that the Council shall give sixty (60) days written notice of its intention to do so, during which period Bremerton shall have the opportunity to remedy the failure to comply; and provided further, that if the failure cannot reasonably be cured in sixty (60) days, Bremerton shall be provided with a reasonable period to cure before any revocation, amendment, alteration, change or supplement shall take effect. No such notice need be given in case of an emergency. This provision shall not preclude any other remedies for noncompliance identified under this Agreement.



**SECTION 25. Non-Waiver.** The failure of either Party to enforce any breach or violation by the other Party or any provision of this Franchise shall not be deemed to be a waiver or a continuing waiver by the non-breaching Party of any subsequent breach or violation of the same or any other provision of this Franchise.

**SECTION 26. Alternate Dispute Resolution.** If the Parties are unable to resolve disputes arising from the terms of this Franchise, prior to resorting to a court of competent jurisdiction, the Parties may submit the dispute to mediation or other non-binding alternate dispute resolution process agreed to by the Parties. Unless otherwise agreed upon between the Parties or determined herein, the cost of that process shall be shared equally by the Parties.

**SECTION 27. Attorneys' Fees.** All fees and expenses for mediation or arbitration shall be borne by the Parties equally. However, each Party shall bear the expense of its own counsel, experts, witnesses, and preparation and presentation of evidence. In any claim or lawsuit for damages arising from the Parties' performance of this Agreement, each Party shall pay all its legal costs and attorney's fees incurred in defending or bringing such claim or lawsuit, in addition to any other recovery or award provided by law; provided, however, nothing in this paragraph shall be construed to limit Port Orchard's or Bremerton's right to indemnification under Section 11 of this Agreement.

**SECTION 28. Severability.** This Agreement shall be construed to give effect to such purposes and uses under this Franchise which are consistent with economical and efficient service rendered in the public interest. If any provision of this Franchise, or its application, is determined to be invalid by court of law, then the remaining provisions shall continue and be valid unless the dominant purpose of the franchise or the public interest herein is thwarted thereby.

**SECTION 29. Venue and Applicable Law.** This Agreement shall be governed by the laws of the State of Washington. Venue for all actions arising under this Agreement shall be Kitsap County Superior Court.

**SECTION 30. Amendment.** This Franchise may be amended only by written instrument, signed by both Parties, which specifically states that it is an amendment to this Franchise, and is approved and executed in accordance with the laws of the State of Washington. Without limiting the generality of the foregoing, this Franchise (including, without limitation, Section 11 "Indemnification" above) shall govern and supersede and shall not be changed, modified, deleted, added to, supplemented or otherwise amended by any permit, approval, license, agreement or other document required by or obtained from Port Orchard in conjunction with the exercise (or failure to exercise) by Bremerton of any and all rights, benefits, privileges, obligations, or duties in and under this Franchise.

**SECTION 31. Bremerton Acceptance of Franchise.** Bremerton shall have no rights under this Franchise, nor shall Bremerton be bound by the terms and conditions of this Franchise unless



Bremerton shall, within sixty (60) days after the effective date of the ordinance, file with Port Orchard its written acceptance of this Franchise.

**SECTION 32. Effective Date of Franchise.** The terms and conditions of this ordinance shall not be binding on Port Orchard and Bremerton unless the Bremerton City Council within sixty (60) days of the effective date of Port Orchard's approval of the Franchise Ordinance adopts a resolution accepting this Franchise, and the date of the adoption of such resolution by the Bremerton City Council shall be the effective date ("Effective Date") of the Franchise.

**SECTION 33. Notice.** Unless applicable law requires a different method of giving notice, any and all notices, demands or other communications required or desired to be given hereunder by any Party (collectively, "notices") shall be in writing and shall be validly given or made to another Party if delivered either personally or by Federal Express or other overnight delivery service of recognized standing, or if deposited in the United States Mail, certified, registered, or express mail with postage prepaid, or if sent by e-mail with electronic confirmation. If such notice is personally delivered, it shall be conclusively deemed given at the time of such delivery. If such notice is delivered by Federal Express or other overnight delivery service of recognized standing, it shall be deemed given one (1) business day after the deposit thereof with such delivery service. If such notice is mailed as provided herein, such shall be deemed given three (3) business days after the deposit thereof in the United States Mail. If such notice is sent by email, it shall be deemed given at the time of the sender's receipt of electronic confirmation. Each such notice shall be deemed given only if properly addressed to the Party to whom such notice is to be given as follows:

To Port Orchard:      Public Works Director  
                                 City of Port Orchard  
                                 216 Prospect Street  
                                 Port Orchard, WA 98366  
                                 Phone: (360) 876-4407

With a Copy to the City Clerk at the same address

To Bremerton:        Public Works Director  
                                 City of Bremerton  
                                 345 6<sup>th</sup> Street, Suite 100  
                                 Bremerton, WA 98337  
                                 Phone: (360) 473-2376

Any Party may change its address for the purpose of receiving notices as herein provided by a written notice given in the manner required by this Section to the other Party.



**SECTION 34. Entire Agreement.** The Port Orchard Franchise Ordinance along with this Agreement and all exhibits thereto presents the entire agreement between the parties with respect to any matter covered by the franchise.

**SECTION 35. Effective Date of Ordinance.** This ordinance shall be published in the official newspaper of the city and shall take full force and effect five (5) days after the date of publication. A summary of this ordinance in the form of the ordinance title may be published in lieu of publishing the ordinance in its entirety.

PASSED by the City Council of the City of Port Orchard, APPROVED by the Mayor and attested by the City Clerk in authentication of such passage this 19<sup>th</sup> day of December 2023.

\_\_\_\_\_  
Robert Putaansuu, Mayor

ATTEST:

\_\_\_\_\_  
Brandy Wallace, MMC, City Clerk

APPROVED AS TO FORM:

SPONSOR:

\_\_\_\_\_  
Charlotte A. Archer  
Port Orchard City Attorney

\_\_\_\_\_  
Cindy Lucarelli, Council Member

PUBLISHED:

EFFECTIVE DATE:



## ACCEPTANCE OF FRANCHISE BY BREMERTON

The undersigned authorized representative of the City of Bremerton hereby declares on behalf of the Bremerton Mayor and City Council the acceptance of the nonexclusive franchise to the City of Bremerton approved by the Port Orchard City Council on \_\_\_\_\_, 2023, by the adoption of City of Port Orchard Ordinance No. \_\_\_\_\_.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

CITY OF BREMERTON

\_\_\_\_\_  
Greg Wheeler, Mayor

ATTEST/AUTHENTICATED:

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

APPROVED AS TO FORM:

\_\_\_\_\_  
Kylie J. Finnell  
Bremerton City Attorney





## City of Port Orchard

216 Prospect Street, Port Orchard, WA 98366  
(360) 876-4407 • FAX (360) 895-9029

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### Agenda Staff Report

Agenda Item No.:	<u>Business Item 6E</u>	Meeting Date:	<u>December 19, 2023</u>
Subject:	<u>Adoption of a Resolution Confirming</u>	Prepared by:	<u>Brandy Wallace, MMC</u>
	<u>Mayoral Appointments to Boards,</u>		<u>City Clerk</u>
	<u>Committees, and Commissions</u>	Atty Routing No.:	<u>N/A</u>
		Atty Review Date:	<u>N/A</u>

**Summary:** Annually, the City Clerk's office reviews the expiring terms and/or vacancy of members of various boards, committees, and commissions.

The Mayor is seeking to appoint the following volunteers to fill expired or vacant terms on various boards, committees, and commissions, upon confirmation of the City Council:

- **Planning Commission:** Appointment of Wayne Wright to Vacant Position No. 4 for a three-year term expiring December 31, 2026; the appointment of Louis Ta, Position No. 5 to a four-year term expiring December 31, 2027; and the reappointments of Bek Ashby, Position No. 6 and Joe Morrisson, Position No. 7 to a four-year term expiring December 31, 2027.
- **Design Review Board:** Appointment of Laurie Wagner, Lay Position No. 3 to the Design Review Board, for a three-year term expiring December 31, 2026.
- **Animal Control Appeal Board:** Reappointment of Lorraine Olsen for a three-year term expiring December 31, 2026.
- **Building Board of Appeals:** Reappointment of Matt Zawlocki to the Building Board of Appeals for a five-year term expiring December 31, 2028.
- **Kitsap County Capital Grant Recommendation Committee:** Reappointment of Christine Stansbery to the Kitsap County Capital Grant Recommendation Committee for a one-year term expiring December 31, 2024.
- **Kitsap County Services Grant Recommendation Committee:** Appointment of Rochelle Lemay to the Kitsap County Services Grant Recommendation Committee for a one-year term expiring December 31, 2024.
- **Peninsula Regional Transpiration Planning Organization (PRTPO):** reappointment of Bek Ashby to the Peninsula Regional Transportation Planning Organization (PRTPO) for a one-year term expiring December 31, 2024.



**Recommendation:** Mayor Putaansuu recommends adoption of a Resolution confirming his appointments, as presented.

**Relationship to Comprehensive Plan:** N/A.

**Motion for consideration:** “I move to adopt a resolution confirming the Mayor’s appointments to the Boards, Committees, and Commissions, as set forth in the Resolution presented.”

**Fiscal Impact:** None.

**Alternatives:** Not confirm the Mayor’s appointment and provide further direction.

**Attachments:** Resolution.



**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY OF PORT ORCHARD, WASHINGTON CONFIRMING MAYORAL APPOINTMENTS TO THE PLANNING COMMISSION, DESIGN REVIEW BOARD, BUILDING BOARD OF APPEALS, KITSAP COUNTY GRANT AND CAPITAL GRANT RECOMMENDATION COMMITTEE AND PENINSULA REGIONAL TRANSPORTATION PLANNING ORGANIZATION (PRTPO).**

**WHEREAS**, the Mayor is authorized to appoint volunteers to fill expired or vacant terms on various boards, committees, and commissions, upon confirmation of the City Council; and

**WHEREAS**, the following boards, committees, and commissions have expiring or vacant terms; now therefore,

**THE CITY COUNCIL OF THE CITY OF PORT ORCHARD, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:**

**THAT:** The City Council of the City of Port Orchard does hereby confirm the appointment of Wayne Wright to fill vacant Position No. 4, for a three-year term expiring December 31, 2026; the appointment of Louis Ta, Position No. 5, to a four-year term expiring December 31, 2027; and the reappointments of Bek Ashby, Position No. 6 and Joe Morrisson, Position No. 7 to a four-year term expiring December 31, 2027, to the Planning Commission.

**THAT:** The City Council of the City of Port Orchard does hereby confirm the appointment of Laurie Wagner, Lay Position No. 3, to the Design Review Board, for a three-year term expiring December 31, 2026.

**THAT:** The City Council of the City of Port Orchard does hereby confirm the reappointment of Lorraine Olson to the Animal Control Appeal Board for a three-year term expiring December 31, 2026.

**THAT:** The City Council of the City of Port Orchard does hereby confirm the reappointment of Matt Zawlocki to the Building Board of Appeals for a five-year term expiring December 31, 2028.

**THAT:** The City Council of the City of Port Orchard does hereby confirm the reappointment of Christine Stansbery to the Kitsap County Capital Grant Recommendation Committee for a one-year term expiring December 31, 2024.

**THAT:** The City Council of the City of Port Orchard does hereby confirm the appointment of Rochelle Lemay to the Kitsap County Services Grant Recommendation Committee for a one-year term expiring December 31, 2024.



**THAT:** The City Council of the City of Port Orchard does hereby confirm the reappointment of Bek Ashby to the Peninsula Regional Transportation Planning Organization (PRTPO) for a one-year term expiring December 31, 2024.

PASSED by the City Council of the City of Port Orchard, APPROVED by the Mayor and attested by the City Clerk in authentication of such passage this 19<sup>th</sup> day of December 2023.

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Robert Putaansuu, Mayor

ATTEST:

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Brandy Wallace, MMC, City Clerk





## City of Port Orchard

216 Prospect Street, Port Orchard, WA 98366  
(360) 876-4407 • FAX (360) 895-9029

### Agenda Staff Report

Agenda Item No.	Business Item 6F	Meeting Date:	December 19, 2023
Subject:	Adoption of a Resolution Authorizing the Purchase of a Portion of Kitsap County Tax Parcel No. 342401-4-027-2008 (Freeman) for the Pottery Sidewalk Extension & Road Project	Prepared by:	Denis Ryan Public Works Director
		Atty Routing No:	366922-0009
		Atty Review Date:	12/13/2023

**Summary:** The City has identified the need to acquire real property to support the construction of the Pottery Ave Sidewalk Extension and Road Project (the “Project”). The City engaged the consulting firm Commonstreet Consulting to serve as the City’s Right of Way Agent for this Project and associated acquisitions. Based on the Project designs, the City identified the necessary acquisition of a strip of approximately 1,800 square feet of real property located at 1698 Pottery Ave, Kitsap County Tax Parcel No. 342401-4-027-2008 (the “Property”) for the Project. Consistent with the City’s policies for Right of Way Acquisition (utilizing the WSDOT requirements for this type of project), on November 30, 2023 the City—through its Consultant—issued an offer letter to the owners of the Property. The acquisition will not displace the Property’s owners but rather merely impact a portion of the yard and landscaping.

Following the issuance of the offer, it was determined, that an additional \$3,700 as an administrative settlement was necessary composition for the Property’s owners to cover capital gains tax costs associated with the transaction. Additionally, the Consultant identified a deed of trust on this Property, that creates a financial encumbrance that will require the execution of a partial reconveyance issued by the lender. Accordingly, this transaction will close through escrow with title insurance to clear the deed of trust encumbrance, with the closing costs an associated administrative cost for the City to bear.

The City’s Right of Way Agent has negotiated the terms of purchase for the Property by the City of the Property, subject to Council approval. The total proposed costs are set out on the Real Property Voucher as: \$19,8000 for the acquisition, \$2,523 for landscaping, and \$3,777 as an administrative settlement associated with the tax issue, as well as up to \$10,000 for estimated closing costs.

**Relationship to Comprehensive Plan:** Chapter 8 - Transportation

**Recommendation:** That the City Council authorize the acquisition of a portion of Kitsap County Tax Parcel No. 342401-4-027-2008, as described in Exhibit A, for the Pottery Ave Sidewalk Extension and Road Project, for an Acquisition Payment not to exceed \$26,100.00, plus payment of up to \$10,000 in additional associated closing costs, and authorizes the Mayor or designee to execute all necessary documents to effectuate the purchase.

**Motion for Consideration:** I move to adopt a resolution, authorizing the purchase of Kitsap County Tax Parcel No. 342401-4-027-2008 for the Pottery Ave Sidewalk Extension and Road Project.

**Fiscal Impact:** Grant and Local Match funding for this acquisition expenditure is allocated within the Project Funding Estimate (PFE) for the Project and the 2021-2022 Biennial Budget.

**Alternatives:** Do not approve and provide alternative guidance.

**Attachments:** Resolution, Offer Letter and Warranty Deed, Real Property Voucher



**RESOLUTION NO. \_\_\_\_**

**A RESOLUTION OF THE CITY OF PORT ORCHARD, WASHINGTON, AUTHORIZING THE PURCHASE OF A PORTION OF KITSAP COUNTY TAX PARCEL NO. 342401-4-027-2008 FOR THE POTTERY AVE SIDEWALK EXTENSION AND ROAD PROJECT AND AUTHORIZING THE MAYOR TO EXECUTE ALL NECESSARY DOCUMENTS TO EFFECTUATE TRANSACTION.**

**WHEREAS**, the City has identified the need to acquire real property to support the construction of the Pottery Ave Sidewalk Extension and Road Project (the “Project”); and

**WHEREAS**, in accordance with the City’s Acquisition Procedures, the City retained a Right of Way Acquisition Consultant, Commonstreet Consulting, (the “Consultant”) to assist with the Project; and

**WHEREAS**, on November 30, 2023, the City through its Consultant issued an offer letter to the owners of real property located at 1698 Pottery Ave, Kitsap County Tax Parcel No. 342401-4-027-2008 (the “Property”), to purchase approximately 1,800 square feet of the Property which is needed for the Project and for associated landscaping to redress Project impacts on the Property; and

**WHEREAS**, it was determined, after the original administrative offer was made, that an additional \$3,700 as an administrative settlement was necessary to cover capital gains tax costs associated with the transaction; and

**WHEREAS**, the City’s Right of Way Agent has negotiated the terms of purchase by the City of the Property and recommends payment to the owners of the Property in the amount of \$26,100, inclusive of fair market value for the portion the Property to be acquired, necessary landscaping improvements to restore the impacted Property, and an administrative settlement associated with the tax issue; and

**WHEREAS**, the City’s Right of Way Agent recommends pre-approval of up to \$10,000 in closing costs associated with the transaction in order to ensure timely acquisition for the Project; and

**WHEREAS**, the Port Orchard City Council finds it is in the best interest of the City to authorize the acquisition of the Property for the amounts recommended by the Consultant; now, therefore,

**THE CITY COUNCIL OF THE CITY OF PORT ORCHARD, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:**

**THAT:** It is the intent of the Port Orchard City Council that the recitals set forth above are hereby adopted and incorporated as findings in support of this Resolution.



**THAT:** The City Council authorizes the acquisition of a portion of Kitsap County Tax Parcel No. 342401-4-027-2008, as described in Exhibit A, for the Pottery Ave Sidewalk Extension and Road Project, for a Total Acquisition Payment not to exceed \$26,100, plus an expenditure of up to \$10,000 in associated closing costs and authorizes the Mayor or designee to execute all necessary documents to effectuate the purchase.

PASSED by the City Council of the City of Port Orchard, SIGNED by the Mayor and attested by the City Clerk in authentication of such passage on this 19<sup>th</sup> day of December 2023.

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Robert Putaansuu, Mayor

ATTEST:

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Brandy Wallace, MMC, City Clerk





November 30, 2023

Claimants

Elizabeth Freeman and Garry Freeman  
1698 Pottery Ave  
Port Orchard WA 98366

**Re: Offer Letter and Receipt**

Project Title: Pottery Ave Sidewalk Extension and Road Diet Project  
Project No: PW 2023-002  
Parcel No.: 4-027  
Tax ID No.: 342401-4-027-2008

Dear Elizabeth Freeman and Dale Freeman:

The city of Port Orchard plans to improve Pottery Ave near your home at 1698 Pottery Ave. In order to construct, install, and maintain the sidewalk improvements as designed, we need to acquire property rights from you so that we can preserve the project's functionality. I have attached a drawing which shows the area we need to purchase.

The city of Port Orchard has established an amount it believes is just compensation for the proposed acquisition of a fee area abutting Pottery Avenue. Based on the market value estimated for your property, we are offering the following:

1,800 Square Foot (m/l) fee title	\$19,800.00
Improvements: Landscaping (Grass & Tree)	\$ 2,523.00
<b>Total Compensation:</b>	<b>\$22,323.00</b>

This offer is being made on a willing buyer/willing seller basis and the sale of these property rights to the City is voluntary. If you decide to accept the offer, the Agency will pay all closing costs including the Real Estate Excise Tax on this transaction. If you decide to reject the offer, then the Agency will notify you in writing that this offer will be withdrawn.



We have attempted by this letter to provide a concise statement of the purpose, location, and an opinion of value of the proposed acquisition. We hope the information will assist you in reaching a decision.

Please feel free to contact me with any questions or concerns.

Sincerely,

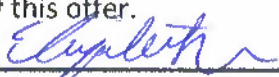
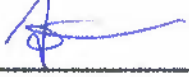
*Randy Johnson*

**Randy Johnson** | Real Property Agent  
And Right of Way Consultant for  
City of Port Orchard Public Works  
216 Prospect St | Port Orchard, WA 98366  
(564) 205-0131 | [Randy@csrow.com](mailto:Randy@csrow.com)

RECEIPT OF THIS LETTER IS HEREBY ACKNOWLEDGED.

(Please sign below on copy provided. This is necessary to ensure that you received the original of this letter.)

I understand that this acknowledgement does not signify my acceptance or rejection of this offer.

  11/30/23  
Signature Date

\_\_\_\_\_  
Signature Date



After recording return document to:

**City of Port Orchard  
216 Prospect Street  
Port Orchard, Washington 98366**

**Document Title: Warranty Deed**

**Reference Number of Related Document: N/A**

**Grantor(s): Elizabeth Freeman & Garry Dale Freeman, each as their respective separate estates**

**Grantee(s): City of Port Orchard**

**Legal Description: PTN OF SE 1/4 OF SEC 34-24-1E**

**Additional Legal Description is on Pages 3&4 of Document.**

**Assessor's Tax Parcel Number: PTN 342401-4-027-2008**

## **WARRANTY DEED**

### **Pottery Ave Sidewalk Extension & Road Diet Project**

The Grantors, Elizabeth Freeman & Garry Dale Freeman, each as their respective separate estates, for and in consideration of the sum of TEN AND NO/100 (\$10.00) Dollars, and other valuable consideration, hereby conveys and warrants to the City of Port Orchard, Grantee, the following described real property situated in Kitsap County, in the State of Washington:

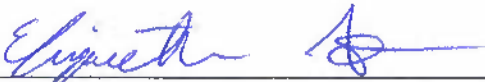
For legal description and additional conditions  
See Exhibits A and B attached hereto and made a part hereof.


It is understood and agreed that delivery of this deed is hereby tendered and that the terms and obligations hereof shall not become binding upon the City of Port Orchard unless and until accepted and approved hereon in writing for the City of Port Orchard, by its authorized agent.



WARRANTY DEED

Date: 11/30/23

  
Elizabeth Freeman

  
Garry Dale Freeman

Accepted and Approved

City of Port Orchard

By: \_\_\_\_\_  
Robert Putaansuu,  
Mayor

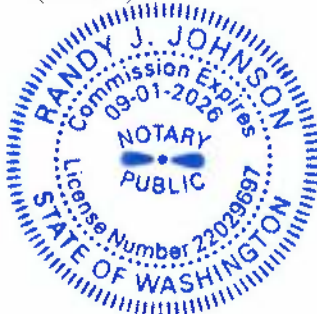
Date: \_\_\_\_\_


STATE OF WASHINGTON )  
County of Kitsap ) : ss

On this 30<sup>th</sup> day of November before me personally appeared Elizabeth Freeman & Garry Dale Freeman to me known to be the individuals described in and who executed the foregoing instrument, and acknowledged that they signed and sealed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal the day and year last above written.

(SEAL)



  
Notary Public in and for the State of  
Washington, residing at Olympia  
My commission expires 9/1/2026

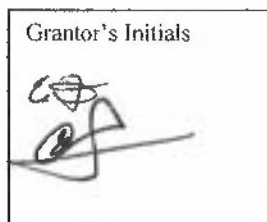
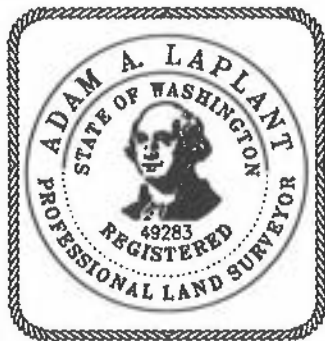


# WARRANTY DEED

EXHIBIT A  
R/W DESCRIPTION  
KITSAP COUNTY PARCEL 342401-4-027-2008

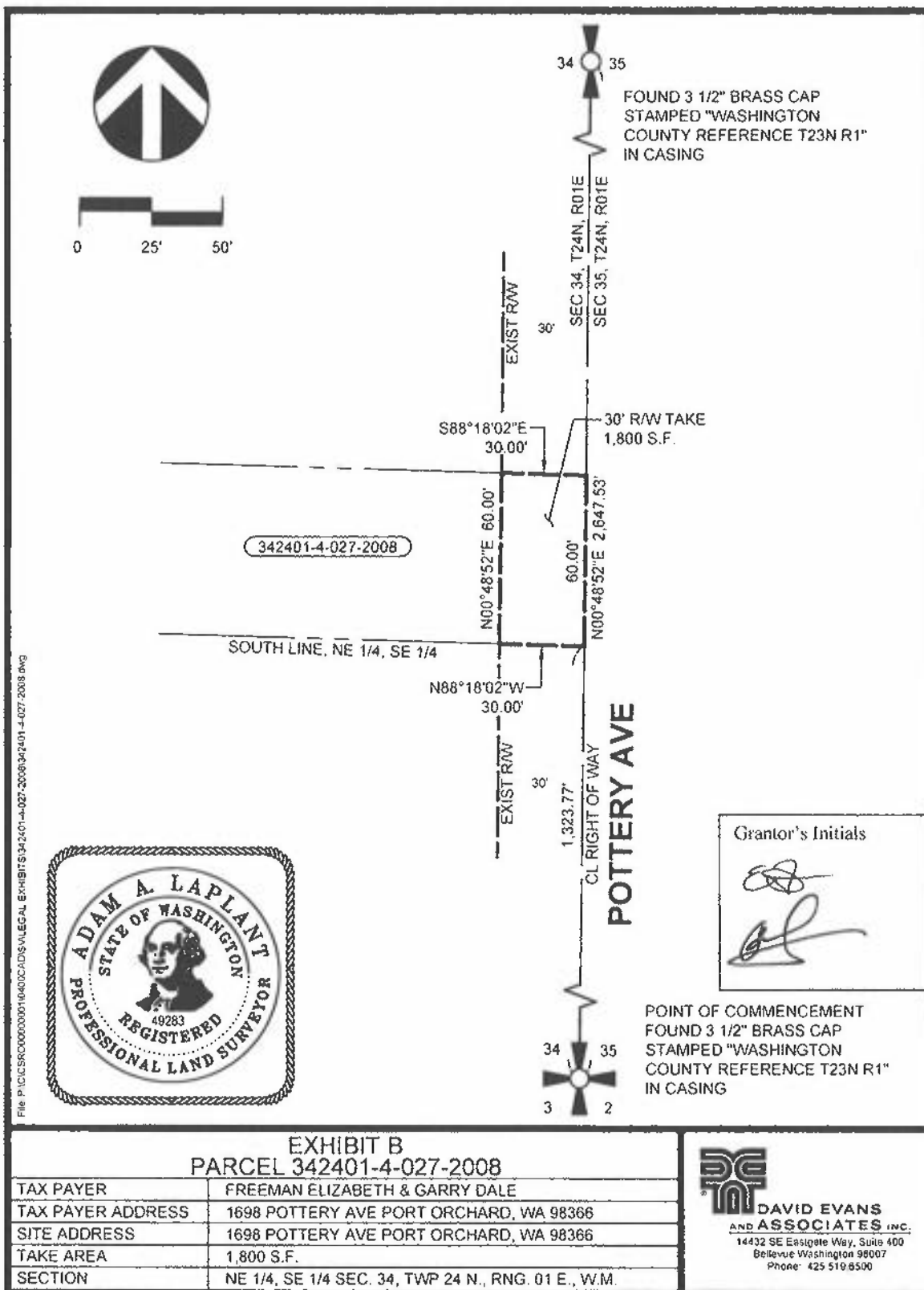
THE EAST 30.00 FEET OF THE SOUTH 60.00 FEET OF THE NORTHEAST QUARTER  
OF THE SOUTHEAST QUARTER OF SECTION 34, TOWNSHIP 24 NORTH,  
RANGE 01 EAST, W.M., KITSAP COUNTY, WASHINGTON.

CONTAINING 1,800 SQUARE FEET, MORE OR LESS.





# WARRANTY DEED





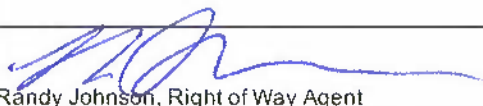
LPA-302  
10/2014

Page 4 of (4) Pages

Parcel No. 342401-4-027-2008



# REAL PROPERTY VOUCHER

AGENCY NAME  <b>City of Port Orchard</b> 216 Prospect St Port Orchard, WA 98366		I hereby certify under penalty of perjury that the items and amounts listed herein are proper charges against the Agency, that the same or any part thereof has not been paid, and that I am authorized to sign for the claimant.		
GRANTOR OR CLAIMANT (NAME, ADDRESS)  Elizabeth Freeman and Garry Dale Freeman 1698 Pottery Avenue, Port Orchard WA 98366		TIN/SSN:	SIGNATURE (IN INK) FOR EACH CLAIMANT  X 	DATED  11/30/23
PROJECT NO. AND TITLE PW 2023-002 Pottery Ave Sidewalk Extension and Road Diet		X 		11/30/23
FEDERAL AID NO.		PARCEL NO. 342401-4-027-2008		Garry Dale Freeman
In full, complete and final payment and settlement for the title or interest conveyed or released, as fully set forth in:			DATED	\$ AMOUNT
LAND: 1800 Square Feet (m/l) Fee Title			+	\$19,800.00
IMPROVEMENTS: Landscaping			+	\$2,523.00
JC (Just Compensation) Amount				\$22,323.00
ADMINISTRATIVE SETTLEMENT			+	\$3,777.00
REAL ESTATE EXCISE TAX To Be Paid By City of Port Orchard			+	
OTHER:			+	
 Randy Johnson, Right of Way Agent		DATE 11/30/23	Voucher No.	TOTAL AMOUNT PAID \$26,100.00
APPROVED FOR PAYMENT:  Nick Bond, AICP		DATE		
We have agreed to the compensation listed above as the full and final payment for the loss of our landscaping. The city of Port Orchard will not, at any time in the future, be responsible for any additional costs above and beyond the amount listed above, nor for the construction of such improvement (or repair).				

LPA-321 10/2014





**City of Port Orchard**

216 Prospect Street, Port Orchard, WA 98366  
(360) 876-4407 • FAX (360) 895-9029

---

**Agenda Staff Report**

Agenda Item No.	Business Item 6G	Meeting Date:	December 19, 2023
Subject:	Adoption of a Resolution Authorizing the	Prepared by:	Denis Ryan
	Purchase of a Portion of Kitsap County Tax		Public Works Director
	Parcel No. 342401-4-023-2002 (Magneson)	Atty Routing No:	366922-0009
	for the Pottery Sidewalk Extension & Road	Atty Review Date:	12/13/2023
	Project		

**Summary:** The City has identified the need to acquire real property to support the construction of the Pottery Ave Sidewalk Extension and Road Project (the “Project”). The City engaged the consulting firm Commonstreet Consulting to serve as the City’s Right of Way Agent for this Project and associated acquisitions. Based on the Project designs, the City identified the necessary acquisition of a strip of approximately 1,688 square feet of real property located at 1608 Pottery Ave, Kitsap County Tax Parcel No. 342401-4-023-2002 (the “Property”) for the Project. Consistent with the City’s policies for Right of Way Acquisition (utilizing the WSDOT requirements for this type of project), on March 3, 2023, the City—through its Consultant—issued an offer letter to the owners of the Property. The acquisition will not displace the Property’s owners but rather merely impact a portion of the yard and landscaping.

Following the issuance of the offer, it was determined that the Property’s septic drain-field was located within the acquisition area and would require decommissioning as a component of the Project. Thus, on November 15, 2023, the City withdrew its initial offer and issued a revised offer for the portion of the Property to include costs associated with the decommissioning of the septic system and the Property’s connection to the City’s sewerage system. The City’s Right of Way Agent has negotiated the terms of purchase for the Property by the City of the Property, subject to Council approval.

**Relationship to Comprehensive Plan:** Chapter 8 - Transportation

**Recommendation:** That the City Council authorize the acquisition of a portion of Kitsap County Tax Parcel No. 342401-4-023-2002, as described in Exhibit A, for the Pottery Ave Sidewalk Extension and Road Project, for an Acquisition Payment not to exceed \$50,000, plus payment of additional associated closing costs including the Real Estate Excise Tax and authorizes the Mayor or designee to execute all necessary documents to effectuate the purchase.

**Motion for Consideration:** I move to adopt a resolution, authorizing the purchase of a portion of Kitsap County Tax Parcel No. 342401-4-023-2002 for the Pottery Ave Sidewalk Extension and Road Project.

**Fiscal Impact:** Grant and Local Match funding for this acquisition expenditure is allocated within the Project Funding Estimate (PFE) for the Project and the 2021-2022 Biennial Budget.

**Alternatives:** Do not approve and provide alternative guidance.

**Attachments:** Resolution, Exhibit A- Offer letter and Warranty Deed, Real Property Voucher



**RESOLUTION NO. \_\_\_\_**

**A RESOLUTION OF THE CITY OF PORT ORCHARD, WASHINGTON, AUTHORIZING THE PURCHASE OF A PORTION OF KITSAP COUNTY TAX PARCEL NO. 342401-4-023-2002 FOR THE POTTERY AVE SIDEWALK EXTENSION AND ROAD PROJECT AND AUTHORIZING THE MAYOR TO EXECUTE ALL NECESSARY DOCUMENTS TO EFFECTUATE TRANSACTION.**

**WHEREAS**, the City has identified the need to acquire real property to support the construction of the Pottery Ave Sidewalk Extension and Road Project (the “Project”); and

**WHEREAS**, in accordance with the City’s Acquisition Procedures, the City retained a Right of Way Acquisition Consultant, Commonstreet Consulting, (the “Consultant”) to assist with the Project; and

**WHEREAS**, on March 3, 2023, the City through its Consultant issued an offer letter to the owners of real property located at 1608 Pottery Ave, Kitsap County Tax Parcel No. 342401-4-023-2002 (the “Property”), to purchase approximately 1,688 square feet of the Property needed for the Project; and

**WHEREAS**, it was determined, after the original administrative offer was made, that the Property’s septic drain-field was located within the acquisition area and on November 15, 2023, the City issued a revised offer for the portion of the Property to reflect the costs associated with decommissioning the septic system and connecting the Property to the City’s sewerage system; and

**WHEREAS**, the City’s Consultant, has negotiated the terms of purchase by the City of the Property; and

**WHEREAS**, the Port Orchard City Council finds it is in the best interest of the City to authorize the acquisition of the Property for \$50,000, inclusive of fair market value for the portion the Property to be acquired, necessary landscaping improvements to restore the impacted Property, and the cost to cure the septic issue; now, therefore,

**THE CITY COUNCIL OF THE CITY OF PORT ORCHARD, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:**

**THAT:** It is the intent of the Port Orchard City Council that the recitals set forth above are hereby adopted and incorporated as findings in support of this Resolution.

**THAT:** The City Council authorizes the acquisition of a portion of Kitsap County Tax Parcel No. 342401-4-023-2002, as described in Exhibit A, for the Pottery Ave Sidewalk Extension and Road Project, for a Total Acquisition Payment not to exceed \$50,000, plus payment of additional associated closing costs, including the Real Estate Excise Tax, and



authorizes the Mayor or designee to execute all necessary documents to effectuate the purchase.

PASSED by the City Council of the City of Port Orchard, SIGNED by the Mayor and attested by the City Clerk in authentication of such passage on this 19<sup>th</sup> day of December 2023.

---

Robert Putaansuu, Mayor

ATTEST:

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Brandy Wallace, MMC, City Clerk





November 15, 2023

Claimant

Royce D. Magneson  
1608 Pottery Ave  
Port Orchard WA 98366

**Re: Revised Offer Letter and Receipt**

Project Title: Pottery Ave Sidewalk Extension and Road Diet Project  
Project No: PW 2023-002  
Parcel No.: 4-023  
Tax ID No.: 342401-4-023-2002

Dear Royce Magneson:

The City of Port Orchard (City) plans to improve Pottery Ave near your home at 1608 Pottery Ave. In order to construct, install, and maintain the sidewalk improvements as designed, we need to acquire property rights from you so that we can preserve the project's functionality. I have attached a drawing which shows the area we need to purchase.

In the offer letter dated March 3, 2023, the City offered to purchase property and improvements owned by you and identified as Parcel Number 4-023.

Due to the discovery of your septic drainfield located within the acquisition area after the Administrative Offer Summary (AOS) was completed and Just Compensation was set, it is necessary to withdraw the City's original offer and make a new offer.

The City has established an amount it believes is just compensation for the proposed acquisition of a fee area abutting Pottery Avenue. The Agency's revised offer is as follows:

1,688 Square Foot (m/l) fee title	\$11,394.00
Improvements: Landscaping (Grass & Fencing)	\$ 3,887.00
Cost to Cure -- Sewer Connection Costs	\$34,719.00
<b>Total Compensation:</b>	<b>\$50,000.00</b>

PUBLIC WORKS DIRECTOR  
216 PROSPECT ST PORT ORCHARD, WA 98366

PHONE (360)876.4991 | FAX (360) 876.4980  
EMAIL: PUBLICWORKS@CITYOFPORTORCHARD.US  
WWW.CITYOFPORTORCHARD.US



This offer is being made on a willing buyer/willing seller basis and the sale of these property rights to the City is voluntary. If you decide to accept the offer, the Agency will pay all closing costs including the Real Estate Excise Tax on this transaction. If you decide to reject the offer, then the Agency will notify you in writing that this offer will be withdrawn.

The cost to cure captures all related expenses for disconnecting and decommissioning the septic tank, as well as all expenses for the sewer connection from the single-family home to the sewer cleanout line installed by the City at the seller's property line during the Project. Also included is payment for the removal of any necessary trees, foliage, and related stumps and roots.

We have attempted by this letter to provide a concise statement of the purpose, location, and an opinion of value of the proposed acquisition. We hope the information will assist you in reaching a decision.

Please feel free to contact me with any questions or concerns.

Sincerely,

*Randy Johnson*

Randy Johnson | Real Property Agent  
And Right of Way Consultant for  
City of Port Orchard Public Works  
216 Prospect St | Port Orchard, WA 98366  
(564) 205-0131 | [Randy@csrow.com](mailto:Randy@csrow.com)

RECEIPT OF THIS LETTER IS HEREBY ACKNOWLEDGED.

(Please sign below on copy provided. This is necessary to ensure that you received the original of this letter.)

I understand that this acknowledgement does not signify my acceptance or rejection of this offer.

*[Signature]*  
Signature

*11/16/23*  
Date

*Dessay Magnuson*  
Signature

*11/16/23*  
Date



After recording return document to:

**City of Port Orchard  
216 Port Orchard  
Port Orchard, Washington 98366**

**Document Title: Warranty Deed  
Reference Number of Related Document: N/A  
Grantors: Royce D. and Desray Magneson, husband and wife  
Grantee: City of Port Orchard  
Legal Description: PTN Portion NE SE, 34 24N 01E  
Additional Legal Description is on Pages 3&4 of Document.  
Assessor's Tax Parcel Number: PTN 342401-4-023-2002**

## **WARRANTY DEED**

### **Pottery Ave Sidewalk Extension and Road Diet Project**

The Grantors, Royce D. Magneson and Desray Magneson, husband and wife, who acquired title as Royce D. Magneson, as his separate estate, for and in consideration of the sum of TEN AND NO/100 (\$10.00) Dollars, and other valuable consideration, hereby conveys and warrants to the City of Port Orchard, a municipal corporation of the state of Washington, Grantee, the following described real property situated in Kitsap County, in the State of Washington:

For legal description and additional conditions  
See Exhibits A and B attached hereto and made a part hereof.

It is understood and agreed that delivery of this deed is hereby tendered and that the terms and obligations hereof shall not become binding upon the City of Port Orchard unless and until accepted and approved hereon in writing for the City of Port Orchard, by its authorized agent.



WARRANTY DEED

Date: November 16, 2023

Royce D. Magneson  
Royce D. Magneson

Desray Magneson  
Desray Magneson

Accepted and Approved

City of Port Orchard

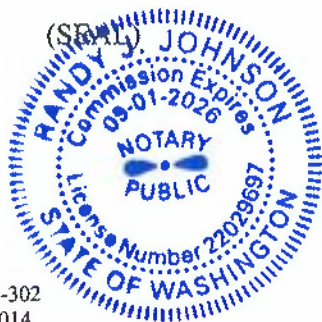
By: \_\_\_\_\_  
Robert Putaansuu  
Mayor

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

STATE OF WASHINGTON )  
: ss  
County of Kitsap )

On this 16<sup>th</sup> day of November 2023 before me personally appeared Royce D. Magneson and Desray Magneson to me known to be the individuals described in and who executed the foregoing instrument, and acknowledged that they signed and sealed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal the day and year last above written.



Randy S. Johnson  
Notary Public in and for the State of  
Washington, residing at Olympia  
My commission expires 9/1/2026



**WARRANTY DEED**

**EXHIBIT A  
R/W DESCRIPTION  
KITSAP COUNTY PARCEL 342401-4-023-2002**

A PORTION OF RESULTANT PARCEL 1, DECLARATION OF BOUNDARY LINE ADJUSTMENT RECORDED UNDER AUDITORS FILE NUMBER 20161206168, RECORDS OF KITSAP COUNTY, WASHINGTON, BEING A PORTION OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 34, TOWNSHIP 24 NORTH, RANGE 01 EAST, W.M., KITSAP COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION, A 3 1/2 INCH BRASS CAP IN MONUMENT CASING, FOUND IN PLACE, FROM WHICH THE EAST QUARTER CORNER OF SAID SECTION, A 3 1/2 INCH BRASS CAP IN MONUMENT CASING, FOUND IN PLACE, BEARS NORTH 00°48'52" EAST, 2647.53 FEET DISTANT;  
THENCE NORTH 00°48'52" EAST ALONG THE EASTERLY LINE OF SAID SUBDIVISION A DISTANCE OF 1,486.45 FEET;  
THENCE NORTH 88°18'02" WEST A DISTANCE OF 10.00 FEET TO THE INTERSECTION OF THE WESTERLY RIGHT OF WAY MARGIN OF POTTERY AVENUE WITH THE SOUTHERLY LINE OF SAID RESULTANT PARCEL 1 AND THE **POINT OF BEGINNING**;  
THENCE NORTH 88°18'02" WEST ALONG SAID SOUTHERLY LINE A DISTANCE OF 20.00 FEET;  
THENCE NORTH 00°48'52" EAST ALONG A LINE 20.00 FEET WESTERLY OF AND PARALLEL WITH SAID WESTERLY MARGIN A DISTANCE OF 84.39 FEET;  
THENCE SOUTH 88°18'02" EAST A DISTANCE OF 20.00 FEET TO SAID WESTERLY MARGIN;  
THENCE SOUTH 00°48'52" WEST ALONG SAID WESTERLY MARGIN A DISTANCE OF 84.39 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 1,688 SQUARE FEET, MORE OR LESS.

Grantor's Initials



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10/2014

Page 3 of (4) Pages

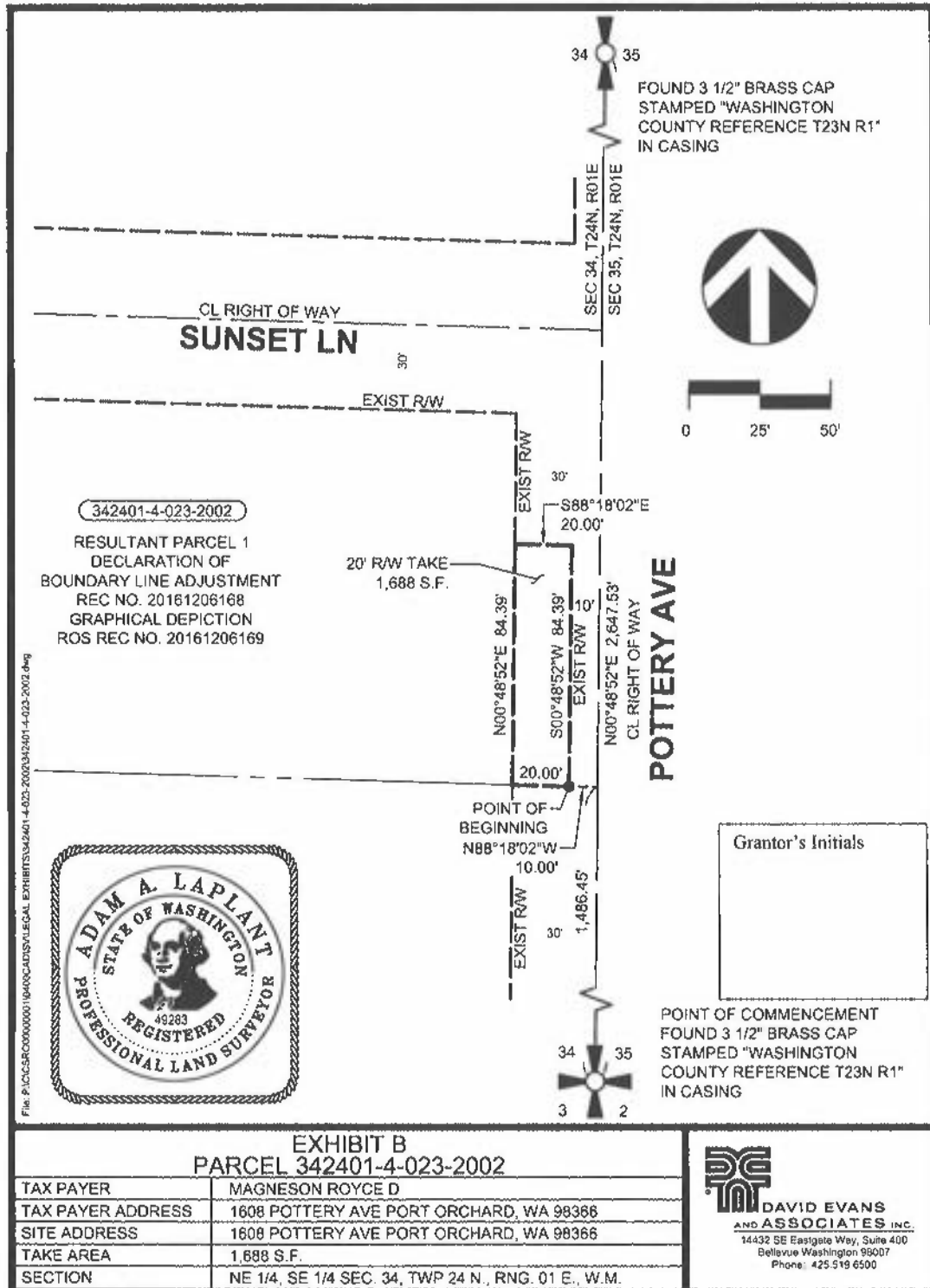


**DAVID EVANS  
AND ASSOCIATES INC.**

14432 SE Eastgate Way, Suite 400  
Bellevue, WA 98007  
425.519.6500



# WARRANTY DEED



LPA-302  
10/2014

Page 4 of (4) Pages

Parcel No. 342401-4-023-2002



# REAL PROPERTY VOUCHER

<b>AGENCY NAME</b>  <b>City of Port Orchard</b> 216 Prospect St Port Orchard WA 98366		I hereby certify under penalty of perjury that the items and amounts listed herein are proper charges against the Agency, that the same or any part thereof has not been paid, and that I am authorized to sign for the claimant.	
<b>GRANTOR OR CLAIMANT (NAME, ADDRESS)</b>  <b>Royce D. and Desray Magneson</b> 1608 Pottery Avenue, Port Orchard WA 98366		<b>TIN/SSN:</b>  _____	<b>SIGNATURE (IN INK) FOR EACH CLAIMANT</b>  X <i>Royce D. Magneson</i> <b>Royce D. Magneson</b>
<b>PROJECT NO. AND TITLE</b> <b>PW 2023-002</b> <b>Pottery Ave Sidewalk Extension and Road Diet Project</b>		<b>DATED</b> 11/16/23	
<b>FEDERAL AID NO.</b> N/A	<b>PARCEL NO.</b> 34201-4-023-2002	X <i>Desray Magneson</i> <b>Desray Magneson</b>	
In full, complete and final payment and settlement for the title or interest conveyed or released, as fully set forth in:		<b>DATED</b>	<b>\$ AMOUNT</b>
<b>LAND:</b> 1,688 Square Feet (m/l) Fee Title		+	\$11,394.00
<b>IMPROVEMENTS:</b> Landscaping (85 Linear Feet of 5' Fence; 1,688 Square Feet Grass)		+	\$3,887.00
<b>DAMAGES:</b> Cost to Cure Proximity Other		+	
<b>SPECIAL BENEFITS</b>			
<b>JC (Just Compensation) Amount</b>			\$15,281.00
<b>REMAINDER:</b> Uneconomic Remnant Excess Acquisition		+	
<b>DEDUCTIONS:</b> Amount Previously Paid Performance Bond Salvage Amount Pre Paid Rent Other			
<b>ADMINISTRATIVE SETTLEMENT</b> Septic Decommissioning Sewer Connection Costs for One (1) Single Family Residence Removal of Trees, Foliage, Stumps Necessary for the Sewer Connection		+	\$34,719.00
<b>REAL ESTATE EXCISE TAX</b> To Be Paid By City of Port Orchard		+	
<b>ACQUISITION AGENT</b> - Randy Johnson - Right of Way Agent <i>[Signature]</i>	<b>DATE</b> 11/16/23	<b>Voucher No.</b>	<b>TOTAL AMOUNT PAID</b> \$50,000.00
<b>AUTHORIZED AGENT FOR AGENCY</b>  Nick Bond, AICP	<b>DATE</b>		
We have agreed to the compensation listed above as the full and final payment for the loss of our fence and landscaping. The city of Port Orchard will not, at any time in the future, be responsible for any additional costs above and beyond the amount listed above, nor for the construction of such improvement (or repair).			

LPA-321 10/2014





## City of Port Orchard

216 Prospect Street, Port Orchard, WA 98366  
(360) 876-4407 • FAX (360) 895-9029

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### Agenda Staff Report

Agenda Item No.:	Business Item 6H	Meeting Date:	December 19, 2023
Subject:	Adoption of a Resolution Declaring Intent to be Reimbursed for Capital Expenditures from a Future Borrowing	Prepared by:	Noah D. Crocker Finance Director
		Atty Routing No:	366922-0007
		Atty Review Date:	12/14/2023

**Summary:** On November 28, 2023 City Council approved a purchase and sale agreement for an office building adjacent to our Department of Community Development building. The property is known as Kitsap County Tax Parcel No. 4650-015-006-0007, 730 Prospect Street.

The City intends to make expenditures for the purchase from available funds and reasonably expects to be reimbursed for those expenditures from proceeds of bonds or other obligations ("bonds") issued to finance those expenditures.

**Recommendation:** The Finance Director recommends adoption of a Resolution.

**Relationship to Comprehensive Plan:** City Facilities

**Motion for consideration:** I move to adopt a Resolution, declaring the City's intent to be reimbursed from future borrowing proceeds.

**Fiscal Impact:** Provides the flexibility for cashflow funding and reimbursement from bond proceeds.

**Alternatives:** Do not authorize and provide alternative guidance

**Attachments:** Resolution



RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY OF PORT ORCHARD, WASHINGTON, APPROVING THE REIMBURSEMENT OF REAL PROPERTY EXPENDITURES PAID BY THE CITY PRIOR TO THE FINANCING OF SUCH EXPENDITURES.**

**WHEREAS**, the City of Port Orchard (the “Local Agency”) reasonably expects to reimburse to itself the expenditures described herein with the proceeds of various financing contracts to be entered into by the Local Agency (the “Reimbursement Obligations”); and

**WHEREAS**, the expenditures of which the Local Agency reasonably expects to be reimbursed from the proceeds of Reimbursement Obligations, are for the acquisition of real property from Pontoon 1 Investments LLC, identified as Kitsap County Tax Parcel No. 4650-015-006-0007 (the “Property”), commonly referenced as the 730 Prospect Street (the “expenditures”); and

**WHEREAS**, the above expenditures with respect to which the Local Agency reasonably expects to be reimbursed from the proceeds of Reimbursement Obligations will be made from contributions from Fund 001 for the acquisition real property; and

**WHEREAS**, the maximum principal amount of Reimbursement Obligations expected to be issued for the Property described herein is \$2,000,000; now therefore,

**THE CITY COUNCIL OF THE CITY OF PORT ORCHARD, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:**

**THAT:** The City Council hereby adopts the recitals expressed above as Findings of Fact in support of this Resolution.

**THAT:** The reimbursement to the City of Port Orchard for these expenditures paid prior to the financing of such expenditures, to be made from the borrowed funds, is approved.

PASSED by the City Council of the City of Port Orchard, SIGNED by the Mayor and attested by the City Clerk in authentication of such passage this 19th day of December 2023.

\_\_\_\_\_  
Robert Putaansuu, Mayor

ATTEST:

\_\_\_\_\_  
Brandy Wallace, MMC, City Clerk





## City of Port Orchard

216 Prospect Street, Port Orchard, WA 98366

(360) 876-4407 • FAX (360) 895-9029

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### Agenda Staff Report

Agenda Item No.	Business Item 6I	Meeting Date:	December 19, 2023
Subject	Approval of Amendment No. 3 to Contract No. 048-23 with Lincoln Construction, Inc for the City Hall Renovations Project	Prepared by:	Denis Ryan Public Works Director
		Atty Routing No:	366922-0009
		Atty Review Date:	12/12/2023

**Summary:** The Port Orchard City Hall facility was constructed in 1999. Through the years, weather, normal wear and tear, and increased staffing have triggered a need to update and renovate the building. In 2020, following a competitively-bid selection process, a consultant was hired to determine the current and future needs of the building and to prepare a design for the needed building renovations. The result of the consultant's work determined the need and proposed scope of the City Hall Renovations Project (the "Project"). On May 23, 2023, following a procurement process consistent with state law and the City's Procurement Policies adopted by Resolution 073-23, as amended, the City executed Contract No. 048-23 with Lincoln Construction, Inc. for the Project. Change Order No. 1, approved October 11, 2023, and Change Order No. 2, approved December 12, 2023, captured revisions and adjustments to the renovation.

Change Order No. 3 is necessary to address the Public Works counter add, Copper Shingle Roofing Credit, Mail Station Scope Removal Credit, Weathervane Work Add, Level 1 Police Door Add, Level 1 Wall Demo Add. Staff have confirmed all of these changes are reasonable and necessary for the Project. These changes would increase the contract to reflect an increased cost, as amended, by \$49,103.03, for a new contract total of \$9,212,515.15 (applicable tax included).

As a reminder, per the City's Procurement Policies, with this approval the delegated change order authority for the Public Works Director is re-set, allowing staff to administratively approve of low-value change orders that may occur within the established cap. Staff desired to flag this for the Council as this is a recent modification to the City's Procurement Policies (adopted earlier in 2023).

**Recommendation:** Staff recommends that the City Council authorize the Mayor to execute Change Order No. 3 to Contract No. 048-23 with Lincoln Construction, Inc. for the City Hall Renovations Project to increase the contract, as amended, by \$49,103.03, for a new contract total of \$9,212,515.15 (applicable tax included).

**Relationship to Comprehensive Plan:** Chapter 9: Capital Facilities

**Motion for Consideration:** I move to authorize the Mayor to execute Change Order No. 3 to Contract No. 048-23 with Lincoln Construction, Inc. for the City Hall Renovations Project.

**Fiscal Impact:** This is funded with limited tax general obligation (LTGO) bonds.

**Alternatives:** Do not approve and provide further guidance

**Attachments:** Change Order No. 3, Courtesy Copy of C048-23 and Change Order No. 1 and No. 2



# CITY OF PORT ORCHARD

## Authorization for Change Order No. 3

**Date:** 12/5/2023 **Contractor:** Lincoln Construction, Inc.  
**Project:** City Hall Renovation **11803 101<sup>st</sup> Ave. E. Suite 201**  
**Contract / Job #** C048-23 **Puyallup, WA 98373**

### THIS CHANGE ORDER AUTHORIZES (add description).

Additional Work/Construction Change Directives:

COP 009- Public Works Counter Add - \$33,545.00

COP 010R2- Copper Shingle Roofing – Credit (\$931.00)

COP 011- Mail Station Scope Removal – Credit (\$10,353.00)

COP 012- Weathervane Work - \$2,546.00

COP 013R1- Level 1 Police Door - \$10,731.00

COP 014- Level 1 Wall Demo - \$9,387.00

Total Change Order \$44,925.00. See COP 009-COP 014 and AIA for breakdown.

In all other respects the Underlying agreement between the parties shall remain in full force and effect, amended as set forth herein, but only as set forth herein.

	Amount	Sales Tax	Total	Date	Appvd by
Original Contract	\$8,245,941.00	\$766,872.51	\$9,012,813.51	13-Jun-22	Council
Change Order 1	\$44,711.00	\$4,698.77	\$49,409.77	11-Oct-23	PW Director
Change Order 2	\$92,579.00	\$8,609.85	\$101,188.85	12-Dec-23	Council
Change Order 3	\$44,925.00	\$4,178.03	\$49,103.03	19-Dec-23	Council
Total Contract	\$8,428,156.00	\$784,359.15	\$9,212,515.15		

I have reviewed the Change Order information above and certify that to the best of my knowledge descriptions and costs are true and accurate.

Contractor Approval Signature

Public Works Director

Printed Name & Title

Printed Name

Change Orders that do not exceed 10%, with a maximum of \$50,000, of either legally authorized budget limit or contract amount established by City Council can be approved by the Public Works Director.

Approved:

Mayor

Change Orders that do not exceed 10%, with a maximum of \$100,000, of either legally authorized budget limit or contract amount established by City Council are to be approved by the Mayor.

Attest:

City Clerk

Change Orders over \$100,000 or exceed a total of 10% require Council Action.

Council Approval Date



# CHANGE PROPOSAL REQUEST

Lincoln Construction

To: Port Orchard City Hall

COP NO: 13R1

CCD/PR No.: PR 09

Date: 12/4/2023

Project: \_\_\_\_\_

Attn.: Jason Ritter-Lopatowski

LCI Project No.: 1257

A. TOTAL MATERIAL/EQ BASE COST \$ 225.00

B. TOTAL LABOR COST \$ 4,286.25

SUBTOTAL \$ 4,511.25

C. OVERHEAD AND PROFIT (15%) \$ 676.69

SUBTOTAL \$ 676.69

D. SUBCONTRACT COST \$ 4,670.00

E. OVERHEAD AND PROFIT ON  
SUBCONTRACT COST (12%) \$ 560.40

SUBTOTAL \$ 5,230.40

H. BOND (GC ONLY) \$ 312.55

SUBTOTAL \$ 312.55

TOTAL CHANGE PROPOSAL COST \$ 10,731

CONTRACT TIME ADJUSTMENT (DAYS) TBD

Lincoln Construction, Inc.

Thomas Romberg

0

CONTRACTOR

Tom Romberg

12/4/2023

DATE

*Kell*



# CHANGE PROPOSAL REQUEST

*DO NOT  
OFFICE  
REMOVE WML  
- KRC 10/11/23*

Lincoln Construction

To: Port Orchard City Hall

COP NO: 14

CCD/PR No.: PR 011

Date: 12/4/2023

Project:

Attn.: Jason Ritter-Lopatowski

LCI Project No.: 1257

A. TOTAL MATERIAL/EQ BASE COST \$ 300.00

B. TOTAL LABOR COST \$ 3,619.50

SUBTOTAL \$ 3,919.50

C. OVERHEAD AND PROFIT (15%) \$ 587.93

SUBTOTAL \$ 587.93

D. SUBCONTRACT COST \$ 4,113.00

E. OVERHEAD AND PROFIT ON  
SUBCONTRACT COST (12%) \$ 493.56

SUBTOTAL \$ 4,606.56

H. BOND (GC ONLY) \$ 273.42

SUBTOTAL \$ 273.42

TOTAL CHANGE PROPOSAL COST \$ 9,387

CONTRACT TIME ADJUSTMENT (DAYS) TBD

Lincoln Construction, Inc.

CONTRACTOR

Thomas Romberg

Tom Romberg

0

DATE 12/4/2023

DATE

*KCH*



# CHANGE PROPOSAL REQUEST

Lincoln Construction

To: Port Orchard City Hall

COP NO: 09

CCD/PR No.: PR 007

Date: 11/28/2023

Project:

LCI Project No.: 1257

Attn.: Jason Ritter-Lopatowski

A. TOTAL MATERIAL/EQ BASE COST \$ 693.00

B. TOTAL LABOR COST \$ 3,740.80

SUBTOTAL \$ 4,433.80

C. OVERHEAD AND PROFIT (15%) \$ 665.07

SUBTOTAL \$ 665.07

D. SUBCONTRACT COST \$ 24,526.00

E. OVERHEAD AND PROFIT ON  
SUBCONTRACT COST (12%) \$ 2,943.12

SUBTOTAL \$ 27,469.12

H. BOND (GC ONLY) \$ 977.04

SUBTOTAL \$ 977.04

TOTAL CHANGE PROPOSAL COST \$ 33,545

CONTRACT TIME ADJUSTMENT (DAYS) TBD

Lincoln Construction, Inc.  
CONTRACTOR

DATE 11/28/2023

Thomas Romberg  
Tom Romberg

0

124



# CHANGE PROPOSAL REQUEST

Lincoln Construction

To: Port Orchard City Hall

COP NO: 10R2

CCD/PR No.: PR 008

Date: 12/4/2023

Project: \_\_\_\_\_

Attn.: Jason Ritter-Lopatowski

LCI Project No.: 1257

A. TOTAL MATERIAL/EQ BASE COST

\$ -

B. TOTAL LABOR COST

\$ -

SUBTOTAL

\$ -

C. OVERHEAD AND PROFIT (15%)

\$ -

SUBTOTAL

\$ -

D. SUBCONTRACT COST

\$ (931.00)

E. OVERHEAD AND PROFIT ON

SUBCONTRACT COST (12%)

\$ -

SUBTOTAL

\$ (931.00)

H. BOND (GC ONLY)

\$ -

SUBTOTAL

\$ -

TOTAL CHANGE PROPOSAL COST

\$ (931)

CONTRACT TIME ADJUSTMENT

(DAYS)

TBD

Lincoln Construction, Inc.

CONTRACTOR

Thomas Romberg

Tom Romberg

0

DATE

12/4/2023





# CHANGE PROPOSAL REQUEST

Lincoln Construction

To: Port Orchard City Hall

COP NO: 11

CCD/PR No.: PR 012

Date: 12/1/2023

Project: \_\_\_\_\_

Attn.: Jason Ritter-Lopatowski

LCI Project No.: 1257

A. TOTAL MATERIAL/EQ BASE COST

\$ -

B. TOTAL LABOR COST

\$ -

SUBTOTAL

\$ -

C. OVERHEAD AND PROFIT (15%)

\$ -

SUBTOTAL

\$ -

D. SUBCONTRACT COST

\$ (10,353.00)

E. OVERHEAD AND PROFIT ON

SUBCONTRACT COST (12%)

\$ -

SUBTOTAL

\$ (10,353.00)

H. BOND (GC ONLY)

\$ -

SUBTOTAL

\$ -

TOTAL CHANGE PROPOSAL COST

\$ (10,353)

CONTRACT TIME ADJUSTMENT

(DAYS)

TBD

Lincoln Construction, Inc.

CONTRACTOR

Thomas Romberg

0

Tom Romberg

DATE

12/1/2023

*KEH*



# CHANGE PROPOSAL REQUEST

Lincoln Construction

To: Port Orchard City Hall  
  
  
  
Attn.: Jason Ritter-Lopatowski

COP NO: 12  
CCD/PR No.: PR 010  
Date: 12/1/2023  
Project:  
LCI Project No.: 1257

A. TOTAL MATERIAL/EQ BASE COST \$ 1,000.00  
B. TOTAL LABOR COST \$ 1,149.80

SUBTOTAL \$ 2,149.80

C. OVERHEAD AND PROFIT (15%) \$ 322.47

SUBTOTAL \$ 322.47

D. SUBCONTRACT COST \$ -

E. OVERHEAD AND PROFIT ON  
SUBCONTRACT COST (12%) \$ -

SUBTOTAL \$ -

H. BOND (GC ONLY) \$ 74.17

SUBTOTAL \$ 74.17

TOTAL CHANGE PROPOSAL COST \$ 2,546

CONTRACT TIME ADJUSTMENT (DAYS) TBD

Lincoln Construction, Inc.  
CONTRACTOR  
DATE 12/1/2023

Thomas Romberg  
Tom Romberg 0

KCH



# CITY OF PORT ORCHARD

## Authorization for Change Order No. 1

**Date:** 10/11/2023  
**Project:** City Hall Renovation  
**Contract / Job #** C048-23

**Contractor:** Lincoln Construction, Inc.  
11803 101<sup>st</sup> Ave. E. Suite 201  
Puyallup, WA 98373

**THIS CHANGE ORDER AUTHORIZES (add description).**

Additional Work/Construction Change Directives:

CCD 001- Mechanical equipment revision per RFI #3

COP 002- Added weeps and lintel restoration

COP 003- Caulking at planter walls adjacent to building

COP 004R1- Planter caps around the site and added caulking at tower windows

COP 005- Roofing credit

COP 006- Privacy window film at LVL 1

COP 007- (4) clock tower access hatches

Change Order #1 Totals- \$49,409.77 w/ tax. See COP's and AIA for breakdown.

	Amount	Sales Tax	Total	Date	Appvd by
Original Contract	\$8,245,941.00	\$766,872.51	\$9,012,813.51	13-Jun-22	Council
Change Order 1	\$44,711.00	\$4,698.77	\$49,409.77	11-Oct-23	PW Director
<b>Total Contract</b>	<b>\$8,290,652.00</b>	<b>\$771,571.28</b>	<b>\$9,062,223.28</b>		

I have reviewed the Change Order information above and certify that to the best of my knowledge descriptions and costs are true and accurate.

*Thomas Romberg*

Contractor Approval Signature

Thomas Romberg-Project Manager

Printed Name & Title

*Dennis Ryan*

Public Works Director

*Dennis Ryan*

Printed Name

Change Orders that do not exceed 10%, with a maximum of \$50,000, of either legally authorized budget limit or contract amount established by City Council can be approved by the Public Works Director.

Approved: \_\_\_\_\_

Mayor

Change Orders that do not exceed 10%, with a maximum of \$100,000, of either legally authorized budget limit or contract amount established by City Council are to be approved by the Mayor.

Attest: \_\_\_\_\_

City Clerk

Change Orders over \$100,000 or exceed a total of 10% require Council Action.

\_\_\_\_\_  
Council Approval Date



**AIA®****Document G701® – 2017****Change Order****PROJECT: (Name and address)**

Port Orchard City Hall Building  
Improvements  
216 Prospect Street  
Port Orchard, WA 98366

**CONTRACT INFORMATION:**

Contract For: Construction

Date: May 23, 2023

**CHANGE ORDER INFORMATION:**

Change Order Number: 001

Date: October 12, 2023

**OWNER: (Name and address)**

City of Port Orchard  
216 Prospect Street  
Port Orchard, WA 98366

**ARCHITECT: (Name and address)**

Rice Fergus Miller, Inc.  
275 5<sup>th</sup> Street, Suite 100  
Bremerton, WA 98337

**CONTRACTOR: (Name and address)**

Lincoln Construction Inc.  
11803 101st Ave E, Suite 201  
Puyallup, WA 98373

**THE CONTRACT IS CHANGED AS FOLLOWS:**

*(Insert a detailed description of the change and, if applicable, attach or reference specific exhibits. Also include agreed upon adjustments attributable to executed Construction Change Directives.)*

**Construction Change Directives:**

CCD 01 - Mechanical equipment revision per RFI 3	\$5,079.00
COP 02 - Added weeps and lintel restoration	\$28,759.00
COP 03 - Caulking at planter walls adjacent to building	\$1,944.00
COP 04r1 - Planter caps around the site and added caulk at tower windows	\$11,507.00
COP 05 - Roofing Credit	<\$17,526.00>
COP 06 - Privacy window film at Level 1	\$6,832.00
COP 07 - (4) Clock tower access hatches	\$8,116.00

The original Contract Sum was	\$	8,245,941.00
The net change by previously authorized Change Orders	\$	
The Contract Sum prior to this Change Order was	\$	8,245,941.00
The Contract Sum will be increased by this Change Order in the amount of	\$	44,711.00
The new Contract Sum including this Change Order will be	\$	8,290,652.00

The Contract Time will be increased by Zero (0) days.

The new date of Substantial Completion will be

**NOTE:** This Change Order does not include adjustments to the Contract Sum or Guaranteed Maximum Price, or the Contract Time, that have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.

**NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.**

Rice Fergus Miller, Inc.

**ARCHITECT (Firm name)**

**SIGNATURE**

Dean Kelly

**PRINTED NAME AND TITLE**

October 12, 2023

**DATE**

Lincoln Construction

**CONTRACTOR (Firm name)**

**SIGNATURE**

Thomas Romberg-Project Manager

**PRINTED NAME AND TITLE**

October 19, 2023

**DATE**

City of Port Orchard

**OWNER (Firm name)**

**SIGNATURE**

**PRINTED NAME AND TITLE**

**DATE**



**AIA****Document****1 – 201****Construction Change Directive****PROJECT:** *(name and address)*  
Port Orchard City Hall Building  
Improvements**CONTRACT INFORMATION:**  
Contract For: Construction**CCD INFORMATION:**  
Directive Number: 01

Date: May, 23, 2023

Date: September 13, 2023

**OWNER:** *(name and address)*  
City of Port Orchard  
216 Prospect Street  
Port Orchard, WA 98366**ARCHITECT:** *(name and address)*  
Rice Fergus Miller, Inc.  
275 5<sup>th</sup> Street, Suite 100  
Bremerton, WA 98337**CONTRACTOR:** *(name and address)*  
Lincoln Construction Inc.  
11803 101<sup>st</sup> Ave E, Suite 201  
Puyallup, WA 98373

The Contractor is hereby directed to make the following change(s) in this Contract:  
*(Insert a detailed description of the change and, if applicable, attach or reference specific exhibits.)*

Revise mechanical equipment voltage per RFI 003

**PROPOSED ADJUSTMENTS**

1. The proposed basis of adjustment to the Contract Sum or Guaranteed Maximum Price is:

☒ Lump Sum increase of \$5,079☐ Unit Price of \$        per☐ Cost, as defined below, plus the following fee:  
*(Insert a definition of, or method for determining, cost)*☐ As follows:

2. The Contract Time is proposed to remain unchanged. The proposed adjustment, if any, is

**NOTE:** *The Owner, Architect and Contractor should execute a Change Order to supersede this Construction Change Directive to the extent they agree upon adjustments to the Contract Sum, Contract Time, or Guaranteed Maximum price for the change(s) described herein.*

When signed by the Owner and Architect and received by the Contractor, this document becomes effective IMMEDIATELY as a Construction Change Directive (CCD), and the Contractor shall proceed with the change(s) described above.

Contractor signature indicates agreement with the proposed adjustments in Contract Sum and Contract Time set forth in this CCD.

Rice Fergus Miller, Inc.

**ARCHITECT** *(Firm name)***SIGNATURE**Dean Kelly, Principal  
**PRINTED NAME AND TITLE**

September 13, 2023

**DATE**

Port Orchard City Hall

**OWNER** *(Firm name)***SIGNATURE**JACKIE BROWN, PhD  
**PRINTED NAME AND TITLE**

9-18-23

**DATE**

Lincoln Construction Inc.

**CONTRACTOR** *(Firm name)***SIGNATURE**Tom Romberg-Project Manager  
**PRINTED NAME AND TITLE**

9-13-2023

**DATE**



# CHANGE PROPOSAL REQUEST

Lincoln Construction

To: Port Orchard City Hall

COP NO: 001

CCD/PR No.: RFI 003

Date: 9/11/2023

Project: \_\_\_\_\_

Attn.: Jason Ritter-Lopatowski

LCI Project No.: 1257

A. TOTAL MATERIAL/EQ BASE COST \$ -

B. TOTAL LABOR COST \$ -

SUBTOTAL

\$ -

C. OVERHEAD AND PROFIT (15%) \$ -

SUBTOTAL

\$ -

D. SUBCONTRACT COST \$ 4,403.00

E. OVERHEAD AND PROFIT ON  
SUBCONTRACT COST (12%) \$ 528.36

SUBTOTAL

\$ 4,931.36

H. BOND (GC ONLY) \$ 147.94

SUBTOTAL

\$ 147.94

TOTAL CHANGE PROPOSAL COST

\$ 5,079

CONTRACT TIME ADJUSTMENT

(DAYS)

TBD

Lincoln Construction, Inc.

CONTRACTOR

Thomas Romberg

Tom Romberg

0

9/11/2023

DATE



# Lincoln Construction

## Change Order Request

To: Jason Ritter-Lopatowski  
RFM Architects

Date: 9/11/2023

COP #: 001

Owner COP/CCD/PR #: RFI 003

Re: Port Orchard City Hall

Please provide a change order for the following work:

Per RFI 003 Revise Mechanical Equipment Voltage

Total price per attached breakdown: \$ 5,079

State and local sales tax: include X not included

Extension of time: 0

We have proceeded with the work

Work will not proceed without formal authorization

This price is good for 5 days from the above date, after which this request is subject to revision.

Sincerely,

*Thomas Romberg - Project Manager*



# Lincoln Construction

## CHANGE ORDER REQUEST SUMMARY

Port Orchard City Hall

COP: 001

REV: 000

DATE: 9/11/2023

DESCRIPTION: Owner COP/CCD/PR #: RF1 003

LABOR	HOURS		RATE		TOTAL
PROJECT MANAGER		X	95.00	= \$	-
SUPERINTENDENT		X	88.95	= \$	-
ASSISTANT SUPERINTENDENT		X	85.25	= \$	-
CARPENTER		X	82.25	= \$	-
LABORER		X	73.50	= \$	-
		X		= \$	-
		X		= \$	-
SUBTOTAL				= \$	-

SMALL TOOL ALLOWANCE @	0.0%	\$	-
SUBTOTAL		\$	-
MARK-UP @	15.0%	\$	-
TOTAL LABOR		\$	-

MATERIALS/EQUIPMENT	PHASE CODE	UNITS		RATE		
		1	X		= \$	-
		1	X		= \$	-
		1	X		= \$	-
		1	X		= \$	-
SUBTOTAL					= \$	-
USE TAX ON MATERIALS AND EQUIPMENT				0.0%	\$	-
MARK-UP @				15.0%	\$	-
TOTAL MATERIAL/EQUIPMENT					\$	-

SUBCONTRACTS	PHASE CODE	UNITS		RATE		
		1	X		= \$	-
Crescent Mechanical		1	X	4,403.00	= \$	4,403.00
		1	X		= \$	-
		1	X		= \$	-
		1	X		= \$	-
			X		= \$	-
			X		= \$	-
			X		= \$	-
SUBTOTAL					= \$	4,403.00
MARK-UP @	Sub Direct Cost	4,403		12.0% Less Sub Fee	\$	528.36
TOTAL SUBCONTRACTS					\$	4,931.36

PROPOSAL SUBTOTAL		\$	4,931.36
BONDS/Liability/Builders Risk/B&O Tax	3.000%	\$	147.94
PROPOSAL TOTAL		\$	5,079.30





1320 26th St NW #16  
Auburn WA 98001  
Phone: 253-833-5054  
Fax: 253-833-5144

### PROPOSED CHANGE ORDER

To: Lincoln Construction  
11803 101st Ave Suite 201  
Puyallup WA 98373

Subject: Port Orchard City Hall

CMI Job No: 2389

Attention: Tom Romberg

CMI COP #: 1

Date: 9/1/2023

We request a change order for the following work performed on this project:

Description:

Revised VRF Outdoor Condensing Units to 480/3phase models per RFI # 3 Response.

Amount of This Change Request:

\$4,403

☒ Detailed Breakdown Attached

☒ We are awaiting written direction before proceeding with this work.

☒ Work During Regular Hours Only

☐ Work Done on Expedited Basis

☐ Per, we are proceeding with this work

☐ Work in Progress

☐ Work Already Completed

By: Abby Haubrich  
Title: Project Manager

CC: PM

The cost of this change includes only those direct costs which can be identified at this time. There are no impact, ripple or delay costs included. Should it be determined at a later date that we are experiencing impact costs because of multiple changes, delays or other causes beyond our control, we will submit those costs at that time.



# CRESCENT MECHANICAL PROPOSED CHANGE ORDER BREAKDOWN

Project: Port Orchard City Hall PCO #: 1

Description: Revised OCU Model 480v/3ph Date: 9/1/2023

<b>I. LABOR: (effective 6/1/23)</b>				
A. SHEETMETAL SHOP	0.0	HRS @ \$119.55	=	\$0.00
B. SHEETMETAL FIELD	0.0	HRS @ \$121.17	=	\$0.00
C. SM FIELD T&H	0.0	HRS @ \$46.70	=	\$0.00
D. DETAILING	0.0	HRS @ \$125.00	=	\$0.00
E. MATERIAL HANDLING	0.0	HRS @ \$85.82	=	\$0.00
F. SUBSISTENCE	0.0	HRS @ \$34.65	=	\$0.00
G. SUPERVISION @ 15% OF A thru E			=	\$0.00
H. PROJECT MANAGEMENT	1	HRS @ \$95.00	=	\$95.00
<b>LABOR TOTAL</b>				<b>\$95.00</b>
<b>II. LABOR BURDENS:</b>				
A. SHOP BURDEN @ 35% OF ITEM IA				\$0.00
B. SMALL TOOLS @ 5% OF ITEM IB				\$0.00
C. SAFETY @ 2% OF ITEMS I AND IIA				\$1.90
<b>LABOR BURDEN TOTAL</b>				<b>\$1.90</b>
<b>III. MATERIALS &amp; EQUIPMENT:</b>				
A. MATERIALS				\$0.00
B. OCU 208 to 460v				\$3,542.45
C. FREIGHT @ 4% OF MATERIAL				\$0.00
<b>MATERIALS &amp; RENTAL TOTAL</b>				<b>\$3,542.45</b>
<b>IV. SUBCONTRACTORS:</b>				
A.				\$0.00
B.				\$0.00
<b>SUBCONTRACTOR TOTAL</b>				<b>\$0.00</b>
<b>V. OTHER DIRECT COSTS:</b>				
A. OTHER				\$0.00
B. OTHER				\$0.00
<b>OTHER DIRECT COST TOTAL</b>				<b>\$0.00</b>
<b>VI. TOTAL ITEMS I, II, III, IV, V:</b>				<b>\$3,639.35</b>
<b>VII. OVERHEAD AND PROFIT:</b>				
A. OVERHEAD & PROFIT @ 18% OF ITEM I, II, III, & V				\$655.08
B. OVERHEAD & PROFIT @ 10% OF ITEM IV				\$0.00
<b>OVERHEAD &amp; PROFIT TOTAL</b>				<b>\$655.08</b>
<b>Sub Total VI &amp; VII</b>				<b>\$4,294.43</b>
<b>INSURANCE 2% OF ITEMS I-VII</b>				<b>\$85.89</b>
<b>B&amp;O Tax Of Sub Total</b>				<b>\$22.42</b>
<b>TOTAL CHANGE REQUESTED</b>				<b>\$4,403</b>



## Abby Haubrich

**From:** Hunter Minch <hminch@gensco.com>  
**Sent:** Tuesday, September 5, 2023 7:52 AM  
**To:** Abby Haubrich; Jeff Blankenship  
**Cc:** Commercial Logistics Team; Office  
**Subject:** RE: Port Orchard City Hall - Submittal Request

Hi Abby,

Please see below for the price difference. Please note the old quote pricing was before the price increase on May 25<sup>th</sup>.  
ODUs are spec'd as 460V/3PH.

Old Quote

QTY	PART NUMBER	DESCRIPTION	
<b>Mitsubishi Equipment</b>			
1	PURY-EP72TNU-A-BS	6 Ton 208/230/3, High Efficiency R2 Series	\$ 8,028.97
1	PURY-EP144YNU-A-BS	12 Ton 460/3, High Efficiency R2 Series	\$ 13,328.43
1	PURY-EP240YNU-A-BS	20 Ton 460/3, High Efficiency R2 Series	\$ 21,622.73
3	CMB-P1016NU-KA1	16 Port, Main BC	
1	CMB-P1016NU-KB1	1 Port, Sub BC	
			42,980.13

New Quote

**Job Name:** Port Orchard City Hall  
**Quote #:** 23-0821CD  
**Expires:** 10/5/2023

253-620-8254  
hminch

*To receive this special pricing negotiated for this project, all releases must go through our Commercial Sales Department at commercialsales@gensco.com*

QTY	PART NUMBER	DESCRIPTION	
<b>Mitsubishi Equipment</b>			
1	PURY-EP72YNU-A-BS	6 Ton 460/3, High Efficiency R2 Series	\$ 9,143.70
1	PURY-EP144YNU-A-BS	12 Ton 460/3, High Efficiency R2 Series	\$ 14,254.29
1	PURY-EP240YNU-A-BS	20 Ton 460/3, High Efficiency R2 Series	\$ 23,124.59
			46,522.58

Thank you,



**Hunter Minch**  
Commercial Estimator | Gensco, Inc.  
Ph: 253-620-8254  
In Office Hours 8:00AM-4:30PM

46,522.58  
- 42,908.13  
= 3,614.45

**From:** Abby Haubrich <Abby@crescentmechinc.com>  
**Sent:** Friday, September 1, 2023 12:31 PM  
**To:** Jeff Blankenship <jblankenship@gensco.com>  
**Cc:** Jesus Mendoza <jmendoza@gensco.com>; Commercial Logistics Team <Commerciallogistics@gensco.com>; Hunter







# CHANGE PROPOSAL REQUEST

**Lincoln Construction**

To: Port Orchard City Hall

COP NO: 02

CCD/PR No.: PR 03

Date: 9/18/2023

Project:

LCI Project No.: 1257

Attn.: Jason Ritter-Lopatowski

A. TOTAL MATERIAL/EQ BASE COST \$ -

B. TOTAL LABOR COST \$ -

SUBTOTAL \$ -

C. OVERHEAD AND PROFIT (15%) \$ -

SUBTOTAL \$ -

D. SUBCONTRACT COST \$ 24,930.00

E. OVERHEAD AND PROFIT ON  
SUBCONTRACT COST (12%) \$ 2,991.60

SUBTOTAL \$ 27,921.60

H. BOND (GC ONLY) \$ 837.65

SUBTOTAL \$ 837.65

TOTAL CHANGE PROPOSAL COST \$ 28,759

CONTRACT TIME ADJUSTMENT (DAYS) TBD

Lincoln Construction, Inc.

*Thomas Romberg*

0

CONTRACTOR

Tom Romberg

9/18/2023

DATE



# Lincoln Construction

## Change Order Request

To: Jason Ritter-Lopatowski  
RFM Architects

Date: 9/18/2023  
COP #: 02  
Owner COP/CCD/PR #: PR 03

Re: Port Orchard City Hall

Please provide a change order for the following work:

Per PR 03 Lintel Remediation-Weeps

Total price per attached breakdown: \$ 28,759  
State and local sales tax:  include X not included  
Extension of time: 0

We have proceeded with the work  
 Work will not proceed without formal authorization

This price is good for 5 days from the above date, after which this request is subject to revision.

Sincerely,  
*Thomas Romberg - Project Manager*



# Lincoln Construction

## CHANGE ORDER REQUEST SUMMARY

<b>Port Orchard City Hall</b>	<b>COP:</b>	<b>002</b>	<b>REV:</b>	<b>000</b>	<b>DATE:</b>	<b>9/18/2023</b>
<b>DESCRIPTION:</b>	Owner COP/CCD/PR #: PR 03					
<b>LABOR</b>	<b>HOURS</b>		<b>RATE</b>		<b>TOTAL</b>	
PROJECT MANAGER		X	95.00	=	\$	-
SUPERINTENDENT		X	88.95	=	\$	-
ASSISTANT SUPERINTENDENT		X	85.25	=	\$	-
CARPENTER		X	82.25	=	\$	-
LABORER		X	73.50	=	\$	-
		X		=	\$	-
		X		=	\$	-
SUBTOTAL				=	\$	-
SMALL TOOL ALLOWANCE @			0.0%		\$	-
SUBTOTAL					\$	-
MARK-UP @			15.0%		\$	-
<b>TOTAL LABOR</b>					<b>\$</b>	<b>-</b>
<b>MATERIALS/EQUIPMENT</b>	<b>PHASE CODE</b>	<b>UNITS</b>		<b>RATE</b>		
		1	X		=	\$ -
		1	X		=	\$ -
		1	X		=	\$ -
		1	X		=	\$ -
SUBTOTAL					\$	-
USE TAX ON MATERIALS AND EQUIPMENT			0.0%		\$	-
MARK-UP @			15.0%		\$	-
<b>TOTAL MATERIAL/EQUIPMENT</b>					<b>\$</b>	<b>-</b>
<b>SUBCONTRACTS</b>	<b>PHASE CODE</b>	<b>UNITS</b>		<b>RATE</b>		
		1	X		=	\$ -
FT Masonry		1	X	24,930.00	=	\$ 24,930.00
		1	X		=	\$ -
		1	X		=	\$ -
		1	X		=	\$ -
		1	X		=	\$ -
			X		=	\$ -
			X		=	\$ -
			X		=	\$ -
SUBTOTAL					\$	24,930.00
MARK-UP @	Sub Direct Cost	24,930	12.0%	Less Sub Fee	\$	2,991.60
<b>TOTAL SUBCONTRACTS</b>					<b>\$</b>	<b>27,921.60</b>
<b>PROPOSAL SUBTOTAL</b>					<b>\$</b>	<b>27,921.60</b>
BONDS/Liability/Builders Risk/B&O Tax			3.000%		\$	837.65
<b>PROPOSAL TOTAL</b>					<b>\$</b>	<b>28,759.25</b>





**Finishing Touch Masonry & Restoration Solutions, LLC**  
1710 100<sup>th</sup> Place S.E., Suite B, Everett, WA 98208  
Office 425.948.7837 • Fax 425.948.7838  
Contractor License FINISTM922MT • www.finishingtouchmasonry.com

## CHANGE ORDER REQUEST

<b>To:</b>	Tom Romberg	<b>Date:</b>	September 13, 2023
<b>Company:</b>	Lincoln Construction, Inc.	<b>COR No.</b>	001
<b>Project:</b>	Port Orchard City Hall Building Improvements		
<b>Reference:</b>	PR-03 – Rusted Lintel Remediation		

### **Additional Work Details**

Selective demolition to remove brick at lintel, abrade rust, install rust inhibitor to lintel,  
relay brick, and clear weeps per PR-03 .....**\$24,930**

### **Breakdown Summary**

Labor (250 hours @ \$80/hour)..... \$20,000  
Materials:  
    Brick ..... 900  
    Caulking ..... 353  
    Disposables..... 425  
        Subtotal ..... \$21,678  
        15% Overhead & Profit..... 3,252  
        Total..... \$24,930

### **Acknowledged & Signed:**

Jon A. Sherin, Finishing Touch Masonry



# CHANGE PROPOSAL REQUEST

**Lincoln Construction**

To: Port Orchard City Hall

COP NO: 03

CCD/PR No.: PR 04

Date: 9/18/2023

Project:

LCI Project No.: 1257

Attn.: Jason Ritter-Lopatowski

A. TOTAL MATERIAL/EQ BASE COST \$ -

B. TOTAL LABOR COST \$ -

SUBTOTAL \$ -

C. OVERHEAD AND PROFIT (15%) \$ -

SUBTOTAL \$ -

D. SUBCONTRACT COST \$ 1,685.00

E. OVERHEAD AND PROFIT ON  
SUBCONTRACT COST (12%) \$ 202.20

SUBTOTAL \$ 1,887.20

H. BOND (GC ONLY) \$ 56.62

SUBTOTAL \$ 56.62

TOTAL CHANGE PROPOSAL COST \$ 1,944

CONTRACT TIME ADJUSTMENT (DAYS) TBD

Lincoln Construction, Inc.

CONTRACTOR

9/18/2023

DATE

*Thomas Romberg*

Tom Romberg

0



# Lincoln Construction

## Change Order Request

To: Jason Ritter-Lopatowski  
RFM Architects  
\_\_\_\_\_

Date: 9/18/2023  
COP #: 03  
Owner COP/CCD/PR #: PR 04

Re: Port Orchard City Hall

Please provide a change order for the following work:

Per PR 04 Caulking at End of Wall

Total price per attached breakdown: \$ 1,944  
State and local sales tax: \_\_\_\_\_ include X not included  
Extension of time: \_\_\_\_\_ 0

\_\_\_\_\_  
\_\_\_\_\_  
We have proceeded with the work  
Work will not proceed without formal authorization

This price is good for 5 days from the above date, after which this request is subject to revision.

Sincerely,  
*Thomas Romberg - Project Manager*



# Lincoln Construction

## CHANGE ORDER REQUEST SUMMARY

<b>Port Orchard City Hall</b>		<b>COP:</b> 003	<b>REV:</b> 000	<b>DATE:</b> 9/18/2023
<b>DESCRIPTION:</b>	Owner COP/CCD/PR #: PR 04			
<b>LABOR</b>	<b>HOURS</b>		<b>RATE</b>	<b>TOTAL</b>
PROJECT MANAGER		X	95.00	= \$ -
SUPERINTENDENT		X	88.95	= \$ -
ASSISTANT SUPERINTENDENT		X	85.25	= \$ -
CARPENTER		X	82.25	= \$ -
LABORER		X	73.50	= \$ -
		X		= \$ -
		X		= \$ -
SUBTOTAL				\$ -
SMALL TOOL ALLOWANCE @			0.0%	\$ -
SUBTOTAL				\$ -
MARK-UP @			15.0%	\$ -
<b>TOTAL LABOR</b>				<b>\$ -</b>
<b>MATERIALS/EQUIPMENT</b>	<b>PHASE CODE</b>	<b>UNITS</b>		<b>RATE</b>
		1	X	= \$ -
		1	X	= \$ -
		1	X	= \$ -
		1	X	= \$ -
SUBTOTAL				\$ -
USE TAX ON MATERIALS AND EQUIPMENT			0.0%	\$ -
MARK-UP @			15.0%	\$ -
<b>TOTAL MATERIAL/EQUIPMENT</b>				<b>\$ -</b>
<b>SUBCONTRACTS</b>	<b>PHASE CODE</b>	<b>UNITS</b>		<b>RATE</b>
		1	X	= \$ -
FT Masonry		1	X	= \$ 1,685.00
		1	X	= \$ -
		1	X	= \$ -
		1	X	= \$ -
		1	X	= \$ -
			X	= \$ -
			X	= \$ -
			X	= \$ -
SUBTOTAL				\$ 1,685.00
MARK-UP @	Sub Direct Cost	1,685	12.0%	Less Sub Fee \$ 202.20
<b>TOTAL SUBCONTRACTS</b>				<b>\$ 1,887.20</b>
<b>PROPOSAL SUBTOTAL</b>				<b>\$ 1,887.20</b>
BONDS/Liability/Builders Risk/B&O Tax			3.000%	\$ 56.62
<b>PROPOSAL TOTAL</b>				<b>\$ 1,943.82</b>





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## CHANGE ORDER REQUEST

<b>To:</b>	Tom Romberg	<b>Date:</b>	September 13, 2023
<b>Company:</b>	Lincoln Construction, Inc.	<b>COR No.</b>	002
<b>Project:</b>	Port Orchard City Hall Building Improvements		
<b>Reference:</b>	PR-04 – Caulk End of Wall Abutment Conditions		

### **Additional Work Details**

Remove/chip mortar where planter walls meet building and add backer and sanded  
caulking to match adjacent mortar, to fill gaps at precast top and brick-to-brick joints  
per PR-04.....

**\$1,685**

### **Breakdown Summary**

Labor (12 hours @ \$80/hour)..... \$960

Materials:

Caulking ..... 375  
Backer Rod ..... 85  
Sand..... 10  
Disposables..... 35

Subtotal ..... \$1,465

15% Overhead & Profit..... 220

Total..... \$1,685

**Acknowledged & Signed:**

Jon A. Sherin, Finishing Touch Masonry



# CHANGE PROPOSAL REQUEST

**Lincoln Construction**

To: Port Orchard City Hall

COP NO: 04R1

CCD/PR No.:

Date: 10/2/2023

Project:

Attn.: Jason Ritter-Lopatowski

LCI Project No.: 1257

A. TOTAL MATERIAL/EQ BASE COST

\$ -

B. TOTAL LABOR COST

\$ -

SUBTOTAL

\$ -

C. OVERHEAD AND PROFIT (15%)

\$ -

SUBTOTAL

\$ -

D. SUBCONTRACT COST

\$ 9,975.00

E. OVERHEAD AND PROFIT ON

SUBCONTRACT COST (12%)

\$ 1,197.00

SUBTOTAL

\$ 11,172.00

H. BOND (GC ONLY)

\$ 335.16

SUBTOTAL

\$ 335.16

TOTAL CHANGE PROPOSAL COST

\$ 11,507

CONTRACT TIME ADJUSTMENT

(DAYS)

TBD

Lincoln Construction, Inc.

CONTRACTOR

*Thomas Romberg*

Tom Romberg

0

10/2/2023

DATE



# Lincoln Construction

## Change Order Request

To: Jason Ritter-Lopatowski  
RFM Architects  
\_\_\_\_\_

Date: 10/2/2023  
COP #: 04R1  
\_\_\_\_\_

Owner COP/CCD/PR #: \_\_\_\_\_

Re: Port Orchard City Hall  
\_\_\_\_\_

Please provide a change order for the following work:

Unforeseen remediation work at failed mortar and failed caulking.

Total price per attached breakdown: \$ 11,507  
State and local sales tax: \_\_\_\_\_ include ☒ X not included  
Extension of time: \_\_\_\_\_ 0

\_\_\_\_\_ We have proceeded with the work  
\_\_\_\_\_ Work will not proceed without formal authorization

This price is good for 5 days from the above date, after which this request is subject to revision.

Sincerely,  
Thomas Romberg-Project Manager



# Lincoln Construction

## CHANGE ORDER REQUEST SUMMARY

Port Orchard City Hall

COP: 004

REV: 001

DATE: 10/2/2023

### DESCRIPTION:

Owner COP/CCD/PR #:

LABOR	HOURS		RATE		TOTAL
PROJECT MANAGER		X	95.00	= \$	-
SUPERINTENDENT		X	88.95	= \$	-
ASSISTANT SUPERINTENDENT		X	85.25	= \$	-
CARPENTER		X	82.25	= \$	-
LABORER		X	73.50	= \$	-
		X		= \$	-
		X		= \$	-
SUBTOTAL				\$	-
SMALL TOOL ALLOWANCE @			0.0%	\$	-
SUBTOTAL				\$	-
MARK-UP @			15.0%	\$	-
TOTAL LABOR				\$	-
MATERIALS/EQUIPMENT	PHASE CODE	UNITS		RATE	
		1	X	= \$	-
		1	X	= \$	-
		1	X	= \$	-
		1	X	= \$	-
SUBTOTAL				\$	-
USE TAX ON MATERIALS AND EQUIPMENT			0.0%	\$	-
MARK-UP @			15.0%	\$	-
TOTAL MATERIAL/EQUIPMENT				\$	-
SUBCONTRACTS	PHASE CODE	UNITS		RATE	
		1	X	= \$	-
FT Masonry		1	X	= \$	6,495.00
FT Masonry		1	X	= \$	3,480.00
		1	X	= \$	-
		1	X	= \$	-
			X	= \$	-
			X	= \$	-
			X	= \$	-
SUBTOTAL				\$	9,975.00
MARK-UP @	Sub Direct Cost	6,495	12.0%	Less Sub Fee	\$ 1,197.00
TOTAL SUBCONTRACTS				\$	11,172.00
PROPOSAL SUBTOTAL				\$	11,172.00
BONDS/Liability/Builders Risk/B&O Tax			3.000%	\$	335.16
PROPOSAL TOTAL				\$	11,507.16





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## CHANGE ORDER REQUEST

<b>To:</b>	Tom Romberg	<b>Date:</b>	September 29, 2023
<b>Company:</b>	Lincoln Construction, Inc.	<b>COR No.</b>	003 Revised
<b>Project:</b>	Port Orchard City Hall Building Improvements		
<b>Reference:</b>	Failed Mortar Replacement at Concrete Planter Caps		

### **Additional Work Details**

Replace failed and broken mortar joints at concrete planter caps (*includes removing failed mortar and installing backer rod and flexible caulking with a sanded finish to match mortar*) .....**\$6,495**

### **Breakdown Summary**

Labor (60 hours @ \$80/hour)..... \$4,800  
Materials:  
    Caulking ..... 650  
    Backer Rod ..... 135  
    Sand..... 20  
    Disposables..... 43  
        Subtotal ..... \$5,648  
        15% Overhead & Profit..... 847  
        Total..... \$6,495

### **Acknowledged & Signed:**

Jon A. Sherin, Finishing Touch Masonry





**Finishing Touch Masonry & Restoration Solutions, LLC**  
1710 100<sup>th</sup> Place S.E., Suite B, Everett, WA 98208  
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## CHANGE ORDER REQUEST

<b>To:</b>	Tom Romberg	<b>Date:</b>	September 13, 2023
<b>Company:</b>	Lincoln Construction, Inc.	<b>COR No.</b>	004
<b>Project:</b>	Port Orchard City Hall Building Improvements		
<b>Reference:</b>	Failed Caulking Replacement at Large Arched Storefront at Clock Tower		

### **Additional Work Details**

Replace failed and aged caulking at perimeter of large arched entry window/storefronts at front and rear of clock towers (*includes removing existing failed caulking and backer material at brick abutment to metal window frame and replace with new backer and caulking to match*) .....**\$3,480**

### **Breakdown Summary**

Labor (32 hours @ \$80/hour)..... \$2,560  
Materials:  
    Caulking ..... 350  
    Backer Rod ..... 70  
    Sand..... 10  
    Disposables..... 36  
        Subtotal ..... \$3,026  
        15% Overhead & Profit..... 454  
        Total..... \$3,480

### **Acknowledged & Signed:**

Jon A. Sherin, Finishing Touch Masonry



# CHANGE PROPOSAL REQUEST

**Lincoln Construction**

To: Port Orchard City Hall

COP NO: 05

CCD/PR No.: PR 05

Date: 9/19/2023

Project:

LCI Project No.: 1257

Attn.: Jason Ritter-Lopatowski

A. TOTAL MATERIAL/EQ BASE COST \$ -

B. TOTAL LABOR COST \$ -

SUBTOTAL \$ -

C. OVERHEAD AND PROFIT (15%) \$ -

SUBTOTAL \$ -

D. SUBCONTRACT COST \$ (17,526.00)

E. OVERHEAD AND PROFIT ON  
SUBCONTRACT COST (12%) \$ -

SUBTOTAL \$ (17,526.00)

H. BOND (GC ONLY) \$ -

SUBTOTAL \$ -

TOTAL CHANGE PROPOSAL COST \$ (17,526)

CONTRACT TIME ADJUSTMENT (DAYS) TBD

Lincoln Construction, Inc.

CONTRACTOR

1/19/2023

DATE

Thomas Romberg

Tom Romberg

0



# Lincoln Construction

## Change Order Request

To: Jason Ritter-Lopatowski  
RFM Architects

Date: 9/19/2023  
COP #: 05  
Owner COP/CCD/PR #: PR 05

Re: Port Orchard City Hall

Please provide a change order for the following work:

Per PR 05 Roofing Credit

Total price per attached breakdown: \$ (17,526)

State and local sales tax:  include X not included

Extension of time: 0

We have proceeded with the work  
 Work will not proceed without formal authorization

This price is good for 5 days from the above date, after which this request is subject to revision.

Sincerely,  
*Thomas Romberg - Project Manager*



# Lincoln Construction

## CHANGE ORDER REQUEST SUMMARY

<b>Port Orchard City Hall</b>		<b>COP:</b> 005	<b>REV:</b> 000	<b>DATE:</b> 9/19/2023
<b>DESCRIPTION:</b>	Owner COP/CCD/PR #: PR 05			
<b>LABOR</b>	<b>HOURS</b>		<b>RATE</b>	<b>TOTAL</b>
PROJECT MANAGER		X	95.00	= \$ -
SUPERINTENDENT		X	88.95	= \$ -
ASSISTANT SUPERINTENDENT		X	85.25	= \$ -
CARPENTER		X	82.25	= \$ -
LABORER		X	73.50	= \$ -
		X		= \$ -
		X		= \$ -
SUBTOTAL				\$ -
SMALL TOOL ALLOWANCE @			0.0%	\$ -
SUBTOTAL				\$ -
MARK-UP @			15.0%	\$ -
<b>TOTAL LABOR</b>				<b>\$ -</b>
<b>MATERIALS/EQUIPMENT</b>	<b>PHASE CODE</b>	<b>UNITS</b>		<b>RATE</b>
		1	X	= \$ -
		1	X	= \$ -
		1	X	= \$ -
		1	X	= \$ -
SUBTOTAL				\$ -
USE TAX ON MATERIALS AND EQUIPMENT			0.0%	\$ -
MARK-UP @			15.0%	\$ -
<b>TOTAL MATERIAL/EQUIPMENT</b>				<b>\$ -</b>
<b>SUBCONTRACTS</b>	<b>PHASE CODE</b>	<b>UNITS</b>		<b>RATE</b>
		1	X	= \$ -
Exterior Specialties		1	X	(17,526.00) = \$ (17,526.00)
		1	X	= \$ -
		1	X	= \$ -
		1	X	= \$ -
			X	= \$ -
			X	= \$ -
			X	= \$ -
SUBTOTAL				\$ (17,526.00)
MARK-UP @	Sub Direct Cost	-17,526	0.0%	Less Sub Fee \$ -
<b>TOTAL SUBCONTRACTS</b>				<b>\$ (17,526.00)</b>
<b>PROPOSAL SUBTOTAL</b>				<b>\$ (17,526.00)</b>
BONDS/Liability/Builders Risk/B&O Tax			0.000%	\$ -
<b>PROPOSAL TOTAL</b>				<b>\$ (17,526.00)</b>



# EXTERIOR SPECIALTIES, LLC.

---

PO BOX 736

WAUNA, WA 98395

PHONE: 253-324-8958

EMAIL: JERRYHARMON50@GMAIL.COM

## CHANGE ORDER REQUEST

Job Name : Port Orchard City Hall Renovation PR – 5

Demo Existing Insulation

\$ 60.95 x 40 hours \$ 2,438.00

Recycle Fees

2 tons x \$ 178.00 \$ 356.00

Insulation not supplied

100 sq x \$ 102.75 \$ 10,275.00

Labor to install Insulation

\$ 60.95 x 60 hours \$ 3,657.00

Vapor Barrier not installed

10 rolls x \$ 80.00 \$ 800.00

Total Credit to owner \$ 17,526.00

Jerry Harmon

Owner

Exterior Specialties



# CHANGE PROPOSAL REQUEST

**Lincoln Construction**

To: Port Orchard City Hall

COP NO: 06

CCD/PR No.: PR 01

Date: 9/19/2023

Project:

LCI Project No.: 1257

Attn.: Jason Ritter-Lopatowski

A. TOTAL MATERIAL/EQ BASE COST \$ -

B. TOTAL LABOR COST \$ -

SUBTOTAL \$ -

C. OVERHEAD AND PROFIT (15%) \$ -

SUBTOTAL \$ -

D. SUBCONTRACT COST \$ 5,922.00

E. OVERHEAD AND PROFIT ON  
SUBCONTRACT COST (12%) \$ 710.64

SUBTOTAL \$ 6,632.64

H. BOND (GC ONLY) \$ 198.98

SUBTOTAL \$ 198.98

TOTAL CHANGE PROPOSAL COST \$ 6,832

CONTRACT TIME ADJUSTMENT (DAYS) TBD

Lincoln Construction, Inc.

CONTRACTOR

9/19/2023

DATE

*Thomas Romberg*

Tom Romberg

0



# Lincoln Construction

## Change Order Request

To: Jason Ritter-Lopatowski  
RFM Architects

Date: 9/19/2023  
COP #: 06  
Owner COP/CCD/PR #: PR 01

Re: Port Orchard City Hall

Please provide a change order for the following work:

Per PR 01 Supply Safety Window Fillm

Total price per attached breakdown: \$ 6,832  
State and local sales tax:  include X not included  
Extension of time: 0

We have proceeded with the work  
 Work will not proceed without formal authorization

This price is good for 5 days from the above date, after which this request is subject to revision.

Sincerely,  
*Thomas Romberg - Project Manager*



# Lincoln Construction

## CHANGE ORDER REQUEST SUMMARY

<b>Port Orchard City Hall</b>	<b>COP:</b>	<b>006</b>	<b>REV:</b>	<b>000</b>	<b>DATE:</b>	<b>9/19/2023</b>
<b>DESCRIPTION:</b>	Owner COP/CCD/PR #:		PR 01			
<b>LABOR</b>	<b>HOURS</b>		<b>RATE</b>		<b>TOTAL</b>	
PROJECT MANAGER		X	95.00	=	\$	-
SUPERINTENDENT		X	88.95	=	\$	-
ASSISTANT SUPERINTENDENT		X	85.25	=	\$	-
CARPENTER		X	82.25	=	\$	-
LABORER		X	73.50	=	\$	-
		X		=	\$	-
		X		=	\$	-
SUBTOTAL				=	\$	-
SMALL TOOL ALLOWANCE @			0.0%		\$	-
SUBTOTAL					\$	-
MARK-UP @			15.0%		\$	-
<b>TOTAL LABOR</b>					\$	-
<b>MATERIALS/EQUIPMENT</b>	<b>PHASE CODE</b>	<b>UNITS</b>		<b>RATE</b>		
		1	X		\$	-
		1	X		\$	-
		1	X		\$	-
		1	X		\$	-
SUBTOTAL					\$	-
USE TAX ON MATERIALS AND EQUIPMENT			0.0%		\$	-
MARK-UP @			15.0%		\$	-
<b>TOTAL MATERIAL/EQUIPMENT</b>					\$	-
<b>SUBCONTRACTS</b>	<b>PHASE CODE</b>	<b>UNITS</b>		<b>RATE</b>		
		1	X		\$	-
Solar Art		1	X	5,922.00	\$	5,922.00
		1	X		\$	-
		1	X		\$	-
		1	X		\$	-
			X		\$	-
			X		\$	-
			X		\$	-
SUBTOTAL					\$	5,922.00
MARK-UP @	Sub Direct Cost	5,922	12.0%	Less Sub Fee	\$	710.64
<b>TOTAL SUBCONTRACTS</b>					\$	<b>6,632.64</b>
<b>PROPOSAL SUBTOTAL</b>					\$	<b>6,632.64</b>
BONDS/Liability/Builders Risk/B&O Tax			3.000%		\$	198.98
<b>PROPOSAL TOTAL</b>					\$	<b>6,831.62</b>



**DEAL #1025306**

**Deal Date** Sep 11, 2023  
**Rep** Fabian Garcia  
**Install Date**  
**Installer(s)**  
**Deal Name** Lincoln Construction Inc- POCH Security Film

**JOB LOCATION**

Tom Romberg (Lincoln Construction Inc)  
216 Prospect St, Port Orchard, WA 98366  
Mobile: (253) 606-8350  
tom.romberg@lincolnnw.com

**BILLING TO**

Tom Romberg (Lincoln Construction Inc)  
11803 101st Ave Ct E Suite 201, Puyallup, WA 98373  
Mobile: (253) 606-8350  
tom.romberg@lincolnnw.com

**JOB DETAILS**

We are assuming NO silicone attachment system, IF that is to be added and frames qualify to receive it, added cost would be \$1550

**TERMS**

Sales Tax not included.  
Minimum job size per trip is \$500 (\$600 for security film).  
A \$200 trip charge will be applied for any jobs with less than a 24 hour notice of cancellation or that can't be completed when scheduled.  
No removal of old film included unless specifically mentioned.  
We require 3 feet in front of the glass for access.

**OPTION 1****Security Film**

*3M S800 Security Film on 2 Type A, 5 Type B, 2 Type C*

**QTY****PRICE**

3M - Ultra S800

9

\$5,922.00

**Additional Services****Silicone Attachment Option****\$1,550.00****TOTAL****9****\$7,472.00**



**DEAL #1025306**

**Deal Date** Sep 11, 2023  
**Rep** Fabian Garcia  
**Install Date**  
**Installer(s)**  
**Deal Name** Lincoln Construction Inc- POCH Security Film

**GENERAL PROJECT DETAILS**

- Work to be performed during regular business hours (M-F 8am to 5pm) unless specified otherwise.
- No additional Insurance or bonds, lifts and/or scaffolding unless specified.
- Estimate is based on NON Prevailing Wage.
- Solar Art cannot be held responsible for materials that are supplied by customer.
- Solar Art is non-union.

**INSTALLATION & IWFA VISUAL INSPECTION STANDARDS**

- All work will be completed by trained technicians per the manufacturer's install instructions.
- Install will be performed per the Visual Inspection Standards for Window Film by the International Window Film Association (IWFA).
- Borders will be uniform and at a distance of 1/16" to 1/32" from the window seal. Light gaps with extremely dark films may be visible. Contamination will be kept to a minimum and per IWFA standards. For complete description visit <https://iwfa.com/guidelines>
- Security and Graffiti film may have a wider gap.

**PAYMENT TERMS**

- Payment due on NET 30 terms.
- Warranty will be released once final payment is received.
- A 3% fee will be added to any credit card payments exceeding \$15,000.

**DOCUMENT LINKS**

- For contractor's licenses, COI's and W-9's please visit:  
<https://www.solarart.com/licenses-insurance>

**THE SITE**

- Please prepare for your installation by removing any items away from the glass.

**FILM CURING**

- Upon completion the film may have a dimpled appearance from residual moisture. The film shall dry flat with no moisture bubbles within a period of 30-60 days.
- Please do not clean your windows during the period.

OC Office: 949.770.8969 | LA Office: 818.888.1600 | SD Office: 619.280.8556 | SF Office: 650.349.2257  
Seattle: 253.536.4440 | Dallas: 214.503.9977 | Arizona: 602.589.5385 | Corporate: 949.825.7940  
Mailing Address: 23042 Mill Creek Drive | Laguna Hills, CA 92653 | [info@solarart.com](mailto:info@solarart.com) | [www.solarart.com](http://www.solarart.com)



# CHANGE PROPOSAL REQUEST

**Lincoln Construction**

To: Port Orchard City Hall

COP NO: 07

CCD/PR No.: PR 02

Date: 9/19/2023

Project:

LCI Project No.: 1257

Attn.: Jason Ritter-Lopatowski

A. TOTAL MATERIAL/EQ BASE COST \$ 3,811.00

B. TOTAL LABOR COST \$ 1,974.00

SUBTOTAL \$ 5,785.00

C. OVERHEAD AND PROFIT (15%) \$ 867.75

SUBTOTAL \$ 867.75

D. SUBCONTRACT COST \$ 1,095.00

E. OVERHEAD AND PROFIT ON  
SUBCONTRACT COST (12%) \$ 131.40

SUBTOTAL \$ 1,226.40

H. BOND (GC ONLY) \$ 236.37

SUBTOTAL \$ 236.37

TOTAL CHANGE PROPOSAL COST \$ 8,116

CONTRACT TIME ADJUSTMENT (DAYS) TBD

Lincoln Construction, Inc.

CONTRACTOR

9/19/2023

DATE

*Thomas Romberg*

Tom Romberg

0



# Lincoln Construction

## Change Order Request

To: Jason Ritter-Lopatowski  
RFM Architects

Date: 9/19/2023  
COP #: 07  
Owner COP/CCD/PR #: PR 02

Re: Port Orchard City Hall

Please provide a change order for the following work:

Per PR 02 Supply and install 4 clock tower access hatches.

Total price per attached breakdown: \$ 8,116  
State and local sales tax:  include X not included  
Extension of time: 0

We have proceeded with the work  
 Work will not proceed without formal authorization

This price is good for 5 days from the above date, after which this request is subject to revision.

Sincerely,  
*Thomas Romberg - Project Manager*



# Lincoln Construction

## CHANGE ORDER REQUEST SUMMARY

<b>Port Orchard City Hall</b>	<b>COP:</b>	<b>007</b>	<b>REV:</b>	<b>000</b>	<b>DATE:</b>	<b>9/19/2023</b>
<b>DESCRIPTION:</b>	Owner COP/CCD/PR #: PR 02					
<b>LABOR</b>	<b>HOURS</b>		<b>RATE</b>		<b>TOTAL</b>	
PROJECT MANAGER		X	95.00	= \$	-	
SUPERINTENDENT		X	88.95	= \$	-	
ASSISTANT SUPERINTENDENT		X	85.25	= \$	-	
CARPENTER	24	X	82.25	= \$	1,974.00	
LABORER		X	73.50	= \$	-	
		X		= \$	-	
		X		= \$	-	
SUBTOTAL				= \$	<b>1,974.00</b>	
SMALL TOOL ALLOWANCE @			0.0%		\$	-
SUBTOTAL					\$	1,974.00
MARK-UP @			15.0%		\$	296.10
<b>TOTAL LABOR</b>					<b>\$</b>	<b>2,270.10</b>
<b>MATERIALS/EQUIPMENT</b>	<b>PHASE CODE</b>	<b>UNITS</b>		<b>RATE</b>		
		1	X		= \$	-
Fire Rated Framing Lumber-Nails		1	X	350.00	= \$	350.00
Access Hatches		1	X	3,461.00	= \$	3,461.00
		1	X		= \$	-
SUBTOTAL					\$	3,811.00
USE TAX ON MATERIALS AND EQUIPMENT			0.0%		\$	-
MARK-UP @			15.0%		\$	571.65
<b>TOTAL MATERIAL/EQUIPMENT</b>					<b>\$</b>	<b>4,382.65</b>
<b>SUBCONTRACTS</b>	<b>PHASE CODE</b>	<b>UNITS</b>		<b>RATE</b>		
		1	X		= \$	-
Exterior Specialties		1	X	740.00	= \$	740.00
Commercial Insulation		1	X	355.00	= \$	355.00
		1	X		= \$	-
		1	X		= \$	-
			X		= \$	-
			X		= \$	-
			X		= \$	-
SUBTOTAL					\$	1,095.00
MARK-UP @	Sub Direct Cost	740	12.0%	Less Sub Fee	\$	131.40
<b>TOTAL SUBCONTRACTS</b>					<b>\$</b>	<b>1,226.40</b>
<b>PROPOSAL SUBTOTAL</b>					<b>\$</b>	<b>7,879.15</b>
BONDS/Liability/Builders Risk/B&O Tax			3.000%		\$	236.37
<b>PROPOSAL TOTAL</b>					<b>\$</b>	<b>8,115.52</b>





NORTHWEST OWNED FOR OVER 90 YEARS

## Quote Order

CLACKAMAS,OR 503-722-1528 WEST EUGENE,OR 541-683-1408 EUGENE,OR 541-744-6696 HILLSBORO,OR 503-533-0107 MEDFORD,OR 541-772-6161 RIDGEFIELD,WA 360-887-4777 SALEM,OR 503-585-5504

Washington  
Woodinville  
800-537-6216  
425-487-6161

Quote Date Order #

09/08/23 723395-00

PO # Page #

access panels 1

Bill To LINCOLN CONSTRUCTION INC

Cust #  
166524

11803 101st AVE E. STE 201  
PUYALLUP, WA 98373

Correspondence To Masons Supply Company  
PO BOX 1027  
RIDGEFIELD, WA 98642

NO REFUND WILL BE ISSUED FOR NORMALLY STOCKED MATERIAL RETURNED 45 DAYS AFTER ORIGINAL PURCHASE.

NO REFUND WITHOUT PRESENTATION OF THIS SALE SLIP. 15% RESTOCK ON ALL APPROVED RETURNS.

Ship To PORT ORCHARD CITY HALL  
C / O LINCOLN CONSTRUCTION INC  
216 PROSPECT ST  
PORT ORCHARD, WA 98366

Instructions

Ship Point

Masons Kingdome

Via

SALESMAN

Shipped Terms

1% 10th F/M

Ln #	Product And Description	Quantity Ordered	Qty UM	Unit Price	Amount (Net)
	*****TOM ROMBERG # 253-606-8350 PORT ORCHARD CITY HALL				
1	BD ITK1818 ITK 18"X18", 1" FLANGE KNOB FIRE RATED WHT	1	EA	163.13	163.13
2	BD ITK2424 ITK 24"X24", 1" FLANGE KNOB FIRE RATED WHT	1	EA	176.74	176.74
3	BD XTM24241202 24x24,MORT/PREP,#1202 GALNL,GKT,ALUM	4	each	865.10	3460.40

3	Lines Total	Qty Shipped Total	6	Total	3800.27
				Taxes	321.82
				Invoice Total	4122.09

Sign Name \_\_\_\_\_ Print Name \_\_\_\_\_ Time Out \_\_\_\_\_ Time In \_\_\_\_\_

This quoted price is good for a period of 30 days from the date of the quotation. Masons Supply must receive a purchase order within that same 30 days to hold the price. The quoted prices are valid only if all items and quantities in the indicated sizes are ordered. Any changes may result in revised pricing. No extended delivery dates will be offered on this quotation. Customer must accept delivery of this order within Masons Supply and Manufacturers normal production and delivery schedule to receive the quoted price. This offer expressly limits acceptance to the terms stated herein, and any additional or different terms proposed by the Buyer are rejected unless expressly assented to in writing. Masons terms and conditions of sale apply to all sales of the quoted products and are incorporated into this quotation.



## TERMS AND CONDITIONS

- 1 **DEFINED TERMS** "MASCO" or "Seller" shall mean Masons Supply Company and its related and affiliated entities and all of their officers, agents, and insurers. Wherever MASCO's signature or approval is required, it must be by an Officer of MASCO.
- 2 **GENERAL AGREEMENT** All sales are expressly conditioned on these terms and conditions. No additional or different terms shall apply (whether a part of Buyer's purchase order or other communication from Buyer unless expressly agreed to in writing by an Officer of MASCO. Any acceptance by Buyer with additional or different terms proposed in the acceptance shall be deemed null and void and shall not be construed as a counteroffer. Any attempt to vary any of the terms of this offer shall be deemed a material alteration and such different or additional terms shall not be binding upon MASCO. Acceptance of or payment for any of goods constitutes Buyer's agreement to each and every of these Terms and Conditions. If these terms and conditions are incorporated by reference in a Purchase Agreement, Sales Agreement or other Agreement with Buyer, these provisions shall control notwithstanding anything to the contrary therein.
- 3 **WARRANTIES, EXCEPTING ONLY CASTINTACT®** MASCO MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, AS TO WORKMANSHIP, PERFORMANCE, QUALITY, DURABILITY, FITNESS FOR A PARTICULAR PURPOSE, SUITABILITY OR MERCHANTABILITY FOR ANY OF THE PRODUCTS SOLD. THIS DISCLAIMER IS FOR ALL LIABILITY INCLUDING LIABILITY FOR CONSEQUENTIAL SPECIAL DAMAGES, OR ANY LOSS OR DAMAGE, WHETHER TO PROPERTY OR INJURY TO PERSONS, RESULTING, DIRECTLY OR INDIRECTLY, FROM THE USE OR LOSS OF USE OF ANY PRODUCT SOLD. MASCO AGREES TO ASSIGN AND PASS-THROUGH TO BUYER ANY WARRANTIES EXPRESSLY PROVIDED BY THE MANUFACTURER OF THE PRODUCT PURCHASED, WHICH SHALL BE BUYER'S EXCLUSIVE RIGHTS OF WARRANTY. BUYER'S REMEDIES ARE SUBJECT TO ANY LIMITATIONS CONTAINED IN MANUFACTURER'S TERMS AND CONDITIONS TO MASCO. IF THERE IS NO WARRANTY PROVIDED BY THE MANUFACTURER, THEN THE GOODS ARE SOLD "AS IS." WHILE MASCO MAY PROVIDE MANUFACTURER WARRANTY INFORMATION, IT DOES NOT WARRANT OR GUARANTEE ANY SUCH ADVICE. THE WARRANTY EXPRESSED IN THIS PARAGRAPH 3, AND THE OBLIGATIONS AND LIABILITIES OF MASCO HEREUNDER ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND BUYER HEREBY WAIVES ALL OTHER REMEDIES, WARRANTIES, GUARANTEES OR LIABILITIES WHETHER OR NOT OCCASIONED BY MASCO'S NEGLIGENCE IN WHOLE OR IN PART. THIS WARRANTY SHALL NOT BE EXTENDED, ALTERED OR VARIED EXCEPT BY A WRITTEN INSTRUMENT SIGNED BY AN OFFICER OF MASCO AND BUYER. MASCO MAKES NO REPRESENTATION WHATSOEVER WITH REGARD TO WHETHER ANY GOODS COMPLY WITH THE OCCUPATIONAL SAFETY AND HEALTH ACT (OSHA), THE AMERICANS WITH DISABILITIES ACT (ADA), OR ANY OTHER FEDERAL, STATE, OR LOCAL STATUTE, LAW, ORDINANCE, OR RULING.
- 4 **LIABILITY.** MASCO SHALL NOT BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND FROM THE USE OR LOSS OF USE OF ANY PRODUCT OR DUE TO, ARISING OUT OF OR CONNECTED WITH THIS PURCHASE, THE GOODS, OR THIS AGREEMENT. IN ADDITION TO THE ASSIGNMENT OF MANUFACTURER WARRANTY STATED ABOVE, BUYER'S EXCLUSIVE REMEDY FOR ANY CLAIM AGAINST MASCO IS FOR MASCO, AT ITS OPTION, TO REPAIR OR REPLACE THE GOODS, OR FOR MASCO TO REQUEST RETURN OF THE PRODUCT AND TENDER TO BUYER THE PURCHASE PRICE PAID UPON REDELIVERY. THE REMEDIES OF BUYER AS SET FORTH HEREIN ARE EXCLUSIVE, AND THE LIABILITY OF MASCO WITH RESPECT TO ANY CONTRACT OF SALE OR ANYTHING DONE IN CONNECTION THEREIN, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, BREACH OF CONTRACT, INDEMNITY OR UNDER ANY LEGAL THEORY, WARRANTY OR OTHERWISE, SHALL NOT EXCEED THE PURCHASE PRICE OF THE GOODS ON WHICH SUCH LIABILITY IS BASED.
- 5 **DELIVERY.** Shipping dates given in advance of actual shipment are estimated. MASCO shall not be liable for delay in performance regardless of cause. All direct shipments are F O B point of shipment, and each shipment or delivery shall be considered a separate and independent transaction. Responsibility for filing claims with the manufacturer or carrier, as the case may be, rests with the Buyer.
- 6 **PROPERTY DAMAGE.** Customer assumes full responsibility for damage to sidewalks, curbs, driveways, or other property on the premises when requesting deliveries of materials to be made other than on the street when customer requests material. Customer assumes responsibility for any damages resulting from loading materials on vehicle.
- 7 **PALLETS:** Certain of the products, goods and materials delivered and provided by MASCO hereunder ("Products") may be delivered on pallets to assist MASCO with the loading, delivery, transport and storage of such Products. Following delivery of any such Products by MASCO, any action taken by Buyer, Buyer's agents, employees or otherwise ("Buyer Parties") with regard to such pallets, including but not limited to the movement or relocation of any such pallets is at the sole discretion and liability of the Buyer Parties and should only be done with the use of forklift type equipment that is designed for pallet use and is proper under the circumstances. Buyer hereby releases and indemnifies MASCO from any liability arising out of or related to actions by the Buyer Parties with regard to such pallets.
- 8 **ACCEPTANCE OF GOODS.** Buyer shall make an examination of any goods delivered hereunder immediately upon its receipt. Buyer's failure to give written notice of any claim within 7 days after the receipt of such material shall constitute Buyer's unqualified acceptance of such material and a waiver by Buyer of all claims with respect thereto including any right to revoke acceptance. Upon acceptance, Buyer assumes all risks and liability for the results obtained in its business by the use of any materials delivered or by the use of such materials in combination with other goods or materials. In no event may customer set off payment for any rejected or revoked acceptance goods against payment due on goods accepted.
- 9 **NOTICE OF CLAIM FOR DEFECTIVE DELIVERY.** Buyer will be conclusively deemed to have accepted and agreed to any invoice from MASCO (including but not limited to the price, quantity, quality, and description of the goods as stated on the invoice and any and all terms, provisions, conditions, agreements, representations, and warranties on the invoices), unless MASCO receives written objection to the invoice from Buyer within 7 days after the date the invoice is sent to Buyer. Written objection must be sent by letter to MASCO at its main office by registered mail specifying the nature of the complaint. Buyer's compliance with these conditions precedent shall not constitute an admission by MASCO of the merits or amount of Buyer's claim or defense.
- 10 **LIMITATION OF ACTIONS. NO ACTION FOR BREACH OF ANY TERM OF SALE OR ANY OTHER DUTY OF MASCO WITH RESPECT TO GOODS OR SERVICES MAY BE COMMENCED MORE THAN ONE YEAR AFTER THE DATE ON WHICH THE GOODS ARE DELIVERED.**
- 11 **PAYMENT.** Buyer's obligation to pay MASCO for the goods and services provided are not conditioned upon Buyer obtaining acceptance or approval from any third party or receiving payment from any third party.
- 12 **TAXES.** The prices for goods do not include any sales, use or other taxes or charges payable to state or local authorities. Buyer shall be responsible for and shall pay all federal, state and local sales, use, property, excise, freight or other taxes imposed on or with respect to the goods. To the extent that such taxes do not appear as an itemized charge, Buyer certifies that the sale of the goods is exempt from such taxes and Buyer assumes the liability for any such tax which may be found to be due, and agrees to indemnify and hold MASCO harmless with respect thereto.
- 13 **RETURNS. ALL SPECIAL ORDER OR LARGE QUANTITY PURCHASES ARE FINAL. NO RETURNS OR REFUNDS WITHOUT MANUFACTURER'S WRITTEN ACCEPTANCE AND TERMS.** No returns on special cuts, or repackaged merchandise. No credit will be issued for normally stocked materials returned 45 days after original purchase. In no case are goods to be returned without first obtaining MASCO's permission. Buyers shall pay the costs of return of any goods and shall use its best efforts to insure that all packaging materials that MASCO supplies are maintained in suitable storage areas to protect them from damage, including, without limitation, from forklifts and weather. Goods must be securely packed to reach MASCO without damage. Material accepted for credit will be subject to a 15% service charge plus all transportation charges. Any material returned to original manufacturer(s) may include additional charges as determined by manufacturer. Credit for returned goods will be allowed only to the extent agreed to in writing by a duly authorized representative of MASCO and no application for credit will be processed unless Buyer provides the original invoice number and date.
- 14 **APPLICABLE LAW, ARBITRATION AND ATTORNEY FEES. THE VALIDITY, CONSTRUCTION AND PERFORMANCE OF ANY AGREEMENT WILL BE GOVERNED BY THE LAWS OF THE STATE OF OREGON, ANY CONTROVERSY OR CLAIM ARISING OUT OF OR RELATING TO THIS ORDER OR THE PERFORMANCE OR BREACH THEREOF SHALL BE SETTLED BY ARBITRATION IN THE CITY PORTLAND, OREGON, IN ACCORDANCE WITH THE RULES AND PROCEDURES OF THE AMERICAN ARBITRATION ASSOCIATION. IF AN ATTORNEY IS EMPLOYED TO ENFORCE THIS AGREEMENT, MASONS SHALL BE ENTITLED TO ATTORNEY FEES AND COSTS, IRRESPECTIVE OF WHETHER ANY LEGAL PROCEEDING IS COMMENCED. IN THE EVENT OF A SUIT OR ACTION TO COLLECT UNPAID AMOUNTS FOR GOOD SOLD, THE PREVAILING PARTY SHALL BE ENTITLED TO RECOVER, IN ADDITION TO ALL OTHER AMOUNTS, ITS ATTORNEY FEES AND COSTS AT TRIAL, ARBITRATION, AND APPEAL.**
- 15 **WAIVERS BY BUYER.** Buyer waives demand, notice, protest, notice of acceptance of this agreement, notice of credit extended, notice of collateral delivered or received, and all other notices.
- 16 **AUTHORITY OF MASCO'S AGENTS.** MASCO's agents, employees, and representatives have no authority to bind MASCO to any affirmation, waiver, representation, or warranty inconsistent with these terms and conditions, unless expressly agreed to in writing by an Officer of MASCO.
- 17 **AUTHORIZATION.** In consideration of MASCO selling goods to Buyer, the person signing any such acceptance or agreement on behalf of Buyer represents and warrants that he or she is authorized to sign on behalf of Buyer. The parent company, if any, of Buyer also guarantees performance of the agreement and payment by Buyer. The person signing and Buyer warrant that the information given to MASCO IS true and correct in all respects.
- 18 **THIRD PARTY CONTRACT OBLIGATIONS.** In the event that Buyer has contracted for or otherwise assumed with any other Party any obligation or liability to an Owner, Contractor, Construction Manager or any other person or entity responsible for the completion of any portion of any project in which MASCO's goods will be used, the Parties agree that MASCO is not a party to such contract, and MASCO does not assume any liability or obligation under any such contract or agreement. Buyer releases and agrees to defend, indemnify and hold MASCO harmless for any claims of any nature whatsoever related to any obligation, risk, liability or responsibility which was Buyer's under any contract or which was assumed by Buyer towards any Owner, Contractor, Construction Manager or other party involving the goods or work supplied by MASCO to fulfill any contractual requirement.
- 19 **OTHER TERMS AND CONDITIONS. NO TERMS AND CONDITIONS OTHER THAN THOSE HEREIN STATED, AND NO AGREEMENT OR UNDERSTANDING, INCLUDING BUT NOT LIMITED TO ANY PROVISIONS, TERMS AND CONDITIONS CONTAINED IN ANY CONFIRMATION ORDER OR OTHER WRITING BY BUYER, IN ANY WAY PURPORTING TO MODIFY THESE TERMS OR CONDITIONS SHALL BE BINDING UPON MASCO UNLESS CONSENTED TO IN WRITING BY AN OFFICER OF MASCO. MASCO'S ACCEPTANCE OF YOUR PURCHASE ORDER IS EXPRESSLY MADE CONDITIONAL ON YOUR ASSENT TO THESE TERMS AND CONDITIONS AND ON YOUR AGREEMENT THAT SUCH TERMS AND CONDITIONS SHALL CONSTITUTE THE SOLE TERMS AND CONDITIONS OF THE ORDER. THE CONDITIONS STATED HEREIN SHALL TAKE PRECEDENCE OVER ANY OTHER CONDITIONS, AND NO CONTRARY, ADDITIONAL OR DIFFERENT PROVISIONS OR CONDITIONS SHALL BE BINDING ON MASCO, INCLUDING BUT NOT LIMITED TO, PROVISIONS OR CONDITIONS WHICH DEEM PARTIAL PERFORMANCE OR FAILURE TO OBJECT AS ACCEPTANCE BY MASCO OF BUYERS TERMS AND CONDITIONS, UNLESS ACCEPTED BY MASCO IN WRITING.**
- 20 **ENTIRE AGREEMENT.** These terms and conditions shall constitute the entire agreement between the parties with regard to the subject matter. The parties shall not be bound by any agent's or employee's representation, promise, or inducement not set forth in these terms or the signed agreement. No course of prior dealings between the parties and no usage of trade shall be relevant or admissible to supplement, explain, or vary any of these terms and conditions. Acceptance of or acquiescence in a course of performance rendered under this or any prior agreement shall not be relevant or admissible to determine the meaning of these terms and conditions even though the accepting or acquiescing party has knowledge of the nature of the performance and an opportunity to make objection. No representations, understandings or agreements have been made or relied upon in the making of the agreement other than those specifically set forth herein. These terms and conditions can only be modified by a writing signed by the parties hereto or their duly authorized agents.



# EXTERIOR SPECIALTIES, LLC.

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PO BOX 736

WAUNA, WA 98395

PHONE: 253-324-8958

EMAIL: JERRYHARMON50@GMAIL.COM

## CHANGE ORDER REQUEST

Job Name : Port Orchard City Hall Renovation

PR – 2

Added Hatches at clock tower

Sheet Metal Flashings

Flashing and fabrication \$ 400.00

Labor to install flashing

\$ 60.95 x 4 hours \$ 243.80

Sub Total \$ 643.80

15% Allowable Mark Up \$ 96.57

Total Change Request \$ 740.37

Jerry Harmon

Owner

Exterior Specialties



## CHANGE ORDER REQUEST

CIS Job Number	2342	Date	9/6/2023	COR	2
Job Name	Port Orchard City Hall Renovations			PR	2

Qty	UM	Rate	Total
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### Labor

Foreman		HR	\$ 97.59	\$ -
Journeyman	2	HR	\$ 92.63	\$ 185.26
Journeyman OT		HR	\$ 138.95	\$ -
Journeyman 2X OT		HR	\$ 185.27	\$ -
Subtotal			\$	185.26

### Materials

Liquid Flashing	8	EA	\$ 15.45	\$ 123.60
		EA	\$ -	\$ -
		EA	\$ -	\$ -
			\$ -	\$ -
			\$ -	\$ -
			\$ -	\$ -
			\$ -	\$ -
Sub Total			\$	123.60

### Equipment

Delivery/Pickup	EA	\$ -	\$ -
Boom Lift	EA	\$ -	\$ -
		\$ -	\$ -
Sub Total			\$ -

Grand-Subtotal \$ 308.9 Labor, Materials, Equipment

Consumables \$ -

B&O Use Tax \$ -

Environmental Fee \$ -

Sub Total	\$ 308.9	>>>> Total	\$ 308.86
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### Cost of Time

Time Extension	day	0.00	\$ -
Delays	day	0.00	\$ -
Sub Total			\$ -

### Description of work

Added liquid flashing at 4 clock tower hatches

Subtotal	\$ 308.86
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Allowed Markup	15%	\$46.33
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Additional Working Days

COR	2	Total	\$355
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This proposal excludes sales tax and includes any and all necessary adjustments to the construction schedule and all direct and indirect costs based on information provided by the owner.

### Contractor:

John Brown - Estimator/PM 253-241-9140

Signature

Date 9/6/2023

### Approved by:

Signature

Date



## PROPOSAL REQUEST

<b>Project:</b>	Port Orchard City Hall Building Improvements	<b>PR No.:</b>	PR-02
<b>Project No.:</b>	2020013	<b>Date Issued:</b>	08/30/2023
<b>Owner:</b>	City of Port Orchard 216 Prospect Street Port Orchard, WA 98366	<b>Issued To:</b>	Lincoln Construction Inc. 11803 101 <sup>st</sup> Ave E, Suite 201 Puyallup, WA 98373
<b>Contract Date:</b>	05/23/2023	<b>Attn:</b>	Debbie Howells

Please submit an itemized proposal for changes in the Contract Sum and Contract Time for proposed modifications to the Contract Documents described herein. Submit proposal within 7 days, or notify the Architect in writing of the date on which you anticipate submitting your proposal. THIS IS NOT A CHANGE ORDER, A CONSTRUCTION CHANGE DIRECTIVE OR A DIRECTION TO PROCEED WITH THE WORK DESCRIBED IN THE PROPOSED MODIFICATIONS.

### Description:

1. Provide (4) hatches in the exterior wall to align with the openings in the clock faces.
  - a. Hatches to be exterior rated and gasketed

### Attachments:

Access Hatch detail.

**Requested By:** Jason Ritter – Rice Fergus Miller

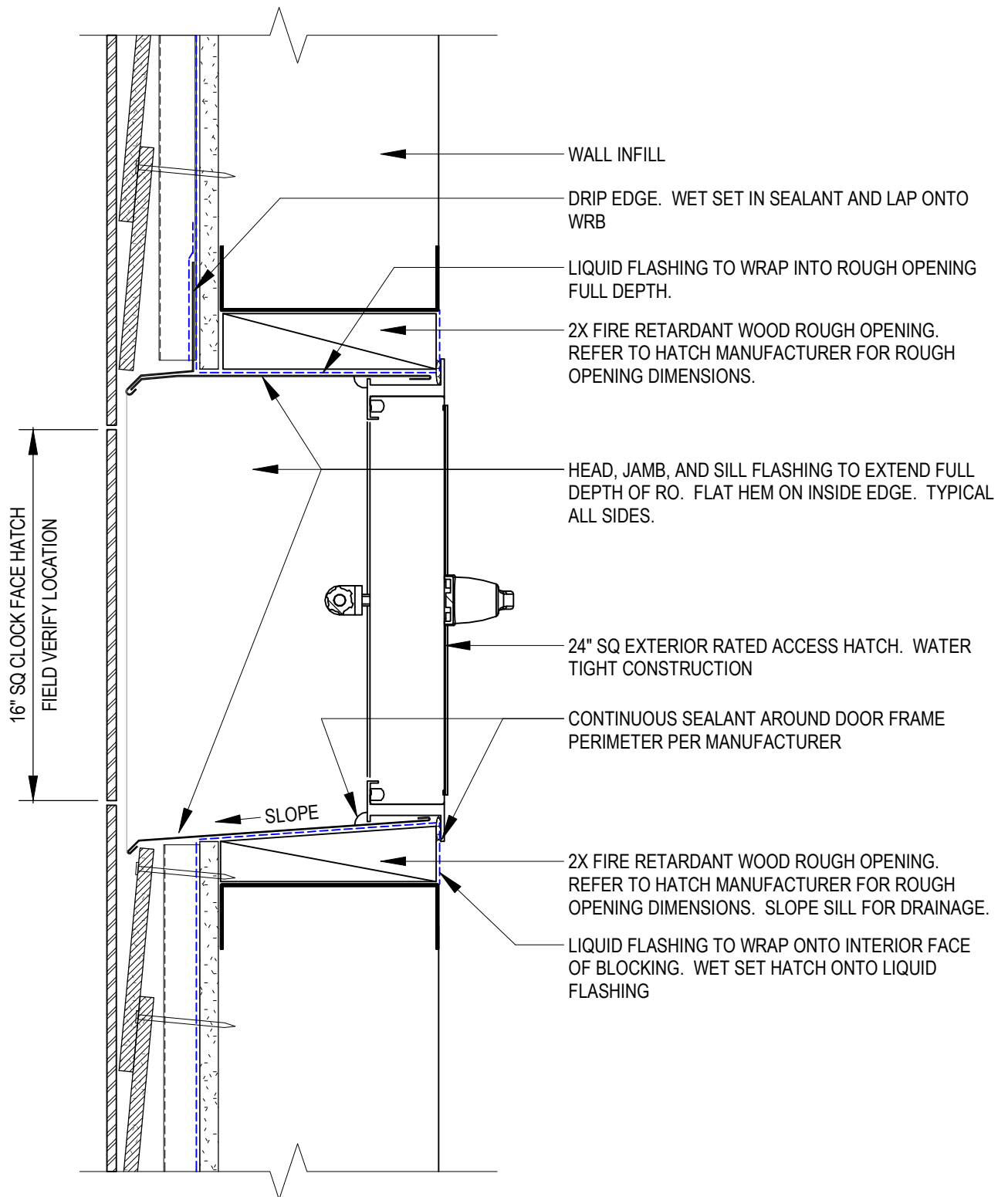
**Copies To:**

- ☒ Owner  
☒ Architect  
☐ Consultant

- ☒ Contractor  
☐ Field  
☐ Other

**END OF PROPOSAL REQUEST**







# CITY OF PORT ORCHARD

## Authorization for Change Order No. 2

**Date:** 11/10/2023  
**Project:** City Hall Renovation  
**Contract / Job #** C048-23

**Contractor:** Lincoln Construction, Inc.  
11803 101<sup>st</sup> Ave. E. Suite 201  
Puyallup, WA 98373

**THIS CHANGE ORDER AUTHORIZES (add description).**

Additional Work/Construction Change Directives:

COP 008- Change StronGirts from 24" OC to 16" OC, double the screws needed for the attachment and change to stainless steel #14 x 2" Hex Washer Head Self-Drilling. Change StronGirts from 24" OC to 12" OC at Zone 5. Exterior cladding attachment system.

See COP 008 and AIA for breakdown.

See memo for more detail.

	Amount	Sales Tax	Total	Date	Appvd by
<b>Original Contract</b>	\$8,245,941.00	\$766,872.51	<b>\$9,012,813.51</b>	13-Jun-22	Council
<b>Change Order 1</b>	\$44,711.00	\$4,698.77	<b>\$49,409.77</b>	11-Oct-23	PW Director
<b>Change Order 2</b>	\$92,579.00	\$8,609.85	<b>\$101,188.85</b>	10-Nov-23	Council
<b>Total Contract</b>	<b>\$8,383,231.00</b>	<b>\$780,181.12</b>	<b>\$9,163,412.12</b>		

I have reviewed the Change Order information above and certify that to the best of my knowledge descriptions and costs are true and accurate.

*Thomas Romberg*

Contractor Approval Signature

Thomas Romberg-Project Manager

Printed Name & Title

*Denis Ryan*  
Public Works Director

*Denis Ryan*  
Printed Name

Change Orders that do not exceed 10%, with a maximum of \$50,000, of either legally authorized budget limit or contract amount established by City Council can be approved by the Public Works Director.

Change Orders that do not exceed 10%, with a maximum of \$100,000, of either legally authorized budget limit or contract amount established by City Council are to be approved by the Mayor.

Change Orders over \$100,000 or exceed a total of 10% require Council Action.

Approved:

DocuSigned by:  
*Mark Truham*  
AFF15B026C3F4D8

Mayor Pro-Tem

Attest:

Mayor  
DocuSigned by:  
*Jenine Floyd*  
85D1E6F1BF4E4BE  
City Clerk

Deputy City Clerk

December 12, 2023

Council Approval Date





AIA®

Documen

0 - 20

## Change Order

**PROJECT:** (Name and address)  
Port Orchard City Hall Building  
Improvements  
216 Prospect Street  
Port Orchard, WA 98366

**CONTRACT INFORMATION:**  
Contract For: Construction  
  
Date: May 23, 2023

**CHANGE ORDER INFORMATION:**  
Change Order Number: 002  
  
Date: November 8, 2023

**OWNER:** (Name and address)  
City of Port Orchard  
216 Prospect Street  
Port Orchard, WA 98366

**ARCHITECT:** (Name and address)  
Rice Fergus Miller, Inc.  
275 5<sup>th</sup> Street, Suite 100  
Bremerton, WA 98337

**CONTRACTOR:** (Name and address)  
Lincoln Construction Inc.  
11803 101st Ave E, Suite 201  
Puyallup, WA 98373

### THE CONTRACT IS CHANGED AS FOLLOWS:

(Insert a detailed description of the change and, if applicable, attach or reference specific exhibits. Also include agreed upon adjustments attributable to executed Construction Change Directives.)

Change Order Proposal:

COP 08 - Additional gifts for siding attachment

\$92,579.00

The original Contract Sum was	\$ 8,245,941.00
The net change by previously authorized Change Orders	\$ 44,711.00
The Contract Sum prior to this Change Order was	\$ 8,290,652.00
The Contract Sum will be increased by this Change Order in the amount of	\$ 92,579.00
The new Contract Sum including this Change Order will be	\$ 8,383,231.00

The Contract Time will be increased by Zero (0) days.  
The new date of Substantial Completion will be

**NOTE:** This Change Order does not include adjustments to the Contract Sum or Guaranteed Maximum Price, or the Contract Time, that have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.

### NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.

Rice Fergus Miller, Inc.  
**ARCHITECT** (Firm name)

**SIGNATURE**

Dean Kelly  
**PRINTED NAME AND TITLE**

November 8, 2023  
**DATE**

Lincoln Construction  
**CONTRACTOR** (Firm name)

**SIGNATURE**

Thomas Romberg-Project Manager  
**PRINTED NAME AND TITLE**

11-15-2023  
**DATE**

City of Port Orchard  
**OWNER** (Firm name)

**SIGNATURE**

**PRINTED NAME AND TITLE**

**DATE**



**CHANGE PROPOSAL REQUEST****Lincoln Construction**To: Port Orchard City HallCOP NO: 08CCD/PR No.: Date: 10/11/2023Project: Attn.: Jason Ritter-LopatowskiLCI Project No.: 1257

A. TOTAL MATERIAL/EQ BASE COST \$ -

B. TOTAL LABOR COST \$ -

**SUBTOTAL**

\$ -

C. OVERHEAD AND PROFIT (15%) \$ -

**SUBTOTAL**

\$ -

D. SUBCONTRACT COST \$ 80,252.00

E. OVERHEAD AND PROFIT ON  
SUBCONTRACT COST (12%) \$ 9,630.24**SUBTOTAL**

\$ 89,882.24

H. BOND (GC ONLY) \$ 2,696.47

**SUBTOTAL**

\$ 2,696.47

**TOTAL CHANGE PROPOSAL COST**

\$ 92,579

**CONTRACT TIME ADJUSTMENT**

(DAYS)

**TBD**Lincoln Construction, Inc.

CONTRACTOR

Thomas Romberg

Tom Romberg

0

DATE

10/11/2023



**Lincoln Construction**

**Change Order Request**

To: Jason Ritter-Lopatowski  
RFM Architects

Date: 10/11/2023  
COP #: 08

Owner COP/CCD/PR #:

Re: Port Orchard City Hall

Please provide a change order for the following work:

Per engineering, change the Strongirt System to 16OC in lieu of 24OC.

Total price per attached breakdown: \$ 92,579  
State and local sales tax:  include X not included  
Extension of time: 0

We have proceeded with the work  
 Work will not proceed without formal authorization

This price is good for 5 days from the above date, after which this request is subject to revision.

Sincerely,  
*Thomas Romberg - Project Manager*



# Lincoln Construction

## CHANGE ORDER REQUEST SUMMARY

**Port Orchard City Hall**
**COP: 008**
**REV: 000**
**DATE: 10/11/2023**
**DESCRIPTION:**

Owner COP/CCD/PR #:

<u>LABOR</u>	<u>HOURS</u>		<u>RATE</u>			<u>TOTAL</u>
PROJECT MANAGER		X	95.00	=	\$	-
SUPERINTENDENT		X	88.95	=	\$	-
ASSISTANT SUPERINTENDENT		X	85.25	=	\$	-
CARPENTER		X	82.25	=	\$	-
LABORER		X	73.50	=	\$	-
		X		=	\$	-
		X		=	\$	-
SUBTOTAL				=	\$	-
SMALL TOOL ALLOWANCE @			0.0%		\$	-
SUBTOTAL					\$	-
MARK-UP @			15.0%		\$	-
<b>TOTAL LABOR</b>					<b>\$</b>	<b>-</b>
<b>MATERIALS/EQUIPMENT</b>	<b>PHASE CODE</b>	<b>UNITS</b>		<b>RATE</b>		
		1	X		\$	-
		1	X		\$	-
		1	X		\$	-
		1	X		\$	-
SUBTOTAL					\$	-
USE TAX ON MATERIALS AND EQUIPMENT			0.0%		\$	-
MARK-UP @			15.0%		\$	-
<b>TOTAL MATERIAL/EQUIPMENT</b>					<b>\$</b>	<b>-</b>
<b>SUBCONTRACTS</b>	<b>PHASE CODE</b>	<b>UNITS</b>		<b>RATE</b>		
		1	X		\$	-
		1	X	79,897.00	\$	79,897.00
Commercial Insulation		1	X	355.00	\$	355.00
		1	X		\$	-
		1	X		\$	-
			X		\$	-
			X		\$	-
			X		\$	-
SUBTOTAL					\$	80,252.00
MARK-UP @	Sub Direct Cost	79,897	12.0%	Less Sub Fee	\$	9,630.24
<b>TOTAL SUBCONTRACTS</b>					<b>\$</b>	<b>89,882.24</b>
<b>PROPOSAL SUBTOTAL</b>					<b>\$</b>	<b>89,882.24</b>
BONDS/Liability/Builders Risk/B&O Tax			3.000%		\$	2,696.47
<b>PROPOSAL TOTAL</b>					<b>\$</b>	<b>92,578.71</b>



## Tom Romberg

---

**To:** tom romberg  
**Subject:** FW: POCH Stainless Steel Screw Option for Exterior Framing at 24" On Center

Thank you,

Tom Romberg | **LCi**

*Lincoln Construction Inc Est. 1953*

11803 101<sup>st</sup> Ave Ct E, Suite 201 Puyallup, WA 98373

**Cell 253-606-8350**

**Ofc 253.847.6414 | Fax 253.847.6806**

---

**From:** Phil Clark <phil@devcoengineering.com>  
**Sent:** Friday, September 22, 2023 8:35 AM  
**To:** Tom Romberg <tom.romberg@lincolnnw.com>; John Saari <John@cisinsulation.com>  
**Cc:** John Brown <JohnBrown@cisinsulation.com>; Jeff Tiegs <jeff.tiegs@lincolnnw.com>; Bill Markham <bill.markham@lincolnnw.com>; George Drabner <george@cisinsulation.com>; Brooke Powers <brooke@devcoengineering.com>  
**Subject:** RE: POCH Stainless Steel Screw Option for Exterior Framing at 24" On Center

Tom/John,

The capacities of the proposed alternate screws are comparable to the original screws we specified. However, the 20ga studs at 24" o.c. rather than 16" o.c. does cause issue at the building corners (zone 5 wind loads). This is what will be needed:

At zone 5 (12' from building corners): Strongirts at 12" o.c. max. with (2) screws each stud.

At zone 4 (the remainder): Strongirts at 16" o.c. max. with (2) screws each stud.

The attached pdf shows where the zone 5 locations occur. Note: the entire clock tower would be zone 5.

Please review and give feedback.

Thanks,

**Phil Clark**

CAD/IT/BIM Manager

Devco Engineering, Inc.

541-757-8991 x212

[phil@devcoengineering.com](mailto:phil@devcoengineering.com)

Mail: PO Box 1211, Corvallis, OR 97339

Office: 245 NE Conifer Blvd., Corvallis, OR 97330



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PORT ORCHARD CITY HALL - BUILDING  
IMPROVEMENTS  
PORT ORCHARD CITY HALL  
216 PROSPECT STREET  
PORT ORCHARD, WA 98366

PROJECT # 2020013

BID DOCUMENTS

ISSUE DATE APRIL 7, 2023

REVISION SCHEDULE

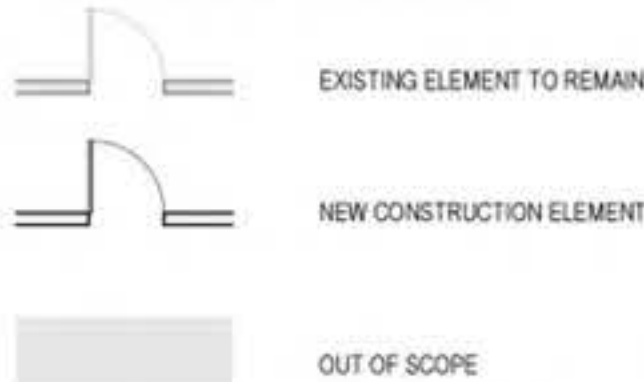
ROOF PLAN

SHEET #

A21.15

NOTES & LEGEND - FLOOR PLAN

- DIMENSIONS ARE TO ROUGH FRAMING OR TO FACE OF EXISTING FINISHES, TYP UNO.
- DIMENSIONS INDICATED AS "MIN" OR "CLR" ARE FROM NEAREST FINISH SURFACE, INCLUDING TRIM.
- ROUGH DOOR OPENINGS ARE LOCATED 4" FROM NEAREST INTERSECTING WALL FRAMING, TYP UNO.
- THIS BUILDING WILL REMAIN OPERATIONAL DURING CONSTRUCTION. IT IS THE RESPONSIBILITY OF THE CONTRACTOR TO PROVIDE STAGING PLANS TO THE CITY FOR THEIR RECORDS. STAGING PLAN MUST ALSO INCLUDE THE COMPLIANCE OF IBC CHAPTER 33 SHOWING PROTECTION OF PUBLIC PROPERTY, INCLUSION OF FIRE EXTINGUISHERS, MAINTENANCE OF MEANS OF EGRESS AND ACCESSIBLE MEANS OF EGRESS AND THE MAINTENANCE OF STANDPIPES.
- GO TO REFER TO SHEET A32.02 FOR DEFERRED SUBMITTALS AND THEIR RESPONSIBILITY FOR ISSUING THEM.



KEY NOTES - FLOOR PLAN

#	NOTE DESCRIPTION
1	NEW CLEAR BRICK COATING ON ALL EXPOSED BRICK. PRIOR TO APPLICATION, REPAIR ALL GROUT HOLES AND SEALANT CRACKS. TYPICAL ALL BRICK AROUND ENTIRE BUILDING.
2	NEW CEMBRIT LAP SIDING OVER R-10 RIGID INSULATION AND WEATHER BARRIER. TYPICAL ALL AREAS WHERE LAP SIDING WAS REMOVED. MATCH EXISTING PROFILES.
3	NEW WINDOW TO MATCH EXISTING DESIGN. CONTRACTOR TO FIELD VERIFY ALL ROUGH OPENINGS. WINDOWS AT GROUND LEVEL TO BE FIXED, NON-OPERABLE. ALL UPPER LEVELS TO BE OPERABLE SIMILAR TO EXISTING DESIGN. PREPARE ROUGH OPENING PER MANUFACTURERS RECOMMENDED DETAILS FOR WRB SYSTEM. NEW FLASHING TO BE INSTALLED TO WEATHERIZE CONNECTION BETWEEN WINDOW AND BRICK. TYPICAL ALL WINDOW LOCATIONS.
4	HOLLOW METAL DOOR AND FRAME TO MATCH EXISTING DIMENSIONS AND RATING. CONTRACTOR TO FIELD VERIFY ROUGH OPENINGS. PAINT TO MATCH NEW SIDING MATERIAL.
5	INFILL WALL FRAMING WHERE CLOCK FACES WERE REMOVED. MATCH ADJACENT FRAMING TYPE AND THICKNESS. NEW EXTERIOR SHEATHING AND WRB SYSTEM TO BE INSTALLED. TYPICAL ALL (4) FACES OF CLOCK TOWER.
6	NEW ROLL-DOWN DOOR AND AUTOMATIC OPENER TO FIT IN EXISTING ROUGH OPENING. CONTRACTOR TO FIELD VERIFY ROUGH OPENING.
7	NEW 30-YEAR COMPOSITE SHINGLES OVER SELF-ADHERED UNDERLAYMENT COVERED WITH SYNTHETIC UNDERLAYMENT OVER ROOFING BOARD OVER VENT STRIPS OVER NEW RIGID INSULATION OVER NEW VAPOR BARRIER OVER EXISTING METAL DECK.
8	GUTTER AND DOWN SPOUTS TO BE INSTALLED TO ALIGN WITH NEW ROOFING ELEVATION. MAINTAIN ORIGINAL DOWN SPOUT LOCATIONS AND CONNECTION TO STORM DRAIN. TYPICAL AROUND BUILDING.
9	HI-PERF RIDGE VENT SLOPE TO SLOPE SHINGLED VERSION.
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12	NEW FALL PROTECTION ANCHOR. REFER TO STRUCTURAL FOR BLOCKING DETAILS.
13	NEW EXHAUST LOUVER. SEE MECHANICAL.
14	EXISTING EXHAUST LOUVER TO REMAIN.
15	NEW CONCRETE SLAB WHERE FOOTINGS WERE INSTALLED. MATCH ADJACENT FINISH AND COLOR.
16	NEW TOWER CLOCK WITH BACKGROUND MOUNTING. (BASIS OF DESIGN: ELECTRIC TIME 1100 SILHOUETTE - MARKERS ON BACKGROUND). TYPICAL (4) SIDES OF CLOCK TOWER.
17	NEW GATE TO MATCH EXISTING. MATCH MATERIALS, STYLE, AND HARDWARE.

1 ROOF - PLAN

1/8" = 1'-0"



Commercial Insulation Service

7930 Center St. SW

Tumwater, WA 98501

P: 253-241-9140

JohnBrown@cisinsulation.com

**CHANGE ORDER REQUEST**

CIS Job Number 2342 Date 10/3/2023 COR 1 REV-1

Job Name Port Orchard City Hall Renovations

Labor

	Qty	UM	Rate	Total
Foreman		HR	\$ 97.59	\$ -
Journeyman	96	HR	\$ 92.63	\$ 8,892.48
Journeyman	56	HR	\$ 92.63	\$ 5,187.28
Journeyman OT		HR	\$ 138.95	\$ -
<b>Subtotal</b>				<b>\$ 14,079.76</b>

Zone 5 add

\$2,593.64

Materials

StronGirts	560	EA	\$ 53.76	\$ 30,105.60
Screws	22,400	EA	\$ 0.30	\$ 6,720.00
Credit screws	5,040	EA	\$ (0.19)	\$ (957.60)
StronGirts	300	EA	\$ 53.76	\$ 16,128.00
Screws	3000	EA	\$ 0.30	\$ 900.00
			\$ -	\$ -
			\$ -	\$ -
<b>Sub Total</b>				<b>\$ 52,896.00</b>

Credit

If this number was to go from 24" to 12" than 16" to 12" should be an \$8,064 add.

Zone 5 add

Zone 5 add

Should be \$450

Equipment

Boom Lift / Fuel	1	EA	\$ 1,400.00	\$ 1,400.00
Sundries	1	EA	\$ 250.00	\$ 250.00
Boom / Sundries	1	EA	\$ 850.00	\$ 850.00
<b>Sub Total</b>				<b>\$ 2,500.00</b>

Zone 5 add

\$425

Grand-Subtotal

	\$ 69,475.8
Consumables	\$ -
B&O Use Tax	\$ -
Environmental Fee	\$ -
<b>Sub Total</b>	<b>\$ 69,475.8</b>

Labor, Materials, Equipment

Total \$11,532.64 to be remove from this COP (+/-)

Cost of Time

Time Extension	day	0.00	\$ -
Delays	day	0.00	\$ -
<b>Sub Total</b>			<b>\$ -</b>

\$ -11,532.64

\$ 57,943.12

Description of work

Change StronGirts from 24" oc to 16" oc, double the screws needed for attachment and change to Stainless Steel #14 x 2" Hex Washer Head Self-Drilling. Change StronGirts from 24" oc to 12" oc at Zone 5.

This should be 16" oc

Subtotal \$ 69,475.76

Allowed Markup 15% \$10,421.36

Additional Working Days

COR 1 REV-1

Total

\$79,897

This proposal excludes sales tax and includes any and all necessary adjustments to the construction schedule and all direct and indirect costs based on information provided by the owner.

Contractor:

John Brown - Estimator/PM 253-241-9140

Date 10/3/2023

Signature

Approved by:

Signature

**REVISED ON FOLLOWING  
SHEET. NO CHANGE IN  
PRICE**



CHANGE ORDER REQUEST

CIS Job Number	2342	Date	10/23/2023	COR	1 REV-2
Job Name	Port Orchard City Hall Renovations				

	Qty	UM	Rate	Total	
<u>Labor</u>					
Foreman		HR	\$ 97.59	\$ -	
Journeyman	96	HR	\$ 92.63	\$ 8,892.48	24" to 16" change
Journeyman	56	HR	\$ 92.63	\$ 5,187.28	Zone 5 add 16" to 12" change
Journeyman OT		HR	\$ 138.95	\$ -	
			Subtotal	\$ 14,079.76	

<u>Materials</u>					
StronGirts	560	EA	\$ 53.76	\$ 30,105.60	24" to 16" change
Screws	22,400	EA	\$ 0.30	\$ 6,720.00	
Credit screws	5,040	EA	\$ (0.19)	\$ (957.60)	Credit
StronGirts	300	EA	\$ 53.76	\$ 16,128.00	Zone 5 add 16" to 12" change
Screws	3000	EA	\$ 0.30	\$ 900.00	Zone 5 add 16" to 12" change
			\$ -	\$ -	
			\$ -	\$ -	
			Sub Total	\$ 52,896.00	

<u>Equipment</u>				\$ -	
Boom Lift / Fuel	1	EA	\$ 1,400.00	\$ 1,400.00	
Sundries	1	EA	\$ 250.00	\$ 250.00	
Boom / Sundries	1	EA	\$ 850.00	\$ 850.00	Zone 5 add
			Sub Total	\$ 2,500.00	

<u>Grand-Subtotal</u>		\$ 69,475.8	Labor, Materials, Equipment
Consumables		\$ -	
B&O Use Tax		\$ -	
Environmental Fee		\$ -	
	Sub Total	\$ 69,475.8	>>>> Total \$ 69,475.76

<u>Cost of Time</u>				
Time Extension	day	0.00	\$ -	
Delays	day	0.00	\$ -	
	Sub Total	\$ -	\$ -	

Description of work

Change StronGirts from 24" oc to 16" oc, double the screws needed for attachment and change to Stainless Steel #14 x 2" Hex Washer Head Self-Drilling. Change StronGirts from 16" oc to 12" oc at Zone 5.

	Subtotal	\$ 69,475.76
	Allowed Markup	15% \$10,421.36
Additional Working Days	COR 1 REV-2	Total \$79,897

This proposal excludes sales tax and includes any and all necessary adjustments to the construction schedule and all direct and indirect costs based on information provided by the owner.

Contractor:  
John Brown - Estimator/PM 253-241-9140  
Signature \_\_\_\_\_ Date 10/23/2023

Approved by: \_\_\_\_\_  
Signature \_\_\_\_\_ Date \_\_\_\_\_





PORT ORCHARD CITY HALL - BUILDING  
IMPROVEMENTS  
PORT ORCHARD CITY HALL  
216 PROSPECT STREET  
PORT ORCHARD, WA 98366

PROJECT # 2020013

BID DOCUMENTS

ISSUE DATE APRIL 7, 2023

REVISION SCHEDULE

NO.	DATE	DESCRIPTION

30% APPROVAL STAMP

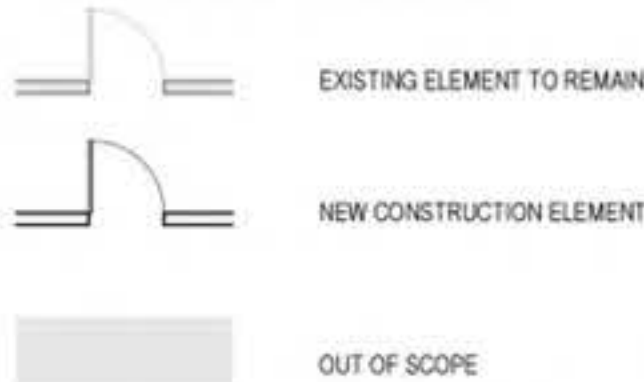
ROOF PLAN

SHEET #

A21.15

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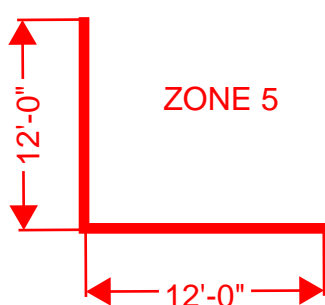


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1 ROOF - PLAN

1/8" = 1'-0"







## Memorandum

TO: File  
FROM: K. Chris Hammer, PE, PMP – City Engineer *KCH*  
DATE: October 31, 2023  
REGARDING: COP-008; Girt spacing

---

Lincoln and their subcontractor Commercial Insulation Service allege that a different girt system is needed than what was specified in the bid documents. Girts at 24 inches on center vertically were provided in the bid. The specifications require that the Contractor provide engineering for the new girt system. Engineering by Devco indicates that tighter spacing for the Girts is needed to meet wind criteria.

The City's consultant team could have provided engineering for the Girt system and specified the size and spacing of the girts at different locations in the building so that adequate information was provided for bidding. It was not practical for bidders to complete engineering of the girt system to bid the project. The assumption that exterior studs are at 16 inches on center and girts at 24 inches on center was a reasonable assumption at the time of bidding. Exterior metal stud spacing of 16 inches on center is common for building construction.

Both the Contractors Engineer and the City's Consultants agree that locations with type 4 and type 5 wind loads need tighter girt spacing. Type 5 locations include building corners and the clock tower. Refer to the redline plans provided in COP-008. This necessitates the addition of girts and modifications to insulation. Girts are needed at 16 inches on center in most location and 12 inches on center at corners and the clock tower.

The City's consultant should have provided more information on the girt system at the time of bidding including the existing stud size and spacing and preliminary girt size and spacing. The bidder did not have adequate information to bid the project. The bidder made reasonable assumptions in bidding on the project. Therefore, the City agrees with the Contractors' basis for the change proposal.





**City of Port Orchard  
Council Meeting Minutes  
Work Study Session Meeting of November 21, 2023**

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**CALL TO ORDER AND ROLL CALL**

Mayor Putaansuu called the meeting to order at 6:30 p.m.

Roll call was taken by the City Clerk as follows:

Mayor Pro-Tem Trenary	Present
Councilmember Chang	Present
Councilmember Clauson	Present
Councilmember Cucciardi	Absent
Councilmember Diener	Present
Councilmember Lucarelli	Present
Councilmember Rosapepe	Present
Mayor Putaansuu	Present via Zoom

Staff present: Public Works Director Ryan, Utilities Manager Brown, Senior Planner Fisk, and City Clerk Wallace.

The meeting streamed live on YouTube.

**Pledge of Allegiance (Time Stamp 00:24)**

**Mayor Pro-Tem Trenary** led the audience and Council in the Pledge of Allegiance

**1. 2023-2025 Legislative Agenda (Time Stamp 00:45)**

Josh Weiss and Annika Vaughn with Gordon Thomas Honeywell Governmental Affairs discussed the draft legislative priorities which included the Port Orchard Community Event Center, Bay Street sea level rise-resilience funding, vehicular pursuits, police training academy and BLEA (Basic Law Enforcement Academy), funding for substance use disorder treatment and *Blake* implementation, Foster Pilot Program, and Sedgwick roundabouts at SR16/SR160 intersections.

Mayor Putaansuu explained the formal legislative agenda is going before Council on December 12th, 2023, for approval.

Additional discussion was held regarding funding for education, revenue forecasting, print media and notices, and building relationships with delegates.

**Council Direction:** No direction was given to staff.



**2. Stormwater Level of Service and Rates (Time Stamp 23:35)**

Utilities Manager Brown pointed out that on September 12<sup>th</sup>, Council received a presentation on the Stormwater Comprehensive Plan. She said a part of the plan is level of service and is asking Council to discuss so staff can have direction moving forward with a rate ordinance in the future. Currently the City is working on level 1, which barely meets the minimum requirements of the current permit.

Discussion was held regarding staffing between levels 1 and 2, additional benefits for level 3, differences between all levels, incidents, getting information out to the public, capital projects, capital facility charges, fixing existing deficiencies, and levels of service in neighboring agencies.

Mayor Putaansuu explained level 2 is more proactive and is the staff recommendation. This is also a five-year plan so we should be discussing this again in 5-years. Staff will be bringing forward the plan next week for adoption and the rate recommendation will be before Council on December 12<sup>th</sup> for adoption.

Utilities Manager Brown said staff identified 20 capital projects that need to be done and put the top 10 into this program. They are listed on the City's website.

**Council Direction:** Council directed staff to move forward with Level 2 option A and not utilizing the high growth scenario.

**3. 2023 Comprehensive Plan Amendments (Time Stamp 50:38)**

Senior Planner Fisk said earlier this year, Council saw a Comprehensive Plan Amendment, but we usually only do them once a year. In this case, this is the second set you are going to see. Included in the Council packet is the Capital Facilities Element and the Transportation Improvement Program (TIP).

The only change in the Capital Facilities Element is a line item which was added related to property acquisition for City facilities. In the TIP, adjustments were made for project schedules, priorities funding, completion of some projects, grant funding, accelerating schedules, and an addition of a new project for right-of-way acquisition.

This has been discussed with the Land Use Committee and the Planning Commission held a public hearing. This is scheduled to go back before Council at their next week's Council meeting.

Council briefly discussed the plan and did not voice any concerns with the proposed amendments.

**Council Direction:** No direction was given to staff.

**4. An Ordinance Amending POMC 20.132 – Temporary Signs (Time Stamp 56:13)**



Senior Planner Fisk explained a little over a year ago, Council asked staff to start reviewing the increase in temporary signs in public right-of-way. Beginning fall of 2022, staff documented the existence of the signs at 7 locations in Port Orchard. They documented with photos and also gathered police crash data at those intersections and noticed there was an increase of crashes in the study areas. This study was done for over a year. The results and a draft ordinance were presented to the Planning Commission who recommended approval of the ordinance.

The ordinance identifies corridors where temporary signs may be placed which include Tremont Avenue, Lund Avenue, Sedgwick Road, and Bethel Avenue, but certain criteria were placed on the locations. Currently, signs can be located anywhere except within a median or inside a roundabout and it can be placed along the side of a road in the public right-of-way without any limitations. Based upon the data they gathered, they want to keep the signs out of intersections.

The ordinance also requires a sign to be at least 50-feet from an intersection and cannot be placed adjacent to public property, and the area must be accessible by a pedestrian facility, sidewalk, or walkway.

There are 2 ordinances for Council to consider. One is the Planning Commission's recommendation, and the other is staff's recommendation which added another criteria where the sign must be 50-feet from where the street curve ends.

Additional discussion was held regarding how to show the public where and how the signs could be placed, enforcing the sign code, content of signs, different sign regulations, safety, sign storage, and the 2 proposed ordinances.

**Council Direction:** Council directed staff to move forward with the staff recommended ordinance and to hold a public hearing on the proposed ordinance before adoption.

## **5. Update to Fee Schedules for Community Development and Public Works (Time Stamp 1:16:26)**

Senior Planner Fisk mentioned the current fee schedule was last updated in April of 2022. Since then, many changes have occurred since which include the adoption of the August ICC Building Valuation Table, fees added for the review of multiple elevations when submitted with a Basic Plan review to reflect processing time, clarification of hourly rate charges for plan review by staff members when multiple revisions are submitted, clarification of inspection fee charged at hourly rate as indicated in the fees tables, adding the Fireworks Display fee to the Fire permit fee table, updates to the City's refund policies, establish rates for Fire Code permits, clarification of charges for 3<sup>rd</sup> party consultant review for building and fire code permits when using the hourly rate, fees added or increased to reflect processing time for code-related requirements, minimum charge for work without a permit penalty increased from \$65 to \$75, fee added for published notifications (\$300 each), clarification of payment of outstanding Hearing Examiner fees, and clarification of notary services.

Additional discussion was held including adding additional staff, charging a technology fee, rate differences, barriers for housing costs and missing middle housing.



**Council Direction:** No direction was given to staff.

**GOOD OF THE ORDER (Time Stamp 1:23:49)**

Councilmember Diener asked that the legislative priorities that were discussed tonight be placed on the main page of the City's website or in a Facebook post.

Mayor Putaansuu explained that tomorrow, the temporary signals will be removed at the new roundabout on SR166/Bay Street, but they ran out of working days for asphalt paving. This will need to wait until spring when there are warmer temperatures. He also spoke about lighting and sidewalks, and voiced his frustration with the project and explained this is not a City project.

Councilmember Rosapepe asked Council Elect Morrissey if he had anything for the Good of the Order.

Council Elect John Morrissey replied he does have some questions regarding signage when it comes to real estate and construction.

Councilmember Clauson mentioned he will be on vacation next week and will not be attending the Council meeting.

**ADJOURNMENT**

The meeting adjourned at 7:59 p.m. No other action was taken. Audio/Visual was successful.

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Brandy Wallace, MMC, City Clerk

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Robert Putaansuu, Mayor





**City of Port Orchard  
Council Meeting Minutes  
Regular Meeting of November 28, 2023**

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**1. CALL TO ORDER AND ROLL CALL**

Mayor Putaansuu called the meeting to order at 6:30 p.m.

Roll call was taken by the City Clerk as follows:

Mayor Pro-Tem Trenary	Absent
Councilmember Chang	Present
Councilmember Clauson	Absent
Councilmember Cucciardi	Present
Councilmember Diener	Present via Zoom
Councilmember Lucarelli	Present
Councilmember Rosapepe	Present
Mayor Putaansuu	Present

Staff present: Public Works Director Ryan, Community Development Director Bond, City Attorney Reitan, Police Chief Brown, and City Clerk Wallace.

Staff present via Zoom: City Attorney Archer

The meeting streamed live on YouTube.

**A. PLEDGE OF ALLEGIANCE (Time Stamp 00:18)**

**Mayor Putaansuu** led the audience and Council in the Pledge of Allegiance.

**2. APPROVAL OF AGENDA (Time Stamp: 00:37)**

**MOTION:** By Councilmember Cucciardi, seconded by Councilmember Lucarelli, to approve the agenda as presented.

**The motion carried.**

**3. CITIZENS COMMENTS (Time Stamp 01:34)**

There were no citizen comments.



#### **4. CONSENT AGENDA (Time Stamp: 02:08)**

- A.** Approval of Voucher Nos. 86917 through 86947 including bank drafts in the amount of \$113,134.89 and EFT's in the amount of \$173,855.88 totaling \$286,990.77.
- B.** Approval of Payroll Check Nos. 86948 through 86956 including bank drafts and EFT's in the amount of \$248,746.21 and Direct Deposits in the amount of \$231,868.61 totaling \$480,614.82.
- C.** Adoption of a Resolution Authorizing the Purchase of Water Meters and Associated Parts from Ferguson Waterworks Via DES Contract No. 01118 (**Resolution No. 110-23**)
- D.** Adoption of a Resolution Adopting the 2024 Legislative Agenda (**Resolution No. 111-23**)
- E.** Approval of an Interlocal Agreement with Kitsap County for the Provision of Juvenile Detention Facilities (**Contract No. 004-24**)
- F.** Adoption of a Resolution Granting Final Plat Approval for McCormick Woods North Phase III, Division 4 (**Resolution No. 112-23**)
- G.** Approval of an Amendment to Contract No. 072-22 with Axon Enterprise, Inc. for Body-worn Cameras
- H.** Excusal of Councilmembers Clauson and Trenary from Council Meeting for Personal Reasons

**MOTION:** By Councilmember Rosapepe, seconded by Councilmember Cucciardi, to approve the Consent Agenda as presented.

**The motion moved.**

#### **5. PRESENTATION**

There were no presentations.

#### **6. PUBLIC HEARING**

##### **A. Ordinance Amending Port Orchard Municipal Code Chapter 5.60 Fireworks (Time Stamp 02:46)**

Mayor Putaansuu opened the public hearing, and there being no testimony, closed the public hearing at 6:34 p.m.

#### **7. BUSINESS ITEMS**

##### **A. Adoption of an Ordinance Amending Port Orchard Municipal Code Chapter 5.60 Fireworks (Time Stamp 04:53)**

**MOTION:** By Councilmember Rosapepe, seconded by Councilmember Cucciardi, to approve an ordinance authorizing the revisions to POMC 5.60 as presented.

**The motion carried.**  
**(Ordinance No. 035-23)**



**B. Adoption of an Ordinance Adopting the 2023 Comprehensive Plan Amendments (Time Stamp 06:12)**

**MOTION:** By Councilmember Lucarelli, seconded by Councilmember Rosapepe, to approve the 2023 Comprehensive Plan Amendments as presented

**The motion carried.  
(Ordinance No. 036-23)**

**C. Adoption of a Resolution Approving a Contract with KPFF Consulting Engineers for the SR166/Bay Street Reconstruction (Time Stamp 08:04)**

**MOTION:** By Councilmember Chang, seconded by Councilmember Rosapepe, to adopt a resolution, approving and authorizing the Mayor to execute a Contract (Once concurrence is received from FHWA) with KPFF Consulting Engineers for the SR166/Bay Street Reconstruction Project in an amount of \$1,307,006.59 and documenting the procurement procedures.

**The motion carried.  
(Resolution No. 113-23 and Contract No. 099-23)**

**D. Adoption of a Resolution Adopting the City of Port Orchard 2023 Stormwater and Watersheds Comprehensive Plan (Time Stamp 15:14)**

**MOTION:** By Councilmember Lucarelli, seconded by Councilmember Cucciardi, to approve a Resolution adopting the City of Port Orchard Stormwater and Watersheds Comprehensive Plan.

**The motion carried.  
(Resolution No. 114-23)**

**E. Adoption of a Resolution Accepting the Lodging Tax Advisory Committee's Recommendation for the 2024 Funding Allocation (Time Stamp 18:09)**

**MOTION:** By Councilmember Cucciardi, seconded by Councilmember Lucarelli, to adopt a resolution adopting the Lodging Tax Advisory Committee's recommendation for the 2024 funding allocation, as presented.

**The motion carried.  
(Resolution No. 115-23)**

**F. Approval of a Purchase and Sale Agreement for Kitsap County Tax Parcel No. 4650-015-006-0007 for Additional Staffing Needs (Time Stamp 29:05)**



**MOTION:** By Councilmember Cucciardi, seconded by Councilmember Rosapepe, to authorize the Mayor to execute the Purchase and Sale agreement and authorize the deposit of \$10,000 in earnest money.

**The motion carried.**

## **8. DISCUSSION ITEMS (No Action to be Taken)**

There were no discussion items.

## **9. REPORTS OF COUNCIL COMMITTEES (Time Stamp: 33:49)**

Councilmember Chang reported on the November 28<sup>th</sup> Transportation Committee meeting.

Councilmember Lucarelli reported the Festival of Chimes and Lights event is this coming Saturday [December 2<sup>nd</sup>] and provided a brief update of the event.

## **10. REPORT OF THE MAYOR (Time Stamp 40:37)**

The Mayor reported on the following:

- King tides.

## **11. REPORT OF DEPARTMENT HEADS (Time Stamp 41:39)**

Public Works Director Ryan reported on public works staff and decorating for the Festival of Chimes and Lights, spraying deicer, and coordinating with the police department on king tides.

Police Chief Brown reported on Kitsap Shop with a Cop at Walmart.

## **12. CITIZEN COMMENTS (Time Stamp 43:34)**

There were no citizen comments.

## **13. EXECUTIVE SESSION**

No executive session was held.

## **14. CITY COUNCIL GOOD OF THE ORDER (Time Stamp: 43:56)**

Councilmember Chang spoke about a potential sponsorship for the Holiday Good Neighbor Awards.

## **15. ADJOURNMENT**

The meeting adjourned at 7:15 p.m. No other action was taken. Audio/Visual was successful.



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Brandy Wallace, MMC, City Clerk

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Rob Putaansuu, Mayor