City of Redmond

Redmond
WASHINGTON

Agenda

Business Meeting

Tuesday, September 17, 2024

7:00 PM

City Hall: 15670 NE 85th St; Remote: Comcast Ch. 21/321, Ziply Ch. 34, Facebook (@CityofRedmond), Redmond.gov/rctvlive, or 510-335-7371

City Council

Mayor
Angela Birney

Councilmembers
Vanessa Kritzer, President
Jessica Forsythe, Vice President
Jeralee Anderson
Steve Fields
Angie Nuevacamina
Osman Salahuddin
Melissa Stuart

REDMOND CITY COUNCIL
AGENDA SECTION TITLE REFERENCE GUIDE

Items From The Audience provides an opportunity for community members to address the Council regarding any issue. Speakers must sign their intention to speak on a sheet located at the entrance of the Council Chamber, and limit comments to **three minutes**.

The **Consent Agenda** consists of routine items for which a staff recommendation has been prepared, and which do not require further Council discussion. A council member may ask questions about an item before the vote is taken, or request that an item be removed from the Consent Agenda and placed on the regular agenda for more detailed discussion. A single vote is taken to approve all items remaining on the Consent Agenda.

Public Hearings are held to receive public comment on important issues and/or issues requiring a public hearing by state statute. Community members wishing to comment will follow the same procedure as for 'Items from the Audience', and may speak after being recognized by the Mayor. After all persons have spoken, the hearing is closed to public comment. The Council then proceeds with its deliberation and decision making.

Staff Reports are presented to the Council by city staff on issues of interest to the Council which do not require Council action.

The **Ombudsperson Report** is made by the Councilmember who is serving as ombudsperson. The ombudsperson designation rotates among Council members on a monthly basis. She/he is charged with assisting community members in resolving issues with city services. The current ombudsperson is listed on the City Council webpage at www.redmond.gov/189/city-council.

The **Council Committees** are created to advise the Council as a whole. They consider, review, and make recommendations to the Council on policy matters in their work programs, as well as issues referred to them by the Council.

Unfinished Business consists of business or subjects returning to the Council for additional discussion or resolution.

New Business consists of subjects which have not previously been considered by Council and which may require discussion and action.

Ordinances are legislative acts or local laws. They are the most permanent and binding form of Council action and may be changed or repealed only by a subsequent ordinance. Ordinances normally become effective five days after they are published in the City's official newspaper.

Resolutions are adopted to express Council policy or to direct certain types of administrative action. A resolution may be changed by adoption of a subsequent resolution.

Quasi-Judicial proceedings are either closed record hearings (each side receiving ten minutes maximum to speak) or public hearings (each speaker allotted three minutes each to speak). Proceedings are those in which the City Council determines the rights or privileges of specific parties (Council Rules of Procedure, Section IV., J).

Executive Sessions - all regular and special meetings of the City Council are open to the public except for executive sessions at which subjects such as national security, property acquisition, contract bid negotiations, personnel issues and litigation are discussed.

Redmond City Council Agendas, Meeting Videos, and Minutes are available on the City's Web Site:
https://redmond.legistar.com/

FOR ASSISTANCE AT COUNCIL MEETINGS FOR THE HEARING OR VISUALLY IMPAIRED:
Please contact the City Clerk's office at (425) 556-2194 one week in advance of the meeting.

Meetings can be attended in person, viewed live on RCTV (redmond.gov/rctvlive), Comcast Channel 21/321, Ziply Channel 34, Facebook/YouTube (@CityofRedmond), or listen live at 510-335-7371

AGENDA

ROLL CALL

I. SPECIAL ORDERS OF THE DAY

A. PROCLAMATION: National Hispanic Heritage Month

Proclamation

B. PRESENTATION: Puget Sound Energy

II. ITEMS FROM THE AUDIENCE

Members of the public may address the City Council for a maximum of three minutes per person. Please use the speaker sign-up sheet located at the entry of the City Hall Council Chambers available from 6:30 - 7 p.m. on the day of the meeting.

In the event of difficulty attending a meeting in person, please contact the City Clerk (cityclerk@redmond.gov) by 2 p.m. on the day of the meeting to provide written public comment (400-word limit - please label your comment as "Items from the Audience") or for the remote comment registration form.

III. CONSENT AGENDA

A. Consent Agenda

1. Approval of the Minutes: September 3, 2024, Regular Meeting (recordings are available at Redmond.gov/rctv)

Regular Meeting Minutes for September 3, 2024

2. Approval of Payroll/Direct Deposit and Claims Checks

Payroll Check Approval Register, September 10, 2024
Check Approval Register, September 17, 2024

3. **AM No. 24-126** Award Construction Contract to Johansen Construction Company and Approval of Consultant Services Agreement Supplement 1 to OTAK, Inc. for the Redmond Central Connector Phase 3 Project

Attachment A: Project Information Sheet
Attachment B: Additional Project Information
Attachment C: Supplemental Agreement

Legislative History

9/3/24 Committee of the Whole - Planning and Public Works referred to the City Council

4. **AM No. 24-127** Approval of a Consultant Agreement with BHC Consultants, in the Amount of $374,770, for the Lift Station Equipment Upgrades Phase 2

Attachment A: Project Information Sheet
Attachment B: Consultant Agreement

Legislative History

9/3/24 Committee of the Whole - Planning and Public Works referred to the City Council

5. **AM No. 24-128** Approval of a Consultant Agreement with Fehr & Peers, in the Amount of $160,000, for Support of the Transportation Master Plan Update

Attachment A: Consultant Services Agreement
Attachment B: Scope of Work

Legislative History

9/3/24 Committee of the Whole - Planning and Public Works referred to the City Council

6. **AM No. 24-129** Approval of Motion to Remove Reversionary Interest from Emma McRedmond Statutory Warranty Correction Deed

Attachment A: ARCH Fall 2023 Housing Trust Fund (HTF) Recommendation
Attachment B: Emma McRedmond Deed Reversion Provisions

Legislative History

9/3/24 Committee of the Whole - Planning and Public Works referred to the City Council

7. **AM No. 24-130** Approval of Redmond Paired Watershed Study Contract Amendments

Attachment A: Washington State Department of Ecology Interagency Agreement
Attachment B: Herrera Environmental Consulting Supplemental Agreement
Attachment C: King County Agreement

Legislative History

9/3/24 Committee of the Whole - Planning and Public Works referred to the City Council

8. **AM No. 24-131** Approval of Consultant Agreement with Enviroissues, in the Amount of $94,995, for Go Redmond Program Refresh

Attachment A: Agreement
Attachment B: Scope of Work

Legislative History

9/3/24 Committee of the Whole - Planning and Public Works referred to the City Council

9. **AM No. 24-132** Approval of an Agreement with McKinstry Essention, in the Amount of $109,197, for the Public Safety Building Phase 2 and Sustainability Building Automation Projects

Attachment A: Project Information Sheet
Attachment B: ESPC Program Process Description
Attachment C: Investment Grade Audit Proposal
Attachment D: Interagency Agreement with Department of Enterprise Services
Attachment E: History of the Clean Buildings Performance Standard
Attachment F: DES Audit Authorization Packet Blank Forms

Legislative History

9/3/24 Committee of the Whole - Planning and Public Works referred to the City Council

10. **AM No. 24-133** Approval of a Contract with Assetworks, Inc. for the Migration of FleetFocus and FuelFocus to a SaaS Environment and Addition of Telematics Hardware in the Amount of $94,327

Attachment A: Assetworks MSA and Order Form

Legislative History

9/10/24	Committee of the Whole - Finance, Administration, and Communications	referred to the City Council

11. **AM No. 24-134** Approval of the CIP Project and Portfolio Management Software Contract with Aurigo Software Services, LLC for the Implementation of Masterworks, in the Amount of $487,366

Attachment A: Information Privacy and Security Agreement (IPSA)
Attachment B: Aurigo Master Service Agreement (MSA)
Attachment C: Schedule B - Statement of Work
Attachment D: RFP Attachment A - Key Requirements and Pricing Estimates
Attachment E: Aurigo Service Subscription Agreement (SSA)

Legislative History

9/10/24	Committee of the Whole - Finance, Administration, and Communications	referred to the City Council

12. **AM No. 24-135** Acceptance of the Washington Auto Theft Prevention Authority Grant, in the Amount of $44,100, and Direct the Finance Department to Recognize the Revenue to Fund Fixed Automated License Plate Readers

Attachment A: Agenda Memo
Attachment B: Agreement

Legislative History

9/10/24	Committee of the Whole - Finance, Administration, and Communications	referred to the City Council

13. **AM No. 24-136** Adoption of a Resolution to Reallocate A Regional Coalition for Housing (ARCH) Funds to Redmond Supportive Housing Project

a. Resolution No. 1588: A Resolution of the City Council of the City of Redmond, Washington, Authorizing the Duly-Appointed Administering Agency for A Regional Coalition for Housing (ARCH) to Execute All Documents Necessary to Enter Into Agreements for the Reallocation of Funding from Kenmore Supportive Housing Project to

Redmond Supportive Housing Project as Recommended by the ARCH Executive Board, Utilizing Funds from the City's Housing Trust Fund

Attachment A: Resolution
Attachment A, Exhibit A: Member City Council Plymouth Redmond Recommendation Memo 2024

Legislative History

9/3/24	Committee of the Whole - Planning and Public Works	referred to the City Council

14. **AM No. 24-137** Adoption of a Resolution for the RedMed Plan Changes for 2025

a. Resolution No. 1589: A Resolution of the City Council of the City of Redmond, Washington, Adopting a Revised Summary Plan Description for the City of Redmond Self-Insured Medical Plan

Attachment A: Resolution
Attachment A, Exhibit 1: 2025 Plan Changes

Legislative History

9/10/24	Committee of the Whole - Finance, Administration, and Communications	referred to the City Council

B. Items Removed from the Consent Agenda

IV. HEARINGS AND REPORTS

A. Public Hearings

Members of the public may address the City Council for a maximum of three minutes per person. Please use the Public Hearing speaker sign-up sheet located at the entry of the City Hall Council Chambers available from 6:30 - 7 p.m. on the day of the meeting.

In the event of difficulty attending a meeting in person, please contact the City Clerk (cityclerk@redmond.gov) by 2 p.m. on the day of the meeting to provide written public comment (400-word limit - please label your comment as "Public Hearing") or for the remote comment registration form.

1. **AM No. 24-138** Conduct a Public Hearing and Adopt a Resolution Approving a Petition Filed by Microsoft to Amend Community Facilities District (CFD) 2014-01

a. Resolution No. 1590: A Resolution of the City Council of the City of Redmond, Washington, Approving a Petition by Microsoft Corporation to Amend Redmond Community Facilities District No. 2014-01; Modifying the Purpose of said Community Facilities District to include Financing the Construction of Pedestrian/Bicycle Bridge Connecting the East Side of 156th Avenue NE to Redmond Technology Station and to the West Side of SR 520, Canopy Coverage for Waiting Areas at Redmond Technology Station, Shell and Core Requirements for a Transit Office/Public Waiting Area Near the Parking Garage at Redmond Technology Station, Additional Paving for Buses and Vans to Wait and to Drop Off and Pick Up Passengers Moving Between the Light Rail System and the Bus System, Accessibility Features at Redmond Technology Station such as Timetable Displays with Text To Speech Functionality and Tactile Guidance Indicators to Assist Those with Visual Impairments to Navigate the Site; Making Findings in Support of the Amendment; and Incorporating Terms and Conditions Set Forth in the Petition

Attachment A: Resolution
Attachment A - Exhibit 1: Sufficiency Letter
Attachment A - Exhibit 2: Certificate of Sufficiency
Attachment A - Exhibit 3: Second Amended and Restated Petition
Attachment B: Public Hearing Notice

Legislative History

9/10/24	Committee of the Whole - Finance, Administration, and Communications	referred to the City Council

2. **AM No. 24-139** Conduct a Public Hearing and Adopt a Resolution Approving a Petition Filed by Microsoft to Amend Community Facilities District (CFD) 2016-01

a. Resolution No. 1591: A Resolution of the City Council of the City of Redmond, Washington, Approving a Petition by Microsoft Corporation to Amend Redmond Community Facilities District No. 2016-01; Modifying the

Purpose of said Community Facilities District to include Financing the Construction of the Extension of Shared Use Path on South Side of NE 40th Street from 163rd Avenue NE to 172nd Avenue NE and Related Improvements, Perform ADA Ramp Improvements and Push Button Activation for Crosswalks at Select Locations to be Determined, Install Adaptive Traffic Signal Controls at Multiple Intersections Along 148th Avenue NE, 156th Avenue NE, and NE 40th Street in the Overlake Neighborhood, Install Bike Lane Improvements on 150th Avenue NE, Work Includes Pavement Widening, New Curb and Gutter, and Associated Stormwater Improvements; Making Findings in Support of the Amendment; and Incorporating Terms and Conditions Set Forth in the Petition

Attachment A: Resolution
Attachment A - Exhibit 1: Sufficiency Letter
Attachment A - Exhibit 2: Certificate of Sufficiency
Attachment A - Exhibit 3: Second Amended and Restated Petition
Attachment B: Public Hearing Notice
Attachment C: Project Information Sheet - Pedestrian and Bike Improvements - NE 40th Shared Use Path
Attachment D: Project Information Sheet - Overlake Accessibility Improvements
Attachment E: Project Information Sheet - Adaptive Traffic Signal Control - Overlake
Attachment F: Project Information Sheet - 150th Ave Improvements

Legislative History

9/10/24	Committee of the Whole - Finance, Administration, and Communications	referred to the City Council

B. Reports

1. Staff Reports

2. Ombudsperson Report

August: Councilmember Salahuddin
September: Councilmember Anderson

3. Committee Reports

V. UNFINISHED BUSINESS

VI. NEW BUSINESS

A. **AM No. 24-140** Role of the Ombudsperson

Attachment A: Draft Council Ombuds Process

VII. EXECUTIVE SESSION

VIII. ADJOURNMENT

Meeting videos are usually posted by 12 p.m. the day following the meeting at redmond.legistar.com, and can be viewed anytime on Facebook/YouTube (@CityofRedmond) and OnDemand at redmond.gov/OnDemand

City of Redmond

15670 NE 85th Street
Redmond, WA

Memorandum

Date: 9/17/2024
Meeting of: City Council Day

File No. SPC 24-057
Type: Special Orders of the

PROCLAMATION: National Hispanic Heritage Month

Redmond
WASHINGTON

Connected Community
Enhanced Livability
Environmental Sustainability

PROCLAMATION

WHEREAS, National Hispanic Heritage Month, from September 15 to October 15, celebrates the histories, cultures, traditions, values, and contributions of Americans whose ancestors came from 20 Latin American countries and territories including Spain, Mexico, and Central and South America, and

WHEREAS, this significant observation began as a weekly celebration in 1968 known as Hispanic Heritage Week under President Lyndon B. Johnson. It was then enacted into federal law on August 17, 1988, by President Ronald Regan, calling upon all the people of the United States to observe this time with ceremonies and events conveying respect, awareness, and understanding of the lived experiences of Hispanics, Chicana/os, and Latina/os; and

WHEREAS, reflected in the most recent U.S. Census (2020), 62.6 million people claim these identities making this collective the largest racial-ethnic population in America at 18.9 percent. In the City of Redmond, the Hispanic, Chicana/o, and Latina/o American population represents a significant and fast-growing demographic; and

WHEREAS, the 2024 National Hispanic Heritage Month theme is, "Pioneers of Change: Shaping the Future Together," which embodies the heart of Redmond, reflecting the City's beliefs, practices, and aspirations.

NOW, THEREFORE, I, ANGELA BIRNEY, Mayor of the City of Redmond, Washington, do hereby proclaim September 15 through October 15, 2024, as

NATIONAL HISPANIC HERITAGE MONTH

SEAL

Angela Birney, Mayor
September 2024

City Hall
15670 NE 85th Street
PO Box 97010
Redmond, WA
98073-9710

Memorandum

Date: 9/17/2024
Meeting of: City Council
Day

File No. SPC 24-054
Type: Special Orders of the

PRESENTATION: Puget Sound Energy

Memorandum

Date: 9/17/2024
Meeting of: City Council

File No. SPC 24-063
Type: Minutes

Approval of the Minutes: September 3, 2024, Regular Meeting (recordings are available at Redmond.gov/rctv)

CALL TO ORDER

A Regular Meeting of the Redmond City Council was called to order by Mayor Angela Birney at 7 p.m. The meeting was held in the Redmond City Hall Council Chambers.

ROLL CALL AND ESTABLISHMENT OF A QUORUM

Present: Councilmembers Anderson, Fields, Forsythe, Kritzer, Nuevacamina, Salahuddin and Stuart

Absent: None

SPECIAL ORDERS OF THE DAY: NONE

ITEMS FROM THE AUDIENCE

Mayor Birney opened Items from the Audience at this time. The following persons spoke:

- Alex Tsimerman – spending of city funds;
- William King – supportive of multimodal funding and protecting infrastructure;
- Hank Myers – homelessness funding and participating the One Night Count;
- Amandine Denis-Laroque – concerns with the proposed permanent supportive housing and safety;
- Aparna Varadharajan - water supply plan and the Cascade Water Alliance plan is overdue;
- Mary Comstock – Regional Manager for the Redmond Library, statistics, events at the Library, and City of Redmond partnership;
- Ivar Fredrikstad – revitalization of Downtown Redmond;
- David Morton – being a leader in environmental sustainability and maintaining community wellbeing;
- Radka Chapin – large houses being built are affecting neighborhoods near Grasslawn Park;
- Aspen Richter – inadequate city action to protect businesses from damage;
- Bob Yoder – use and progress of the Silver Cloud Inn for housing;
- Paul Quinn – Processes for increasing diversion rates;
- Joe Kunzler – enforcing items from the audience rules; and

- Amber Wise and Jack Hyder (written comment)– in support of AM No. 24-122 for the resolution in opposition to the Albertsons-Kroger merger.

CONSENT AGENDA

MOTION: Councilmember Stuart moved to approve the Consent Agenda. The motion was seconded by Councilmember Kritzer.

VOTE: The motion to approve the Consent Agenda passed without objection. (7 – 0)

1. Approval of the Minutes: August 5, 2024, Special Meeting

2. Approval of Payroll/Direct Deposit and Claims Checks

#188383 through #188401
#170687 through #171505
#1739 through #1743

$4,604,020.02

#188402 through #188429
#171506 through #172307
#1744 through #1748

$4,573,771.46

#172308 through #172315
#1749 through #1749

$11,194.81

#6607 through #7158

$11,354,851.90

3. AM No. 24-120[1]: Confirmation of Salary Commission Candidates

4. AM No. 24-121: Approval of a Fee for the Extended Use of Right of Way for Construction Activities

[1] This item was removed from the Consent Agenda and addressed separately.

a. Resolution No. 1585: A Resolution of the City Council of the City of Redmond, Washington, Amending the User Fee Schedule for Public Works to Add Fees Associated with Extended Usage of the Rights of Way for Construction Activity

5. AM No. 24-122: Adoption of a Resolution Opposing the Kroger-Albertsons Merger

a. Resolution No. 1586: A Resolution of the City Council of the City of Redmond, Washington, Opposing the Kroger - Albertsons Merger

Mayor Birney read the resolution titles into the record.

ITEMS REMOVED FROM THE CONSENT AGENDA:

3. AM No. 24-120: Confirmation of Salary Commission Candidates

MOTION: Councilmember Kritzer moved to approve AM No. 24-120. The motion was seconded by Councilmember Stuart.

Following Councilmember discussion,

VOTE: The motion to approve passed without objection. (7 – 0)

The newly appointed Salary Commission members in attendance were sworn in at this time.

HEARINGS AND REPORTS

Public Hearing:

1. AM No. 24-123: This Public Hearing is being Held for the Purpose of Considering Passage of a Resolution Opposing Initiative 2117, the Ballot Title of Which is as Follows:

Initiative Measure No. 2117 concerns carbon tax credit trading.
This measure would prohibit state agencies from imposing any type of carbon tax credit trading, and repeal legislation establishing a cap and invest program to reduce greenhouse gas emissions.

Should this measure be enacted into law? Yes [ ] No [ ]

a. Resolution No. 1587: A Resolution of the City Council of the City of Redmond, Washington, Opposing Initiative No. 2117, Relating to the Repeal of the Climate Commitment Act and Prohibiting Carbon Tax Credit Trading, Scheduled for this November 5, 2024, General Election

Mayor Birney opened the public hearing.

The following persons spoke in support of the resolution: William King, TJ Horner, Kelli Refer, Kirk Hovenkotter, Scott Aldridge, Rheya Wren, Yuanmeng Zhao, Chelsea Liekhus-Schmaltz, Aparna Varadharajan, Aspen Richter, Sophia Escelona, David Morton, Devon Kellogg, Bob Yoder, Ben Benoy, Joe Kunzler, and Marilyn Subala (written comment).

The following persons spoke in opposition of the resolution: Darran Littell, Lisa Tracy, Michele Sackman, Steve Tracy, Adam Powell, Nate Neiderhousen; Hank Myers; Eric Rohrbach (written comment), Kathy Captain (written comment), and Ann Streit (written comment).

There being no one else wishing to speak, Mayor Birney closed the public hearing.

MOTION: Councilmember Kritzer moved to approve AM No. 24-123/Resolution No. 1587. The motion was seconded by Councilmember Stuart.

Following Councilmember discussion,

RECUSAL: Councilmember Anderson was recused from voting due to a conflict of interest.

VOTE: The motion to approve passed without objection. (6 – 0)

Staff Reports:

a. AM No. 24-124: Informational Briefing on Cascade Water Alliance (CWA) 2025-2026 Budget and Rates Proposal

Amanda Balzer, Public Works Policy and Planning Manager, provided a report to the Council and responded to Councilmember inquiries.

b. AM No. 24-125: Redmond 2050: Final Planning Commission Recommendations for Adoption in 2024

Carol Helland, Director of Planning and Community Development, introduced this item and staff provided a report to the Council and responded to Councilmember inquiries.

Ombudsperson Reports:

Councilmember Salahuddin reported receiving resident contacts regarding: National Night Out; shooting range noise; public access defibrillators; participation in Diwali events; rumble strips on West Lake Sammamish; tree root issue; open enrollment in space manufacturing; Redmond Senior and Community Center issues; mural artwork; unpaved road; Hashtag burglary; Eastside Pathways; Port of Seattle tour; and SpaceX and Starlink facility tour.

Councilmember Anderson reported receiving resident contacts regarding: school expansion with additional housing being built; initiative; Site Plan Entitlement; biking and trails in the city; economic instability; tribunals; and bribery.

Councilmember Forsythe reported receiving resident contacts regarding: National Night Out; housing; paving; tree code; racing cars; home based business; traffic pattern change; crisis response; HOA issues; construction of large houses; school crosswalk; and Hashtag.

Councilmember Stuart reported receiving resident contacts regarding: Council conversations in Downtown Redmond Park; MoveRedmond and Redmond Pride events; recycling; retail delivery fee; construction of large houses; small business owner; and composting.

Councilmember Kritzer reported receiving resident contacts regarding: Port of Seattle tour; Rockin' on the River; greener process for catering for city events;

DRAFT

climate change; development; public safety; and crisis response.

Councilmember Fields reported receiving resident contacts regarding: Hartman Park field lights.

Committee Reports:

Councilmember Kritzer provided a committee report:

- Public Safety Funding Subcommittee.

UNFINISHED BUSINESS: NONE

NEW BUSINESS: NONE

EXECUTIVE SESSION:

A. Potential Litigation [RCW 42.30.110(1)(i)] - 20 minutes

Mayor Birney announced the Council will now leave the meeting and go into Executive Session to discuss potential litigation (RCW 42.30.110(1)(i)) for 20 minutes. Per state law, public attendance is not allowed. Action will not take place following the Executive Session.

Executive Session convened at 10:20 p.m., and ended at 10:40 p.m.

ADJOURNMENT

There being no further business to come before the Council the regular meeting adjourned at 10:40 p.m.

_____ _____

ANGELA BIRNEY, MAYOR CITY CLERK

Minutes Approved: September 17, 2024

Memorandum

Date: 9/17/2024
Meeting of: City Council

File No. SPC 24-064
Type: Check Register

Approval of Payroll/Direct Deposit and Claims Checks

Docusign Envelope ID: F4735139-3C04-4F22-8B49-4EB2DC8C5581

City of Redmond
Payroll Check Approval Register
Pay period: 8/16 - 8/31/2024
Check Date: 9/10/2024

Check Total:	$	64,237.63
Direct Deposit Total:	$	2,753,702.56
Wires & Electronic Funds Transfers:	$	1,704,219.94
Grand Total:	$	4,522,160.13

We, the undersigned Council members, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the City of Redmond, and that we are authorized to authenticate and certify to said claim.

All Checks numbered **188430** through **188448** ,
Direct deposits numbered **172316** through **173121** , and
Electronic Fund transfers **1750** through **1754**
are approved for payment in the amount of **$4,522,160.13**
on this **17 day of September 2024.**

Note:

City of Redmond
Payroll Final Check List
Pay period: 8/16 - 8/31/2024
Check Date: 9/10/2024

Total Checks and Direct deposit:	$	4,042,017.16
Wire Wilmington Trust RICS (MEBT):	$	480,142.97
Grand Total:	$	4,522,160.13

I, the Human Resources Director, do hereby certify to the City Council, that the checks and direct deposits presented are true and correct to the best of my knowledge.

DocuSigned by:
Cathryn Laird
7C0092BCC9C549B...

Human Resources Director, City of Redmond
Redmond, Washington

Docusign Envelope ID: 3955AF36-BE12-4B2B-A7C7-9255957F91EB

I, Finance Director, do hereby certify to the City Council, that the checks for the months of September 2024 are true and correct to the best of my knowledge.

Signed by:
Kelley Cochran
706AE71EFDB1430...

Kelley Cochran, Finance Director
City of Redmond
Redmond, Washington

We, the undersigned Councilmembers, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the City of Redmond, and that we are authorized to authenticate and certify to said claim. All checks numbered 7159 through 7406, and Wire Transfers are approved for payment in the amount of $2,714,813.37. This 17th day of September 2024.

Memorandum

Date: 9/17/2024
Meeting of: City Council

File No. AM No. 24-126
Type: Consent Item

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Public Works	Aaron Bert	425-556-2786

DEPARTMENT STAFF:

Public Works	Mike Haley	Project Manager
Parks	Cameron Zapata	Parks Planner
Planning and Community Development	Micah Ross	Senior Engineer
Public Works	Steven GIbbs	Capital Projects Division Manager
Public Works	Vangie Garcia	Deputy Public Works Director

TITLE:
Award Construction Contract to Johansen Construction Company and Approval of Consultant Services Agreement Supplement 1 to OTAK, Inc. for the Redmond Central Connector Phase 3 Project

OVERVIEW STATEMENT:
The Redmond Central Connector Phase 3 (RCC3) Project will construct a 1.6-mile regional trail from the junction of the Bear Creek Trail/East Lake Sammamish Trail to the Cross Kirkland Corridor. This is the third and final phase of a 3.9-mile trail corridor that knits together Redmond Town Center, historic Downtown, Grass Lawn neighborhood, and the Willows business district.

Public Works requests to award the construction contract to Johansen Construction Company in the amount of $5,639,490 for construction of the Redmond Central Connector Phase 3 (Project No. 1915-315-03). Public Works also requests approving a supplemental agreement to the consultant services contract with OTAK, Inc. in the amount of $382,625 for construction engineering support services for the project. The supplemental agreement would increase the maximum amount payable for consultant services to $1,087,625.

☒ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information** ☐ **Provide Direction** ☒ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
  Redmond Central Connector Master Plan
  Transportation Master Plan
  Community Strategic Plan - Objective #1: Invest in infrastructure preservation and replacement across the city to maintain the current level of service, the reliability of capital assets, and provide timely and cost-effective replacement.
- **Required:**
  Council approval is required to award a Public Works contract that exceeds $300,000 (2018 City Resolution 1503)
- **Council Request:**
  N/A
- **Other Key Facts:**
  N/A

OUTCOMES:
Approving this action keeps the city on the path to completing phase 3 of the regional trail, which will improve the safety, reliability, connection of the Redmond Central Connector trail system. Construction of RCC3 significantly improves pedestrian and bicycle access and comfort to people walking and riding along the Willows Road corridor.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
  N/A
- **Outreach Methods and Results:**
  N/A
- **Feedback Summary:**
  N/A

BUDGET IMPACT:

Total Cost:
$5,639,490 Construction Contract
$382,625 Supplemental Agreement Number 1

Approved in current biennial budget: ☒ **Yes** ☐ **No** ☐ **N/A**

Budget Offer Number:
CIP

Budget Priority:
Vibrant and Connected

Other budget impacts or additional costs: ☐ **Yes** ☒ **No** ☐ **N/A**
If yes, explain:

N/A

Funding source(s):
FHWA Grant, Congressional Directed Spending, WA Dept. of Commerce Grant, PSE, Impact Fees, General Fund.

Budget/Funding Constraints:
Use of Federal Highway grants requires a 13.5% funding participation by Redmond.

☒ **Additional budget details attached.**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
9/3/2024	Committee of the Whole - Planning and Public Works	Provide Direction

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:
Award of bid must occur within 45 days of the bid opening (which occurred on August 1, 2024) or the contractor may withdraw their bid.

ANTICIPATED RESULT IF NOT APPROVED:
Not approving contract will result in delaying construction, increasing the cost to complete the project.

ATTACHMENTS:
Attachment A: Redmond Central Connector, Phase 3, Project Information Sheet
Attachment B: Additional Project Information
Attachment C: Consultant Agreement

CIP Project Information Sheet

Project Name: Redmond Central Connector Phase 3

Project Status: Existing - Revised
Functional Area(s): Parks, Transportation
Relevant Plan(s): PARCC Plan, Transportation Master Plan
Neighborhood: Willows & Rose Hill

Time Frame: 2019-2026
Budget Priority: Vibrant and Connected
Citywide Rank: 146
Functional Area Priority: High

Location: Former railroad corridor parallel to Willows Road, from the 9900 block to NE 124th Street

Description:
Design and construct a 1.6-mile regional trail that will complete the third and final phase of the Redmond Central Connector (RCC).

Anticipated Outcomes: ***Primary:*** Upgrade/Enhancement ***Secondary:***
Redmond Central Connector is complete, providing bicycle and pedestrian routes from the Junction of the Bear Creek Trail/East Lake Sammamish Trail to the Cross Kirkland Corridor and the rest of the 42-mile Eastrail system.

Request: ***Primary Reason(s):*** Scope Change
Project budget increase due to addition trail lighting and inflation. Schedule change is due to awaiting completion of supporting project.

Budget:	Prior	2025	2026	2027	2028	2029	2030	Future	Total
Original Budget	$5,147,216	$500,000							$5,647,216
Approved Changes	-$1,882,754	$2,642,190	$1,192,348						$1,951,784
Current Approved Budget	**$3,264,462**	**$3,142,190**	**$1,192,348**						**$7,599,000**
Proposed New Budget	**$2,537,221**	**$4,345,431**	**$1,192,348**						**$8,075,000**

Proposed changes due to ___ Scope Change X Schedule Change ___ Budget Change

Project Phasing:	Prior	2025	2026	2027	2028	2029	2030	Future	Total
Preliminary Design (0-30%)	$536,194								**$536,194**
Right of Way	$149,154								**$149,154**
Design (31-100%)	$912,608								**$912,608**
Construction	$939,265	$3,095,521	$955,974						**$4,990,760**
Contingency		$1,249,910	$236,374						**$1,486,284**
Total	**$2,537,221**	**$4,345,431**	**$1,192,348**						**$8,075,000**

Estimated M&O Impacts:	Prior	2025	2026	2027	2028	2029	2030	Future	Total
Cost						$18,300	$18,300	ongoing	**$36,600**

Explanation: M&O costs including labor, materials, tools, utilities related to maintaining and operating the new trail section.

Proposed Funding Sources:	Prior	2025-2030	Future	Total
General Fund	$227,766	$965,540		$1,193,306
Grant - (PSRC)		$2,130,000		$2,130,000
Grant - State		$699,370		$699,370
Impact Fees		$1,952,324		$1,952,324
Grant - Legislative		$1,100,000		$1,100,000
PSE		$1,000,000		$1,000,000
Total	**$227,766**	**$7,847,234**		**$8,075,000**

Attachment B – Additional Project Information

Redmond Central Connector, Phase 3,

Bid Results

The project was advertised in the *Daily Journal of Commerce* and *The Seattle Times* on July 3, 2024 and July 10, 2024. Bids were received and opened on August 1, 2024. The City received six (6) bids which are summarized below.

Bidder	Bidder Location	Bid Amount	Percent Over Estimate
Johansen Construction Company, LLC	**Sumner, WA**	**$5,639,490**	**39%**
CA Carry Corporation	Issaquah, WA	$5,826,610	44%
Active Construction, Inc.	Puyallup, WA	$5,860,860	45%
Granite Construction Company	Everett, WA	$5,973,584	48%
Goodfellow Bros, LLC	Maple Valley, WA	$6,212,503	54%
Graham Contracting Ltd.	Bellevue, WA	$7,879,406	95%
Engineer's Estimate		**$4,041,494**	

- The lowest bidder was 39% higher than engineer's estimate.
- In general, most of the unit cost items of the bid were 10% higher and the larger lump sum items were as much as 50% higher than the engineer's estimate. The lump sum items that significantly exceeded the estimate are also assigned to Disadvantaged Business Enterprise (DBE) to fulfill the federal grant requirement.
- All the submitted bid documents were reviewed and were from reputable contractors who have conducted business with Redmond in the past.
- There are construction items that are trending with longer lead and supply times which can be contributing to increased cost.
- A check of the bids for unbalanced items showed that many items may have appeared unbalanced compared to our below market estimate but were not significantly unbalanced when compared to the average pricing of all bidders.

All bidders' unit prices, extension and additions have been checked for accuracy. The contractor's references were checked and found to be acceptable. Given the higher-than-expected low bid, the project budget contingency has been adjusted to absorb the added cost for higher-than-expected bids. Public Works recommends awarding the contract to Johansen Construction Company as the lowest responsive bidder.

Consultant Agreement History

	Date	Amount	Maximum Amount Payable
Otak Original Agreement	June 14, 2022	$705,000	$705,000
Otak Supplement 1	September 2024	$382,625	$1,087,625

Washington State Department of Transportation

Supplemental Agreement Number 01	Organization and Address Otak, Inc. 11241 Willows Road NE Ste 200, Redmond, WA 98052 Phone: 425-822-4446	
Original Agreement Number 9970		
Project Number 1915-315-03	Execution Date	Completion Date 12/31/2025
Project Title Redmond Central Connector Phase III	New Maximum Amount Payable $ 1,087,625.00	
Description of Work This Supplemental Scope of Services includes professional services to provide construction management, observation, materials testing, and administration services for the Project.		

The Local Agency of City of Redmond
desires to supplement the agreement entered into with Otak, Inc.
and executed on 06/13/2022 and identified as Agreement No. 9970

All provisions in the basic agreement remain in effect except as expressly modified by this supplement.

The changes to the agreement are described as follows:

I

Section 1, SCOPE OF WORK, is hereby changed to read:
See Exhibit A, Scope of Work Supplement No. 1

II

Section IV, TIME FOR BEGINNING AND COMPLETION, is amended to change the number of calendar days for completion of the work to read: N/A

III

Section V, PAYMENT, shall be amended as follows:
See Exhibits D & E, Cost Computations Supplement No. 1

as set forth in the attached Exhibits, and by this reference made a part of this supplement.

If you concur with this supplement and agree to the changes as stated above, please sign in the appropriate spaces below and return to this office for final action.

By: _____ By: _____

Consultant Signature

Approving Authority Signature

Date

DOT Form 140-063 EF
Revised 9/2005

Redmond Central Connector Phase 3
Agreement Number 9970
Agreement History

Supplement Number	Date	Amount	New Maximum Amount Payable	Supplement Reason
Original	6/14/2022	$705,000	N/A	N/A
1	9/17/2024	$382,625	$1,087,625	Construction Support

EXHIBIT A

SCOPE OF WORK
CONSTRUCTION MANAGEMENT SERVICES

Redmond Central Connector Phase 3 (RCC3)

City of Redmond Project No. 50021915
(Otak Project No. 32246.E00)
August 2024

Description of Project:

The purpose of the Redmond Central Connector Phase 3 (RCC3) Project is to continue the design and construction of a regional trail corridor from the 9900 Block of Willows Road NE to NE 124th Street, approximately 1.6 miles in length. The trail will be located within the former Burlington Northern Railroad (BNSF) rail corridor and will generally consist of a 12-foot-wide paved trail, along with associated street crossing improvements, trail connections, storm drainage, utilities, landscape, and urban design improvements. The trail will be consistent with and incorporate the design principles and elements developed as part of the Redmond Central Connector Master Plan and the completed Phase 1 (RCC1) and Phase 2 (RCC2) trail segments.

Puget Sound Energy (PSE) has constructed the Sammamish-Juanita Transmission Line along the proposed location of RCC3. The PSE Project includes work that is supportive of the RCC3 Project, including the construction of culverts, retaining walls, storm drainage, and a 17-foot-wide gravel maintenance access roadway. This Scope of Services incorporates the PSE improvements as an existing condition and will further develop the RCC3 segment of the regional trail.

General Scope of Services

This Scope of Services includes professional services to provide construction management, observation, and administration services for the Project. The project is federally funded. The procedures outlined in the WSDOT Local Agency Guidelines (LAG Manual) will be used during this project. This scope of services describes the Task Elements to be accomplished by the CONSULTANT as summarized under each task element. This scope consists of the following task elements:

- Task 1 – Project Management and Coordination
- Task 2 – Topographic Surveying/Mapping
- Task 3 – Environmental/Permitting

- Task 4 – Construction Administration
- Task 5 – Construction Design/Engineering Support
- Task 6 – Materials Testing and Inspection

The CONSULTANT shall provide the services identified in the tasks below. These services will include project management, meetings attendance, correspondence, contract administration, review of submittals, and construction observation for the CITY as detailed below:

Optional Services

With prior written approval by the CITY and written notice-to-proceed, work elements described in this scope of services as optional services (as directed) may be provided by the CONSULTANT.

General Assumptions

- The bid advertisement period will be in early July with the bid opening late July 2024. The target date for the start of construction is mid/late September 2024. Construction will be completed in June 2025.
- The attached budget for the services detailed below is based on a 120-working day schedule to reach substantial completion status. The budget includes an additional 30-working days to compile and resolve punchlist items and reach physical completion status. The budget also includes 30-working days of preconstruction activities. Construction documentation will be prepared using CITY and/or WSDOT forms from the Local Agency Guidelines (LAG) Manual.
- The CONSULTANT will prepare the conformed plans and specifications. The CITY will provide copies of the conformed plans and specifications to all parties.
- The CITY will prepare and send a signed Notice to Proceed Letter to Contractor.
- The CITY will organize, facilitate, and produce minutes of the project Preconstruction (PreCon) Conference and the weekly progress meetings.
- When necessary, the CITY will prepare all Change Orders and obtain the Contractors endorsement, prior to the work being performed.
- The CITY will prepare Notice of Suspension letters and letters acknowledging “Substantial” completion and “Physical” completion for CITY signature and approval.
- The CITY will process monthly pay estimates to the Contractors. The CITY will provide the pay estimate request and monthly ledgers of quantities for preparation of the monthly pay estimates.
- The CITY will prepare and distribute the weekly statements of working days.
- The CITY will be responsible for addressing right-of-way issues, including but not limited to, Right of Entry (ROE) agreements and Temporary Construction Easements (TCE).

- The Contractor will be responsible for all contract mandated permits and any inspections related to permit requirements. The CITY will document the Contractor's compliance with requirements and make appropriate notifications if non-compliance is observed.
- Public outreach by the CITY will include updating the existing project website on the CITY'S site to include project updates as needed.
- The CITY will furnish all information, requirements, reports, data, surveys, and instructions required by this Agreement.
- The CITY will pay for all required permit fees.
- The CITY will be responsible for all hazardous materials and special permits.
- The CONSULTANT may provide additional services as directed by the CITY which are not identified in this Scope of Services. Additional services shall not commence without written authorization and approval from the CITY and a supplement to the contract (if applicable).
- If the work schedule changes due to the contractor working weekends, extended hours, work performed during suspension, added working days due to change orders or weather delays, or if the construction activity extends beyond the contract time, the CONSULTANT shall inform the CITY immediately to allow the CITY an opportunity to authorize additional budget for the CONSULTANT to provide the additional services as needed. The additional services will be billed at the hourly rates established in the base agreement.

1. Project Management and Coordination

1.1. Coordination with City of Redmond

CONSULTANT will coordinate with City of Redmond ("CITY") on a regular basis to keep the CITY's project manager informed about project progress, project issues and schedule. CONSULTANT will assist in scheduling project related meetings, reviews, and other coordination activities needed to keep the project moving forward. Regular communication with the CITY will occur on a weekly basis.

1.2. Project Coordination Meetings with City (Assume 12 Meetings)

Regular project management meetings with the City's project manager and CITY Staff will occur approximately monthly to provide regular check-ins. The project management meetings will generally be held virtually. It is anticipated that a total of twelve (12) project management meetings will be held during the construction period. Attendance will include CONSULTANT's project manager and project engineer along with other team members needed to support the planned agenda items. Meetings are expected to be one (1) hour or less. Project Coordination Meetings are in addition to the regular weekly Construction Meetings per Task 4.3.

1.3. Subconsultant Management

CONSULTANT will coordinate and review all work provided by its subconsultants. Coordination will include scheduling of work, scheduling of meetings, and general construction oversight. Review will include the internal review of subconsultant deliverables, and review and processing of monthly subconsultant invoices. CONSULTANT will be responsible for ensuring that all subconsultants remain on schedule and provide quality deliverables.

1.4. Project Monitoring and Reporting

Project management will include the coordination of design team members, internal project scheduling, and the preparation of a monthly progress report and a monthly billing statement. Monthly progress reports will include information on major activities, anticipated actions, and outstanding issues to be resolved. Provide monthly reporting of project budget status, including percent of budget expended and estimation of budget to completion.

Deliverables

- Monthly Progress Reports and Monthly Invoices

2. Topographic Surveying/Mapping

2.1. Coordination with Contractor and Construction Surveyor

CONSULTANT will coordinate with Contractor and Construction Surveyor to confirm survey control and to share AutoCAD/Civil 3D file information to support construction staking by Contractor.

3. Environmental/Permitting

3.1. General Coordination with Permitting/Regulatory Agencies

General coordination with the permitting/regulatory agencies and/or WSDOT Local Programs will occur during the construction period. Coordination will include the review of permit conditions and the resolution of questions during construction. Applicable permitting/regulatory agencies include the City of Redmond, King County, City of Kirkland, and Department of Ecology.

3.2. Mitigation Review and Coordination

CONSULTANT will assist with Mitigation Review and Coordination, in accordance with the Mitigation (Buffer) Plan for the project. Support will include response to questions and review of soil preparation, plant materials, planting, and installation. Scientist and Landscape Architect will provide review and coordination.

3.3. Coordination with City of Kirkland

CONSULTANT will provide coordination with the City of Kirkland for work located within City of Kirkland ROW (NE 124th Street vicinity). Coordination will include review of permit conditions to assure compliance and coordination with Contractor regarding Temporary Traffic Control Plans.

Deliverables

- Updated Temporary Traffic Control Plans per Contractor Input

4. Construction Administration

Provide documentation and record keeping in compliance with CITY and WSDOT LAG requirements. The CONSULTANT's standard practice is that record keeping will be consistent with WSDOT Local Agency Guidelines and Standards.

4.1. Project Setup

CONSULTANT will assist CITY with project setup, including review of the Request for Approval of Materials (RAM) and the Record of Material (ROM) forms. CONSULTANT will assist City with development of submittal summary. CONSULTANT will setup up internal files/records to support the construction phase of the project.

4.2. Weekly Construction Meetings (Assume 6 Meetings)

CONSULTANT will attend weekly construction progress meeting with the CITY and the Contractor periodically, as requested by the CITY. Progress meetings will be used to promote effective communication between the CITY, CONSULTANT, the Contractor and other project stakeholders. Approximately six (6) weekly construction meetings are anticipated.

4.3. Site Visits - Engineering

CONSULTANT's Project Engineer will visit the site periodically to review construction progress and to verify compliance with the project plans and specifications. Task 4.3 assumes up to eight (8) site visits.

5. Construction Design/Engineering Support

5.1. Pre-Construction Support Services

CONSULTANT will provide Pre-Construction Support Services during the period between Bid Opening/Award and the start of the Construction Period. Pre-Construction Support Services include project coordination, utility coordination, and preparation and issuance of Conformed Construction Plans and Specifications.

5.2. Construction Submittals and Shop Drawing Review

CONSULTANT will review material and non-material related submittals, construction sequence and CPM schedules, shop drawings, and other items required from the Contractor. CONSULTANT will maintain a documented record of all material submittals in accordance with the Record of Materials. CONSULTANT will log in, review, track and return each submittal within the time established in the Specifications. CONSULTANT will review the submittals required per the Plans and Specifications.

Deliverables

- Material and Submittal Log in a format provided by the CITY
- Material Submittal and Shop drawing submittals will be returned electronically in PDF format via email with comments written directly on the submittal documents and/or accompanied by a memorandum, if required

5.3. Response to Questions/RFI's

CONSULTANT will respond, per coordination with the CITY Project Manager, to Requests for Information (RFI's) by the Contractor and provide supplemental information as needed to maintain the progress of the work. If field adjustments are required because of a change in conditions, CONSULTANT will coordinate with the CITY Project Manager and prepare necessary change order documents and plan revisions as requested. CONSULTANT will provide design technical assistance to field personnel and visit site (Task 5.2) when requested to evaluate design issues.

Deliverables

- Log of RFI Responses and Field Changes
- Written responses to RFIs will be returned electronically in PDF format via email to the Contractor.

5.4. Project Closeout

CONSULTANT will compile project closeout documentation and coordinate with the Contractor and the CITY to obtain the required documents. CONSULTANT will assemble project documentation and deliver to the CITY at project completion. Project documentation will follow

an example provided by the CITY and comply with the Construction Contract filing requirements per WSDOT Local Programs. CONSULTANT will participate in final project audit with CITY and WSDOT staff.

At completion of the project, the CONSULTANT will provide electronic files of all project documentation to the CITY. The CONSULTANT will provide paper copies of all executed Change Orders, Pay Estimates and Field Note Records. Additional paper files will also be provided to the CITY upon request.

Deliverables

- Project Closeout Documentation – One Copy (as described above)

5.5. Preparation of Project As-Builts

The Construction Plans will be revised to conform to As-Constructed Record Drawings from information supplied by the Contractor and Field Representative. The As-Constructed Record Drawings will be prepared in accordance with the CITY's current Record Drawing Requirements. The "Construction Record" plans will be submitted electronically.

Deliverables

- As Constructed Record Drawings (One CD with electronic files in pdf and AutoCAD format)

6. Materials Testing and Inspection

6.1. Coordination with Materials Testing and Inspection Subconsultant

The Scope of Work for materials testing and inspection shall consist primarily of compaction testing and asphalt and concrete testing. CONSULTANT will coordinate with Materials Testing and Inspection Subconsultant Design to assure that testing/inspections are scheduled in a timely fashion and that testing results are reviewed for compliance with Construction Documents.

7. Culvert Monitoring (5-Year) – Optional Services

7.1. Culvert Monitoring

The constructed PSE Maintenance Access Roadway included the replacement of four reinforced concrete pipe culverts with new fish-passable structures that were permitted by WDFW (HPA #2022-4-270+01) and a USACE Nationwide Permit. As a condition of both permits, the Culvert Monitoring Plan (Otak) dated January 2020 must be implemented to ensure fish passage at all four crossings. This Scope of Work is for implementing the monitoring program for five (5) years following construction, including the field efforts required to measure

and document the various physical properties of the stream and culverts. The data obtained in the field will be compiled into a monitoring report provided to the CITY and any required regulatory agencies. This Scope of Work provides project management, field data collection and reporting to agencies for the required monitoring period. The Culvert Monitoring Plan requires field observations to be performed on the first, third, and fifth years following construction. Monitoring will occur twice per year, once in the spring and again in the late summer. Annual monitoring reports will be prepared summarizing the results of the data collection. Tasks for each monitoring year include:

- Completing the spring monitoring and field data collection and preparing the Spring Monitoring Memorandum.
- Completing the late summer monitoring and field data collection and preparing the Annual Monitoring Report.

Deliverables

- Spring Monitoring Results Memorandum (Year 1, Year 3, and Year 5)
- Annual Monitoring Report (Year 1, Year 3, and Year 5)

Expenses

- Reimbursable for Reproduction of Plans, Specifications, Reports, Etc.
- Mileage/Travel
- Other Misc. Expenses

EXHIBIT A-1
Berger Partnership (Landscape/Urban Design)

Scope of Work – Construction Support Services

1.1 Project Administration (6 months)

The Subconsultant will provide continuous project management for the continuous project construction duration. During any stoppage of work, the Subconsultant team will not provide in-field construction support services unless directed otherwise by the City of Redmond.

1.2 Construction Meetings

When requested by the Project Manager, Subconsultant will attend monthly meetings during construction, including pre-construction conference and final project walk-through. Budget for this task is based on attending a maximum of (5) two-hour monthly meetings including initial and final punch list documentation. Subconsultant to perform up to three (3) final walk-through site visits with the landscape contractors included in the fee for this task.

1.3 Construction Submittals / Shop Drawings

Subconsultant will review construction submittals required for submission by the contractor for document compliance and assist city staff with clarifications. Landscape submittals to review are provided below and assume a maximum of two submittal or shop drawing reviews.

1. Shop Drawings:
   - Jersey Barrier Paint Stencil Details
2. Submittals:
   - Landscape Installation/Construction Schedule
   - Concrete Paving Color and Mix + Finish (coordinate with Otak)
   - Twig Benches
   - Precast Concrete Modules
   - Jersey Barriers
   - Planting
     - Plants Procurement List (up to three submittal reviews)
     - Soils / Fertilizer / Amendments
     - Mulch/Compost
     - Staking Systems
     - Hydro-Seed Mixes and Rates

1.4 Field Observations

At the written approval of the city project manager, Subconsultant will perform observations at key stages of production, construction, and installation related to trail and area plantings. Refer to Civil and Structural scope and fee for further information. The landscape scope includes

review of field mockups after materials submittals have been accepted by the engineer and may include the following:

1. Landscape mockup/in-field reviews:
   - Concrete formwork and layout at intersections (two visits)
   - Concrete finish, color, jointing, and pour quality (one visit)
   - Jersey Barrier mockup (two visits)
   - Shrub and ornamental plant layout (two visits)
   - Additional in-field layout review and planting coordination with contractor to review in-field planting layouts for trees, shrubs, and groundcovers.
   - Provide in-field service and coordination with contractor for Jersey Barrier installation.

1.5 Request for Information (RFI)

Subconsultant will review/respond to submitted contractor requests for information (RFIs) when requested by the City project manager. The fee for this scope is based on an assumption of 10 total RFIs related to landscape items and associated hardscape.

1.6 Revisions/Change Orders

When requested by the city project manager, Subconsultant will prepare construction change orders. The fee for these work items will be authorized based on a proposed scope of the change order and fee approved by the City of Redmond. An allowance will be placed in the fee for change orders required as part of the base bid contract. Change orders that include art, additional design, or reintroduction of value engineered elements of the design during the bid process documentation will be considered an add service to this contract.

1.7 Prepare As-Constructed Drawings / Record Drawings (all mark-ups provided by City)

The Subconsultant will prepare and submit as-constructed drawings of the completed project for planting and urban design elements. The City shall be responsible for contractor coordination and monitoring/documenting all significant field changes made during construction. The city shall provide Subconsultant with one full-size set of construction plans with “red-line mark-ups” of field changes for Subconsultant to use in preparing as-constructed drawings, in accordance with the city’s current Record Drawing requirements. The City will be responsible for preparing final mylars of the Record Drawings. Planting in-field changes are not included in the as-constructed scope of work at this time, only documented plan changes via change order process.

Assumptions

In addition to the existing scope of work under contract, the following assumptions are made to provide further direction to this added scope of the design:

- Otak / City of Redmond will serve as the primary construction administrator and manager

for the construction of the Redmond Central Connector Phase 3.

- Berger Partnership will serve as the Subconsultant to Otak, reviewing landscape and hardscape items that pertain directly to the bid plans and specs.
- Subconsultant scope of construction services do not include ongoing annual monitoring/reporting, beyond the construction-specified 12-month plant establishment period.

EXHIBIT A-2
HWA Geosciences (Materials Testing)

Scope of Work – Construction Support Services

HWA Geosciences construction/material testing support services will include the following:

- Sampling and acceptance/Proctor testing of CSTC, Gravel Borrow, GB for Drains, GB for Drywells, Ballast, Sand Bedding for JUT, and Native soils for use in trench backfill, and trail/sidewalk construction.
- Inspection and testing of compacted aggregates for utility trenches, roadway/sidewalk subgrade, ADA ramp, and wall construction.
- Concrete Aggregate sampling and acceptance testing.
- Concrete sampling for curb and gutter, ADA ramps, driveways, light poles, signal poles, concrete barrier, bus pads, and trail components.
- Sampling of HMA aggregate for acceptance and oil at the plant for ignition oven correction factor.
- Sampling and testing HMA during paving for Rice density, extraction and gradation (minimum: one test sample per 1000 tons).
- Inspection and testing of HMA placement and compaction (minimum: one test per 100 tons).
- Written field reports will be prepared for all inspections and reviewed for QC.

Assumptions

- These estimates may require adjustment due to the Contractor's rate of construction, weather delays, source changes and/or other factors beyond our control.
- The HWA PM reserves the right to shift hours between the various subtasks as required.
- The HWA work scope does not include safety assessment nor work pertaining to any environmental issues.
- This cost estimate was prepared with the understanding that the Client will schedule inspection as needed.
- All night work is charged at an 8-hour minimum segment. Night work cancelled within 12 hours of scheduled time will be charged 4 hrs.
- All weekend work is charged at a 4-hour minimum segment. Weekend work cancelled within 12 hours of scheduled time will be charged 4 hrs.
- 3000 psi, Commercial, and concrete for sidewalks and thrust blocks will not be tested.
- Reinforcing steel to be inspected by others (HWA is not WABO certified)

EXHIBIT A-3
TENW (Traffic Signals and Lighting)

Scope of Work – Construction Support Services

TENW construction support services will include the following:

- TENW will provide on-call construction support services (CSS) to the project team for a total of 120 working days. This CSS budget includes:
  - Attendance of one (1) pre-construction meeting
  - Review of materials submittals (up to 2 revisions for each TENW scope item)
  - Responding to contractor RFIs (up to 10 total)
  - Site Visits (up to 4 total)
  - Coordination with the City of Redmond for signal loops
  - Addressing plan changes and preparation of final As-builts upon construction completion based on contractor redlines

Assumptions

- The budget provided herein is a time & materials working budget only. The budget may need to be increased based on the actual needs of the project team.
- There are no specific deliverables associated with this task.

Redmond Central Connector Phase 3 (RCC3)

Hour/Fee Estimate - Construction Phase

Otak, Inc.

City of Redmond Project No. 500219

Otak Project # 32246.EOO

Task	*Description*	Sr. PIC/Sr. PM Civil	Civil Engineer X	Civil Engineer IX	Civil Engineer VIII	Civil Engineer VII	Civil Engineer VI	Civil Engineer III	Engineer Designer IV	Engineer Technician IV	Scientist VI	Scientist IV	Landscape Architect IV	PLS V Project Manager	PLS III	Project Coordinator I	*Total Hours*	*Total Budget by Task*	Overall Task Budget
1.0	**Project Management and Coordination**																		$42,633
1.1	Coordination with City of Redmond	40		16												12	68	$16,669	
1.2	Project Coordination Meetings with City (Assume 12 Meetings)	20		20							2					8	50	$11,504	
1.3	Subconsultant Management	12		4												8	24	$5,382	
1.4	Project Monitoring and Reporting	24														16	40	$9,079	
2.0	**Topographic Surveying/Mapping**																		$3,713
2.1	Coordination with Contractor and Construction Surveyor	2		4			4							4	4	2	20	$3,713	
3.0	**Environmental/Permitting**																		$7,911
3.1	General Coordination with Permitting/Regulatory Agencies	2		2							4					2	10	$2,045	
3.2	Mitigation Review and Coordination	2		2							4	4	4			2	18	$3,056	
3.3	Coordination with City of Kirkland	2		4				4		6						2	18	$2,809	
4.0	**Construction Administration Support**																		$14,510
4.1	Project Setup	4		4			4									4	16	$3,129	
4.2	Weekly Construction Meetings (Assume 6 Meetings)	8		8													16	$4,045	
4.3	Site Visits - Engineering	4	4	16	4	4										4	36	$7,337	
5.0	**Construction Design/Engineering Support**																		$73,357
5.1	Pre-Construction Support Services	8	4	20	4	4	20									4	64	$12,393	
5.2	Construction Submittals and Shop Drawing Review	4	8	32	24	16			16				4			4	108	$19,717	
5.3	Response to Questions/RFI's	4	8	40	24	24			16				4			4	124	$22,722	
5.4	Project Closeout	2	2	12	4	2										2	24	$4,887	
5.5	Preparation of Project As-Builts	2		24	12		8			40						2	88	$13,637	
6.0	**Materials Testing and Inspection**																		$3,583
6.1	Coordination with Materials Testing and Inspection Subconsultant	2	2	4			8									4	20	$3,583	
7.0	**Optional Services - Culvert Monitoring (5-Year)**																		$44,685
7.1	Culvert Monitoring	4		8			24				60	180				24	300	$44,685	
	Total Hours	**146**	**28**	**220**	**72**	**50**	**68**	**4**	**32**	**46**	**70**	**184**	**12**	**4**	**4**	**104**	**1,044**		
	Billing Rate	$295.00	$218.50	$210.60	$188.23	$165.07	$151.71	$121.60	$118.80	$106.76	$196.07	$130.09	$122.65	$202.39	$153.50	$124.93			
	Total Labor Cost	***$43,070***	***$6,118***	***$46,332***	***$13,553***	***$8,254***	***$10,316***	***$486***	***$3,802***	***$4,911***	***$13,725***	***$23,937***	***$1,472***	***$810***	***$614***	***$12,993***		***$190,393***	$190,391
	General Expenses - Reproduction, Mileage, Misc.																	***$3,200***	
	Berger Partnership - Landscape Architecture/Urban Design			*(See Attached Spreadsheet for Detail)*														***$43,212***	
	HWA GeoSciences – Materials Testing and Inspection			*(See Attached Spreadsheet for Detail - **Placeholder Budget)*														***$64,335***	
	Transportation Engineers NW – signal/street crossing modifications, lighting			*(See Attached Spreadsheet for Detail)*														***$38,485***	
	CRC - Cultural Resources (Allowance)																	***$3,000***	
	Project Subtotal																	**$342,625**	
	Contingency																	***$40,000***	
	Project Total																	**$382,625**	

EXHIBIT B
DBE Participation Plan

The voluntary DBE participation goal for the construction phase of the project is $67,335 (based on 17.6% of the total Contract Amount for Supplement No. 1.) Otak proposes to partner with the following qualified DBE/SBE firms to accomplish specific key aspects of the project:

Partner Firm	Certification(s)	Role/Responsibility	Budget Amount	% of Budget
HWA	DBE/SBE	Geotechnical Engineering	$64,335	16.8%
CRC	DBE, WMBW	Cultural Resources	$3,000	0.8%

Monthly reporting on DBE participation will be submitted to the City of Redmond in accordance with City and Local Agency reporting requirements.

Exhibit D
Prime Consultant Cost Computations

Exhibit D
Consultant Fee Determination

Project Name: Redmond Central Connector III
Project Number: 032246.E00
Consultant: Otak, Inc.

NEGOTIATED HOURLY RATES

Classification	Hours	DSC	Overhead 178.48%	Fee (Profit) 30.00%	Total Hourly Rate	Total
Sr. PIC/Sr. PM Civil	146	$ 95.63	$170.68	$28.69	$295.00	$43,070
PIC/Sr. PM Civil		$ 86.61	$154.58	$25.98	$267.17	
Civil Engineer X	28	$ 70.83	$126.42	$21.25	$218.50	$6,118
Civil Engineer IX	220	$ 68.27	$121.85	$20.48	$210.60	$46,332
Civil Engineer VIII	72	$ 61.02	$108.91	$18.31	$188.23	$13,553
Civil Engineer VII	50	$ 53.51	$95.50	$16.05	$165.07	$8,253
Civil Engineer VI	68	$ 49.18	$87.78	$14.75	$151.71	$10,316
Civil Engineer V		$ 48.10	$85.85	$14.43	$148.38	
Civil Engineer IV		$ 43.34	$77.35	$13.00	$133.70	
Civil Engineer III	4	$ 39.42	$70.36	$11.83	$121.60	$486
Civil Engineer I		$ 35.84	$63.97	$10.75	$110.56	
Civil Engineer I		$ 32.58	$58.15	$9.77	$100.50	
Engineering Designer V		$ 39.42	$70.36	$11.83	$121.60	
Engineering Designer IV	32	$ 38.51	$68.73	$11.55	$118.80	$3,801
Engineering Designer III		$ 32.50	$58.01	$9.75	$100.26	
Engineering Technician VII		$ 48.00	$85.67	$14.40	$148.07	
Engineering Technician VI		$ 41.20	$73.53	$12.36	$127.09	
Engineering Technician V		$ 37.72	$67.32	$11.32	$116.36	
Engineering Technician IV	46	$ 34.61	$61.77	$10.38	$106.76	$4,911
Engineering Technician III		$ 31.46	$56.15	$9.44	$97.05	
Senior Construction Manager		$ 71.64	$127.85	$21.49	$220.98	
Construction Manager VI		$ 65.63	$117.14	$19.69	$202.46	
Construction Manager V		$ 54.21	$96.75	$16.26	$167.23	
Construction Manager IV		$ 50.75	$90.58	$15.23	$156.55	
Field Representative VII		$ 54.08	$96.52	$16.22	$166.83	
Field Representative VI		$ 49.16	$87.75	$14.75	$151.66	
Field Representative V		$ 43.27	$77.23	$12.98	$133.48	
Landscape Architect VI		$ 50.99	$91.01	$15.30	$157.29	
Landscape Architect V		$ 47.08	$84.03	$14.12	$145.23	
Landscape Architect IV	12	$ 39.76	$70.96	$11.93	$122.65	$1,472
Landscape Architect III		$ 38.40	$68.54	$11.52	$118.46	
Scientist VI	70	$ 63.56	$113.44	$19.07	$196.07	$13,725
Scientist V		$ 53.00	$94.59	$15.90	$163.49	
Scientist IV	184	$ 42.17	$75.27	$12.65	$130.09	$23,936
Scientist III		$ 38.34	$68.43	$11.50	$118.27	
Scientist II		$ 33.96	$60.61	$10.19	$104.76	
Scientist I		$ 27.00	$48.19	$8.10	$83.29	
PIC/ Sr. PLS		$ 79.83	$142.48	$23.95	$246.26	
Professional Land Surveyor V	4	$ 65.61	$117.10	$19.68	$202.39	$810
Professional Land Surveyor IV		$ 54.35	$97.00	$16.31	$167.66	
Professional Land Surveyor III	4	$ 49.76	$88.81	$14.93	$153.50	$614
Professional Land Surveyor II		$ 45.24	$80.74	$13.57	$139.56	
Professional Land Surveyor I		$ 41.04	$73.25	$12.31	$126.60	
Survey Crew Chief III		$ 47.50	$84.78	$14.25	$146.53	
Survey Crew Chief II		$ 34.03	$60.74	$10.21	$104.98	
Survey Crew Chief I		$ 27.50	$49.08	$8.25	$84.83	
Project Coordinator I	104	$ 40.50	$72.28	$12.15	$124.93	$12,993
Graphics Specialist		$ 38.20	$68.18	$11.46	$117.84	
Project Admin Assist		$ 31.50	$56.22	$9.45	$97.17	
Total Hours	1,044				**Subtotal:**	$190,393

REIMBURSABLES	
Mileage	$1,500
Reproduction (copies, plots, etc.)	$700
Miscellaneous	$1,000
Subtotal:	$3,200

SUBCONSULTANT COSTS (See Exhibit E)	
Berger Partnership	$43,212
TENW	$38,485
HWA Geotechnical	$64,335
CRC	$3,000
Subtotal:	$149,032

Total:	$342,625
Contingency:	$40,000
GRAND TOTAL:	$382,625

Exhibit E
Sub-consultant Cost Computations

If no sub-consultant participation listed at this time. The CONSULTANT shall not sub-contract for the performance of any work under this AGREEMENT without prior written permission of the AGENCY. Refer to section VI "Sub-Contracting" of this AGREEMENT.

EXHIBIT E

Subcontracted Work

Project Name: Redmond Central Connector III
Project Number: 032246.E00
Consultant: Otak, Inc.

The City permits subcontracts for the following portions of work of the Agreement:

Subconsultant	Work Description	Amount
Berger Partnership	Landscape Architecture/Urban Design	$43,212
TENW	Traffic/Signals/Lighting	$38,485
HWA Geotechnical (DBE/SBE)	Geotechnical Engineering, Materials Testing	$64,335
CRC (DBE/SBE)	Cultural Resources	$3,000
	Total:	$149,032

Exhibit E1
Consultant Fee Determination

Project Name: Redmond Central Connector III
Project Number: 032246.E00
Consultant: **Berger**

NEGOTIATED HOURLY RATES

Classification	Hours	Total Hourly Rate	Total
Principal	32	$226.51	$7,248
Associate	115	$162.32	$18,667
PM	86	$144.48	$12,425
LA Staff		$84.28	
Administrative	18	$103.43	$1,872
Total Hours	251	**Subtotal:**	$40,212
REIMBURSABLES			
Mileage			$1,500
Reproduction (copies, plots, etc.)			$1,500
Miscellaneous			
		Subtotal:	$3,000
		Subtotal:	

Total: $43,212

Contingency:

GRAND TOTAL: $43,212

Exhibit E2
Consultant Fee Determination

Project Name: Redmond Central Connector III
Project Number: 032246.E00
Consultant: **HWA**

NEGOTIATED HOURLY RATES

Classification	Hours	Total Hourly Rate	Total
Geotech Eng VIII	16	$295.04	$4,721
Geotech Eng II		$139.50	
Geologist VI	14	$192.42	$2,694
Geologist II	330	$112.25	$37,041
Contracts Admin	6	$112.25	$673
Total Hours	366	**Subtotal:**	$45,129
REIMBURSABLES			
Laboratory Testing			$16,715
Direct Expenses			$2,491
		Subtotal:	$19,206

Total: $64,335

Contingency:

GRAND TOTAL: $64,335

Exhibit E3
Consultant Fee Determination

Project Name: Redmond Central Connector III
Project Number: 032246.E00
Consultant: **TENW**

NEGOTIATED HOURLY RATES

Classification	Hours	Total Hourly Rate	Total
Principal	16	$312.00	$4,992
Sr PM	27	$173.09	$4,673
ENGR IV	80	$117.70	$9,416
ENG II	100	$98.09	$9,809
ENG 1	108	$88.85	$9,596
Total Hours	331	**Subtotal:**	$38,485
REIMBURSABLES			
Mileage Reproduction (copies, plots, etc.) Miscellaneous			
		Subtotal:	
		Subtotal:	

Total: $38,485

Contingency:

GRAND TOTAL: $38,485

Memorandum

Date: 9/17/2024
Meeting of: City Council

File No. AM No. 24-127
Type: Consent Item

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Public Works	Aaron Bert	425-556-2786

DEPARTMENT STAFF:

Public Works	Mike Haley	Project Manager
Public Works	Matt Stefansson	Utility Engineer
Public Works	Steve Gibbs	Capital Projects Division Manager
Public Works	Vangie Garcia	Deputy Public Works Director

TITLE:
Approval of a Consultant Agreement with BHC Consultants, in the Amount of $374,770, for the Lift Station Equipment Upgrades Phase 2

OVERVIEW STATEMENT:

The Lift Station Equipment Upgrades Project will replace obsolete wastewater pumps that are beginning to fail at lift stations 17, 51, 52, and 53. The project scope includes selecting and procuring replacement pumps for stations 17 and 51, final design development and preparation of bid documents for pump installation for lift stations 17 and 51 and the pumps previously procured for lift stations 52 and 53.

This consultant agreement with BHC Consultants in the amount of $374,770 is for design services for the Lift Station Equipment Upgrades Phase 2 (Project No. 2408). Future supplemental agreements will be for the construction phase and may include construction engineering support, construction management, inspection, and special inspection services.

☐ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information** ☐ **Provide Direction** ☒ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
  Community Strategic Plan - Objective #1: Invest in infrastructure preservation and replacement across the City to maintain the current level of service, the reliability of capital assets, and provide timely and cost-effective

replacement.

- **Required:**
  Council approval is required to award an architectural and engineering services agreement that exceeds $50,000 (2018 City Resolution 1503)
- **Council Request:**
  N/A
- **Other Key Facts:**
  N/A

OUTCOMES:
Approving this action keeps the City on the path to completing Lift Station Upgrades Phase 2 Project, which will reduce the risk of failure, improve the safety and reliability of the wastewater lift station system, and ensure stations have equipment that meets industry standard with readily available parts.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
  N/A
- **Outreach Methods and Results:**
  N/A
- **Feedback Summary:**
  N/A

BUDGET IMPACT:

Total Cost:
$374,770

Approved in current biennial budget: ☒ **Yes** ☐ **No** ☐ **N/A**

Budget Offer Number:
CIP

Budget Priority:
Healthy and Sustainable

Other budget impacts or additional costs: ☐ **Yes** ☒ **No** ☐ **N/A**
If yes, explain:
N/A

Funding source(s):
Wastewater CIP

Budget/Funding Constraints:

N/A

☒ **Additional budget details attached.**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
9/3/2024	Committee of the Whole - Planning and Public Works	Provide Direction

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:
N/A

ANTICIPATED RESULT IF NOT APPROVED:
Not approving agreement will result in delaying project design, increasing the cost to complete the project.

ATTACHMENTS:
Attachment A: Lift Station Equipment Upgrades Phase 2 Project Information Sheet
Attachment B: Consultant Agreement

CIP Project Information Sheet

Project Name: Lift Station Equipment Upgrades Phase 2

Project Status: Existing
Functional Area(s): Wastewater
Relevant Plan(s): General Wastewater Plan, Utilities Strategic Plan
Neighborhood: Citywide - Multiple

Time Frame: 2024-2027
Budget Priority: Healthy and Sustainable
Citywide Rank: 22
Functional Area Priority: High

Location: Citywide at one location and three locations on Novelty Hill.

Description:
Replace pumps and associated equipment at wastewater lift stations 51, 52, 53, and 17

Anticipated Outcomes: ***Primary:*** Rehabilitation ***Secondary:***
Update equipment in multiple lift stations to reduce risk of failure and improve ability to restore function of stations. Pumps and associated equipment will meet industry standard, and have parts readily available.

Request: ***Primary Reason(s):***
Project approved in the 2023-2028 CIP budget process.

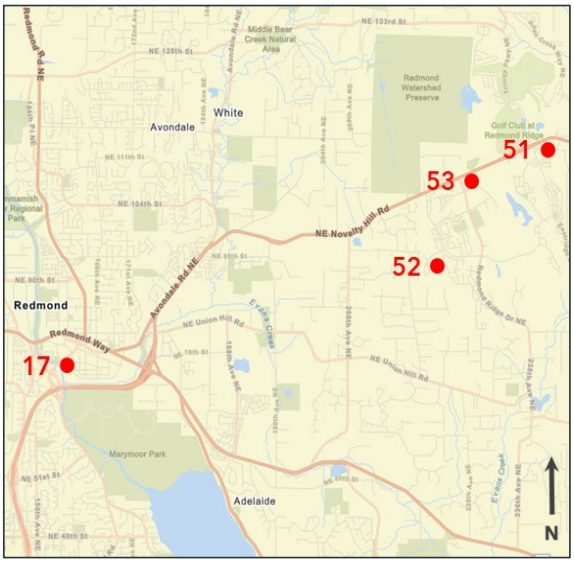
Budget:	Prior	2023	2024	2025	2026	2027	2028	Future	Total
Original Budget			$107,925	$222,265	$542,695	$135,674			$1,008,559
Approved Changes									
Current Approved Budget			**$107,925**	**$222,265**	**$542,695**	**$135,674**			**$1,008,559**
Proposed New Budget			**$524,915**	**$1,109,257**	**$630,873**	**$658,492**	**$603,145**		**$3,526,682**
Proposed changes due to	___ Scope Change		X Schedule Change		X Budget Change				

Project Phasing:	Prior	2023	2024	2025	2026	2027	2028	Future	Total
Preliminary Design (0-30%)			$156,074						**$156,074**
Right of Way			$40,020						**$40,020**
Design (31-100%)			$223,838	$249,915	$106,267	$44,278			**$624,298**
Construction				$637,491	$398,432	$482,516	$482,516		**$2,000,955**
Contingency			$104,983	$221,851	$126,174	$131,698	$120,629		**$705,335**
Total			**$524,915**	**$1,109,257**	**$630,873**	**$658,492**	**$603,145**		**$3,526,682**

Estimated M&O Impacts:	Prior	2023	2024	2025	2026	2027	2028	Future	Total
Cost									

Explanation: This project replaces an existing asset, reducing risk of failure, with no increase in maintenance cost.

Proposed Funding Sources:	Prior	2023-2028	Future	Total
Wastewater CIP		$3,526,682		$3,526,682
Total		**$3,526,682**		**$3,526,682**



23456789##

Local Agency A&E Professional Services
Negotiated Hourly Rate Consultant Agreement

Agreement Number:

Firm/Organization Legal Name (do not use dba's): BHC Consultants, LLC	
Address 1601 5th Ave Suite 500	Federal Aid Number N/A
UBI Number 602 774 584	Federal TIN 26-1363237
Execution Date	Completion Date 12/31/2025
1099 Form Required ☒ Yes ☐ No	Federal Participation ☐ Yes ☒ No
Project Title Lift Station Equipment Upgrade, Phase 2 (2408-404, 408-02)	
Description of Work The City has identified that Lift Station No. 17, 51, 52, and 53 are in need of pump equipment upgrades as a part of the Capital Improvement Program. The equipment upgrade work will include replacement of pumps and associated pump equipment as well as other items identified during design.	
☐ Yes ☒ No DBE Participation ☐ Yes ☒ No MBE Participation ☐ Yes ☒ No WBE Participation ☐ Yes ☒ No SBE Participation	Maximum Amount Payable: 374,770.00

Index of Exhibits

Exhibit A Scope of Work
~~Exhibit B DBE Participation~~
Exhibit C Preparation and Delivery of Electronic Engineering and Other Data
Exhibit D Prime Consultant Cost Computations
~~Exhibit E Sub-consultant Cost Computations~~
Exhibit F Title VI Assurances
Exhibit G Certification Documents
~~Exhibit H Liability Insurance Increase~~
Exhibit I Alleged Consultant Design Error Procedures
Exhibit J Consultant Claim Procedures

THIS AGREEMENT, made and entered into as shown in the "Execution Date" box on page one (1) of this AGREEMENT, between the City of Redmond, hereinafter called the "AGENCY," and the "Firm / Organization Name" referenced on page one (1) of this AGREEMENT, hereinafter called the "CONSULTANT."

WHEREAS, the AGENCY desires to accomplish the work referenced in "Description of Work" on page one (1) of this AGREEMENT and hereafter called the "SERVICES;" and does not have sufficient staff to meet the required commitment and therefore deems it advisable and desirable to engage the assistance of a CONSULTANT to provide the necessary SERVICES; and

WHEREAS, the CONSULTANT represents that they comply with the Washington State Statutes relating to professional registration, if applicable, and has signified a willingness to furnish consulting services to the AGENCY.

NOW, THEREFORE, in consideration of the terms, conditions, covenants, and performance contained herein, or attached and incorporated and made a part hereof, the parties hereto agree as follows:

I. General Description of Work

The work under this AGREEMENT shall consist of the above-described SERVICES as herein defined, and necessary to accomplish the completed work for this project. The CONSULTANT shall furnish all services, labor, and related equipment and, if applicable, sub-consultants and subcontractors necessary to conduct and complete the SERVICES as designated elsewhere in this AGREEMENT.

II. General Scope of Work

The Scope of Work and projected level of effort required for these SERVICES is described in Exhibit "A" attached hereto and by this reference made a part of this AGREEMENT. The General Scope of Work was developed utilizing performance based contracting methodologies.

III. General Requirements

All aspects of coordination of the work of this AGREEMENT with outside agencies, groups, or individuals shall receive advance approval by the AGENCY. Necessary contacts and meetings with agencies, groups, and/or individuals shall be coordinated through the AGENCY. The CONSULTANT shall attend coordination, progress, and presentation meetings with the AGENCY and/or such State, Federal, Community, City, or County officials, groups or individuals as may be requested by the AGENCY. The AGENCY will provide the CONSULTANT sufficient notice prior to meetings requiring CONSULTANT participation. The minimum required hours or days' notice shall be agreed to between the AGENCY and the CONSULTANT and shown in Exhibit "A."

The CONSULTANT shall prepare a monthly progress report, in a form approved by the AGENCY, which will outline in written and graphical form the various phases and the order of performance of the SERVICES in sufficient detail so that the progress of the SERVICES can easily be evaluated.

The CONSULTANT, any sub-consultants, and the AGENCY shall comply with all Federal, State, and local laws, rules, codes, regulations, and all AGENCY policies and directives, applicable to the work to be performed under this AGREEMENT. This AGREEMENT shall be interpreted and construed in accordance with the laws of the State of Washington.

Participation for Disadvantaged Business Enterprises (DBE) or Small Business Enterprises (SBE), if required, per 49 CFR Part 26, shall be shown on the heading of this AGREEMENT. If DBE firms are utilized at the commencement of this AGREEMENT, the amounts authorized to each firm and their certification number will be shown on Exhibit "B" attached hereto and by this reference made part of this AGREEMENT. If the Prime CONSULTANT is, a DBE certified firm they must comply with the Commercial Useful Function (CUF) regulation outlined in the AGENCY's "DBE Program Participation Plan" and perform a minimum of 30% of the total amount of this AGREEMENT. It is recommended, but not required, that non-DBE Prime CONSULTANTS perform a minimum of 30% of the total amount of this AGREEMENT.

In the absence of a mandatory DBE goal, a voluntary SBE goal amount of ten percent of the Consultant Agreement is established. The Consultant shall develop a SBE Participation Plan prior to commencing work. Although the goal is voluntary, the outreach efforts to provide SBE maximum practicable opportunities are not.

The CONSULTANT, on a monthly basis, shall enter the amounts paid to all firms (including Prime) involved with this AGREEMENT into the wsdot.diversitycompliance.com program. Payment information shall identify any DBE Participation.

All Reports, PS&E materials, and other data furnished to the CONSULTANT by the AGENCY shall be returned. All electronic files, prepared by the CONSULTANT, must meet the requirements as outlined in Exhibit "C – Preparation and Delivery of Electronic Engineering and other Data."

All designs, drawings, specifications, documents, and other work products, including all electronic files, prepared by the CONSULTANT prior to completion or termination of this AGREEMENT are instruments of service for these SERVICES, and are the property of the AGENCY. Reuse by the AGENCY or by others, acting through or on behalf of the AGENCY of any such instruments of service, not occurring, as a part of this SERVICE, shall be without liability or legal exposure to the CONSULTANT.

Any and all notices or requests required under this AGREEMENT shall be made in writing and sent to the other party by (i) certified mail, return receipt requested, or (ii) by email or facsimile, to the address set forth below:

If to AGENCY:
Name: Mike Haley
Agency: City of Redmond
Address: PO Box 97010
City: Redmond State: WA Zip: 98073
Email: mhaley@redmond.gov
Phone: 425-556-2843
Facsimile: N/A

If to CONSULTANT:
Name:
Agency:
Address:
City: State: Zip:
Email:
Phone:
Facsimile:

IV. Time for Beginning and Completion

The CONSULTANT shall not begin any work under the terms of this AGREEMENT until authorized in writing by the AGENCY. All work under this AGREEMENT shall conform to the criteria agreed upon detailed in the AGREEMENT documents. These SERVICES must be completed by the date shown in the heading of this AGREEMENT titled "Completion Date."

The established completion time shall not be extended because of any delays attributable to the CONSULTANT, but may be extended by the AGENCY in the event of a delay attributable to the AGENCY, or because of unavoidable delays caused by an act of GOD, governmental actions, or other conditions beyond the control of the CONSULTANT. A prior supplemental AGREEMENT issued by the AGENCY is required to extend the established completion time.

V. Payment Provisions

The CONSULTANT shall be paid by the AGENCY for completed SERVICES rendered under this AGREEMENT as provided hereinafter. Such payment shall be full compensation for SERVICES performed or SERVICES rendered and for all labor, materials, supplies, equipment, and incidentals necessary to complete SERVICES. The CONSULTANT shall conform to all applicable portions of 48 CFR Part 31 (www.ecfr.gov).

A. Hourly Rates: Hourly rates are comprised of the following elements - Direct (Raw) Labor, Indirect Cost Rate, and Fee (Profit). The CONSULTANT shall be paid by the AGENCY for work done, based upon the negotiated hourly rates shown in Exhibits "D" and "E" attached hereto and by reference made part of this AGREEMENT. These negotiated hourly rates will be accepted based on a review of the CONSULTANT's direct labor rates and indirect cost rate computations and agreed upon fee. The accepted negotiated rates shall be memorialized in a final written acknowledgment between the parties. Such final written acknowledgment shall be incorporated into, and become a part of, this AGREEMENT. The initially accepted negotiated rates shall be applicable from the approval date, as memorialized in a final written acknowledgment, to 180 days following the CONSULTANT's fiscal year end (FYE) date.

   The direct (raw) labor rates and classifications, as shown on Exhibits "D" and "E" shall be subject to renegotiations for each subsequent twelve (12) month period (180 days following FYE date to 180 days following FYE date) upon written request of the CONSULTANT or the AGENCY. The written request must be made to the other party within ninety (90) days following the CONSULTANT's FYE date. If no such written request is made, the current direct (raw) labor rates and classifications as shown on Exhibits "D" and "E" will remain in effect for the twelve (12) month period.

   Conversely, if a timely request is made in the manner set forth above, the parties will commence negotiations to determine the new direct (raw) labor rates and classifications that will be applicable for the twelve (12 month period. Any agreed to renegotiated rates shall be memorialized in a final written acknowledgment between the parties. Such final written acknowledgment shall be incorporated into, and become a part of, this AGREEMENT. If requested, the CONSULTANT shall provide current payroll register and classifications to aid in negotiations. If the parties cannot reach an agreement on the direct (raw) labor rates and classifications, the AGENCY shall perform an audit of the CONSULTANT's books and records to determine the CONSULTANT's actual costs. The audit findings will establish the direct (raw) labor rates and classifications that will applicable for the twelve (12) month period.

   The fee as identified in Exhibits "D" and "E" shall represent a value to be applied throughout the life of the AGREEMENT.

   The CONSULTANT shall submit annually to the AGENCY an updated indirect cost rate within 180 days of the close of its fiscal year. An approved updated indirect cost rate shall be included in the current fiscal year rate under this AGREEMENT, even if/when other components of the hourly rate are not renegotiated. These rates will be applicable for the twelve (12) month period. At the AGENCY's option, a provisional and/or conditional indirect cost rate may be negotiated. This provisional or conditional indirect rate shall remain in effect until the updated indirect cost rate is completed and approved. Indirect cost rate costs incurred during the provisional or conditional period will not be adjusted. The CONSULTANT may request an extension of the last approved indirect cost rate for the twelve (12) month period. These requests for provisional indirect cost rate and/or extension will be considered on a case-by-case basis, and if granted, will be memorialized in a final written acknowledgment.

   The CONSULTANT shall maintain and have accessible support data for verification of the components of the hourly rates, i.e., direct (raw) labor, indirect cost rate, and fee (profit) percentage. The CONSULTANT shall bill each employee's actual classification, and actual salary plus indirect cost rate plus fee.

A. Direct Non-Salary Costs: Direct Non-Salary Costs will be reimbursed at the actual cost to the CONSULTANT. These charges may include, but are not limited to, the following items: travel, printing, long distance telephone, supplies, computer charges, and fees of sub-consultants. Air or train travel will be reimbursed only to lowest price available, unless otherwise approved by the AGENCY. The CONSULTANT shall comply with the rules and regulations regarding travel costs (excluding air, train, and rental car costs) in accordance with the WSDOT's Accounting Manual M 13-82, Chapter 10 – Travel Rules and Procedures, and all revisions thereto. Air, train, and rental card costs shall be reimbursed in accordance with 48 Code of Federal Regulations (CFR) Part 31.205-46 "Travel Costs." The billing for Direct Non-salary Costs shall include an itemized listing of the charges directly identifiable with these SERVICES. The CONSULTANT shall maintain the original supporting documents in their office. Copies of the original supporting documents shall be supplied to the STATE upon request. All above charges must be necessary for the SERVICES provided under this AGREEMENT.

B. Maximum Amount Payable: The Maximum Amount Payable by the AGENCY to the CONSULTANT under this AGREEMENT shall not exceed the amount shown in the heading of this AGREEMENT on page one (1.) The Maximum Amount Payable does not include payment for extra work as stipulated in section XIII, "Extra Work." No minimum amount payable is guaranteed under this AGREEMENT.

C. Monthly Progress Payments: Progress payments may be claimed on a monthly basis for all costs authorized in A and B above. Detailed statements shall support the monthly billings for hours expended at the rates established in Exhibit "D," including names and classifications of all employees, and billings for all direct non-salary expenses. To provide a means of verifying the billed salary costs for the CONSULTANT's employees, the AGENCY may conduct employee interviews. These interviews may consist of recording the names, titles, salary rates, and present duties of those employees performing work on the SERVICES at the time of the interview.

D. Final Payment: Final Payment of any balance due the CONSULTANT of the gross amount earned will be made promptly upon its verification by the AGENCY after the completion of the SERVICES under this AGREEMENT, contingent upon receipt of all PS&E, plans, maps, notes, reports, electronic data, and other related documents, which are required to be furnished under this AGREEMENT. Acceptance of such Final Payment by the CONSULTANT shall constitute a release of all claims for payment, which the CONSULTANT may have against the AGENCY unless such claims are specifically reserved in writing and transmitted to the AGENCY by the CONSULTANT prior to its acceptance. Said Final Payment shall not, however, be a bar to any claims that the AGENCY may have against the CONSULTANT or to any remedies the AGENCY may pursue with respect to such claims.

The payment of any billing will not constitute agreement as to the appropriateness of any item and at the time of final audit all required adjustments will be made and reflected in a final payment. In the event that such final audit reveals an overpayment to the CONSULTANT, the CONSULTANT will refund such overpayment to the AGENCY within thirty (30) calendar days of notice of the overpayment. Such refund shall not constitute a waiver by the CONSULTANT for any claims relating to the validity of a finding by the AGENCY of overpayment. Per WSDOT's "Audit Guide for Consultants," Chapter 23 "Resolution Procedures," the CONSULTANT has twenty (20) working days after receipt of the final Post Audit to begin the appeal process to the AGENCY for audit findings

E. Inspection of Cost Records: The CONSULTANT and their sub-consultants shall keep available for inspection by representatives of the AGENCY and the United States, for a period of six (6) years after receipt of final payment, the cost records and accounts pertaining to this AGREEMENT and all items related to or bearing upon these records with the following exception: if any litigation, claim or audit arising out of, in connection with, or related to this AGREEMENT is initiated before the expiration of the six (6) year period, the cost records and accounts shall be retained until such litigation, claim, or audit involving the records is completed. An interim or post audit may be performed on this AGREEMENT. The audit, if any, will be performed by the State Auditor, WSDOT's Internal Audit Office and /or at the request of the AGENCY's Project Manager.

VI. Sub-Contracting

The AGENCY permits subcontracts for those items of SERVICES as shown in Exhibit "A" attached hereto and by this reference made part of this AGREEMENT.

The CONSULTANT shall not subcontract for the performance of any SERVICE under this AGREEMENT without prior written permission of the AGENCY. No permission for subcontracting shall create, between the AGENCY and sub-consultant, any contract or any other relationship.

Compensation for this sub-consultant SERVICES shall be based on the cost factors shown on Exhibit "E" attached hereto and by this reference made part of this AGREEMENT.

The SERVICES of the sub-consultant shall not exceed its maximum amount payable identified in each sub consultant cost estimate unless a prior written approval has been issued by the AGENCY.

All reimbursable direct labor, indirect cost rate, direct non-salary costs and fee costs for the sub-consultant shall be negotiated and substantiated in accordance with section V "Payment Provisions" herein and shall be memorialized in a final written acknowledgment between the parties

All subcontracts shall contain all applicable provisions of this AGREEMENT, and the CONSULTANT shall require each sub-consultant or subcontractor, of any tier, to abide by the terms and conditions of this AGREEMENT. With respect to sub-consultant payment, the CONSULTANT shall comply with all applicable sections of the STATE's Prompt Payment laws as set forth in RCW 39.04.250 and RCW 39.76.011.

The CONSULTANT, sub-recipient, or sub-consultant shall not discriminate on the basis of race, color, national origin, or sex in the performance of this AGREEMENT. The CONSULTANT shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the CONSULTANT to carry out these requirements is a material breach of this AGREEMENT, which may result in the termination of this AGREEMENT or such other remedy as the recipient deems appropriate.

VII. Employment and Organizational Conflict of Interest

The CONSULTANT warrants that they have not employed or retained any company or person, other than a bona fide employee working solely for the CONSULTANT, to solicit or secure this contract, and that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the CONSULTANT, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this agreement. For breach or violation of this warrant, the AGENCY shall have the right to annul this AGREEMENT without liability or, in its discretion, to deduct from this AGREEMENT price or consideration or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

Any and all employees of the CONSULTANT or other persons while engaged in the performance of any work or services required of the CONSULTANT under this AGREEMENT, shall be considered employees of the CONSULTANT only and not of the AGENCY, and any and all claims that may arise under any Workmen's Compensation Act on behalf of said employees or other persons while so engaged, and any and all claims made by a third party as a consequence of any act or omission on the part of the CONSULTANT's employees or other persons while so engaged on any of the work or services provided to be rendered herein, shall be the sole obligation and responsibility of the CONSULTANT.

The CONSULTANT shall not engage, on a full- or part-time basis, or other basis, during the period of this AGREEMENT, any professional or technical personnel who are, or have been, at any time during the period of this AGREEMENT, in the employ of the United States Department of Transportation or the AGENCY, except regularly retired employees, without written consent of the public employer of such person if he/she will be working on this AGREEMENT for the CONSULTANT.

VIII. Nondiscrimination

During the performance of this AGREEMENT, the CONSULTANT, for itself, its assignees, sub-consultants, subcontractors and successors in interest, agrees to comply with the following laws and regulations:

- Title VI of the Civil Rights Act of 1964

  (42 U.S.C. Chapter 21 Subchapter V § 2000d through 2000d-4a)
- Federal-aid Highway Act of 1973 (23 U.S.C. Chapter 3 § 324)
- Rehabilitation Act of 1973

  (29 U.S.C. Chapter 16 Subchapter V § 794)
- Age Discrimination Act of 1975 (42 U.S.C. Chapter 76 § 6101 *et. seq.*)
- Civil Rights Restoration Act of 1987 (Public Law 100-259)
- American with Disabilities Act of 1990 (42 U.S.C. Chapter 126 § 12101 *et. seq.*)
- 23 CFR Part 200
- 49 CFR Part 21
- 49 CFR Part 26
- RCW 49.60.180

In relation to Title VI of the Civil Rights Act of 1964, the CONSULTANT is bound by the provisions of Exhibit "F" attached hereto and by this reference made part of this AGREEMENT, and shall include the attached Exhibit "F" in every sub-contract, including procurement of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto.

IX. Termination of Agreement

The right is reserved by the AGENCY to terminate this AGREEMENT at any time with or without cause upon ten (10) days written notice to the CONSULTANT.

In the event this AGREEMENT is terminated by the AGENCY, other than for default on the part of the CONSULTANT, a final payment shall be made to the CONSULTANT for actual hours charged at the time of termination of this AGREEMENT, plus any direct non-salary costs incurred up to the time of termination of this AGREEMENT.

No payment shall be made for any SERVICES completed after ten (10) days following receipt by the CONSULTANT of the notice to terminate. If the accumulated payment made to the CONSULTANT prior to Notice of Termination exceeds the total amount that would be due when computed as set forth in paragraph two (2) of this section, then no final payment shall be due and the CONSULTANT shall immediately reimburse the AGENCY for any excess paid.

If the services of the CONSULTANT are terminated by the AGENCY for default on the part of the CONSULTANT, the above formula for payment shall not apply.

In the event of a termination for default, the amount to be paid to the CONSULTANT shall be determined by the AGENCY with consideration given to the actual costs incurred by the CONSULTANT in performing SERVICES to the date of termination, the amount of SERVICES originally required which was satisfactorily completed to date of termination, whether that SERVICE is in a form or a type which is usable to the AGENCY at the time of termination, the cost to the AGENCY of employing another firm to complete the SERVICES required and the time which may be required to do so, and other factors which affect the value to the AGENCY of the SERVICES performed at the time of termination. Under no circumstances shall payment made under this subsection exceed the amount, which would have been made using the formula set forth in paragraph two (2) of this section.

If it is determined for any reason, that the CONSULTANT was not in default or that the CONSULTANT's failure to perform is without the CONSULTANT's or its employee's fault or negligence, the termination shall be deemed to be a termination for the convenience of the AGENCY. In such an event, the CONSULTANT would be reimbursed for actual costs in accordance with the termination for other than default clauses listed previously.

The CONSULTANT shall, within 15 days, notify the AGENCY in writing, in the event of the death of any member, partner, or officer of the CONSULTANT or the death or change of any of the CONSULTANT's supervisory and/or other key personnel assigned to the project or disaffiliation of any principally involved CONSULTANT employee.

The CONSULTANT shall also notify the AGENCY, in writing, in the event of the sale or transfer of 50% or more of the beneficial ownership of the CONSULTANT within 15 days of such sale or transfer occurring. The CONSULTANT shall continue to be obligated to complete the SERVICES under the terms of this AGREEMENT unless the AGENCY chooses to terminate this AGREEMENT for convenience or chooses to renegotiate any term(s) of this AGREEMENT. If termination for convenience occurs, final payment will be made to the CONSULTANT as set forth in the second and third paragraphs of this section.

Payment for any part of the SERVICES by the AGENCY shall not constitute a waiver by the AGENCY of any remedies of any type it may have against the CONSULTANT for any breach of this AGREEMENT by the CONSULTANT, or for failure of the CONSULTANT to perform SERVICES required of it by the AGENCY.

Forbearance of any rights under the AGREEMENT will not constitute waiver of entitlement to exercise those rights with respect to any future act or omission by the CONSULTANT.

X. Changes of Work

The CONSULTANT shall make such changes and revisions in the completed work of this AGREEMENT as necessary to correct errors appearing therein, without additional compensation thereof. Should the AGENCY find it desirable for its own purposes to have previously satisfactorily completed SERVICES or parts thereof changed or revised, the CONSULTANT shall make such revisions as directed by the AGENCY. This work shall be considered as Extra Work and will be paid for as herein provided under section XIII "Extra Work."

XI. Disputes

Any disputed issue not resolved pursuant to the terms of this AGREEMENT shall be submitted in writing within 10 days to the Director of Public Works or AGENCY Engineer, whose decision in the matter shall be final and binding on the parties of this AGREEMENT; provided however, that if an action is brought challenging the Director of Public Works or AGENCY Engineer's decision, that decision shall be subject to judicial review. If the parties to this AGREEMENT mutually agree, disputes concerning alleged design errors will be conducted under the procedures found in Exhibit "J". In the event that either party deem it necessary to institute legal action or proceeding to enforce any right or obligation under this AGREEMENT, this action shall be initiated in the Superior Court of the State of Washington, situated in the county in which the AGENCY is located. The parties hereto agree that all questions shall be resolved by application of Washington law and that the parties have the right of appeal from such decisions of the Superior Court in accordance with the laws of the State of Washington. The CONSULTANT hereby consents to the personal jurisdiction of the Superior Court of the State of Washington, situated in the county in which the AGENCY is located.

XII. Legal Relations

The CONSULTANT, any sub-consultants, and the AGENCY shall comply with all Federal, State, and local laws, rules, codes, regulations and all AGENCY policies and directives, applicable to the work to be performed under this AGREEMENT. This AGREEMENT shall be interpreted and construed in accordance with the laws of the State of Washington.

The CONSULTANT shall defend, indemnify, and hold the State of Washington (STATE) and the AGENCY and their officers and employees harmless from all claims, demands, or suits at law or equity arising in whole or in part from the negligence of, or the breach of any obligation under this AGREEMENT by, the CONSULTANT or the CONSULTANT's agents, employees, sub consultants, subcontractors or vendors, of any tier, or any other persons for whom the CONSULTANT may be legally liable; provided that nothing herein shall require a CONSULTANT

to defend or indemnify the STATE and the AGENCY and their officers and employees against and hold harmless the STATE and the AGENCY and their officers and employees from claims, demands or suits based solely upon the negligence of, or breach of any obligation under this AGREEMENT by the STATE and the AGENCY, their agents, officers, employees, sub-consultants, subcontractors or vendors, of any tie , or any other persons for whom the STATE and /or the AGENCY may be legally liable; and provided further that if the claims or suits are caused by or result from the concurrent negligence of (a) the CONSULTANT or the CONSULTANT's agents, employees, sub-consultants, subcontractors or vendors, of any tier, or any other persons for whom the CONSULTANT is legally liable, and (b) the STATE and/or AGENCY, their agents, officers, employees, sub-consultants, subcontractors and or vendors, of any tier, or any other persons for whom the STATE and/or AGENCY may be legally liable, the defense and indemnity obligation shall be valid and enforceable only to the extent of the CONSULTANT's negligence or the negligence of the CONSULTANT's agents, employees, sub-consultants, subcontractors or vendors, of any tier, or any other persons for whom the CONSULTANT may be legally liable. This provision shall be included in any AGREEMENT between CONSULTANT and any sub-consultant, subcontractor and vendor, of any tier.

The CONSULTANT shall also defend, indemnify, and hold the STATE and the AGENCY and their officers and employees harmless from all claims, demands, or suits at law or equity arising in whole or in part from the alleged patent or copyright infringement or other allegedly improper appropriation or use of trade secrets, patents, proprietary information, know-how, copyright rights or inventions by the CONSULTANT or the CONSULTANT's agents, employees, sub-consultants, subcontractors or vendors, of any tier, or any other persons for whom the CONSULTANT may be legally liable, in performance of the Work under this AGREEMENT or arising out of any use in connection with the AGREEMENT of methods, processes, designs, information or other items furnished or communicated to STATE and/or the AGENCY, their agents, officers and employees pursuant to the AGREEMENT; provided that this indemnity shall not apply to any alleged patent or copyright infringement or other allegedly improper appropriation or use of trade secrets, patents, proprietary information, know-how, copyright rights or inventions resulting from STATE and/or AGENCY's, their agents', officers and employees' failure to comply with specific written instructions regarding use provided to STATE and/or AGENCY, their agents, officers and employees by the CONSULTANT, its agents, employees, sub-consultants, subcontractors or vendors, of any tier, or any other persons for whom the CONSULTANT may be legally liable.

The CONSULTANT's relation to the AGENCY shall be at all times as an independent contractor.

Notwithstanding any determination by the Executive Ethics Board or other tribunal, the AGENCY may, in its sole discretion, by written notice to the CONSULTANT terminate this AGREEMENT if it is found after due notice and examination by the AGENCY that there is a violation of the Ethics in Public Service Act, Chapter 42.52 RCW; or any similar statute involving the CONSULTANT in the procurement of, or performance under, this AGREEMENT.

The CONSULTANT specifically assumes potential liability for actions brought by the CONSULTANT's own employees or its agents against the STATE and/or the AGENCY and, solely for the purpose of this indemnification and defense, the CONSULTANT specifically waives any immunity under the state industrial insurance law, Title 51 RCW. The Parties have mutually negotiated this waiver.

Unless otherwise specified in this AGREEMENT, the AGENCY shall be responsible for administration of construction contracts, if any, on the project. Subject to the processing of a new sole source, or an acceptable supplemental AGREEMENT, the CONSULTANT shall provide On-Call assistance to the AGENCY during contract administration. By providing such assistance, the CONSULTANT shall assume no responsibility for proper construction techniques, job site safety, or any construction contractor's failure to perform its work in accordance with the contract documents.

The CONSULTANT shall obtain and keep in force during the terms of this AGREEMENT, or as otherwise required, the following insurance with companies or through sources approved by the State Insurance Commissioner pursuant to Title 48 RCW.

Insurance Coverage

A. Worker's compensation and employer's liability insurance as required by the STATE.

B. Commercial general liability insurance written under ISO Form CG 00 01 12 04 or its equivalent with minimum limits of one million dollars ($1,000,000.00) per occurrence and two million dollars ($2,000,000.00) in the aggregate for each policy period.

C. Business auto liability insurance written under ISO Form CG 00 01 10 01 or equivalent providing coverage for any "Auto" (Symbol 1) used in an amount not less than a one million dollar ($1,000,000.00) combined single limit for each occurrence.

Excepting the Worker's Compensation Insurance and any Professional Liability Insurance, the STATE and AGENCY, their officers, employees, and agents will be named on all policies of CONSULTANT and any sub-consultant and/or subcontractor as an additional insured (the "AIs"), with no restrictions or limitations concerning products and completed operations coverage. This coverage shall be primary coverage and non-contributory and any coverage maintained by the AIs shall be excess over, and shall not contribute with, the additional insured coverage required hereunder. The CONSULTANT's and the sub-consultant's and/or subcontractor's insurer shall waive any and all rights of subrogation against the AIs. The CONSULTANT shall furnish the AGENCY with verification of insurance and endorsements required by this AGREEMENT. The AGENCY reserves the right to require complete, certified copies of all required insurance policies at any time.

All insurance shall be obtained from an insurance company authorized to do business in the State of Washington. The CONSULTANT shall submit a verification of insurance as outlined above within fourteen (14) days of the execution of this AGREEMENT to:

Name: Mike Haley
Agency: City of Redmond
Address: 15670 NE85thStreet,POBox97010
City: Redmond State: WA Zip: 98073
Email: mhaley@redmond.gov
Phone: 425-556-2843
Facsimile: 425-556-2727

No cancellation of the foregoing policies shall be effective without thirty (30) days prior notice to the AGENCY.

The CONSULTANT's professional liability to the AGENCY, including that which may arise in reference to section IX "Termination of Agreement" of this AGREEMENT, shall be limited to the accumulative amount of the authorized AGREEMENT or one million dollars ($1,000,000.00), whichever is greater, unless the limit of liability is increased by the AGENCY pursuant to Exhibit H. In no case shall the CONSULTANT's professional liability to third parties be limited in any way.

The parties enter into this AGREEMENT for the sole benefit of the parties, and to the exclusion of any third party, and no third party beneficiary is intended or created by the execution of this AGREEMENT.

The AGENCY will pay no progress payments under section V "Payment Provisions" until the CONSULTANT has fully complied with this section. This remedy is not exclusive; and the AGENCY may take such other action as is available to it under other provisions of this AGREEMENT, or otherwise in law.

XIII. Extra Work

A. The AGENCY may at any time, by written order, make changes within the general scope of this AGREEMENT in the SERVICES to be performed.

B. If any such change causes an increase or decrease in the estimated cost of, or the time required for, performance of any part of the SERVICES under this AGREEMENT, whether or not changed by the order, or otherwise affects any other terms and conditions of this AGREEMENT, the AGENCY shall make an equitable adjustment in the: (1) maximum amount payable; (2) delivery or completion schedule, or both; and (3) other affected terms and shall modify this AGREEMENT accordingly.

C. The CONSULTANT must submit any "request for equitable adjustment," hereafter referred to as "CLAIM," under this clause within thirty (30) days from the date of receipt of the written order. However, if the AGENCY decides that the facts justify it, the AGENCY may receive and act upon a CLAIM submitted before final payment of this AGREEMENT.

D. Failure to agree to any adjustment shall be a dispute under the section XI "Disputes" clause. However, nothing in this clause shall excuse the CONSULTANT from proceeding with the AGREEMENT as changed.

E. Notwithstanding the terms and conditions of paragraphs (A.) and (B.) above, the maximum amount payable for this AGREEMENT, shall not be increased or considered to be increased except by specific written supplement to this AGREEMENT.

XIV. Endorsement of Plans

If applicable, the CONSULTANT shall place their endorsement on all plans, estimates, or any other engineering data furnished by them.

XV. Federal Review

The Federal Highway Administration shall have the right to participate in the review or examination of the SERVICES in progress.

XVI. Certification of the Consultant and the Agency

Attached hereto as Exhibit "G-1(a and b)" are the Certifications of the CONSULTANT and the AGENCY, Exhibit "G-2" Certification Regarding Debarment, Suspension and Other Responsibility Matters - Primary Covered Transactions, Exhibit "G-3" Certification Regarding the Restrictions of the Use of Federal Funds for Lobbying and Exhibit "G-4" Certificate of Current Cost or Pricing Data. Exhibit "G-3" is required only in AGREEMENTS over one hundred thousand dollars ($100,000.00) and Exhibit "G-4" is required only in AGREEMENTS over five hundred thousand dollars ($500,000.00.) These Exhibits must be executed by the CONSULTANT, and submitted with the master AGREEMENT, and returned to the AGENCY at the address listed in section III "General Requirements" prior to its performance of any SERVICES under this AGREEMENT.

XVII. Complete Agreement

This document and referenced attachments contain all covenants, stipulations, and provisions agreed upon by the parties. No agent, or representative of either party has authority to make, and the parties shall not be bound by or be liable for, any statement, representation, promise or agreement not set forth herein. No changes, amendments, or modifications of the terms hereof shall be valid unless reduced to writing and signed by the parties as a supplement to this AGREEMENT.

XVIII. Execution and Acceptance

This AGREEMENT may be simultaneously executed in several counterparts, each of which shall be deemed to be an original having identical legal effect. The CONSULTANT does hereby ratify and adopt all statements, representations, warranties, covenants, and AGREEMENT's contained in the proposal, and the supporting material submitted by the CONSULTANT, and does hereby accept this AGREEMENT and agrees to all of the terms and conditions thereof.

XIX. Protection of Confidential Information

The CONSULTANT acknowledges that some of the material and information that may come into its possession or knowledge in connection with this AGREEMENT or its performance may consist of information that is exempt from disclosure to the public or other unauthorized persons under either chapter 42.56 RCW or other local, state, or federal statutes ("State's Confidential Information"). The "State's Confidential Information" includes, but is not limited to, names, addresses, Social Security numbers, e-mail addresses, telephone numbers, financial profiles credit card information, driver's license numbers, medical data, law enforcement records (or any other information identifiable to an individual), STATE and AGENCY source code or object code, STATE and AGENCY security data, non-public Specifications, STATE and AGENCY non-publicly available data, proprietary software, STATE and AGENCY security data, or information which may jeopardize any part of the project that relates to any of these types of information. The CONSULTANT agrees to hold the State's Confidential Information in strictest confidence and not to make use of the State's Confidential Information for any purpose other than the performance of this AGREEMENT, to release it only to authorized employees, sub-consultants or subcontractors requiring such information for the purposes of carrying out this AGREEMENT, and not to release, divulge, publish, transfer, sell, disclose, or otherwise make it known to any other party without the AGENCY's express written consent or as provided by law. The CONSULTANT agrees to release such information or material only to employees, sub-consultants or subcontractors who have signed a nondisclosure AGREEMENT, the terms of which have been previously approved by the AGENCY. The CONSULTANT agrees to implement physical, electronic, and managerial safeguards to prevent unauthorized access to the State's Confidential Information.

Immediately upon expiration or termination of this AGREEMENT, the CONSULTANT shall, at the AGENCY's option: (i) certify to the AGENCY that the CONSULTANT has destroyed all of the State's Confidential Information; or (ii) returned all of the State's Confidential Information to the AGENCY; or (iii) take whatever other steps the AGENCY requires of the CONSULTANT to protect the State's Confidential Information.

As required under Executive Order 00-03, the CONSULTANT shall maintain a log documenting the following: the State's Confidential Information received in the performance of this AGREEMENT; the purpose(s) for which the State's Confidential Information was received; who received, maintained, and used the State's Confidential Information; and the final disposition of the State's Confidential Information. The CONSULTANT's records shall be subject to inspection, review, or audit upon reasonable notice from the AGENCY.

The AGENCY reserves the right to monitor, audit, or investigate the use of the State's Confidential Information collected, used, or acquired by the CONSULTANT through this AGREEMENT. The monitoring, auditing, or investigating may include, but is not limited to, salting databases.

Violation of this section by the CONSULTANT or its sub-consultants or subcontractors may result in termination of this AGREEMENT and demand for return of all State's Confidential Information, monetary damages, or penalties

It is understood and acknowledged that the CONSULTANT may provide the AGENCY with information, which is proprietary and/or confidential during the term of this AGREEMENT. The parties agree to maintain the confidentiality of such information during the term of this AGREEMENT and afterwards. All materials containing such proprietary and/or confidential information shall be clearly identified and marked as "Confidential" and shall be returned to the disclosing party at the conclusion of the SERVICES under this AGREEMENT.

The CONSULTANT shall provide the AGENCY with a list of all information and materials it considers confidential and/or proprietary in nature: (a) at the commencement of the term of this AGREEMENT, or (b) as soon as such confidential or proprietary material is developed. "Proprietary and/or confidential information" is not meant to include any information which, at the time of its disclosure: (i) is already known to the other party; (ii) is rightfully disclosed to one of the parties by a third party that is not acting as an agent or representative for the other party; (iii) is independently developed by or for the other party; (iv) is publicly known; or (v) is generally utilized by unaffiliated third parties engaged in the same business or businesses as the CONSULTANT.

The parties also acknowledge that the AGENCY is subject to Washington State and federal public disclosure laws. As such, the AGENCY shall maintain the confidentiality of all such information marked proprietary and or confidential or otherwise exempt, unless such disclosure is required under applicable state or federal law. If a public disclosure request is made to view materials identified as "Proprietary and/or confidential information" or otherwise exempt information, the AGENCY will notify the CONSULTANT of the request and of the date that such records will be released to the requester unless the CONSULTANT obtains a court order from a court of competent jurisdiction enjoining that disclosure. If the CONSULTANT fails to obtain the court order enjoining disclosure, the AGENCY will release the requested information on the date specified.

The CONSULTANT agrees to notify the sub-consultant of any AGENCY communication regarding disclosure that may include a sub-consultant's proprietary and/or confidential information. The CONSULTANT notification to the sub-consultant will include the date that such records will be released by the AGENCY to the requester and state that unless the sub-consultant obtains a court order from a court of competent jurisdiction enjoining that disclosure the AGENCY will release the requested information. If the CONSULTANT and/or sub-consultant fail to obtain a court order or other judicial relief enjoining the AGENCY by the release date, the CONSULTANT shall waive and release and shall hold harmless and indemnify the AGENCY from all claims of actual or alleged damages, liabilities, or costs associated with the AGENCY's said disclosure of sub-consultants' information.

XX. Records Maintenance

During the progress of the Work and SERVICES provided hereunder and for a period of not less than six (6) years from the date of final payment to the CONSULTANT, the CONSULTANT shall keep, retain, and maintain all "documents" pertaining to the SERVICES provided pursuant to this AGREEMENT. Copies of all "documents" pertaining to the SERVICES provided hereunder shall be made available for review at the CONSULTANT's place of business during normal working hours. If any litigation, claim, or audit is commenced, the CONSULTANT shall cooperate with AGENCY and assist in the production of all such documents. "Documents" shall be retained until all litigation, claims or audit findings have been resolved even though such litigation, claim, or audit continues past the six (6) year retention period.

For purposes of this AGREEMENT, "documents" means every writing or record of every type and description, including electronically stored information ("ESI"), that is in the possession, control, or custody of the CONSULTANT, including, without limitation, any and all correspondences, contracts, AGREEMENTs, appraisals, plans, designs, data, surveys, maps, spreadsheets, memoranda, stenographic or handwritten notes, reports, records, telegrams, schedules, diaries, notebooks, logbooks, invoices, accounting records, work sheets, charts, notes, drafts, scribblings, recordings, visual displays, photographs, minutes of meetings, tabulations, computations, summaries, inventories, and writings regarding conferences, conversations or telephone conversations, and any and all other taped, recorded, written, printed or typed matters of any kind or description; every copy of the foregoing whether or not the original is in the possession, custody, or control of the CONSULTANT, and every copy of any of the foregoing, whether or not such copy is a copy identical to an original, or whether or not such copy contains any commentary or notation whatsoever that does not appear on the original.

For purposes of this AGREEMENT, "ESI" means any and all computer data or electronic recorded media of any kind, including "Native Files", that are stored in any medium from which it can be retrieved and examined, either directly or after translation into a reasonably useable form. ESI may include information and/or documentation stored in various software programs such as Email, Outlook, Word, Excel, Access, Publisher, PowerPoint, Adobe Acrobat, SQL databases, or any other software or electronic communication programs or databases that the CONSULTANT may use in the performance of its operations. ESI may be located on network servers, backup tapes, smart phones, thumb drives, CDs, DVDs, floppy disks, work computers, cell phones, laptops, or any other electronic device that CONSULTANT uses in the performance of its Work or SERVICES hereunder, including any personal devices used by the CONSULTANT or any sub-consultant at home.

"Native files" are a subset of ESI and refer to the electronic format of the application in which such ESI is normally created, viewed, and /or modified

The CONSULTANT shall include this section XX "Records Maintenance" in every subcontract it enters into in relation to this AGREEMENT and bind the sub-consultant to its terms, unless expressly agreed to otherwise in writing by the AGENCY prior to the execution of such subcontract.

In witness whereof, the parties hereto have executed this AGREEMENT as of the day and year shown in the "Execution Date" box on page one (1) of this AGREEMENT.

Signature	Date
Signature	Date

Any modification, change, or reformation of this AGREEMENT shall require approval as to form by the Office of the Attorney General.

Exhibit A
Scope of Work

Project No. 2408- 404, 408-02

See attached and note the City does not anticipate receiving Federal Funding for the Lift Station Equipment Upgrade, Phase 2 project. As such, the Consultant will not have access to the WSDOT Diversity Compliance program and is exempt from all reporting requirements within wsdot.diversitycompliance.com program.

Exhibit A

SCOPE OF SERVICES

Wastewater Lift Station Equipment Upgrades Phase II
Stations 17, 51, 52, and 53 (Project No. 2408)

Preliminary Design and Design Services

Project Understanding

This Scope of Services is based on our current understanding of the City of Redmond's (City) needs and requirements for the Wastewater Lift Station (WWLS) Equipment Upgrades Phase II project (Project). The Project will replace obsolete wastewater pumps that are beginning to fail at WWLSs 17, 51, 52, and 53. Replacement pumps for WWLS 17 and 51 will be selected and procured as part of preliminary design effort. The selected pumps identified in the preliminary design for WWLS 17 and 51 and the pumps previously procured for WWLS 52 and 53 will be the basis for development of final design and preparation of bidding documents for installation of the pumps. Final design will include civil, structural, mechanical, and electrical improvements necessary to install the replacement pumps and to replace the generator fuel tank at WWLS 51.

Scope of Services

The Scope of Services tasks are separated into five components where applicable:

1. Work Tasks: tasks that will be completed by the Consultant
2. Receivables: elements that will be provided by the City
3. Deliverables: the finished products that will be delivered to the City via electronic and hard copy
4. Assumptions: assumptions used to characterize and budget for each Work Task
5. Meetings: Consultant team will work to minimize attendees at meetings, meetings with City staff will be conducted at the City's offices.

Task 1 – Project Management

Work Tasks:

- *Project Kickoff Meeting*. Prepare for and attend a project kickoff meeting with City staff and key team members (PM, PE, Electrical). Prepare a detailed agenda and lead the kickoff meeting. Prepare meeting minutes and distribute to document the meeting.
- *Client and Team Coordination*. Coordinate with City staff by regular status reports, status meetings, telephone communication, and e-mail during the course of the project.
- *Quality Assurance/Quality Control Program*. Define and implement a quality assurance/quality control program for the project and conduct quality control reviews.
- *Monthly Invoices and Progress Reports*. Prepare monthly progress reports and monthly invoices, including financial status and schedule progress.
- *Project Schedule*. Develop a project schedule for the design and bidding phases of the project included in this scope of work.

Receivables:

- None.

Deliverables:

- Kickoff meeting Agenda
- Kickoff Meeting Minutes (Draft/Final)
- Monthly Status Reports with Invoices.
- Project Schedule

Assumptions:

- The standard City of Redmond status report and invoice will be utilized for monthly invoicing and progress reporting.
- The project duration is estimated at 12 months. The Contract will extend through December 31.

Meetings:

- Project Kickoff Meeting.

Task 2 – Existing Condition Mapping

Work Tasks:

- *Basemap Development, Review, Site Visit Verification*. Attend one (1) site visit following receipt of the station base drawings (record information) to confirm pertinent existing layout/configuration and dimensional information of the suction piping, discharge piping, and pump pedestals. Develop project base files utilizing existing record drawing information for the pump station and WWLS 51 fuel tank. Individual base drawings will be developed for each WWLS to represent the existing condition.

  Provide consolidated comments and questions to the City regarding base map updates required before design effort is initiated. Comments will be provided via Bluebeam mark-up or similar.
- *Utility Record Request Review*. Assist the City during coordination with private utilities located within the project limits to obtain as-built information and drawings for utility expansion. Incorporate the private utility information into the project design.
- *Basemap Review Meeting*. Prepare for and attend one virtual meeting to review completed base files for the four WWLSs.

Receivables:

- Available record information for WWLS 17, 51, 52, and 53. This includes reports, drawing pdfs, images, design CAD files as applicable/available.

Deliverables:

- Consolidated comments/questions on existing basemap information
- Base project file for each WWLS (17, 51, 52, and 53)
- Coordination files to franchise utilities (as required)

Assumptions:

- Base files for design will be developed from record drawing (pdf/image) information. Design base files will be limited to within building/structure footprints with the exception of the WWLS 51 fuel tank.

Meetings:

- One (1) site visit to confirm existing conditions.
- One (1) virtual meeting to review base files prior to finalization.

Task 3 – Preliminary Design

Work Tasks:

- *Existing Documentation*. Obtain documentation for the existing WWLS 17 and 51.
- *Prepare and Analyze System Curves*. Prepare system curves WWLS 17 and 51 based on record drawing information. Evaluate system curves and prepare criteria for replacement pump selection based on flow projection data provided by the City. Complete a surge pressure analysis for WWLS 51 to determine if replacement of the existing flywheels with VFDs can be completed.
- *Site Visit.* Complete a site visit to each lift station to review existing system configuration, spacing constraints, electrical and control system configuration and components, and pump station layout with the pump manufacturer representative. Prepare notes summarizing observations and discussions during the site visits. This site visit will provide cursory information to support identification and selection of replacement pumps. The verification site visit in Task 2 will provide the basis for design drawing preparation.
- *Pump Selection*. Review City Standards, identify pump options required, and coordinate identification of replacement pumps for each station with pump vendor.
- *Pump Procurement Documents*. Prepare a scope of supply identifying model, options, proposed pump curves, and requirements for the purpose of pump procurement. Prepare associated wastewater pump specification and motor specification for basis of pump procurement.
- *Technical Memorandum*. Prepare a Technical Memorandum summarizing the results of the pump replacement evaluation, pump criteria, selected models, and identify design criteria necessary to complete installation of the replacement pumps. The design criteria will include identification of elements requiring modifications to facilitate installation of the replacement pumps.
- *City Review/Meeting*. Submit draft Technical Memorandum to the City for review. Meet with City staff to review the Technical Memorandum and obtain City review comments.
- *Revisions and Final Documentation*. Revise draft documents to address City review comments and prepare final documentation. Submit final documentation to City. Existing Documentation.
- *Procurement Support*: Review and comment on submittal documentation to support the City's procurement of the replacement pumps.

Receivables:

- Record information for WWLS 17 and WWLS 51.

- Flow projection information for WWLS 17 and 51.
- Confirmation of pump capacity requirements.
- Comments on draft memorandum and calculations.
- Comments on Pump Procurement Documents

Deliverables:

- Technical Memorandum summarizing results of analysis (Draft and Final).
- Pump Procurement Documentation (Pump Specification, Motor Specification, and pump selection information).
- Pump submittal review comments during pump procurement process.

Assumptions:

- No additional flows are anticipated at WWLS 51.
- Evaluation of growth scenarios and potential future development potential will not be evaluated.
- No design drawings will be developed under this task.
- Upgrades to or rehabilitation of the lift stations is not to be considered as part of the design criteria. Design criteria to be limited to the necessary revisions to support pump replacement only.

Meetings:

- Three virtual meetings to discuss City comments or concerns related to the information for procurement of pumps, draft technical memorandum, and to review the procurement proposal from the pump vendor.

Task 4 – Final Design: Plans, Specifications, and Opinions of Probable Construction Cost.

Work Tasks:

- *60% Design*. Prepare 60% level construction drawings, specifications table of contents (TOC), and opinion of probable construction cost (OPCC).
    - Design drawings are based on the list of drawings included at the end of this scope of services.
    - Prepare contract documents/specifications TOC. The general requirements will be prepared using the City of Redmond Standard General Requirements in accordance with the 2024 WSDOT Specifications addressing the following:
        - Sequence of Construction
        - Measurement and Payment
        - Project Data Submittals
        - Testing and Quality Control
        - Facility Startup and Testing
    - Prepare a TOC for the anticipated CSI format technical specifications for the structure, electrical, mechanical, and structure accessories.
    - Develop opinion of probable construction cost for the facilities included in the 60 percent

design documents.
    - Meet with City Staff to review the 60% design documents
- *90% Design*. Incorporate City review comments from the 60% design set and prepare 90% construction drawings, specifications, and OPCC.
    - Prepare 90% design level construction drawings.
    - Prepare 90% special provisions utilizing the City of Redmond's Standard General Requirements (current version).
    - Prepare 90% technical specifications. Technical specifications will be prepared in accordance with City of Redmond 2024 Standard Specifications and WSDOT Standard Specifications with additional requirements where necessary. Technical specifications will include sections necessary to define and control the construction materials and appropriate methods. The CSI numbering format will be used for the structure, electrical, mechanical, and structure accessory sections.
    - Update the OPCC to reflect 90% design level.
    - Meet with City Staff to review the 90% design documents.
- *100% Design*. Incorporate City review comments from the 90% design set and prepare 100% construction drawings, specifications, and OPCC.
    - Prepare 100% design level construction drawings.
    - Prepare 100% special provisions utilizing the City of Redmond's Standard General Requirements (current version).
    - Prepare 100% technical specifications. Technical specifications will be prepared in accordance with City of Redmond 2024 Standard Specifications and WSDOT Standard Specifications with additional requirements where necessary. Technical specifications will include sections necessary to define and control the construction materials and appropriate methods. The CSI numbering format will be used for the structure, electrical, mechanical, and structure accessory sections.
    - Update the OPCC to reflect 100% design level.
    - Meet with City Staff to review the 100% design documents.
- *Bid Documents*. Incorporate City review comments from the 100% design set and prepare Bid-Check and Bid-Ready construction drawings, specifications, and OPCC.
    - Prepare a Bid-Check set of the contract documents (Drawings, Specifications).
    - Update the OPCC to reflect final design.
    - Incorporate any comments from the Bid-Check set and prepare drawings and specifications for bid.
- *Permitting Support.* Upon request by the City, review necessary permitting requirements related to stormwater and generator fuel tank replacement. This task is limited to review and identification of potential permits. Should permit applications or stormwater design reports be required, a contingency authorization or supplement will be prepared to complete the work.

Receivables:

- City review comments on 60%, 90%, 100% and Bid-Check set documents. Comments will be

consolidated prior to being provided to BHC.

- City Planner input on permitting requirements in King County controlled areas for WWLSs 51, 52, and 53.

Deliverables:

- 60% drawings, specifications TOC, and OPCC
- 90% drawings, specifications TOC, and OPCC
- 100% drawings, specifications TOC, and OPCC
- Bid-Check set drawings, specifications TOC, and OPCC
- Bid-Ready contract documents including opinion of probable cost
- Meeting Minutes (following each meeting with City staff), four (4) total
- Input on permitting/reporting requirements (email list)

Assumptions:

- The associated budget is based on the sheet count provided at the end of this scope of work.
- Upgrades are limited to removal and reinstallation of the wastewater pumps, reestablishing electrical service, limited modifications to provide pump base support and connect existing suction and discharge piping, and removal of existing seal water systems.
- Comments will be provided in a single consolidated set for each design deliverable review.

Meetings:

- Four; following 60%, 90%, 100%, and Bid-Check set deliverables.

Task 5 – Bidding Support.

Work Tasks:

- *Respond to Bidder Questions*. Address bidders' and suppliers' questions during the bid period for each bid package.
- *Addenda*. Prepare a maximum of two (2) addenda, if necessary, and deliver to the City for distribution.
- *Bid Conference*. Prepare for and attend bid conference.

Receivables:

- Bidder questions.
- Draft bid conference minutes

Deliverables:

- Two (2) addenda (if required).
- Comments/input on documentation of the bid conference.

Assumptions:

- The City will prepare the agenda, facilitate, and document the bid conference.

Meetings:

- Bid conference

Task 6 – Management Reserve

Task 6 is included for ease of tracking a management reserve budget. BHC will establish a separate task in their accounting system to track the management reserve budget. This item is added in case further documentation is needed beyond what is described in Tasks 1 - 5.

Work Tasks:

- *Task TBD*. Project management reserve tasks to be determined.

Receivables:

- Written permission from the City is required to perform management reserve tasks or to access project management reserve funds.
- To be determined.

Deliverables:

- To be determined.

Meetings:

- To be determined.

Task 7 – Engineering Services During Construction

Engineering services during construction are not included in this scope of services. Engineering services during construction will be added to the scope of services by supplemental agreement following opening of bids for the project.

List of Drawings Anticipated:

- General – 5 sheets
- Demolition – 8 sheets
- Civil – 5 sheets
- Structural – 7 sheets
- Mechanical – 10 sheets
- Electrical – 11 sheets
- Misc. Details – 8 sheets

Total of 54 drawing sheets.

Exhibit C
Preparation and Delivery of Electronic Engineering and Other Data

In this Exhibit the agency, as applicable, is to provide a description of the format and standards the consultant is to use in preparing electronic files for transmission to the agency. The format and standards to be provided may include, but are not limited to, the following:

I. Surveying, Roadway Design & Plans Preparation Section

A. Survey Data

Standard: City of Redmond Datum Control, State Plan Coordinate System
Format: Basemap in CAD/Civil3D 2013 or higher
Transmisstion: FTP, CD, Email, SharePoint

B. Roadway Design Files

N/A

C. Computer Aided Drafting Files

Standard: Consultant Drafting Standards, City of Redmond Title Block Format
Format: Basemap in CAD/Civil3D 2013
Transmission: FTP, CD, Email, SharePoint

D. Specify the Agency's Right to Review Product with the Consultant

Agency will retain the right to review all deliverable referenced in the Scope of Work Exhibit A

E. Specify the Electronic Deliverables to Be Provided to the Agency

Deliverables outlined in Scope of Work Exhibit A

F. Specify What Agency Furnished Services and Information Is to Be Provided

Agency furnished services and information outlined in Scope of Work Exhibit A

II. Any Other Electronic Files to Be Provided

Excel Spreadsheets
Word Documents
PDFs
WSDOT eForms

III. Methods to Electronically Exchange Data

Email, FTP, SharePoint

A. Agency Software Suite

N/A

B. Electronic Messaging System

N/A

C. File Transfers Format

PDF, Zip Files, Word, Excel, CAD

See attached.

Exhibit D

Consultant Fee Determination

Project Name: Lift Station Equipment Upgrades Phase II - Stations 17, 51, 52, and 53
Project Number: 2408- 404, 408- 02
Consultant: BHC Consultants, LLC

NEGOTIATED HOURLY RATES

Classification	Hours	DSC	Overhead 143%	Fee (Profit) 30%	Total Hourly Rate	Total
Jim Gross (QA/QC)	20	$ 106.00	$151.85	$31.54	$289	$5,788
Noah Allen (PM)	282	$ 84.00	$120.33	$24.99	$229	$64,668
Gustavo Franco (Struct. Eng.)	69	$ 86.50	$123.91	$25.73	$236	$16,294
Jeff Gibson (Elect. Eng.)	234	$ 92.00	$131.79	$27.37	$251	$58,771
Soundarya Krishnamurthy (PE)	476	$ 53.50	$76.64	$15.92	$146	$69,522
Svetlana Olsoe (CAD)	688	$ 59.00	$84.52	$17.55	$161	$110,816
Sarah Fritchman (PA)	95	$ 49.00	$70.19	$14.58	$134	$12,708
Uma Pierson (Admin)	18	$ 55.00	$78.79	$16.36	$150.15	$2,703
Carlito Tolentino (GIS)		$ 53.50	$76.64	$15.92	$146.06	
Total Hours	1,882				**Subtotal:**	$341,270
REIMBURSABLES						
Mileage						$2,000
Reproduction (copies, plots, etc.)						
Miscellanous						$1,500
					Subtotal:	$3,500
					Total:	$344,770
					Contingency:	30,000
					GRAND TOTAL:	$374,770

APPENDIX A

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Acts and the Regulations relative to Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, ***(Federal Highway Administration)***, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.

2. **Non-discrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21. ***[Include Washington State Department of Transportation specific program requirements.]***

3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Acts and the Regulations relative to Non-discrimination on the grounds of race, color, or national origin. ***[Include Washington State Department of Transportation specific program requirements.]***

4. **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Recipient or the ***(Federal Highway Administration)*** to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the Recipient or the ***(Federal Highway Administration)***, as appropriate, and will set forth what efforts it has made to obtain the information.

5. **Sanctions for Noncompliance:** In the event of a contractor's noncompliance with the Non- discrimination provisions of this contract, the Recipient will impose such contract sanctions as it or the ***(Federal Highway Administration)*** may determine to be appropriate, including, but not limited to:

    a. withholding payments to the contractor under the contract until the contractor complies; and/or
    b. cancelling, terminating, or suspending a contract, in whole or in part.

6. **Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as the Recipient or the ***(Federal Highway Administration)*** may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the Recipient to enter into any litigation to protect the interests of the Recipient. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

APPENDIX E

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

Pertinent Non-Discrimination Authorities:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 et seq.), (prohibits discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

Exhibit G-1(a)	Certification of Consultant
Exhibit G-1(b)	Certification of _____
Exhibit G-2	Certification Regarding Debarment, Suspension and Other Responsibility Matters - Primary Covered Transactions
Exhibit G-3	Certification Regarding the Restrictions of the Use of Federal Funds for Lobbying
~~Exhibit G-4~~	~~Certificate of Current Cost or Pricing Data~~

Exhibit G-1(a) Certification of Consultant

I hereby certify that I am the and duly authorized representative of the firm of

_____

whose address is

_____

and that neither the above firm nor I have

a) Employed or retained for a commission, percentage, brokerage, contingent fee, or other consideration, any firm or person (other than a bona fide employee working solely for me or the above CONSULTANT) to solicit or secure this AGREEMENT;

b) Agreed, as an express or implied condition for obtaining this contract, to employ or retain the services of any firm or person in connection with carrying out this AGREEMENT; or

c) Paid, or agreed to pay, to any firm, organization or person (other than a bona fide employee working solely for me or the above CONSULTANT) any fee, contribution, donation, or consideration of any kind for, or in connection with, procuring or carrying out this AGREEMENT; except as hereby expressly stated (if any);

I acknowledge that this certificate is to be furnished to the City ofRedmond

and the Federal Highway Administration, U.S. Department of Transportation in connection with this AGREEMENT involving participation of Federal-aid highway funds, and is subject to applicable State and Federal laws, both criminal and civil.

BHC Consultants,LLC

Consultant (Firm Name)

Signature (Authorized Official of Consultant)

Date

Exhibit G-1(b) Certification of The City of Redmond

I hereby certify that I am the:

☒ Finance Director and Mayor Designee

☐ Other

of the City of Redmond, and the City

or its representative has not been required, directly or indirectly as an express or implied condition in connection with obtaining or carrying out this AGREEMENT to:

a) Employ or retain, or agree to employ to retain, any firm or person; o

b) Pay, or agree to pay, to any firm, person, or organization, any fee, contribution, donation, or consideration of any kind; except as hereby expressly stated (if any):

I acknowledge that this certificate is to be furnished to the Washington State Department of Trnasportation

and the Federal Highway Administration, U.S. Department of Transportation, in connection with this AGREEMENT involving participation of Federal-aid highway funds, and is subject to applicable State and Federal laws, both criminal and civil.

Signature

Date

Exhibit G-2 Certification Regarding Debarment Suspension and Other Responsibility Matters - Primary Covered Transactions

I. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

B. Have not within a three (3) year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State anti-trust statues or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

C. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; an

D. Have not within a three (3) year period preceding this application / proposal had one or more public transactions (Federal, State and local) terminated for cause or default.

II. Where the prospective primary participant is unable to certify to any of the statements in this certification such prospective participant shall attach an explanation to this proposal.

_____

Consultant (Firm Name)

_____ _____

Signature (Authorized Official of Consultant) Date

Exhibit G-3 Certification Regarding the Restrictions of the Use of Federal Funds for Lobbying

The prospective participant certifies, by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or any employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative AGREEMENT, and the extension, continuation, renewal, amendment, or modification of Federal contract, grant, loan or cooperative AGREEMENT.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative AGREEMENT, the undersigned shall complete and submit Standard Form - LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

   This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the require certification shall be subject to a civil penalty of not less than $10,000.00, and not more than $100,000.00 for each such failure.

   The prospective participant also agrees by submitting his or her bid or proposal that he or she shall require that the language of this certification be included in all lower tier sub-contracts, which exceed $100,000 and that all such sub-recipients shall certify and disclose accordingly.

_____

Consultant (Firm Name)

_____ _____

Signature (Authorized Official of Consultant) Date

Exhibit I
Alleged Consultant Design Error Procedures

The purpose of this exhibit is to establish a procedure to determine if a consultant has alleged design error is of a nature that exceeds the accepted standard of care. In addition, it will establish a uniform method for the resolution and/or cost recovery procedures in those instances where the agency believes it has suffered some material damage due to the alleged error by the consultant.

Step 1 Potential Consultant Design Error(s) is Identified by Agency's Project Manager

At the first indication of potential consultant design error(s), the first step in the process is for the Agency's project manager to notify the Director of Public Works or Agency Engineer regarding the potential design error(s). For federally funded projects, the Region Local Programs Engineer should be informed and involved in these procedures. (Note: The Director of Public Works or Agency Engineer may appoint an agency staff person other than the project manager, who has not been as directly involved in the project, to be responsible for the remaining steps in these procedures.)

Step 2 Project Manager Documents the Alleged Consultant Design Error(s)

After discussion of the alleged design error(s) and the magnitude of the alleged error(s), and with the Director of Public Works or Agency Engineer's concurrence, the project manager obtains more detailed documentation than is normally required on the project. Examples include all decisions and descriptions of work, photographs, records of labor, materials, and equipment.

Step 3 Contact the Consultant Regarding the Alleged Design Error(s)

If it is determined that there is a need to proceed further, the next step in the process is for the project manager to contact the consultant regarding the alleged design error(s) and the magnitude of the alleged error(s). The project manager and other appropriate agency staff should represent the agency and the consultant should be represented by their project manager and any personnel (including sub-consultants) deemed appropriate for the alleged design error(s) issue.

Step 4 Attempt to Resolve Alleged Design Error with Consultant

After the meeting(s) with the consultant have been completed regarding the consultant's alleged design error(s), there are three possible scenarios:

- It is determined via mutual agreement that there is not a consultant design error(s). If this is the case, then the process will not proceed beyond this point.
- It is determined via mutual agreement that a consultant design error(s) occurred. If this is the case, then the Director of Public Works or Agency Engineer, or their representatives, negotiate a settlement with the consultant. The settlement would be paid to the agency or the amount would be reduced from the consultant's agreement with the agency for the services on the project in which the design error took place. The agency is to provide LP, through the Region Local Programs Engineer, a summary of the settlement for review and to make adjustments, if any, as to how the settlement affects federal reimbursements. No further action is required.
- There is not a mutual agreement regarding the alleged consultant design error(s). The consultant may request that the alleged design error(s) issue be forwarded to the Director of Public Works or Agency Engineer for review. If the Director of Public Works or Agency Engineer, after review with their legal counsel, is not able to reach mutual agreement with the consultant, proceed to Step 5.

Step 5 Forward Documents to Local Programs

For federally funded projects, all available information, including costs, should be forwarded through the Region Local Programs Engineer to LP for their review and consultation with the FHWA. LP will meet with representatives of the agency and the consultant to review the alleged design error(s), and attempt to find a resolution to the issue. If necessary, LP will request assistance from the Attorney General's Office for legal interpretation. LP will also identify how the alleged error(s) affects eligibility of project costs for federal reimbursement.

- If mutual agreement is reached, the agency and consultant adjust the scope of work and costs to reflect the agreed upon resolution. LP, in consultation with FHWA, will identify the amount of federal participation in the agreed upon resolution of the issue.
- If mutual agreement is not reached, the agency and consultant may seek settlement by arbitration or by litigation.

Exhibit J
Consultant Claim Procedures

The purpose of this exhibit is to describe a procedure regarding claim(s) on a consultant agreement. The following procedures should only be utilized on consultant claims greater than $1,000. If the consultant's claim(s) total a $1,000 or less, it would not be cost effective to proceed through the outlined steps. It is suggested that the Director of Public Works or Agency Engineer negotiate a fair and reasonable price for the consultant's claim(s) that total $1,000 or less.

This exhibit will outline the procedures to be followed by the consultant and the agency to consider a potential claim by the consultant.

Step 1 Consultant Files a Claim with the Agency Project Manager

If the consultant determines that they were requested to perform additional services that were outside of the agreement's scope of work, they may be entitled to a claim. The first step that must be completed is the request for consideration of the claim to the Agency's project manager.

The consultant's claim must outline the following:

- Summation of hours by classification for each firm that is included in the claim
- Any correspondence that directed the consultant to perform the additional work;
- Timeframe of the additional work that was outside of the project scope;
- Summary of direct labor dollars, overhead costs, profit and reimbursable costs associated with the additional work; and
- Explanation as to why the consultant believes the additional work was outside of the agreement scope of work.

Step 2 Review by Agency Personnel Regarding the Consultant's Claim for Additional Compensation

After the consultant has completed step 1, the next step in the process is to forward the request to the Agency's project manager. The project manager will review the consultant's claim and will met with the Director of Public Works or Agency Engineer to determine if the Agency agrees with the claim. If the FHWA is participating in the project's funding, forward a copy of the consultant's claim and the Agency's recommendation for federal participation in the claim to the WSDOT Local Programs through the Region Local Programs Engineer. If the claim is not eligible for federal participation, payment will need to be from agency funds.

If the Agency project manager, Director of Public Works or Agency Engineer, WSDOT Local Programs (if applicable), and FHWA (if applicable) agree with the consultant's claim, send a request memo, including backup documentation to the consultant to either supplement the agreement, or create a new agreement for the claim. After the request has been approved, the Agency shall write the supplement and/or new agreement and pay the consultant the amount of the claim. Inform the consultant that the final payment for the agreement is subject to audit. No further action in needed regarding the claim procedures.

If the Agency does not agree with the consultant's claim, proceed to step 3 of the procedures.

Step 3 Preparation of Support Documentation Regarding Consultant's Claim(s)

If the Agency does not agree with the consultant's claim, the project manager shall prepare a summary for the Director of Public Works or Agency Engineer that included the following:

- Copy of information supplied by the consultant regarding the claim;
- Agency's summation of hours by classification for each firm that should be included in the claim
- Any correspondence that directed the consultant to perform the additional work;
- Agency's summary of direct labor dollars, overhead costs, profit and reimbursable costs associate with the additional work;
- Explanation regarding those areas in which the Agency does/does not agree with the consultant's claim(s);
- Explanation to describe what has been instituted to preclude future consultant claim(s); and
- Recommendations to resolve the claim.

Step 4 Director of Public Works or Agency Engineer Reviews Consultant Claim and Agency Documentation

The Director of Public Works or Agency Engineer shall review and administratively approve or disapprove the claim, or portions thereof, which may include getting Agency Council or Commission approval (as appropriate to agency dispute resolution procedures). If the project involves federal participation, obtain concurrence from WSDOT Local Programs and FHWA regarding final settlement of the claim. If the claim is not eligible for federal participation, payment will need to be from agency funds.

Step 5 Informing Consultant of Decision Regarding the Claim

The Director of Public Works or Agency Engineer shall notify (in writing) the consultant of their final decision regarding the consultant's claim(s). Include the final dollar amount of the accepted claim(s) and rationale utilized for the decision.

Step 6 Preparation of Supplement or New Agreement for the Consultant's Claim(s)

The agency shall write the supplement and/or new agreement and pay the consultant the amount of the claim. Inform the consultant that the final payment for the agreement is subject to audit

Memorandum

Date: 9/17/2024
Meeting of: City Council

File No. AM No. 24-128
Type: Consent Item

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Planning and Community Development	Carol Helland	425-556-2107

DEPARTMENT STAFF:

Planning and Community Development	Seraphie Allen	Deputy Director
Planning and Community Development	Michael Hintze	Transportation Planning and Engineering Manager
Planning and Community Development	Josh Mueller	Senior Transportation Strategist

TITLE:
Approval of a Consultant Agreement with Fehr & Peers, in the Amount of $160,000, for Support of the Transportation Master Plan Update

OVERVIEW STATEMENT:
The consultant agreement with Fehr & Peers, valued at $160,000, is intended to support City staff with specific elements of the Transportation Master Plan (TMP) update. This update is envisioned as a collaborative effort between the consultant and City staff. Components of the plan not covered by this agreement will be developed either by City staff or other consultants. The scope of work provided by Fehr & Peers will complement the ongoing efforts of City staff in contributing to the completion of the TMP for adoption in 2025.

☒ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information** ☐ **Provide Direction** ☒ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
  - **Redmond 2050, FW-TR-1:** Plan, design, build, operate, and maintain a safe transportation system that advances an equitable, inclusive, sustainable, and resilient community by providing for the mobility and access needs of all.

- **Redmond 2050, FW-TR-2:** Maintain the transportation system in a state of good repair for all users.
- **Redmond 2050, FW-TR-3:** Complete the accessible and active transportation, transit, freight, and street networks identified in the Transportation Master Plan in support of an integrated and connected transportation system.
- **Redmond 2050, FW-TR-4:** Plan, design, build, operate, and maintain a transportation system that supports the City's sustainability principles.
- **Redmond 2050, FW-TR-5:** Influence regional transportation decisions and leverage regional transportation investments in support of Redmond's transportation policy objectives.
- **Redmond 2050, FW-EV-2:** Support policies that contribute to a high quality of life in Redmond, such as career and education opportunities, housing, transportation, and recreation choices, as well as a healthy natural environment.
- **Redmond 2050, FW-LU-2:** Ensure that the land use pattern in Redmond meets the following objectives:
  - Reflects the community values of sustainability, resilience, equity and inclusion;
  - Advances sustainable land development and best management practices and a high-quality natural environment;
  - Promotes development sufficiently away from environmentally critical areas; § Encourages a mix of uses that create complete neighborhoods;
  - Maintains and enhances an extensive system of parks, trails, and open space;
  - Supports and encourages flexible places for a resilient and adaptive economy that includes a mix of research, retail, health, technology, and manufacturing uses;
  - Ensure the siting and delivery of public infrastructure and community services to support preferred land use patterns; and
  - Promotes sufficient density for development patterns and urban design that enable people to readily use a variety of accessible and active forms of travel including but not limited to walking, rolling, bicycling, transit.
- **Redmond 2050, FW-CR-1:** Develop partnerships and programs to rapidly and equitably reduce greenhouse gas emissions and create a thriving, climate resilient community.

- **Required:**
  Council approval is required to award a Consultant Services agreement that exceeds $50,000 (2018 City Resolution 1503)
- **Council Request:**
  The TMP will be adopted by Council in its entirety when complete.
- **Other Key Facts:**
  N/A

OUTCOMES:

Approving this action will keep the city on track to complete the project, which aims to update the Transportation Master Plan (TMP). The TMP is a functional plan that builds on the policies outlined in the Transportation Element of the Comprehensive Plan, Redmond 2050. It will establish more specific policies and strategies for the development, management, and maintenance of Redmond's transportation system in the future.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
  - Capital Projects Ideas Mapping, Spring 2020
  - Routes to Rails Community Engagement Campaign, February-June 2023
  - City of Redmond Parking Questionnaire, March-April 2024
  - Sound Transit 2 Line Opening, April 2024
  - Safer Streets for All (SS4A) Action Plan Community Road Safety Assessment, May 2024
  - Redmond Pedestrian & Bicycle Advisory Committee (PBAC) Transit Open House, May 2024
  - Bike Everywhere Day, May 2024
  - Safer Streets for All (SS4A) Action Plan Staff Road Safety Assessment and Debrief Workshop, May-June 2024
  - Overlake Open Streets Festival, June 2024
  - Derby Days Festival, July 2024
  - Downtown Redmond Open Streets Festival, August 2024
- **Outreach Methods and Results:**
  Surveys, Questionnaires, Listening Sessions, Community Discussions
- **Feedback Summary:**
  - Prioritize access to Downtown, Overlake, and Marymoor Village
  - Build right sized-, cost-effective facilities for people of all ages and abilities
  - Provide multimodal access between neighborhoods
  - Provide first- and last-mile solutions
  - Invest in maintaining the system we have and building new connections
  - Invest in projects, programs, and services that help achieve greenhouse gas reduction targets

BUDGET IMPACT:

Total Cost:
$160,000

Approved in current biennial budget: ☒ **Yes** ☐ **No** ☐ **N/A**

Budget Offer Number:
0000034 - Mobility of People and Goods

Budget Priority:
Vibrant and Connected

Other budget impacts or additional costs: ☐ **Yes** ☐ **No** ☒ **N/A**
If yes, explain:
N/A

Funding source(s):
General Fund

Budget/Funding Constraints:
N/A

☐ **Additional budget details attached**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
9/3/2024	Committee of the Whole - Planning and Public Works	Provide Direction

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:
N/A

ANTICIPATED RESULT IF NOT APPROVED:
If not approved, there will be insufficient staff resources to complete the Transportation Master Plan (TMP) within the established timeline, and to address other transportation planning and programming priorities. Additionally, some analyses, such as greenhouse gas reduction, exceed the capabilities of our current staff.

ATTACHMENTS:
Attachment A - Consultant Services Agreement
Attachment B - Scope of Work

Consultant Services Agreement
[Non-Public Work]

PROJECT TITLE Transporation Master Plan	***EXHIBITS*** ***(List all attached exhibits - Scope of Work, Work Schedule, Payment Schedule, Renewal Options, etc.)*** Exhibit A -- Scope of Work Exhibit B -- Schedule Exhibit C -- Budget
CONTRACTOR Fehr & Peers	***CITY OF REDMOND PROJECT ADMINISTRATOR*** ***(Name, address, phone #)*** City of Redmond Josh Mueller 15670 NE 85th St, Redmond WA 98052 425-556-2461 jmueller@redmond.gov
CONTRACTOR'S CONTACT INFORMATION ***(Name, address, phone #)*** Chris Breiland, PE 601 Union Street, Suite 3525 Seattle, WA 98101 c.breiland@fehrandpeers.com 206.576.4217	***BUDGET OR FUNDING SOURCE*** 100.80900.00410.54313
CONTRACT COMPLETION DATE December 31, 2025	***MAXIMUM AMOUNT PAYABLE*** $160,000.00

THIS AGREEMENT is entered into on _____, 20_ between the City of Redmond, Washington, hereinafter called "the CITY", and the above person, firm or organization, hereinafter called "the CONSULTANT".

WHEREAS, the CITY desires to accomplish the above-referenced project; and

WHEREAS, the CITY does not have sufficient staff or expertise to meet the required commitment and therefore deems it advisable and desirable to engage the assistance of a CONSULTANT to provide the necessary services for the project; and

WHEREAS, the CONSULTANT has represented to the CITY that the CONSULTANT is in compliance with the professional registration statutes of the State of Washington, if applicable, and has signified a willingness to furnish consulting services to the CITY, now, therefore,

IN CONSIDERATION OF the terms and conditions set forth below, or attached and incorporated and made a part hereof, the parties agree as follows:

1. Retention of Consultant - Scope of Work. The CITY hereby retains the CONSULTANT to provide professional services as defined in this agreement and as necessary to accomplish the scope of work attached hereto as Exhibit A and incorporated herein by this reference as if set forth in full. The CONSULTANT shall furnish all services, labor and related equipment necessary to conduct and complete the work, except as specifically noted otherwise in this agreement, and the CONSULTANT will perform its work and services in accordance with the care, skill, and diligence ordinarily exercised by professionals performing similar services in the same or similar locale and under similar circumstances to that of the CONSULTANT under this agreement.

2. Completion of Work. The CONSULTANT shall not begin any work under the terms of this agreement until authorized in writing by the CITY. The CONSULTANT shall complete all work required by this agreement according to the schedule attached as Exhibit B and incorporated herein by this reference as if set forth in full. A failure to complete the work according to the attached schedule, except where such failure is due to circumstances beyond the control of the CONSULTANT, shall be deemed a breach of this agreement. The established completion time shall not be extended because of any delays attributable to the CONSULTANT, but may be extended by the CITY, in the event of a delay attributable to the CITY, or because of unavoidable delays caused by circumstances beyond the control of the CONSULTANT. All such extensions shall be in writing and shall be executed by both parties.

3. Payment. The CONSULTANT shall be paid by the CITY for work and services rendered in accordance with this agreement as provided in Exhibit C, attached hereto and incorporated herein by this reference as if set forth in full. Such payment shall be full compensation for work performed or services rendered and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work specified in the Scope of Work attached. The CONSULTANT shall be entitled to invoice

the CITY no more frequently than once per month during the course of the performance of work and services by the CONSULTANT. Invoices shall detail the work performed or services rendered, the time involved (if compensation is based on an hourly rate) and the amount to be paid. The CITY shall pay all such invoices within 30 days of submittal, unless the CITY gives notice that the invoice is in dispute. In no event shall the total of all invoices paid exceed the maximum amount payable set forth above, if any, and the CONSULTANT agrees to perform all services contemplated by this agreement for no more than said maximum amount.

4. Changes in Work. The CONSULTANT shall make such changes and revisions in the complete work provided by this agreement as may be necessary to correct errors made by the CONSULTANT and appearing therein when required to do so by the CITY. The CONSULTANT shall make such corrective changes and revisions without additional compensation from the CITY. Should the CITY find it desirable for its own purposes to have previously satisfactorily completed work or parts thereof changed or revised, the CONSULTANT shall make such revisions as directed by the CITY. This work shall be considered as Extra Work and will be paid for as provided in Section 5.

5. Extra Work.

A. The CITY may, at any time, by written order, make changes within the general scope of the agreement in the services to be performed. If any such change causes an increase or decrease in the estimated cost of, or the time required for, performance of any part of the work or services under this agreement, whether or not changed by the order, or otherwise affects any other terms or conditions of the agreement, the CITY shall make an equitable adjustment in the (1) maximum amount payable; (2) delivery or completion schedule or both; and (3) other affected terms, and shall modify the agreement accordingly.

B. The CONSULTANT must submit any "proposal for adjustment" under this clause within 30 days from the date of receipt of the written order to make changes. However, if the CITY decides that the facts justify it, the CITY may receive and act upon a proposal submitted before final payment of the agreement.

C. Failure to agree to any adjustment shall be a dispute under the Disputes clause of this agreement, as provided in Section 13. Notwithstanding any such dispute, the CONSULTANT shall proceed with the agreement as changed.

D. Notwithstanding any other provision in this section, the maximum amount payable for this agreement shall not be increased or considered to be increased except by specific written amendment of this agreement.

6. Ownership of Work Product. Any and all documents, drawings, reports, and other work product produced by the CONSULTANT under this agreement shall become the property of the CITY upon payment of the CONSULTANT'S fees and charges therefore. The CITY shall have the complete right to use and re-use such work product in any manner deemed appropriate by the CITY, provided, that use on any project other than that for which the work product is prepared shall be at the CITY'S risk unless such use is agreed to by the CONSULTANT.

7. Independent Contractor. The CONSULTANT is an independent contractor for the performance of services under this agreement. The CITY shall not be liable for, nor obligated to pay to the CONSULTANT, or any employee of the CONSULTANT, sick leave, vacation pay, overtime or any other benefit applicable to employees of the CITY, nor to pay or deduct any social security, income tax, or other tax from the payments made to the CONSULTANT which may arise as an incident of the CONSULTANT performing services for the CITY. The CITY shall not be obligated to pay industrial insurance for the services rendered by the CONSULTANT.

8. Indemnity. The CONSULTANT agrees to hold harmless, indemnify and defend the CITY, its officers, agents, and employees, from and against any and all claims, losses, or liability, for injuries, sickness or death of persons, including employees of the CONSULTANT, or damage to property, arising out of any willful misconduct or negligent act, error, or omission of the CONSULTANT, its officers, agents, subconsultants or employees, in connection with the services required by this agreement, provided, however, that:

A. The CONSULTANT's obligations to indemnify, defend and hold harmless shall not extend to injuries, sickness, death or damage caused by or resulting from the sole willful misconduct or sole negligence of the CITY, its officers, agents or employees; and

B. The CONSULTANT's obligations to indemnify, defend and hold harmless for injuries, sickness, death or damage caused by or resulting from the concurrent negligence or willful misconduct of the CONSULTANT and the CITY, or of the CONSULTANT and a third party other than an officer, agent, subconsultant or employee of the CONSULTANT, shall apply only to the extent of the negligence or willful misconduct of the CONSULTANT.

9. Insurance. The CONSULTANT shall provide the following minimum insurance coverages:

A. Worker's compensation and employer's liability insurance as required by the State of Washington;

B. Commercial general liability insurance in an amount not less than a combined single limit of two million dollars ($2,000,000) for bodily injury, including death, and property damage per occurrence.

C. Professional liability insurance, if commercially available in CONSULTANT's field of expertise, in the amount of two million dollars ($2,000,000) or more against claims arising out of work provided for in this agreement.

The amounts listed above are the minimum deemed necessary by the CITY to protect the CITY'S interests in this matter. The CITY has made no recommendation to the CONSULTANT as to the insurance necessary to protect the CONSULTANT'S interests and any decision by the CONSULTANT to carry or not carry insurance amounts in excess of the above is solely that of the CONSULTANT.

All insurance shall be obtained from an insurance company authorized to do business in the State of Washington. Excepting the professional liability insurance, the CITY will be named on all insurance as an additional insured. The CONSULTANT shall submit a certificate of insurance to the CITY evidencing the coverages specified above, together with an additional insured endorsement naming the CITY, within fifteen (15) days of the execution of this agreement. The additional insured endorsement shall provide that to the extent of the CONSULTANT's negligence, the CONSULTANT's insurance shall be primary and non-contributing as to the City, and any other insurance maintained by the CITY shall be excess and not contributing insurance with respect to the CONSULTANT's insurance. The certificates of insurance shall cover the work specified in or performed under this agreement. No cancellation, reduction or modification of the foregoing policies shall be effective without thirty (30) days prior written notice to the CITY.

10. Records. The CONSULTANT shall keep all records related to this agreement for a period of three years following completion of the work for which the CONSULTANT is retained. The CONSULTANT shall permit any authorized representative of the CITY, and any person authorized by the CITY for audit purposes, to inspect such records at all reasonable times during regular business hours of the CONSULTANT. Upon request, the CONSULTANT will provide the CITY with reproducible copies of any such records. The copies will be provided without cost if required to substantiate any billing of the CONSULTANT, but the CONSULTANT may charge the CITY for copies requested for any other purpose.

11. Notices. All notices required to be given by either party to the other under this Agreement shall be in writing and shall be given in person or by mail to the addresses set forth in the box for the same appearing at the outset of this Agreement. Notice by mail shall be deemed given as of the date the same is deposited in the United States mail, postage prepaid, addressed as provided in this paragraph.

12. Project Administrator. The Project Administrator shall be responsible for coordinating the work of the CONSULTANT, for providing any necessary information for and direction of the CONSULTANT's work in order to ensure that it meets the requirements of this Agreement, and for reviewing, monitoring and approving the quality and quantity of such work. The CONSULTANT shall report to and take any necessary direction from the Project Administrator.

13. Disputes. Any dispute concerning questions of fact in connection with the work not disposed of by agreement between the CONSULTANT and the CITY shall be referred for resolution to a mutually acceptable mediator. The parties shall each be responsible for one-half of the mediator's fees and costs.

14. Termination. The CITY reserves the right to terminate this agreement at any time upon ten (10) days written notice to the CONSULTANT. Any such notice shall be given to the address specified above. In the event that this agreement is terminated by the City other than for fault on the part of the CONSULTANT, a final payment shall be made to the CONSULTANT for all services performed. No payment shall be made for any work completed after ten (10) days following receipt by the CONSULTANT of the notice to terminate. In the event that services of the CONSULTANT are terminated by the CITY for fault on part of the CONSULTANT, the amount to be paid shall be determined by the CITY with consideration given to the actual cost incurred by the CONSULTANT in performing the work to the date of termination, the amount of work originally required which would satisfactorily complete it to date of termination, whether that work is in a form or type which is usable to the CITY at the time of termination, the cost of the CITY of employing another firm to complete the work required, and the time which may be required to do so.

15. Non-Discrimination. The CONSULTANT agrees not to discriminate against any customer, employee or applicant for employment, subcontractor, supplier or materialman, because of race, creed, color, national origin, sex, religion, honorable discharged veteran or military status, familial status, sexual orientation, age, or the presence of any sensory, mental, or physical disability or the use of a trained dog or service animal by a person with a disability, except for a bona fide occupational qualification. The CONSULTANT understands that if it violates this provision, this Agreement may be terminated by the CITY and that the CONSULTANT may be barred from performing any services for the CITY now or in the future.

16. Compliance and Governing Law. The CONSULTANT shall at all times comply with all applicable federal, state, and local laws, rules, ordinances, and regulations. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

17. Subcontracting or Assignment. The CONSULTANT may not assign or subcontract any portion of the services to be provided under this agreement without the express written consent of the CITY. Any sub-consultants approved by the CITY at the outset of this agreement are named on separate Exhibit attached hereto and incorporated herein by this reference as if set forth in full.

18. Non-Waiver. Payment for any part of the work or services by the CITY shall not constitute a waiver by the CITY of any remedies of any type it may have against the CONSULTANT for any breach of the agreement by the CONSULTANT, or for failure of the CONSULTANT to perform work required of it under the agreement by the CITY. Waiver of any right or entitlement under this agreement by the CITY shall not constitute waiver of any other right or entitlement.

19. Litigation. In the event that either party deems it necessary to institute legal action or proceedings to enforce any right or obligation under this agreement, the parties agree that such actions shall be initiated in the Superior Court of the State of Washington, in and for King County. The parties agree that all questions shall be resolved by application of Washington law and that parties to such actions shall have the right of appeal from such decisions of the Superior Court in accordance with the law of the State of Washington. The CONSULTANT hereby consents to the personal jurisdiction of the Superior Court of the State of Washington, in and for King County. The prevailing party in any such litigation shall be entitled to recover its costs, including reasonable attorney's fees, in addition to any other award.

20. Taxes. The CONSULTANT will be solely responsible for the payment of any and all applicable taxes related to the services provided under this agreement and if such taxes are required to be passed through to the CITY by law, the same shall be duly itemized on any billings submitted to the CITY by the CONSULTANT.

21. City Business License. The CONSULTANT has obtained, or agrees to obtain, a business license from the CITY prior to commencing to perform any services under this agreement. The CONSULTANT will maintain the business license in good standing throughout the term of this Agreement.

22. Entire Agreement. This agreement represents the entire integrated agreement between the CITY and the CONSULTANT, superseding all prior negotiations, representations or agreements, written or oral. This agreement may be modified, amended, or added to, only by written instrument properly signed by both parties hereto. These standard terms and conditions set forth above supersede any conflicting terms and conditions on any attached and incorporate exhibit. Where conflicting language exists, the CITY'S terms and conditions shall govern.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

CONSULTANT:

By: _____
Title: _____

CITY OF REDMOND:

_____
Angela Birney, Mayor
DATED: _____

ATTEST/AUTHENTICATED:

_____
City Clerk, City of Redmond

APPROVED AS TO FORM:

_____
Office of the City Attorney

Redmond Transportation Master Plan Scope

Task 1: Project Management and Coordination

We will initiate the project with an email with City staff that will establish communication protocols, clarify Redmond's expectations on deliverables, and highlight schedule milestones or other key points.

We will send monthly invoices and progress reports to document scope progress, budget expenditure, and any issues. In the case of unanticipated issues or scope changes, Marissa will coordinate with City staff to address any concerns.

Task 1 Assumptions:

1. Project team progress calls will be via Teams call
2. City staff will lead the project kick off meeting
3. Consultant will schedule and lead the progress calls and provide agenda topics and action items

Task 1 Deliverables:

1. Monthly invoices and progress reports
2. Attendance at regular, biweekly virtual meetings with agenda topics and action items
3. Schedule for when tasks will be completed and meetings will be held

Task 2: Street System Plan

We will develop a Street System Plan that will define how Redmond will build out a multimodal street network by defining/refining policies and strategies. This plan will present the current state of the transportation network and define how to address streets where many modes converge and where right of way may be limited.

2.1 Network Analysis

This task will provide a baseline understanding of how Redmond's street network functions today and in the future. To achieve this, we will analyze the performance of the following modes:

- Pedestrian (based on the presence of a sidewalk, and pathways and connections to notable trip generators like schools, bus stops, light rail stations, grocery stores, etc.) It is assumed that City staff will conduct this analysis, and hand off the finalized pedestrian network in GIS format.
- Bicycle (based on our team's related work on the city's updated bicycle network; this will include identifying a design that meets LTS expectations while also being mindful of geometric constraints)
- Vehicle (based on an operations assessment of key arterial streets using data from the EIS model runs)
- Freight (reconfirming the primary and truck access streets with city staff)
- Transit (focusing on frequent transit routes)

The City is expected to prepare an existing conditions analysis, but the consultant team will evaluate 2050 conditions with the aim of identifying where there are planned improvements or operational issues that might make it challenging to accommodate all modes on a given street.

As part of the analysis, we will work with city staff to identify potential changes to the current auto corridors and explore updated metrics to evaluate auto performance. At this point, we see potential in updating the current method to one based on the Highway Capacity Manual, leveraging output from the BKRCast model, but final decisions will be made in conjunction with city staff.

2.2 Modal Integration Strategy Development

Using the updated bike network as a starting place, we will review the results of the vehicle corridor speed evaluation, presence of freight and transit traffic, and consider available right of way to identify an integrated multimodal network. To support this network development, we will craft policies and strategies that advance City goals and help to resolve modal network conflicts. Strategies may apply network-wide or be corridor-specific and address modal priority, decision processes, or other approaches that City staff can easily reference when programming capital projects and retrofitting existing streets to achieve City goals and Comprehensive Plan policies.

Task 2 Assumptions:

- City will provide the following data:
    - Sidewalk GIS data
    - Freight corridors in GIS
    - Any available data on street right of way dimensions
    - Speed output data from latest version of the BKRCast model

Task 2 Deliverables:

- Bike Network Dataset supported by the Modal System Integration Strategy - identify the corridors where the installation of the bike facilities require a decision about the reduction of a vehicle LOS and/or significant construction cost.
- Updated set of primary vehicle corridors with associated vehicle LOS results
- Updated set of freight corridors
- Transit corridors
- Integrated Complete Streets network map
- Modal integration policies and strategies

For all Task 2 deliverables, it is assumed there will be three submittals: draft 1 (staff review), draft 2 (Planning Commission/Council review), and final.

Task 3: Transit Strategic Plan

Working with the City staff, we will craft a transit strategic plan for Redmond. Key tasks will include:

- Virtual meeting to discuss the City's thoughts on the East Link Connections restructure
- Transit propensity mapping using census data and Redmond 2050 land use data to identify if there are portions of the city that have substantial gaps in transit service levels given potential transit demand
- Based on the output of Task 2, a revised set of potential transit corridors
- Develop a list of potential transit speed and reliability improvements for future transit corridors
- Identify areas for Metro Flex service

Task 3 Assumptions:

- One virtual workshop with City staff to determine goals for the Transit Strategic Plan.

- City will provide the existing Transit Chapter of the TMP in Word document format for updates.

Task 3 Deliverables:

- Future transit network map
- Technical memo that outlines transit strategies and frames the Transit Chapter of the TMP.

Task 4: Pedestrian Chapter

To support the TMPs Pedestrian Chapter, we will conduct the analyses in the subtasks below.

4.1 Crossing Analysis

We will start this task by gathering data from Redmond on the location of existing "low stress" crosswalks of arterials (we will not evaluate local or connector streets). We will refine the definition of low stress crosswalks, but they are expected to include all signalized crossings, roundabout crossings, and RRFB crossings.

With the data gathered, we will work with City staff to determine a reasonable crossing frequency based on land use and transit presence. Once the frequency is established, we will identify corridor segments that do not meet the crossing frequency. The output will be in a map and table to be reviewed by City staff to identify if any of the missing crossings should be exempted because of technical, land use, environmental, or other constraints.

4.2 Sidewalk Alternatives

Our team will lead a meeting with Redmond staff (transportation, street maintenance, and stormwater) to kick off the task to show solutions for alternative sidewalk design to curb and gutter. This would help the team to get information on the City's ideas and concerns around alternative sidewalk designs in a range of contexts. Toole Design will review current Redmond Policies, Code, and Design Guidance, including Rustic Streets in the Willows/Rose Hill Subarea Zoning Code and neighborhood covenant language, to identify policy support and/or policy code revisions needed for alternative sidewalk implementation and maintenance. Our team will support City staff in developing and defining a decision process for where sidewalk alternatives would be appropriate and applicable. Factors to review may include but not be limited to adjacent land uses, environmentally critical areas, speed, volume, drainage patters/stormwater management, parking/access, or pedestrian demand.

Based on existing conditions of street segments where there are no sidewalks, the team will develop and "test" the decision process for up to 8 sidewalk alternatives scenarios will be evaluated considering PROWAG, level of traffic stress, MUTCD, Redmond and WSDOT standard details and specifications, stormwater code compliance, and regional best practices. A toolkit of solutions that can be applied in may include but not be limited to – shared street, sidewalk on one side, at grade but physically separated/buffered from vehicles, space allocation for pedestrians with pavement markings only, or asphalt path.

Task 4: Assumptions:

The City will provide the following data:

- Street centerline
- Functional classification
- Traffic volume
- Traffic signals
- Lane count*
- Stop signs
- Posted vehicle speed
- Rapid flash beacons*
- Pedestrian crossing island*
- Curb ramps
- Points of interest categorized by destination type (e.g., transit, school, park, shopping)
- Processed and cleaned GIS data for fatal and serious injury crashes over the last 5 years

*The City will take the lead and work with the consultant to develop this data.

Task 4 Deliverables:

- Brief technical memo outlining analysis method for crossing analysis.
- Map of low-stress crossing gaps.
- Database of low-stress crossing gaps categorized by destination type (e.g., transit, school, park, shopping, etc.), and recommended feasible locations for new crossings at up to 20 locations.
- Technical memo describing the sidewalk alternatives including shared streets, summarizing policy recommendations, PROWAG requirements and considerations, and decision process, street typologies where alternative sidewalks may be applicable, photos of a relevant street, conceptual cross section in the format of a design guidance/engineering standard plan (not illustrative).

Task 5: GHG Analysis

The core outcomes of Task 5 will be to determine the baseline VMT conditions and evaluate different scenarios to identify which strategies and transportation projects will provide substantial progress towards reducing per-capita VMT. To identify the most effective recommendations to reduce VMT and GHG emissions, we propose to first conduct a travel market assessment using our team's established VMT+ data. This analysis will identify the key travel markets, such as residents and employees, for trips into and out of Redmond, which will help to identify which trip types would be most affected by VMT reduction strategies and projects.

Following this initial analysis, we will use Redmond's travel demand model to forecast future baseline VMT and mode shares based on the Redmond 2050 preferred land use scenario. This step will emphasize the role that the Redmond 2050 land use strategy has in reducing VMT per capita through increased housing and job density across the city. We will also use industry-standard elasticities and the output of our TDM+ tool to identify the range of GHG emissions reduction benefits that could result from different packages of projects and strategies (e.g., implementation of a connected low-stress bike network, 100% of households within 1/2 of HFT). Strategies that are outside the control of Redmond, but would benefit the city (e.g., regional tolling/congestion pricing, road usage charges, etc.) will also be highlighted, but not analyzed. Note that this task will not calculate future GHG emissions or total GHG emissions reductions, but rather identify the types of projects and strategies that could have the most benefit for Redmond assuming the 2050 land uses are in place.

Given that individual projects and strategies can be difficult to isolate VMT benefits from, we will work with Redmond staff to develop up to three scenarios for evaluation. Scenarios can be defined by implementation timeframe (near, mid- long-term) or associated cost (small, medium, or large-scale).

As an optional task, we could summarize the final recommended GHG reduction strategies in a storymap that could be hosted on the City's website.

Task 5 Assumptions:

- One virtual workshop with City staff to determine applicable VMT reduction strategies.
- Puget Sound Regional Emissions Analysis (PSREA) will be used to understand the impact of state and federal strategies, including EV adoption, on future transportation emissions.

Task 5 Deliverable(s):

- Technical memo summarizing the GHG reduction scenarios and recommended policies
- Optional storymap

Task 6: Facilitation and Communication

Our team will plan to virtually attend up to three City Council meetings. We will work with City staff to identify relevant topics, as well as identify key staff from the team to attend each meeting.

Task 6 Assumptions:

- Our team will work with City staff to identify key participants and meetings.
- City staff will coordinate attendance at City Council meetings.

Task 6 Deliverables:

- Prepare materials and virtually attend up to three City Council meetings

Redmond TMP - Budget

		Fehr & Peers						Toole Design					
Task #	Tasks	Principal in Charge	Project Manager	Senior Planner/ Engineer	Junior Planner/ Engineer	Graphics	Admin	Senior Planner/ Engineer	Junior Planner/ Engineer	Labor Costs	Direct Costs	Task Subtotal	
		$ 380	$ 220	$ 300	$ 145	$ 205	$ 145	$ 274	$ 145				
1	Project Management											**$ 9,940**	
1.1	Project Management	10	20				12			$ 9,940			
2	Street System Plan											**$ 55,334**	
2.1	Network Analysis	8	20		60	8	4	8	60	$ 29,245			includes attendance at up to 1 bi-weekly mtgs for Toole Design
2.2	Modal Integration Strategy Development	6	16		28	8	3	12	75	$ 26,089			includes attendance at up to 4 bi-weekly mtgs for Toole Design
3	Transit Strategic Plan											**$ 17,075**	
3.1	Transit Strategic Plan	4	12	16	36	12	3			$ 17,075			
4	Pedestrian Chapter Support											**$ 29,968**	
4.1	Crossing Analysis	6	16		36	4	3	4	4	$ 13,951			includes attendance at up to 1 bi-weekly mtgs for Toole Design
4.2	Sidewalk Alternatives	2	4		6	2		24	45	$ 16,017	$ 200		includes attendance at up to 4 bi-weekly mtgs for Toole Design
5	GHG Analysis											**$ 25,060**	
5.1	GHG Analysis*	8	24	12	64	16	4			$ 25,060			
6	Facilitation and Communication											**$ 20,290**	
6.1	Facilitation and Communication	16	28		20	12	3	4	8	$ 20,290			
	Labor Total	**60**	**140**	**28**	**250**	**62**	**32**	**52**	**192**	**$ 157,667**			
	Technology and Security Fee**										**$ 1,780**		
	Total (Labor + Expenses)									**$ 159,447**			

Notes:

This fee reflects information known to date, actual costs may change throughout scoping process as needs are identified.

This fee proposal is valid for a period of 90 days from the proposal submittal date.

Actual billing rate at the time of service may vary depending on the final staffing plan at the time the project starts; the overall fee will not be exceeded.

Mileage is billed at the IRS rate plus 10% handling fee.

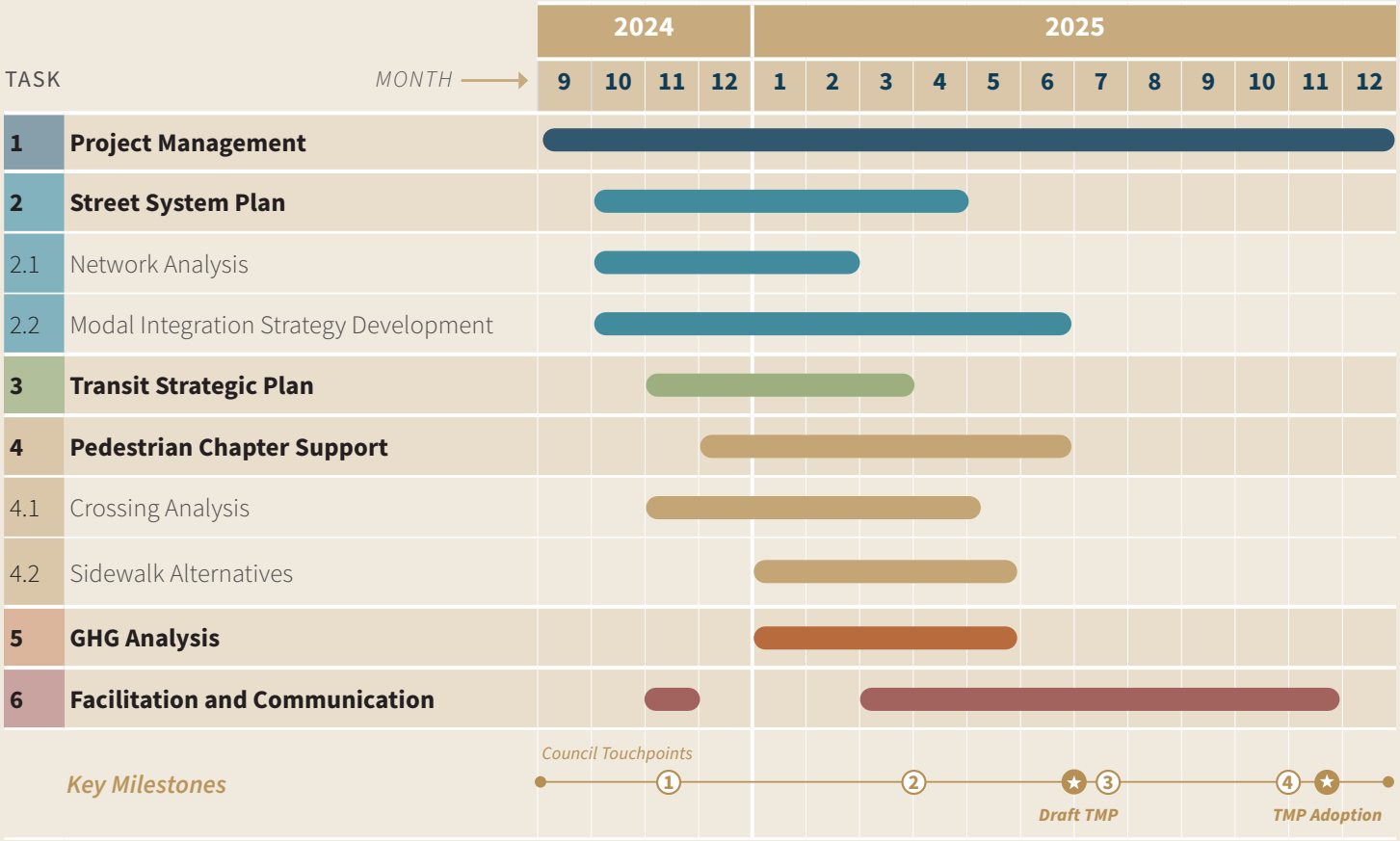
All other direct expenses are billed with 10% handling fee.

**If budget allows, an optional storymap may be included for an additional $10,000 with written approval from City staff.*

***Technology and Security Fee includes expenses related to software, computers, servers, and services to protect data; billed as a percentage of labor.*

Redmond TMP

Project Schedule



List of Deliverables and Tentative Deadlines

Fehr & Peers has a demonstrated track record of being highly responsive to our clients' schedule constraints. Before our projects begin, we analyze and forecast the time and resources needed to complete project deliverables by their scheduled due date. We check in weekly to ensure our projects have the proper staff to meet deadlines and adjust staffing as needed.

In addition to our local professionals, Fehr & Peers has a deep bench of qualified staff (200+ planners and engineers firm-wide) who can assist as needed. Above is our proposed monthly schedule for completing the project within the City's timeline.

Memorandum

Date: 9/17/2024
Meeting of: City Council

File No. AM No. 24-129
Type: Consent Item

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Planning and Community Development	Carol Helland	425-556-2107

DEPARTMENT STAFF:

Planning and Community Development	Seraphie Allen	Deputy Director
Planning and Community Development	Jeff Churchill, AICP	Planning Manager
Planning and Community Development	Ian Lefcourte, AICP	Senior Planner

TITLE:
Approval of Motion to Remove Reversionary Interest from Emma McRedmond Statutory Warranty Correction Deed

OVERVIEW STATEMENT:
City staff recommends that City Council adopt a motion authorizing the release of the deed restriction and reversionary clause contained in the Emma McRedmond Statutory Warranty Correction Deed.

The Deed currently provides that the property is conveyed "to be used solely for multi-family residential dwelling units for low or moderate income persons, aged 62 and Over, and handicapped and said property including all improvements, now or hereafter made to or on said property shall revert to the Grantor, its successor or assigns, in the event said property is used for any other purpose…"

The Emma McRedmond Manor is an existing three-story senior housing project with 32 apartments located in downtown Redmond. Built in 1988, the building is nearly 35 years old and in need of rehabilitation. Funding for the rehabilitation effort was included as part of the Fall 2023 Housing Trust Fund (HTF) Recommendation from A Regional Coalition for Housing (ARCH) Executive Board (Attachment A, page 10). The funding request was approved by all ARCH member jurisdictions as required by the Interlocal Agreement. Redmond City Council approved the funding request during the February 20, 2024 < https://redmond.legistar.com/LegislationDetail.aspx?ID=6515912&GUID=B962E8E3-7B04-4F64-A9EB-DBC33C5F4E73> Business meeting.

The Emma McRedmond Manor rehabilitation effort, a project managed by Catholic Housing Services (CHS), includes a plan to refinance the property using a private lender, Centennial Mortgage, providing a United States Department of Housing and Urban Development (HUD)-backed loan. The HUD-backed loan will be approximately $6 million, and HUD will also extend its $500,000 annual rental assistance contract for a 20-year term. This loan, and companion rental

assistance contract supporting all 32 units, provides an interest rate and rental assistance to maintain long-term affordability for the residents. Through this process, Centennial conducts underwriting and prepares loan documents including a HUD affordability covenant and HUD-approved lender deed of trust, and submits a loan application to HUD. Housing and Urban Development staff then review the application to approve conformance with HUD program guidelines. Specific loan terms and requirements for how the loan is secured are dictated by HUD.
Housing and Urban Development staff have flagged the City's reversionary interest clause in Redmond's pre-existing deed. For the renovation financing transaction, HUD would condition the Centennial loan on the release of Redmond's reversionary interest. The release would be subject to CHS and all its lenders executing and delivering their funding agreements and other loan docs and funds for closing. Among the loan documents would be a new ARCH regulatory agreement that requires the provision of 32 units serving people 55 years and older for a 55-year period.

By removing the reversionary clause in the deed of trust, the rehabilitation project will qualify for the HUD-secured loans, allowing the rehabilitation project to move forward.

☒ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information** ☐ **Provide Direction** ☒ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
  Comprehensive Plan policy HO-4 directs the City to cooperate with A Regional Coalition for Housing (ARCH) to "assess housing needs, create affordable housing opportunities, and coordinate a regional approach to funding and meeting the housing needs of Eastside Communities."
- **Required:**
  City Council action is required to amend the deed.
- **Council Request:**
  N/A
- **Other Key Facts:**
  The Emma McRedmond rehabilitation will not receive the federal funds if the City does not remove the reversionary provision from the deed.

OUTCOMES:

Rehabilitated development will result in 32 one-bedroom units made affordable at 50% of area median income. Thirty-one (31) of the units will receive Section 8 Project-Based Rental Assistance through July 2032.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
  The ARCH HTF is an annual process.
- **Outreach Methods and Results:**
  Opportunity for input through Council review process.
- **Feedback Summary:**

Any feedback provided will be summarized by staff and provided to Council.

BUDGET IMPACT:

Total Cost:
Staff working on this project are funded through the adopted budget.

Approved in current biennial budget: ☐ **Yes** ☐ **No** ☒ **N/A**

Budget Offer Number:
0000037 Housing and Human Services

Budget Priority:
Vibrant and Connected

Other budget impacts or additional costs: ☐ **Yes** ☒ **No** ☐ **N/A**
If yes, explain:
N/A

Funding source(s):
General Fund

Budget/Funding Constraints:
N/A

☐ **Additional budget details attached**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
9/3/2024	Committee of the Whole - Planning and Public Works	Provide Direction

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:
ARCH requests timely approval of the item to ensure funding for the rehabilitation.

ANTICIPATED RESULT IF NOT APPROVED:
If not approved, the rehabilitation will not receive funding from Centennial Mortgage via HUD backed loan.

ATTACHMENTS:
Attachment A: ARCH Fall 2023 Housing Trust Fund (HTF) Recommendation
Attachment B: Emma McRedmond Deed Reversion Provisions

A Regional Coalition for Housing

Celebrating 30 years of bringing cities together to house East King County

Together Center Campus
16305 NE 87th St, Suite 119
Redmond, WA 98052
(425) 861-3677

MEMORANDUM

TO: City of Bellevue Council Members
City of Bothell Council Members
City of Clyde Hill Council Members
Town of Hunts Point Council Members
City of Issaquah Council Members
City of Kenmore Council Members
City of Kirkland Council Members
City of Medina Council Members
City of Mercer Island Council Members
City of Newcastle Council Members
City of Redmond Council Members
City of Sammamish Council Members
City of Woodinville Council Members
Town of Yarrow Point Council Members

FROM: Carol Helland, Chair, ARCH Executive Board

DATE: December 28, 2023

RE: Fall 2023 Housing Trust Fund (HTF) Recommendation

This year ARCH received $12.9 million in funding requests from seven projects proposing an impressive 853 units of affordable housing. After careful deliberation, the ARCH Executive Board concurred with the recommendations of the ARCH Community Advisory Board (CAB), which provide full funding for two projects and partial funding for three projects. Consistent with recent years, the demand for funding far exceeded available resources, with $4.0 million in Trust Fund dollars included in the recommendations, plus an additional $2.1 million committed by the City of Redmond, resulting in $6.1 million in awards.

Over the last three decades, the ARCH Trust Fund has supported over 6,000 units of affordable housing and shelter beds, creating housing access for thousands of families and individuals with limited incomes. This year's recommendations will support 840 more units of housing in an incredible set of projects that meet numerous priorities and needs throughout the region, including:

- Preservation of existing affordable housing
- New transit-oriented development for families and individuals adjacent to future light rail;
- Creation of affordable commercial space for diverse businesses
- Local partnerships to serve diverse populations, including low-income seniors, families and individuals exiting homelessness, persons with intellectual and developmental disabilities, veterans, and households with incomes under 50% of median income

The Trust Fund also continues to bring a high return on local investment, this year leveraging local resources over 15:1, with proposed projects expected to attract roughly $383 million in other funding.

A summary of the recommendations is shown in the table below:

Project ***Applicant***	**City**	**Units**	**ARCH 2023 Request**	**Executive Board Recommendation**
Spring District 120th TOD *BRIDGE*	Bellevue	234	$650,000	$650,000 plus $350,000 previously awarded (total $1M award)
Larus Senior Housing *TWG/Imagine Housing*	Kenmore	175	$3,900,000	$250,000
The Aventine *Low Income Housing Institute*	Bellevue	66	$1,500,000	$600,000
Emma McRedmond Manor *Catholic Housing Services*	Redmond	32	$2,150,000	$500,000 plus $600,000 additional City of Redmond investment (total $1.1M award)
Overlake TOD *Bellwether Housing*	Redmond	333	$3,500,000	$2,000,000 plus $1,500,000 additional City of Redmond investment (total $3.5M award)
Totem Six-Plex *Attain Housing*	Kirkland	6	$750,000	$0
Scattered Sites *Alpha Supportive Living*	Scattered	7	$400,000	$0
Total		853	$12,850,000	$6,100,000 (including $4M plus $2.1M additional City of Redmond funds)

This memo provides a summary of the applications, the Executive Board recommendations and rationales, and proposed contract conditions for the **five** proposals recommended for funding at this time. Also enclosed is an economic summary of the projects recommended for funding.

Attachments:

1. Proposed Funding Sources
2. Project Economic Summaries

Note that bolded text in proposed conditions shows unique conditions in otherwise standard text.

1. BRIDGE Housing – Spring District TOD

2023 Funding Request:	$650,000 (Contingent Loan) 234 Affordable Units
2022 Executive Board Recommendation:	$350,0000 (Contingent loan)
2023 Executive Board Recommendation:	$650,0000 (Contingent loan)
Total Award:	$1,000,000 (Contingent loan)

Project Summary:
The proposed project includes two buildings as part of a larger Master Development on Sound Transit and City of Bellevue owned surplus property in the Spring District. BRIDGE proposes to develop Building 2 (7-story) and Building 6 (6-story) for a total of 234 units and 83 parking spaces (0.35 stalls per unit). Both buildings will be built with Type III construction over Type I concrete construction. The proposed unit mix consists of 86 studios, 75 one-bedroom units, 25 two-bedroom units, and 48 three-bedroom units. In October 2020, Sound Transit (ST) selected a development team led by BRIDGE to master plan and develop a 6.88-acre Sound Transit-owned site in the Spring District of Bellevue, Washington. Essex Residential Trust was the market-rate residential partner and Touchstone was the office partner. Although BRIDGE was successful in securing funding from Amazon, City of Bellevue, A Regional Coalition for Housing (ARCH), and King County for the affordable housing project, the market-rate projects were highly distressed coinciding with a global pandemic, unprecedented construction cost inflation, and a fundamental change in office demand. In December 2022, Essex exited the partnership citing increasing construction and financing costs. On June 2023, after extensive negotiations with Sound Transit and the City of Bellevue, Touchstone and BRIDGE agreed to dissolve the partnership and each developer will independently entitle, finance, and develop their own projects. On August 2023, BRIDGE submitted a revised pre-application to the City of Bellevue. As an independent project with no market-rate involvement, BRIDGE can develop on an accelerated timeline. Should funding be fully committed by public sources during this funding round, BRIDGE can commence construction by November 2024.

BRIDGE applied to HTF for capital funding in the fall of 2022 and was recommended to receive $350,000 and reapply in 2023 for additional capital funding. BRIDGE's request in this application is for an additional $650,000 in capital for a total request of $1,000,000. The Committee is proposing to fund the full amount of the 2023 funding request.

Funding Rationale:
The Executive Board recommends funding with conditions listed below for the following reasons:

- Funding this year's request for additional capital demonstrates continued commitment from ARCH to this priority project that has nearly secured all other sources of leverage.
- The project advances key objectives in the City of Bellevue Affordable Housing Strategy, providing a large amount of low and moderate-income affordable housing units in a strategic location close to jobs and transportation.

- This project leverages significant investments from public and private funding sources, including King County TOD funds which are specifically set aside for the Bel-Red corridor and Amazon housing equity funds structured as a grant and a below market loan product.
- The project takes advantage of surplus public property provided at no cost by Sound Transit and the City and helps deliver additional City goals for development of retail and office.

Proposed Conditions (will supersede conditions from previous award):

Standard Conditions: Refer to list of standard conditions found at end of this memo.

Special Conditions:

1. The funding commitment shall continue for **twelve (12) months** from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to ARCH staff no later than sixty (60) days prior to the expiration date. At that time, the applicant will provide a status report on progress to date and expected schedule for start of construction and project completion. ARCH staff will consider a 12-month extension only based on documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the applicant must demonstrate that all capital funding has been secured or is likely to be secured within a reasonable timeframe.

2. Funds shall be used by the Agency towards **soft costs and construction**. Funds may not be used for any other purpose unless ARCH staff has been given written authorization for the alternate use. Spending of construction contingency must be approved in advance by ARCH. If after the completion of the project there are budget line items with unexpended balances, ARCH and other public funders shall approve adjustments to the project capital sources, including potential reductions in public fund loan balances. ARCH funds not expended prior to permanent loan conversion will be de-obligated.

3. Funds will be in the form of a **deferred, contingent loan**. Loan terms will account for various factors, including loan terms from other fund sources and available cash flow. Agency shall provide final operating proforma and cashflow waterfall for ARCH staff review. Final loan terms shall be determined prior to release of funds and must be approved by ARCH Staff. It is anticipated that loan payments will be based on a set repayment schedule and begin after repayment of the Amazon loan on or before year 20 and deferred developer fee with 1% interest. The terms will also include a provision for the Agency to defer payment if certain conditions are met (e.g., low cash flow due to unexpected costs). Any requested deferment of loan payment is subject to approval by ARCH staff, and any deferred payment would be repaid from future cash flow or at the end of the amortization period.

4. The net developer fee shall be established at the time of finalizing the Contract Budget and will follow the ARCH Net Developer Fee Schedule. Net developer fee is defined as that portion of the developer fee paid out of capital funding sources and does not include the deferred portion which is paid out of cash flow from operations after being placed in service.

5. A covenant is recorded ensuring affordability for at least 55 years, with size and affordability distribution per the following table, and approximately 40 units reserved for persons with

disabilities. Changes may be considered based on reasonable justification as approved by ARCH staff (such as changes to accommodate income averaging across the project or adjusting the number of and unit type for manager units).

Affordability	Studio	1 BR	2 BR	3 BR	Total Units
30%	2	4	1	1	8
50%	24	19	7	14	64
60%	60	52	16	32	160
Total Low-Income Units	86	75	24	47	232
CAUs / Managers	-	-	1	1	2
Total Units	86	75	25	48	234

6. **Agency must submit for ARCH staff approval a management and services plan which includes coordination of services with outside providers for special populations and a statement of resident transportation options.**

7. **Agency shall submit applications to other potential sources of funding, at a minimum including to the State Housing Trust Fund for any available I/DD or other State funding that the project is eligible for.**

8. **On a monthly basis, Agency shall provide ARCH with updates on the following:**
    a. **Status of management and services plan including service partnerships and development on formal MOUs and operating agreements.**
    b. **Status update on negotiations with development partners.**
    c. **Status update on other financing and financing partnerships negotiations.**
    d. **Status update on entitlement and permitting progress.**

9. **Agency shall complete and submit the following deliverables by the dates indicated. Agency may request an extension of individual deadlines, and such extensions shall be considered based on reasonable justification and Agency's continuing efforts to make substantial progress toward each milestone.:**
    a. **January 31, 2024 – Revised term sheet for property acquisition and development approved by Sound Transit**
    b. **January 31, 2024 – Draft Management and Services Plan**
    c. **May 31, 2024 – Final operating or other agreement with services provider(s)**
    d. **June 30, 2024 – Final Purchase and Sale Agreement .**
    e. **Prior to closing- Provide a draft Affirmative Marketing Plan**
    f. **6 months prior to anticipate C of O- Provide a final Affirmative Marketing Plan**

2. TWG and Imagine Housing – Larus Senior Housing

Funding Request: $3,900,000 (Contingent Loan)
175 Affordable Units (including 1 manager unit)

Executive Board Recommendation: $250,000 (Contingent Loan)

Project Summary:
The proposed Larus Senior Apartments is a transit-oriented senior housing development to be developed by TWG Housing in partnership with Imagine Housing. The development team elected to proceed with the same model for Larus as their previous partnership, Ardea at Totem Lake, by serving seniors and inviting Imagine Housing to be the non-profit development partner and service provider.

The project will consist of 175 units of affordable housing with a mix of studios and 1-bedroom units with affordability levels at 40% AMI, 50% AMI, and 60% AMI. Located within ¼ mile from the Kenmore Park & Ride and future Sound Transit BRT station, the project will aim to take advantage of future transportation options for its residents. In addition to its close proximity to the Kenmore transit hub, Larus Senior Apartments benefits from local groceries, shopping, and services within ¼ mile walking distance.

Funding Rationale:
The Executive Board recommends funding with conditions listed below for the following reasons:

- The project is strategically located near a future transit facility and close to amenities and services.
- The project advances the City's affordable housing priorities by providing much needed low-income housing for seniors in the area.
- This project leverages significant investments from public and private funding sources, including King County TOD funds and Amazon Housing Equity funds.
- The project is taking advantage of the Washington State Housing Finance Commission's Land Acquisition Program, which is a long-term, patient capital program. As such the project will be able to take the time needed to assembling full financing for the development.

Proposed Conditions:

Standard Conditions: Refer to list of standard conditions found at end of this memo.

Special Conditions:

1. The funding commitment shall continue for **thirty-six (36) months** from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to ARCH staff no later than sixty (60) days prior to the expiration date. At that time, the applicant will provide a status report on progress to date and expected schedule for start of construction and project completion. ARCH staff will consider a 12-month extension only based on documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the applicant must

demonstrate that all capital funding has been secured or is likely to be secured within a reasonable timeframe.

2. Funds shall be used by the Agency towards **acquisition, construction, soft costs, financing, capitalized reserves, and other development costs**. Funds may not be used for any other purpose unless ARCH staff has given written authorization for the alternate use. Spending of construction contingency must be approved in advance by ARCH. If after the completion of the project there are budget line items with unexpended balances, ARCH and other public funders shall approve adjustments to the project capital sources, including potential reductions in public fund loan balances.

3. Funds will be in the form of a **deferred, contingent loan**. Loan terms will account for various factors, including loan terms from other fund sources and available cash flow. Final loan terms shall be determined prior to release of funds and must be approved by ARCH Staff. It is anticipated that loan payments will be based on a set repayment schedule and begin after repayment of deferred developer fee with 1% interest. The terms will also include a provision for the Agency to defer payments if certain conditions are met (e.g., low cash flow due to unexpected costs). Any requested deferment of loan payment is subject to approval by ARCH Staff, and any deferred payment would be repaid from future cash flow or at the end of the amortization period.

4. The net developer fee shall be established at the time of finalizing the Contract Budget and will follow the ARCH Net Developer Fee Schedule. Net developer fee is defined as that portion of the developer fee paid out of capital funding sources and does not include the deferred portion which is paid out of cash flow from operations after being placed in service.

5. A covenant is recorded ensuring affordability for seniors for at least 55 years, with size and affordability distribution per the following table. Changes may be considered based on reasonable justification as approved by ARCH staff (such as changes to accommodate income averaging across the project).

Affordability	**Studio**	**1 BR**	**Total Units**
40%	10	-	10
50%	67	46	113
60%	28	24	52
Total	105	70	**175**

6. **The final loan amount shall be up to $250,000, subject to approval by ARCH staff based on a documented funding gap. ARCH reserves the right to reduce its total loan amount based on changes to the project sources and uses, and unit mix.**

7. **Agency shall provide ARCH with quarterly updates on status of MOUs with partners and other funding sources.**

8. Agency shall provide a sustainability plan which details eco-friendly materials, transportation options and partnerships which would benefit the project's eco-sustainability, such as EV stations.

3. LIHI – The Aventine

Funding Request: $1,500,00 (Contingent Loan)
66 Affordable Units

Executive Board Recommendation: $600,000 (Contingent Loan)

Project Summary:
The Aventine is an existing 5-story, 68-unit apartment community with 69 underground parking spaces located in downtown Bellevue. Currently over half the residents are low-income (below 80% AMI). LIHI is proposing to purchase the Aventine to preserve and make all the housing units affordable for households at 30%, 50% and 80% of area median income. The project intends to house low wage workers, disabled households, and households exiting homelessness. A total of 10 units will be set aside for households with members that have physical disabilities. The building is ADA accessible and additional units will be made accessible if needed. LIHI is proposing 22 of the 66 units be for households exiting homelessness (33% of the total units in the property), including families and veterans exiting homelessness.

The current owners, who previously obtained funding through Microsoft's affordable housing initiative and maintained a set-aside of units at 80% AMI, put the property on the market for sale in 2023 and five for-profit developers submitted bids to convert it to market rate housing, losing the existing affordable units. Fortunately, LIHI was selected as the buyer and has signed a PSA with the seller. Funding from the City of Bellevue and ARCH will allow for the long-term preservation of affordable housing in downtown Bellevue and avoid the displacement of the existing residents.

LIHI's planned acquisition and rehabilitation includes the conversion of two rental units into a case manager's offices to provide on-site service to residents leaving 66 affordable rental units. Additionally, minor refreshing of the building interiors will be completed.

Funding Rationale:

The Executive Board recommends funding with conditions listed below for the following reasons:

- The application proposes housing that meets the City of Bellevue's priorities for its Housing Stability Program Funding; providing housing for households earning below 30% of median income, addressing and prevent homelessness and housing instability, and focusing on underserved, vulnerable residents in Bellevue (e.g., homeless families with children and other eligible populations).
- The property provides 22 units for households exiting homelessness, including both two-bedroom units for families. Further, the proposed project will have 10 units set-aside for veterans and an additional 10 for people with physical disabilities.

- Funding an acquisition brings affordable units online and into the Bellevue portfolio much more quickly than funding new construction. Conservatively, the Aventine will bring affordable units online 18-24 months sooner than a similar new construction.
- The acquisition of the property will mitigate displacement of existing renters who are living in units previously advertised as affordable, workforce units.

Proposed Conditions:

Standard Conditions: Refer to list of standard conditions found at end of this memo.

Special Conditions:

1. The funding commitment shall continue for **twelve (12) months** from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested from ARCH staff no later than sixty (60) days prior to the expiration date. At that time, the applicant will provide a status report on progress to date and expected schedule for start of construction and project completion. ARCH staff will consider a 12-month extension based on documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the applicant must demonstrate that all capital funding has been secured or is likely to be secured within a reasonable timeframe.

   Funds shall be used by the Agency towards **acquisition, construction, soft costs, financing, capitalized reserves and other development costs**. Funds may not be used for any other purpose unless ARCH staff has given written authorization for the alternate use. Spending of furnishings, fixtures, and equipment, rehab, remediation and construction contingency must be approved in advance by ARCH. If after the completion of the project there are budget line items with unexpended balances, ARCH and other public funders shall approve adjustments to the project capital sources, including potential reductions in public fund loan balances. Funds not expended at the end of the construction period will be de-obligated.

2. Funds will be in the form of a **deferred, contingent loan**. Loan terms will account for various factors, including loan terms from other fund sources and available cash flow. Final loan terms shall be determined prior to release of funds and must be approved by ARCH Staff. It is anticipated that loan payments will be based on a set repayment schedule and begin after repayment of deferred developer fee with 1% interest. The terms will also include a provision for the Agency to defer payments if certain conditions are met (e.g., low cash flow due to unexpected costs). Any requested deferment of loan payment is subject to approval by ARCH Staff, and any deferred payment would be repaid from future cash flow or at the end of the amortization period.

3. The net developer fee shall be established at the time of finalizing the Contract Budget and will follow the ARCH Net Developer Fee Schedule. Net developer fee is defined as that portion of the developer fee paid out of capital funding sources and does not include the deferred portion which is paid out of cash flow from operations after being placed in service.

4. A covenant is recorded ensuring affordability for at least 55 years, with size and affordability distribution per the following table, including approximately **22 units for households exiting homelessness**. Changes may be considered based on reasonable justification as approved by ARCH staff (such as changes to accommodate income averaging across the project).

Affordability	Studio	1 BR	2 BR	Total Units
30%	5	5	2	12
50%	10	10	-	20
60%	15	4	-	19
80%	9	6	-	15
Total	39	25	2	66

5. **Agency must submit for ARCH staff approval a management, affirmative marketing, and services plans.**

6. **On a monthly basis, Agency shall provide ARCH with updates on the following:**
    a. **Status of management and services plan including service partnerships and development on formal MOUs and operating agreements.**
    b. **Status update on other financing and financing partnerships negotiations.**
    c. **Agency will provide a Capital Needs Assessment (CNA) for staff review and approval.**

4. Catholic Housing Services (CHS) – Emma McRedmond Manor

Funding Request:	$2,150,000 (Contingent Loan) 32 Affordable Units (including 1 manager unit)
Executive Board Recommendation:	$500,000 (Contingent Loan)
Additional City Investment via ARCH Housing Trust Fund:	$600,000 (Contingent Loan)
Total Award:	$1,100,000 (Contingent Loan)

Project Summary:
Emma McRedmond Manor is an existing three-story senior housing project with 32 apartments located in downtown Redmond. Built in 1988, the building is nearly 35 years old and has yet to be substantially rehabilitated, other than re-cladding and window replacement performed in 2010. CHS is proposing a substantial renovation to improve the building's energy efficiency and extend the remaining useful life of the structure by approximately 20 years. The scope of work consists of upgrades to the building exterior, building systems (plumbing and mechanical), common areas, units, and landscaping/site work. In addition, the project will convert one manager's unit to an affordable unit, resulting in 32 1BR units affordable at 50% AMI, of which 31 will receive Section 8 Project-Based Rental Assistance through July 2032. The proposal includes financing under the HUD 221 program (Mortgage Insurance for Rental or

Cooperative Housing). The program provides insurance on mortgages that support new construction or substantial rehabilitation of multifamily rental or cooperative housing for moderate-income families, elderly households, and disabled households.

Funding Rationale:

The Executive Board recommends funding with conditions listed below for the following reasons:

- The project preserves much-needed housing for low-income seniors and persons with disabilities in a very desirable, amenity-rich area of East King County.
- The project preserves valuable ongoing HUD support in the form of grant funding for the Resident Services Coordinator and Section 8 Project-Based Rental Assistance.
- The project is permit ready and has a HUD Section 221(d)(4) loan already committed, with additional funds leveraged from King County.
- The City of Redmond has indicated its willingness to allocate $600,000 in funding that will help close the project's funding gap.

Proposed Conditions:

Standard Conditions: Refer to list of standard conditions found at end of this memo.

Special Conditions:

1. The funding commitment shall continue for **twelve (12) months** from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested from ARCH staff no later than sixty (60) days prior to the expiration date. At that time, the applicant will provide a status report on progress to date and expected schedule for start of construction and project completion. ARCH staff will consider a 12-month extension based on documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the applicant must demonstrate that all capital funding has been secured or is likely to be secured within a reasonable timeframe.

2. Funds will be in the form of a **deferred, contingent loan**. Loan terms will account for various factors, including loan terms from other fund sources and available cash flow. Final loan terms shall be determined prior to release of funds and must be approved by ARCH Staff. It is anticipated that loan payments will be based on a set repayment schedule and begin after repayment of deferred developer fee with 1% interest. The terms will also include a provision for the Agency to defer payments if certain conditions are met (e.g., low cash flow due to unexpected costs). Any requested deferment of loan payment is subject to approval by ARCH Staff, and any deferred payment would be repaid from future cash flow or at the end of the amortization period.

3. Funds shall be used by the Agency towards **acquisition, construction, soft costs, financing, capitalized reserves, and other development costs**. Funds may not be used for any other purpose unless ARCH staff provides written authorization for the alternate use. Spending of furnishings, fixtures, and equipment, rehab, remediation, and construction contingency must be approved in advance by ARCH. If - after the completion of the project - there are budget line

items with unexpended balances, ARCH and other public funders shall approve adjustments to the project capital sources, including potential reductions in public fund loan balances. Funds not expended at the end of the construction period will be de-obligated.

4. The net developer fee shall be established at the time of finalizing the Contract Budget and will follow the ARCH Net Developer Fee Schedule. Net developer fee is defined as that portion of the developer fee paid out of capital funding sources and does not include the deferred portion which is paid out of cash flow from operations after being placed in service.

5. A covenant is recorded ensuring affordability for seniors for at least 55 years, with size and affordability distribution per the following table. Changes may be considered based on reasonable justification as approved by ARCH staff

Affordability	1BR	Total
50%	32	32
Total	32	32

6. **Agency must submit for ARCH staff approval of management, affirmative marketing, and services plans.**

7. **Agency shall submit updates to ARCH regarding other potential funders, including HUD and King County.**

8. **Agency shall provide an updated Project Architectural and Cost Analysis Report and updated development budget, both of which are HUD approved, prior to commencement of construction.**

5. Bellwether Housing – Overlake TOD

Funding Request:	$3,500,000 (Contingent Loan) 333 Affordable Units (including 3 manager units)
Executive Board Recommendation:	$2,000,000 (Contingent Loan)
Additional City Investment via ARCH Housing Trust Fund:	$1,500,000 (Contingent Loan)
Total Award:	$3,500,000 (Contingent Loan)

Project Summary:
Bellwether Overlake Apartments is located in the Overlake Village neighborhood of Redmond directly across from the future Overlake Village light rail station. The project will provide 333 homes for low- to moderate-income households (30-80% AMI), including set-asides and services specific to people living with physical, intellectual and developmental disabilities (IDD), and much-needed two- and three-

bedroom family-sized units, achieving an average of 50% AMI across the site. The project is located on Sound Transit surplus property.

In collaboration with a coalition of nonprofit partners and the City of Redmond, the ground floor commercial spaces will incorporate small business incubation, non-profit organizational support, culturally informed community services, and services provided by the City of Redmond. An adjacent open space parcel will complement the ground floor uses and potentially consist of a food truck corral, food garden, cultural night markets. Programming of the adjacent open space will be provided by the community partners in the project for the benefit of the community.

Services for the project residents will be provided primarily by Hopelink, a service provider who has served homeless and low-income families, children, seniors, and people with disabilities on the Eastside since 1971. In addition, SAILS Washington, a DDA-contracted service provider, will provide supported living services for the project's ten IDD residents.

The project will be financed with a combination of public and private financing sources, including but not limited to 4% Low Income Housing Tax Credits, Amazon Housing Equity Fund, Evergreen Impact Housing Fund, senior private lender loan, ARCH funds, King County TOD fund, and the State Housing Trust Fund.

Funding Rationale:
The Executive Board recommends funding this application for the following reasons:

- Funding this year's request for additional capital demonstrates continued commitment from ARCH to this priority project and will allow the project to secure other sources of leverage.
- The project advances key objectives in the City of Redmond Affordable Housing Strategy, providing a large amount of low and moderate-income affordable housing units in a strategic location close to jobs and transportation.
- This project leverages significant investments from public and private funding sources, including King County TOD funds which are specifically set aside for the Overlake TOD and Amazon housing equity funds structured as a grant and a below market loan product.
- The project takes advantage of surplus public property provided at no cost by Sound Transit and the City and helps deliver additional City goals for development of retail and office.
- The project will provide a significant number of units affordable to very low-, low- and moderate-income households, as well as IDD units, within a high-opportunity area near good jobs, various transportation options, and other public and private amenities.
- The project is a priority for the City of Redmond, which has indicated a willingness to invest additional funding to move the project forward.

Proposed Conditions:

Standard Conditions: Refer to list of standard conditions found at end of this memo.

Special Conditions:

1. The funding commitment shall continue for **twenty-four (24) months** from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be

requested from ARCH staff no later than sixty (60) days prior to the expiration date. At that time, the applicant will provide a status report on progress to date and expected schedule for start of construction and project completion. ARCH staff will consider a 12-month extension based on documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the applicant must demonstrate that all capital funding has been secured or is likely to be secured within a reasonable timeframe.

2. Funds shall be used by the Agency towards **construction, soft costs, financing, capitalized reserves, and other development costs**. Funds may not be used for any other purpose unless ARCH staff has given written authorization for the alternate use. Spending of furnishings, fixtures, and equipment, rehab, remediation, and construction contingency must be approved in advance by ARCH. If after the completion of the project there are budget line items with unexpended balances, ARCH and other public funders shall approve adjustments to the project capital sources, including potential reductions in public fund loan balances. If funds are not expended at the end of the construction period, will be de-obligated.

3. Funds will be in the form of a **deferred, contingent loan**. Loan terms will account for various factors, including loan terms from other fund sources and available cash flow. Final loan terms shall be determined prior to release of funds and must be approved by ARCH Staff. It is anticipated that loan payments will be based on a set repayment schedule and begin after repayment of deferred developer fee with 1% interest. The terms will also include a provision for the Agency to defer a payment if certain conditions are met (e.g., low cash flow due to unexpected costs). Any requested deferment of loan payment is subject to approval by ARCH Staff, and any deferred payment would be repaid from future cash flow or at the end of the amortization period.

4. The net developer fee shall be established at the time of finalizing the Contract Budget and will follow the ARCH Net Developer Fee Schedule. Net developer fee is defined as that portion of the developer fee paid out of capital funding sources and does not include the deferred portion which is paid out of cash flow from operations after being placed in service.

7. A covenant is recorded ensuring affordability for at least 55 years, with size and affordability distribution per the following table, including approximately **ten units set-aside for people with disabilities**. Changes may be considered based on reasonable justification as approved by ARCH staff (such as changes to accommodate income averaging across the project).

Affordability	Studio	1 BR	2 BR	3 BR	Total
30%	25	15	10	5	55
50%	30	130	48	33	241
80%	5	8	11	13	37
Total	60	153	69	51	333

5. **Agency must submit for ARCH staff approval a management, affirmative marketing, and services plan.**

6. **On a monthly basis, Agency shall provide ARCH with updates on the following:**
    a. **Status of management and services plan including service partnerships and development on formal MOUs and operating agreements.**
    b. **Status update on other financing and financing partnerships negotiations.**
    c. **Updates on commercial leases and partnerships with commercial tenants including operating budgets and development budgets including tenant's prorate share of costs and expenses within the overall budget.**

6. Attain Housing – Totem Six Plex

Funding Request: $750,000 (Secured Grant)
6 Affordable Units

Executive Board Recommendation: $0

Project Summary:
The proposed project is the new construction of a three-story structure with six two-bedroom units of transitional housing for homeless families earning up to 30% of area median income (AMI). The property currently contains an existing four-plex building owned and managed by Attain Housing. Attain also manages the four plex on the lot next to the proposed construction site. The proposed new building will sit on what is currently a lawn between the two four plex buildings. The project represents an expansion of existing programs operated by Attain, with overall capacity growing from 8 to 14 units across the three buildings.

Funding Rationale:
The Executive Board supports the concept of the Attain Housing proposal but does not recommend funding at this time. The Executive Board would welcome an application in a future round so that Attain Housing can address the issues identified below:

- ARCH awarded funds for technical assistance in the previous funding round to assist with a variety of tasks. These funds have not yet been utilized and the application submitted in 2023 was unchanged from the previous year. Prior to a new application, Attain is encouraged to address the following:
    - Secure project management capacity, including recommended engagement of a development consultant who will assist with the financing and project management of the project through construction completion.
    - Further develop building design, permitting, siting and parking in conformance with zoning requirements.
    - Pursue and obtain funding commitments of other public funding sources and make progress on the needed capital campaign.
    - Further development of development budgets and operating budgets based on current construction market and industry conditions.

- Development of a project schedule consistent with the proposed funding and local permitting requirements.
- Further evaluate the long-term strategy for funding supportive services for transitional housing.

7. Inclusion Housing – Scattered Sites

Funding Request: $400,000 (Secured Grant)
7 Affordable Beds

Executive Board Recommendation: $0

Project Summary:
The proposed project will serve individuals with Intellectual and Developmental Disabilities (IDD) in King County where there is a large demand for Supported Living services and affordable, stable housing. The acquisition includes the purchase of a total of six homes. ARCH's funding, (in conjunction with State and other local sources) will only be used for the Alpha SLS South Branch and the Children's IHS Homes, described below. Inclusion is proposing the purchase of the other four homes utilizing other local and State sources of funding.

The Alpha SLS South Branch is proposed to be a 3-bedroom home located in around the Kirkland/Redmond area that will serve three adults with developmental disabilities receiving Supported Living services from Alpha. The Children's IHS Home is proposed to be a 4-bedroom home located around the Bothell/Kenmore/Woodinville area that will serve children with developmental disabilities between the age of 11 and 20. Alpha will provide residential services through the DDA Intensive Habilitation Services program. The fourth bedroom must be used as an agency office to provide the required in-home oversight.

Funding Rationale:
The Executive Board supports the intent of the Inclusion Housing proposal but does not recommend funding at this time for the reasons described below:

- In 2023, the ARCH Trust Fund is significantly oversubscribed and CAB was not able to meet the needs of all the requests. It is anticipated that the State will be able to provide additional funding to this project to help fill its funding gap and proceed without ARCH funding.

Standard Conditions: (will apply to all projects)

1. Agency shall provide revised development and operating budgets based upon actual funding commitments, which must be approved by ARCH staff. If the Agency is unable to adhere to the budgets, ARCH must be immediately notified and (a) new budget(s) shall be submitted by the Agency for ARCH's approval. ARCH shall not unreasonably withhold its approval to (a) revised budget(s), so long as such new budget(s) does not materially adversely change the Project. This shall be a continuing obligation of the Agency. Failure to adhere to the budgets, either original or as amended may result in withdrawal of ARCH's commitment of funds.

2. Agency shall submit evidence of funding commitments from all proposed sources. In the event commitment of funds identified in the application cannot be secured in the timeframe identified in the application, the Agency shall immediately notify ARCH, and describe the actions it will undertake to secure alternative funding and the timing of those actions subject to ARCH review and approval.

3. In the event federal funds are used, and to the extent applicable, federal guidelines must be met, including but not limited to the following: contractor solicitation, bidding, and selection; wage rates; and Endangered Species Act (ESA) requirements. CDBG funds may not be used to refinance acquisition costs.

4. Agency shall maintain documentation of any necessary land use approvals and permits required by the city in which the project is located.

5. Agency shall submit quarterly monitoring reports through completion of the project, and annually thereafter, and shall submit a final budget upon project completion. If applicable, Agency shall submit initial tenant information as required by ARCH.

6. Agency shall maintain the project in good and habitable condition for the duration of the period of affordability. Changes to the unit and affordability mix can are subject to change with Staff approval.

7. ARCH, through its Administrative Agency, may negotiate, approve, execute, and record amendments or releases of any ARCH loan documents as may be needed for the project; provided the project still provides the anticipated affordable housing and there is sufficient collateral to secure the members' financial investment, all as determined by ARCH staff.

Attachment 1: Proposed Funding Sources

PROJECTS RECOMMENDED FOR 2023 FUNDING

	Spring District TOD	Larus	Aventine	Emma McRedmond Manor	Overlake TOD	2023 Recommended Funds
Bellevue	224,100	86,200	206,900	172,300	689,700	1,379,200
Bothell	23,700	9,100	21,900	18,200	72,900	145,800
Clyde Hill	3,500	1,400	3,300	2,700	10,900	21,800
Hunts Point	1,500	600	1,300	1,100	4,500	9,000
Issaquah	80,800	31,100	74,500	62,100	248,500	497,000
Kenmore	3,600	1,400	3,400	2,800	11,200	22,400
Kirkland	97,900	37,600	90,300	75,300	301,100	602,200
Medina	4,100	1,600	3,800	3,200	12,600	25,300
Mercer Island	7,900	3,000	7,300	6,100	24,300	48,600
Newcastle	3,100	1,200	2,900	2,400	9,600	19,200
Redmond	155,200	59,700	143,300	119,400	477,600	955,200
Sammamish	21,800	8,400	20,100	16,800	67,100	134,200
Woodinville	21,400	8,200	19,700	16,500	65,800	131,600
Yarrow Point	1,400	500	1,300	1,100	4,200	8,500
Local Funds	**650,000**	**250,000**	**600,000**	**500,000**	**2,000,000**	**4,000,000**
Redmond Add'l				**600,000**	**1,500,000**	**2,100,000**
2023 ARCH Awards	**650,000**	**250,000**	**600,000**	**1,100,000**	**3,500,000**	**6,100,000**
Prior 2022 Award	**350,000**					**350,000**
Award Totals	**1,000,000**	**250,000**	**600,000**	**1,100,000**	**3,500,000**	**6,450,000**

Attachment 2: Project Economic Summaries

Applicant: BRIDGE Housing
Project Name: Spring District TOD
Location: 1601 120th Avenue NE, Bellevue, WA
Project Description: New construction of Buildings 2 and 6, which consist of 235 permanently affordable units at 30%-60% AMI.

Project Sources	Amount	Status
Low Income Housing Tax Credits (4%)	$62,318,118	Proposed
Amazon Housing Equity Fund - Loan	$22,100,000	Committed
Amazon Housing Equity Fund - Grant	$3,750,000	Committed
City of Bellevue	$6,500,000	Proposed
ARCH	$1,000,000	Proposed
King County TOD	$10,000,000	Proposed
State Dept. of Commerce HTF	$8,000,000	Proposed
BRIDGE General Partner Equity	$6,792,535	Committed
Deferred Developer Fee	$1,750,000	Committed
Perm Loan	$16,215,207	Proposed
Total Sources	**$138,425,860**	

Project Uses	Amount	Per Unit	Per SF
Acquisition Costs	$70,000	$298	$0.31
Construction	$97,012,064	$412,817	$432.68
Soft Costs	$18,806,285	$80,027	$83.88
Pre-Development / Bridge Financing	$26,958	$115	$0.12
Construction Financing	$11,223,605	$47,760	$50.06
Permanent Financing	$805,615	$3,428	$3.59
Capitalized Reserves	$1,053,598	$4,483	$4.70
Other Development Costs	$9,267,735	$39,437	$41.34
Bond Related Costs	$160,000	$681	$0.71
Total Uses	**$138,425,860**	**$589,046**	**$617.39**

Applicant: TWG and Imagine Housing
Project Name: Larus Senior Housing
Location: 7520 NE Bothell Way, Kenmore, WA
Project Description: 175 units of affordable housing for seniors (62+) at 40%, 50% and 60% AMI

Project Sources	Amount	Status
ARCH	$3,900,000	Proposed
King County TOD	$4,980,000	Proposed
Amazon Housing Equity Fund	$15,200,000	Proposed
Deferred Developer Fee	$3,829,635	Proposed
Federal Energy Equity	$153,000	Proposed
Low Income Housing Tax Credits (4%)	$21,872,953	Proposed
Perm Loan	$16,350,000	Proposed
City/CHIP	550,000	Proposed
Total Sources	**$66,835,588**	

Project Uses	Amount	Per Unit	Per SF
Acquisition Costs:	$4,506,827	$25,753	$35.47
Construction:	$46,583,103	$266,189	$366.60
Soft Costs:	$8,980,017	$51,314	$70.67
Pre-Development / Bridge Financing	$539,128	$3,081	$4.24
Construction Financing	$3,335,814	$19,062	$26.25
Permanent Financing	$375,379	$2,145	$2.95
Capitalized Reserves	$765,750	$4,376	$6.03
Other Development Costs	$1,366,444	$7,808	$10.75
Bond Related Costs	$383,126	$2,189	$3.02
Total Uses	**$66,835,588**	**$381,918**	**$525.98**

Applicant: Low Income Housing Institute (LIHI)
Project Name: The Aventine
Location: 211 112th Ave NE, Bellevue WA
Project Description: Renovation and acquisition of an existing 5-story, 68-unit apartment community for the preservation of housing for households at 30%, 50% and 80% AMI

Project Sources	Amount	Status
City of Bellevue	$8,500,000	Proposed
ARCH	$1,500,000	Proposed
State HTF	$5,000,000	Proposed
King County	$5,000,000	Proposed
WSHFC 501(C)3	$13,000,000	Proposed
Total Sources	**$33,000,000**	

Project Uses	Amount	Per Bed	Per SF
Acquisition Costs	$29,300,000	$430,882	$751.09
Construction	$1,220,400	$17,947	$31.28
Soft Costs	$915,800	$13,468	$23.48
Pre-Development / Bridge Financing	$750,000	$11,029	$19.23
Permanent Financing	$150,000	$2,206	$3.85
Capitalized Reserves	$273,800	$4,026	$7.02
Other Development Costs	$390,000	$5,735	$10.00
Total Uses	**$33,000,000**	**$485,294**	**$845.94**

Applicant: Catholic Housing Services of Western Washington (CHS)
Project Name: Emma McRedmond Manor
Location: 7960 169th Ave NE, Redmond, WA 98052
Project Description: Rehabilitation of an existing three-story senior housing project with 32 apartments for seniors up to 50% AMI.

Project Sources	Amount	Status
HUD	$6,288,200	Proposed
ARCH HTF	$1,100,000	Proposed
Sponsor (existing reserves)	$306,738	Proposed
King County	$1,150,000	Proposed
Deferred Developer Fee	$250,000	Committed
Total Sources	**$9,094,938**	

Project Uses	Amount	Per Home	Per SF
Acquisition Costs	$667,507	$20,860	$16.28
Construction	$7,146,312	$223,322	$174.29
Soft Costs	$441,850	$13,808	$10.78
Construction Financing	$272,489	$8,515	$6.65
Permanent Financing	$253,644	$7,926	$6.19
Capitalized Reserves	$64,000	$2,000	$1.56
Other Development Costs	$249,136	$7,786	$3.41
Total Uses	**$9,094,938**	**$284,217**	**$219.26**

Applicant: Bellwether
Project Name: Overlake TOD
Location: 15218 NE Shen Street, Redmond, WA
Project Description: New construction of 333 homes for low- to moderate-income households (30-80% AMI), including set-asides and services specific to people living with physical, intellectual and developmental disabilities (IDD).

Residential Project Sources	**Amount Total**	**Amount per Unit**
4% LIHTC Equity	$ 67,588,520	$2,048,137
Senior Private Lender Loan	$ 21,000,000	$636,364
Amazon Housing Equity Fund	$ 36,630,000	$1,110,000
Evergreen Impact Housing Fund	$ 13,458,054	$407,820
Developer Fee Note	$ 2,500,000	$75,758
King County TOD Fund	$ 5,000,000	$151,515
WA State HTF	$ 5,000,000	$151,515
ARCH HTF	$ 3,500,000	$106,061
IDD HTF	$ 2,900,000	$87,879
Bellwether Sponsor Note	$ 3,968,062	$120,244
Total Sources	**$ 161,544,636**	$4,895,292

Commercial Project Sources	**Amount Total**	**Amount per SF**
Senior Private Lender Loan (taxable)	$ 4,015,146	$101
Microsoft Grant	$ 1,000,000	$25
The City of Redmond	$ 509,597	$13
Bellwether Sponsor Note	$ 31,938	$1
Total Sources	**$ 5,556,681**	$139

Project Uses	**Amount**	**Per Unit**	**Per SF**
Acquisition Costs	$340,000	$1,021	$1.00
Construction	$128,667,759	$386,390	$379.81
Soft Costs	$ 14,768,733	$44,351	$43.60
Pre-Development / Bridge Financing	$300,000	$901	$0.89
Financing and Bond Related Costs	$18,204,709	$54,669	$53.74
Other Development Costs	$4,820,116	$14,475	$14.23
Total Development Costs	**$167,101,317**	**$501,806**	**$493.26**

RECEIVED THIS DAY

JUN 30 8 30 AM '87

BY THE DIVISION OF RECORDS AND ELECTIONS

8706300074

0020.150.075
LCM:imm
06/17/87
R:06/25/87naa

AFTER RECORDING MAIL TO:

Doris Schaible
City Clerk
City of Redmond
15670 N. E. 85th St.
Redmond, Washington 98052

KING COUNTY
NO EXCISE TAX
JUN 29 1987
E0950243

FILED BY CHICAGO TITLE INSURANCE CO.
REF. # 23627-3

STATUTORY WARRANTY CORRECTION DEED

WHEREAS, by Statutory Warranty Deed filed on or about June 19, 1987, King County Recorder's number 8706190450, the City of Redmond, Washington, purported to convey certain property to the Redmond Elderly Housing Association, and

WHEREAS, errors appeared in that deed, which should be corrected, now, therefore,

The Statutory Warranty Deed filed on or about June 19, 1987, King County Recorder's number 8706190450, City of Redmond as grantor and Redmond Elderly Housing Association as grantee, is hereby corrected to read as follows:

THE GRANTOR, the City of Redmond, Washington, a municipal corporation, hereinafter referred to as "City", for and in consideration of Thirty Eight Thousand Five Hundred Thirty Seven Dollars ($38,537.00) in hand paid, conveys and warrants, subject to the conditions noted below, to Redmond Elderly Housing Association, a non-profit corporation organized under the laws of the State of Washington, hereinafter called "purchaser", the following described real estate, situated in the County of King, State of Washington:

> Lots 14, 15, 16, 17 and 18, Block 3, SIKES THIRD ADD, as recorded in Volume 21 of Plats, page 37 of King County, Washington, a portion of the N.W. quarter of Section 12, Township 25 North, Range 05 East, W.M.:
>
> Except that portion which is included in the Southeast corner of the intersection of 169th Avenue N.E. and N.E. 80th Street, beginning at the Northwest corner of Lot 15;
>
> Thence Southerly along the line of the Eastern margin of 168th Avenue N.E. S-00°-55'-50"E 14.80 feet to the beginning of a 25 foot radius curve bearing S-68°-44'-06"E to the radius point;
>
> Thence along the 27 foot radius through a 45°-36'-32" central angle an arc length 19.90 feet to the Southern margin of N.E. 80th Street and the end of said 27' radius curve bearing N-23°-07'-34"W from the radius point;
>
> Thence along the southern margin of N.E. 80th Street S-89°-04'-10"W 14.80 feet to the point of beginning. (See illustration labeled "Exhibit A" attached hereto.)

The City reserves an easement on the following portion of the above described real estate:

The South 20 feet of the West 70 feet of Lot 18, Block 3, SIKES THIRD ADD, as recorded in Volume 21 of Plats, page 37, of King County, Washington, a portion of the N.W. quarter of Section 12, Township 25 North, Range 05 East, W.M. (See illustration labeled "Exhibit B" attached hereto.)

For the purposes of maintaining, operating, repairing and replacing dry well and pipelines and all necessary connections and appurtenances thereto, together with the right of ingress and egress to, from and across said property for the foregoing purposes. Provided, if the City performs any of such activities in the easement, it will restore the property to the condition which existed prior to those activities.

Grantee may use the easement for any purpose not inconsistent with the rights herein granted, provided, Grantee shall not construct or maintain any building or other structure on the easement which would interfere with the exercise of the rights herein reserved, including ingress and egress to and from the easement area.

8706300074

The above described real estate is conveyed to Purchaser to be used solely for multi-family residential dwelling units for low or moderate income persons, aged 62 and over, and handicapped, and said property including all improvements, now or hereafter made to or on said property shall revert to the Grantor, its successor or assigns, in the event said property is used for any other purpose, provided that HUD furnishes written approval of said reversion and provided further that this reversionary clause is subordinate to the Section 202 Mortgage and Regulatory Agreement entered into between Grantee and the Secretary of Housing and Urban Development, and that it terminates automatically in the event of foreclosure pursuant to the Section 202 Mortgage or transfer executed in lieu of foreclosure of the Section 202 Mortgage.

IN WITNESS WHEREOF, said corporation has caused this instrument to be executed by its proper officer this 26th day of June, 1987.

CITY OF REDMOND

Doreen Marchione
DOREEN MARCHIONE, MAYOR

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

By Lowry C. Snuggerud

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

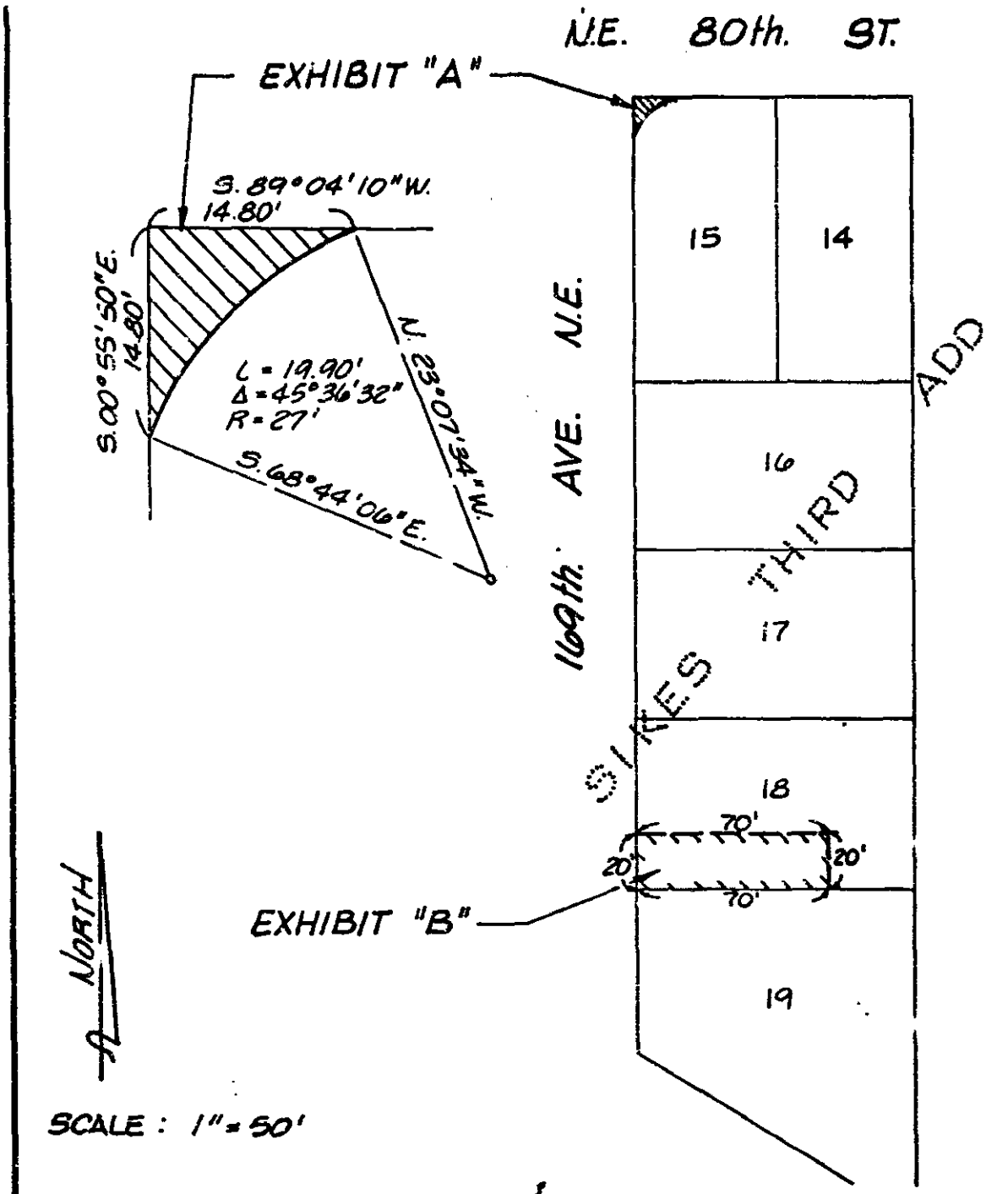
I certify that I know or have satisfactory evidence that DOREEN MARCHIONE signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as the MAYOR of the CITY OF REDMOND to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this 26th day of June, 1987.

NOTARY PUBLIC in and for the State of Washington residing at Bellevue.
My appointment expires 4/3/88.

LCM00080A

8706300074



CITY OF REDMOND	King County, Washington
LOCATION : NW ¼ 12, 25, 5, WM DRAWN BY: mwp DATE : Jan 22, 1987 CITY SKETCH NO. 686	SENIOR HOUSING STREET IMPROVEMENT PROJ. 85-BG-30

7

RECEIVED THIS DAY

JUN 19 9 41 AM '87

BY THE DIVISION OF RECORDS & ELECTIONS KING COUNTY

KING COUNTY
NO EXCISE TAX
JUN 19 1987
E0948204

8706190450

0020.150.075
LCM:imm
06/17/87

AFTER RECORDING MAILING TO:

JOHN G. HENKLE FINANCIAL, INC.
P.O. Box 832
Bellevue, Wa., 98009

ST 06 19 #0450 1A
RECD F 7.00
CASHSL ****7.00

STATUTORY WARRANTY DEED

THE GRANTOR, the City of Redmond, Washington, a municipal corporation, hereinafter referred to as "City", for and in consideration of Thirty Eight Thousand Five Hundred Thirty Seven Dollars ($38,537.00) in hand paid, conveys and warrants, subject to the conditions noted below, to Redmond Elderly Housing Association, a non-profit corporation organized under the laws of the State of Washington, hereinafter called "purchaser", the following described real estate, situated in the County of King, Stat of Washington:

Lots 14, 15, 16, 17 and 18, Block 3, SIKES THIRD ADD, as recorded in Volume 21 of Plats, page 37 of King County, Washington, a portion of the N.W. quarter of Section 12, Township 25 North, Range 05 East, W.M.:

Except that portion which is included in the Southeast corner of the intersection of 169th Avenue N.E. and N.E. 80th Street, beginning at the Northwest corner of Lot 15;

Thence Southerly along the line of the Eastern margin of 168th Avenue N.E. S-100°-55'-50"E 14.80 feet to the beginning of a 25 foot radius curve bearing S-68°-44'-06"E to the radius point;

Thence along the 27 foot radius through a 45°-36'-32" central angle an arc length 19.90 feet to the Southern margin of N.E. 80th Street and the end of said 27' radius curve bearing N-23°-07'-34"W from the radius point;

Thence along the southern margin of N.E. 80th Street S-89°-04'-10"W 14.80 feet to the point of beginning. (See illustration labeled "Exhibit A" attached hereto.)

The City reserves an easement on the following portion of the above described real estate:

The South 20 feet of the West 70 feet of Lot 18, Block 3, SIKES THIRD ADD, as recorded in Volume 21 of Plats, page 37, of King County, Washington, a portion of the N.W. quarter of Section 12, Township 25 North, Range 05 East, W.M. (See illustration labeled "Exhibit B" attached hereto.)

For the purposes of maintaining, operating, repairing and replacing dry well and pipelines and all necessary connections and appurtenances thereto, together with the right of ingress and egress to, from and across said property for the foregoing purposes;

Grantee may use the easement for any purpose not inconsistent with the rights herein granted, provided, Grantee shall not construct or maintain any building or other structure on the easement which would interfere with the exercise of the rights herein reserved, including ingress and egress to and from the easement area.

The above described real estate is conveyed to Purchaser to be used solely for multi-family residential dwelling units for low or moderate income persons, aged 65 and over, and handicapped, and said property including all improvements, now or hereafter made to or on said property shall revert to the Grantor, its successor or assigns, in the event said property is used for any other purpose, provided that HUD furnishes written approval of said reversion and provided further that this reversionary clause is subordinate to the Section 202 Mortgage and Regulatory Agreement entered into between Grantee and the Secretary of Housing and Urban Development, and that it terminates automatically in the event of foreclosure pursuant to the Section 202 Mortgage or transfer executed in lieu of foreclosure of the Section 202 Mortgage.

8706190450

IN WITNESS WHEREOF, said corporation has caused this instrument to be executed by its proper officer this 17 day of June, 1987.

CITY OF REDMOND

John P. Vache'

JOHN P. VACHE', MAYOR PRO TEM

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

By Jay C. Mata

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that JOHN P. VACHE' signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the MAYOR PRO TEM of the CITY OF REDMOND to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

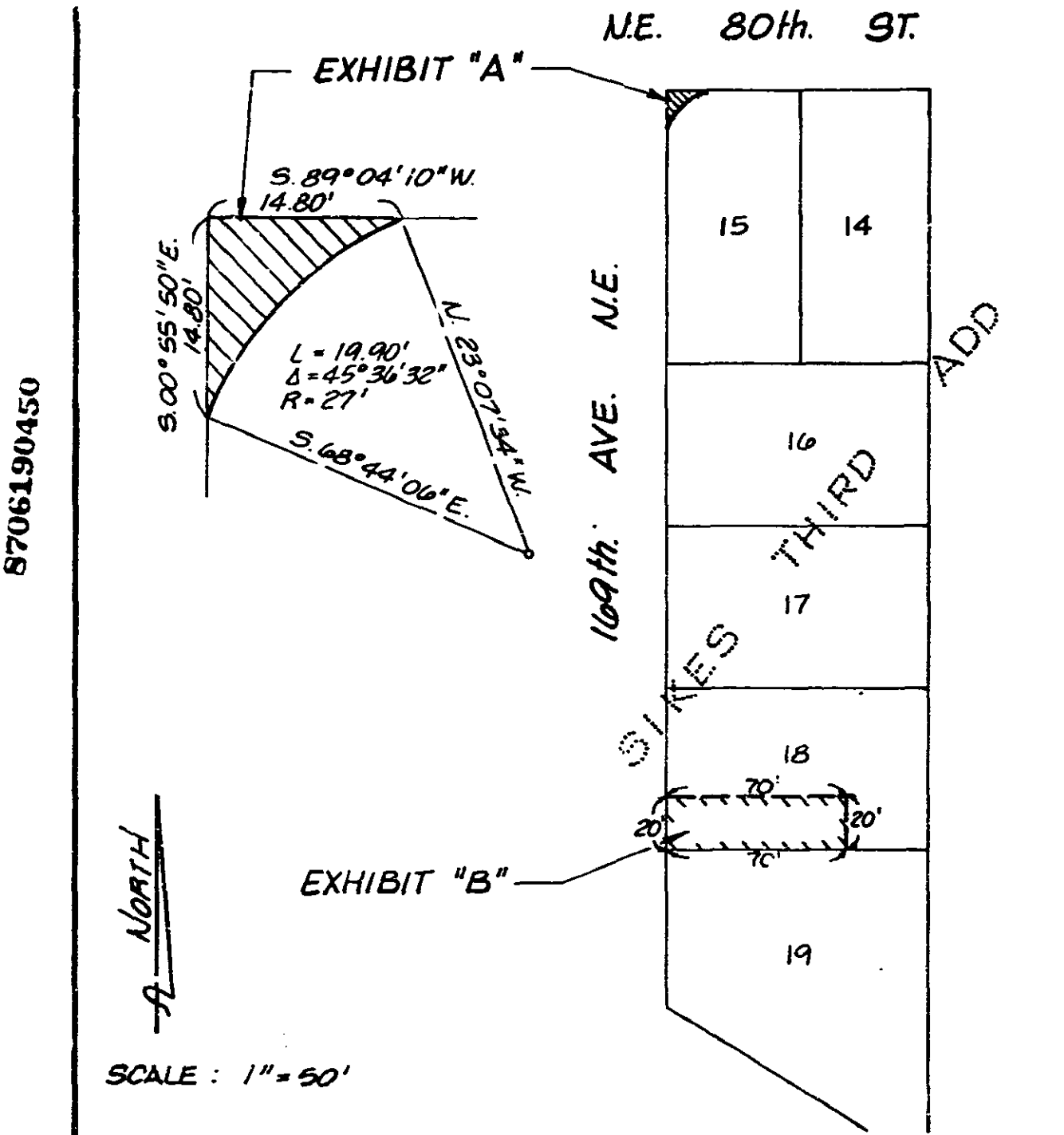
DATED this 17th day of June, 1987.

Jay C. Mata

NOTARY PUBLIC in and for the State of Washington residing at Redmond.

My appointment expires 1-12-91.

8706190450



CITY OF REDMOND	King County, Washington
LOCATION : NW ¼ 12, 25, 5, WM DRAWN BY: mwp DATE : Nov 22, 1987 CITY SKETCH NO. 686	SENIOR HOUSING STREET IMPROVEMENT PROJ. 85-BG-30

Memorandum

Date: 9/17/2024
Meeting of: City Council

File No. AM No. 24-130
Type: Consent Item

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Public Works	Aaron L. Bert	425-553-5814

DEPARTMENT STAFF:

Public Works	Jessica Atlakson	Senior Environmental Geologist
Public Works	Aaron Moldver	Environmental Programs Manager

TITLE:
Approval of Redmond Paired Watershed Study Contract Amendments

OVERVIEW STATEMENT:
Execute the following contract amendments to continue the Redmond Paired Watershed Study (RPWS):

- Amendment No. 8 to the Interagency Agreement with the Washington State Department of Ecology in the amount of $524,847.12 to fund the contracts with King County and Herrera Environmental Consulting.
- Phase VI Agreement with King County in the amount of $100,227.12.
- Supplemental Agreement No. 6 with Herrera Environmental Consulting in the amount of $424,620.

☐ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information** ☐ **Provide Direction** ☒ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
  Comprehensive Plan, Environmental Sustainability Action Plan, Redmond Watershed Management Plan
- **Required:**
  The current contracts for the monitoring component of the RPWS expire on September 30, 2024.
- **Council Request:**
  NA
- **Other Key Facts:**
  Background
  The Redmond Paired Watershed Study (RPWS) and partnership between King County, Herrera Environmental

Consulting (Herrera), and Redmond started in 2014 to measure the health of streams in Redmond and unincorporated King County. The goal of the RPWS is to measure the effectiveness of actions taken by Redmond's Stormwater Utility and King County to restore urban streams on a watershed scale. The City is focusing restoration efforts in priority watersheds identified in the 2013 Watershed Management Plan.

Many studies have occurred nationally that measure the declining health of streams after urbanization of a watershed. This Study does the opposite by measuring the health of streams in already urbanized watersheds and the impact local governments can have in trying to restore the urban streams to good health.

The effectiveness monitoring to date has established baseline conditions in six streams. The Study is 'paired' because it measures the health of streams that either:

1. Redmond and King County are working to improve (application watersheds),
2. Are not targeted for improvement (control watersheds), or
3. Are relatively pristine and located in Redmond's Watershed Preserve Park (reference watersheds).

By 'pairing' watersheds, it will be easier to identify if actions taken by Redmond and King County specifically made an improvement in stream health.

Sustainability

This project supports Strategy N1 and N3 in the Environmental Sustainability Action Plan. The information collected by this Study is used to calculate City of Redmond dashboard measures and budget performance measures. The benthic index of biotic integrity (BIBI) data collected for the RPWS is a target indicator for the Natural Systems focus area within the Environmental Sustainability Action Plan.

OUTCOMES:

These agreements will allow the RPWS to continue as planned as a long term (10 year) study to determine the effectiveness of actions taken to restore urban streams on a watershed scale. The study will help guide regional actions to refine stormwater management programs. Additionally, the RPWS will help state agencies assess whether current regulations and program requirements are effectively improving stream conditions in urban areas.

Description of Agreements

Interagency Agreement with the Washington State Department of Ecology

This study is 100 percent funded by the Stormwater Action Monitoring (SAM) program, except for staff time to manage the project. The SAM program is administered through the Washington Department of Ecology.

Agreement with King County

King County's agreement includes collecting continuous rainfall data, stream flow measurements, and temperature data for six streams from October 1, 2024 through September 30, 2025, as well as an annual quality control review and final reporting.

Supplemental Agreement with Herrera

Herrera's contract amendment would authorize continued collection of water quality data, BIBI data, sediment quality data, and physical habitat data in six streams from October 1, 2024 through September 30, 2025. Herrera's contract also includes data quality control review, annual reporting, and a data analysis report that will demonstrate trends in the entire dataset. Data quality review and reporting will be completed by September 2026.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
  N/A
- **Outreach Methods and Results:**
  N/A
- **Feedback Summary:**
  N/A

BUDGET IMPACT:

Total Cost:
Total project cost since 2014: $3,689,834.33 (this cost has been funded through the SAM program).

Project cost included in this current amendment: $524,847.12

Approved in current biennial budget: ☒ **Yes** ☐ **No** ☐ **N/A**

Budget Offer Number:
000214

Budget Priority:
Healthy and Sustainable

Other budget impacts or additional costs: ☐ **Yes** ☒ **No** ☐ **N/A**
If yes, explain:
N/A

Funding source(s):
100% grant funded through the Stormwater Action Monitoring (SAM) Program

The RPWS is planned to continue through 2025 with 100% funding from the SAM program, which is a collaborative stormwater monitoring program in Western Washington funded by Phase I and II municipal stormwater permittees and administered by the Washington Department of Ecology. Redmond pays into the SAM program as part of the fee requirements for the City's stormwater permit.

Budget/Funding Constraints:
N/A

☐ **Additional budget details attached**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action

10/3/2023	Committee of the Whole - Planning and Public Works	Provide Direction
10/17/2023	Business Meeting	Approve
9/3/2024	Committee of the Whole - Planning and Public Works	Provide Direction

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:
The current contract has monitoring scheduled through September 30, 2024. Having amendments in place by September will avoid a lapse in the data collection for the study.

ANTICIPATED RESULT IF NOT APPROVED:
This would end the Study before the effectiveness of actions taken by the City to restore urban streams has been measured. The project would have spent $3,689,834.33 of pooled resources from Phase I and II municipal stormwater permittees without completing the goals of the Study.

ATTACHMENTS:
Attachment A: Washington State Department of Ecology Interagency Agreement
Amendment 8
Attachment B: Herrera Environmental Consulting Supplemental Agreement
Attachment C: King County Agreement

DEPARTMENT OF
ECOLOGY
State of Washington

AMENDMENT NO. 8

TO

Contract NO. C1500059

BETWEEN THE

STATE OF WASHINGTON DEPARTMENT OF ECOLOGY

AND

City of Redmond

PROJECT TITLE: Paired Basin Study

PURPOSE: To amend the Agreement between the state of Washington, Department of Ecology, hereinafter referred to as "ECOLOGY," and City of Redmond, hereinafter referred to as "CITY" or "Contractor."

WHEREAS, This Agreement is undergoing an increase in scope and extension of the timeline to allow for completion of the work described in the new Appendix F

IT IS MUTUALLY AGREED the Agreement is amended as follows:

1) The Period of Performance is amended to read as follows:

   The period of performance is extended from September 30, 2025 to September 30, 2026.

2) The Scope of Work is amended to read as follows:

   Additional tasks are added by this amendment as Appendix F (attached), a new appendix with two tasks. Task F1.0 continues monitoring at the study sites through September 30, 2025. Task F2.0 is for a trend analysis report for Water Years 2016 – 2025.

3) The Budget is amended to read as follows:

   Compensation is increased for additional tasks added by this amendment. The total compensation is increased by $524,847.12, from $3,689,834.33 to $4,214,681.45.

4) The Agreement Management, section 22, is amended to reflect a new Ecology Representative as follows:
New text is underlined (sample) and deleted language is indicated with strikethrough (~~sample~~).

The ECOLOGY Representative is:

Name:	~~Brandi Lubliner~~ Chelsea Morris
Address:	300 Desmond Dr SE ~~(USPS)~~ P.O. Box 47600 ~~(FedEx)~~ Olympia WA 98504
Phone:	~~360-407-7140~~ 564-999-3052
Email:	~~Brwa461@ecy.wa.gov~~ Chelsea.Morris@ecy.wa.gov

All other terms and conditions of the original Agreement including any other amendments remain in full force and effect, except as expressly provided by this Amendment.

This Amendment is signed by persons who represent that they have the authority to execute this Amendment and bind their respective organizations to this Amendment.

This Amendment is effective on the Ecology signature date.

IN WITNESS WHEREOF, the parties below, having read this Amendment in its entirety, including any attachments, do agree in each and every particular as indicated by their below signatures.

State of Washington

Department of Ecology

By:

_____

Signature Date

Heather R. Bartlett

_____

Print Name

Deputy Director

_____

Title

City of Redmond

By:

_____

Signature Date

Angela Birney

_____

Print Name

Mayor

_____

Title

APPENDIX F

STATEMENT OF WORK FOR OCTOBER 1, 2024 THROUGH SEPTEMBER 30, 2026

Background

The City of Redmond (REDMOND) has a Citywide Watershed Management Plan (WMP) to implement structural and nonstructural stormwater controls pursuant to the Phase II municipal stormwater permit. This Redmond Paired Watershed Study (RPWS) will study and quantify improvements in receiving water conditions based on implementing the WMP controls. This RPWS will measure various hydrologic, chemical, physical, and biological indicators of stream health. The RPWS was initiated in the fall of 2015 and will be implemented over an anticipated ten-year timeframe. Funding comes from the Stormwater Action Monitoring (SAM) program, a coordinated monitoring program founded by Phase I and II municipal stormwater permittees and administered by Ecology.

This scope of work in Appendix F continues field measurement collection, data management and quality assurance of review, data analysis, and reporting for this study for water year 2025. Additionally, a trend analysis report for water years 2016 – 2025 is included in Appendix F. The monitoring and trend analysis report will follow the already approved quality assurance project plan (QAPP) for this Paired Watershed study.

This scope of work includes several deviations from the QAPP:

- The application watershed of Evans Creek Tributary 108 was removed from the scope of work in WY2022. Evans Creek Tributary 108 is in unincorporated King County. King County has no further plans for stormwater retrofits within this watershed during the timeline of this project. The trend analysis report for water years 2016 through 2019 (Herrera, 2021) did not identify any improvement within the watershed based on the two vaults installed by King County in water year 2017. Based on this finding and no further retrofits planned during the project timeline, the watershed was removed to reduce project costs.
- The QAPP indicates that continuous conductivity will be collected in all watersheds. Results from the conductivity monitoring are very noisy, and no trend was detected during the trend analysis report for water years 2016 through 2019 (Herrera, 2021). It was decided in WY2022 to not include continuous conductivity monitoring in future Scope of Works.

This scope of work includes a discussion of the activities, assumptions, deliverables, and a schedule associated with the following tasks:

- Task F1.0 – Water Year 2025 Study Implementation

- Task F2.0 – Trend Analysis Report: Water Years 2016 - 2025

Work on these tasks will be performed by REDMOND with assistance from Herrera Environmental Consultants (Herrera), and King County. REDMOND, Herrera, and King County are collectively referred to as the "Project Team" in this scope of work. Where applicable, specific roles for each member of the Project Team are called out under individual tasks. The cost by deliverable, and schedule are included in the table at the end of this Scope of Work.

Task F1.0 – Water Year 2025 Study Implementation

Under this task, REDMOND will ensure Herrera and King County implement required monitoring and reporting activities identified in the QAPP for the RPWS over water year 2025 (October 1, 2024, through September 30, 2025). This includes field measurement collection, data management and quality assurance review, and reporting. These activities are described in more detail under the following subtasks:

Subtask F1.1 – Hydrologic Monitoring

REDMOND has subcontracted with King County to continue the hydrologic monitoring component of the RPWS. This involves continuous flow monitoring at 12 stations. Data from the continuous flow monitoring is processed to calculate a suite of indicators for evaluating hydrologic impacts from urban development. King County will continue hydrologic monitoring which involves maintenance of the continuous flow monitoring equipment and replacement as needed, telemetry where cell phone coverage is available, maintenance of the automatic processing, and posting of data on King County's Hydrological Information Center (HIC) database on their public website. King County will perform a quality assurance review on these data that will clearly identify any limitations to their use by January each calendar year for the prior water year's data. Herrera will generate summary statistics (e.g., antecedent dry period, flow at time of sample collection) from the flow record for storm and base flow events that were sampled for water quality under Subtask F1.2. REDMOND will coordinate with Herrera and King County to summarize the continuous flow monitoring data for each station for presentation in the data report described in Subtask F1.6.

Assumptions

- Telemetry and database all continue to work without problems.
- Equipment will be replaced as it reaches maximum manufacturer's life expectancy.

Deliverables

- Posting of telemetered data on HIC (continual).
- Posting of non-telemetered data on HIC will occur every 5 weeks.
- Table with flow summary statistics for sampled storm and base flow events from 12 stations.

Subtask F1.2- Water Quality Monitoring

REDMOND subcontracted with Herrera for the water quality monitoring component of the RPWS. This involves the collection of up to twelve grab samples over the water year during storm events (three each quarter) at 12 stations. In addition, up to four grab samples will be collected over the water year during base flow (one each quarter) at these stations. Each sample will be analyzed for the following indicators for evaluating water quality impacts from urban development:

- Total suspended solids
- Turbidity
- Hardness
- Dissolved organic carbon
- Fecal coliform bacteria
- Total phosphorus
- Total nitrogen
- Copper, total and dissolved
- Zinc, total and dissolved

In addition, probes will be used for continuous in-situ monitoring of temperature at all 12 stations.

Collection of grab samples during both storm and base flow events will include the following activities performed in accordance with the QAPP for the study:

- Weather tracking and go/no go decision coordination
- Mobilization of field crews for sampling during the event
- Delivery of samples to the laboratory after the event
- Auditing of laboratory analytical results within seven days of their receipt
- Entry of the analytical results into the study's data management system
- Preparation of a data validation memorandum that will establish the usability of all the data
- Preparation of graphical and tabular summaries for the data report described in Subtask F1.6.

REDMOND will ensure coordination between the project team members. King County will oversee the continuous in-situ monitoring at each station using the probes. Herrera will coordinate with King County to provide review of continuous data and summarize them for presentation in the data report described in Subtask F1.6.

Assumptions

- Storm event sampling will be performed by two teams of two Herrera staff. Sampling for each event will be performed over an 8- hour period including travel

but not including storm tracking and go/no go decision coordination. A 15 percent contingency is included to account for sampling event false starts and to allow for make-up sampling.

- Nominally, all 12 stations will be sampled during each storm event. If specific stations are not sampled because a sampling event was terminated, they will be prioritized for sampling in subsequent events to ensure the annual sampling goals established for the study are met for every station.
- Base flow event sampling will be performed by one team of two Herrera staff. Sampling for each event will be performed over a 10- hour period including travel.
- King County will provide continuous water quality monitoring data in an electronic format for review by Herrera. King County will perform a quality assurance review on these data that will clearly identify any limitations to their use and interpretation.
- Obtaining storm event samples may not be possible during particularly dry quarters. If this should occur, efforts will be made to conduct makeup sampling in subsequent quarters to obtain twelve grab samples from each station over the water year.

Deliverables

- Laboratory analytical results and documentation of Herrera audits from water quality sampling at 12 stations during 3 storm events and 1 base flow event per quarter; these data will be uploaded to the Environmental Information Management (EIM) database.
- Data validation memorandum.

Subtask F1.3 – Sediment Quality Monitoring

The sediment quality monitoring component of the RPWS involves the collection of sediment samples once during the water year at 17 monitoring stations. Each sample is analyzed for the following indicators for evaluating sediment quality impacts from urban development:

- Total organic carbon
- Copper
- Zinc
- Polycyclic aromatic hydrocarbons
- Phthalates

This task is to collect stream sediment samples. This includes the following activities that will be performed in accordance with the QAPP for the study:

- Mobilization of field crews for sampling
- Delivery of samples to the laboratory after the event
- Auditing of laboratory analytical results within seven days of their receipt
- Entry of the analytical results into the study's data management system

- Preparation of a data validation memorandum that will establish the usability of all the data
- Preparation of tabular summaries for the data report described in Subtask F1.6

Assumptions

- Sediment samples and the benthic macro invertebrate samples described in Subtask F1.5 will be collected during the same field visit to each station. This sample collection will be performed by one team having two Herrera staff. Collection of these samples from 3 stations will require approximately 8-hours of field time including travel.

Deliverables

- Laboratory analytical results and documentation of Herrera audits from sediment sampling at 17 stations.
- Data validation memorandum.

Subtask F1.4 - Physical Habitat Monitoring

Under this subtask, REDMOND will ensure Herrera is trained and conducts physical habitat monitoring for the RPWS once during the water year at 17 monitoring stations. Herrera will coordinate directly with Ecology's Environmental Assessment Program (EAP) for training, data management, and quality control of habitat data. At each station, the characteristic bed-form type will be recorded as a whole, and physical habitat quality indicators will be measured at 11 cross sections and one longitudinal (thalweg) profile. Pursuant to the QAPP for the study, the following indicators will be measured at each cross-section:

- Bank-full width, wetted width, and cumulative bar width
- Bank-full depth, wetted depth, substrate class and embeddedness
- Fish cover
- Riparian shading
- Riparian vegetation structure

The following indicators will be measured along the thalweg profile:

- Thalweg depth and the presence of bars and/or edge pools
- Main channel slope and bearing
- Large woody debris tally, including notation of diameter, length, category, zone, and key-pieces

Upon completion of field work, physical habitat monitoring data will be uploaded to the EIM. Based on post processing of these data within this system, Ecology will provide a suite of indicators for assessing physical habitat quality that are consistent with those being used for

the broader SAM program. A summary of these indicators will be presented in the data report described in Subtask F1.6.

Assumptions

- One Herrera staff will participate in an Ecology sponsored 2-day training session on the physical habitat monitoring protocols developed for the SAM program. These staff will coordinate an additional 1-day training session for three additional Herrera staff that will be involved in the monitoring.
- Physical habitat monitoring will be performed by two teams having two Herrera staff. Physical habitat monitoring at each station will require approximately 8-hours of field time including travel.
- Data from the physical habitat monitoring will be recorded on custom forms while in the field. The custom forms will be reviewed in the field upon completion of the monitoring at each station to ensure all required data have been collected. In an office setting, data from the custom forms will then be transferred to the electronic field data collection software that has been developed by Ecology to ensure completeness in field data collection and facilitate upload of these data to Ecology's Watershed Health database in the EIM.
- Ecology's EAP will perform quality assurance review of the compiled physical habitat monitoring data and calculate metrics for assessing physical habitat conditions using scripts that have been developed to work with the Watershed Health database in the EIM. Costs for EAP's support for these activities are not included in the cost proposal for this scope of work.
- A delay of approximately 6 to 8 months can be expected for obtaining processed indicators for assessing physical habitat conditions from EAP via the Watershed Health database in the EIM system.

Deliverables

- Results from physical habitat monitoring at 17 stations that are uploaded to Watershed Health database in the EIM.

Subtask F1.5 Biological Monitoring

Under this subtask, REDMOND will ensure Herrera conducts biological monitoring for the RPWS once during the water year at 17 stations. Pursuant to the QAPP for the study, this entails the collection of a composite sample of benthic macro invertebrates from specific locations along the cross-sections for physical habitat monitoring. These samples will be submitted to an analytical laboratory where they will be processed to compute the following indicators for use in evaluating stream health:

- Benthic Index of Biotic Integrity

- Taxa Richness
- Ephemeroptera Richness
- Plecoptera Richness
- Trichoptera Richness Clinger Percent
- Long-Lived Richness
- Intolerant Richness
- Percent Dominant
- Predator Percent
- Tolerant Percent

Assumptions

- Benthic macro invertebrate samples and the sediment samples described in Subtask F1.3 will be collected during the same field visit to each station. This sample collection will be performed by one team having two Herrera staff. Collection of these samples from 3 stations will require approximately 8-hours of field time including travel.
- A delay of approximately 6 to 8 months can be expected for obtaining biological metrics from the laboratory.

Deliverables

- Laboratory results from macroinvertebrate sample analysis for 17 stations entered into the Puget Sound Stream Benthos database.

Subtask F1.6 Water Year Data Summary Report

A data summary report will contain tabular and/or graphical summaries of all data that were collected over the water year in connection with the following monitoring components of the RPWS: hydrologic, water quality, sediment quality, physical habitat, and biological. This report will provide a detailed description of any quality assurance issues associated with these data based on results from audits and data validation memoranda. Any corrective actions that were undertaken to address quality assurance issues will also be described. Finally, this report will document all rehabilitation efforts that have occurred in the Application watersheds over the previous year. Included will be detailed information on the design and operational status of structural stormwater controls and the frequency and geographic extent of nonstructural stormwater control implementation.

REDMOND will collaborate with Herrera and King County to prepare a preliminary draft of the data summary report. The draft will be sent to Ecology (SAM Coordinator) and the technical advisory committee that has been established for the study (see Subtask F1.7). Herrera will then finalize the water year report based on comments received. REDMOND will review and send to Ecology.

Deliverables

- Draft data summary report.
- Final data summary report.

Subtask F1.7 -Technical Advisory Committee Coordination

The technical advisory committee (TAC) for this study includes representation from the following agencies: City of Redmond, City of Kirkland, City of Seattle, King County, US Geological Survey, and Ecology. This subtask is to coordinate and for the project team to participate in up to two meetings to obtain input from the committee on technical issues related to the study over water year 2025. It is anticipated that one of these meetings may occur after the release of the data report from Subtask F1.6 to review and discuss the monitoring results from the water year. Contingency budget is also provided for a second, optional meeting to address unforeseen issues that may arise during implementation of the RPWS over the water year.

Assumptions

- Technical advisory committee meetings will last 2-hours and be attended by up to 3 Herrera staff.
- King County presentation on hydrologic data and attended by up to 4 staff.

Deliverables

- King County presentation on hydrologic data and review of report.
- Meeting notes documenting discussion items and consensus decisions from the technical advisory committee.

Subtask F1.8 - Project Management

REDMOND, Herrera, and King County will share responsibilities for ongoing contract administration of this project, including preparing invoices and progress reports, as well as coordination of all work efforts with Ecology (SAM Coordinator) and the Project Team.

Deliverables

- Monthly invoices and progress reports from Herrera.
- Semi-annual invoices and annual progress report from King County.

Task F2.0 –Trend Analysis Report: Water Years 2016 - 2025

Following completion of required monitoring for water year 2025 and preparation of the associated data summary report, REMOND will ensure Herrera prepares a trend analysis report covering data collected over 10 years of study implementation (water years 2016 – 2025). This report will summarize results from statistical analyses performed to detect improving or degrading trends in receiving water conditions in the six watersheds that are the focus of

monitoring efforts for the RPWS. A detailed discussion of these trends will be provided with a specific emphasis on relationships between trends and rehabilitation efforts in the Application watersheds relative to trends in the Reference and Control watersheds. A summary of major conclusions from these analyses will also be provided.

Statistical analyses will follow procedures that are described in the QAPP and documented in minutes from the technical advisory committee meeting that occurred on July 29, 2019. The following specific procedures will be performed in connection with these analyses:

- Correlation analyses to detect trends over time in water and sediment pollutant concentration data and computed indicators from hydrologic and biological monitoring.
- Computation of annual mass load estimates from data for a subset of parameters from water quality monitoring; correlation analyses would then be performed on these estimates to detect trends over time.
- Comparison of data from physical habitat monitoring to reference conditions from Puget Sound lowland ecoregion streams.

REDMOND will collaborate with Herrera and King County to prepare a draft of the trend analysis report. The draft will be sent to Ecology (SAM Coordinator) and the technical advisory committee that has been established for the study (see Subtask F1.7). Herrera will then finalize the trend analysis report based on comments received. REDMOND will review and send to Ecology.

REDMOND will collaborate with Herrera to will create two (2) presentations that summarize major findings from the trend analysis report and the RPWS more broadly for permittees and stakeholders. One of these presentations will be made to the Stormwater Work Group. The other will be made at a conference with a stormwater and regional focus (e.g. MuniCon), upon agreement with Ecology (SAM Coordinator). REDMOND will collaborate with Herrera to create a SAM fact sheet for distribution on the SAM website.

Assumptions

- Comments on the draft and revised draft trend analysis reports will be provided using a standardized template to be provided by Herrera.

Deliverables

- Draft trend analysis report.
- Final trend analysis report.
- Two presentations on study design and findings to date.
- SAM factsheet on project findings.

Task/Deliverable	Quantity	Total by Deliverable	Target Dates
Task F1.0 – Water Year 2025 Study Implementation			
Subtask F1.1 Hydrologic Monitoring			
Posting of telemetered data on HIC (continual). Posting of non-telemetered data on HIC will occur every 5 weeks.	1	$74,297.40	
Equipment maintenance	1	$12,075	
Table with flow summary statistics for sampled storm and base flow events from 12 stations.	1	$9,300	
Subtask Total		$95,672.40	3/31/2026
Subtask F1.2 Water Quality Monitoring			
Laboratory analytical results and documentation of Herrera audits for 12 stations X 16 sampling events	16	$147,680	
Data validation memorandum	1	$16,400	
Subtask Total		$164,080	3/31/2026
Subtask F1.3 Sediment Quality Monitoring			
Laboratory analytical results and documentation of Herrera audits for 17 stations	1	$20,300	
Data validation memorandum	1	$5,080	
Subtask Total		$25,380	3/31/2026
Subtask F1.4 Physical Habitat Monitoring			
Results from physical habitat monitoring at 17 stations that are uploaded to Ecology's data management system	1	$72,900	
Subtask Total		$72,900	3/31/2026
Subtask F1.5 Biological Monitoring			
Laboratory results from macroinvertebrate sample analysis for 17 stations entered into the Puget Sound Stream Benthos database	1	$17,100	
Subtask Total		$17,100	3/31/2026
Subtask F1.6 Water Year Data Summary Report			
Draft data summary report	1	$25,900	5/31/2026
Final data summary report	1	$6,480	6/30/2026
Subtask Total		$32,380	

Task/Deliverable	Quantity	Total by Deliverable	Target Dates
Subtask F1.7 Technical Advisory Committee Coordination			
King County presentation on hydrologic data and review of WY2025 and Trend Analysis reports	1	$11,980.32	
Meeting notes documenting discussion items and consensus decisions from the TAC.	2	$4,300	
Subtask Total		$16,280.32	4/30/2026
Subtask F1.8 Project Management			
Monthly progress reports from Herrera	12	$38,160	
Annual progress reports from King County	1	$1,874.40	
Subtask Total		$40,034.40	12/31/2025
Task Total		$463,827.12	
Task F2.0 – Trend Analysis Report: Water Years 2016 – 2025			
Draft data analysis report	1	$42,900	5/31/2026
Final data analysis report	1	$10,720	6/30/2026
Stormwater Work Group and Conference Presentations	2	$4,000	9/30/2026
Fact Sheet	1	$3,400	9/30/2026
Task Total		$61,020	
Project Total		$524,847.12	

REDMOND PAIRED WATERSHED STUDY IMPLEMENTATION: WATER YEAR 2025

In February 2014, the Washington State Department of Ecology (Ecology) approved a Citywide Watershed Management Plan (WMP) for the City of Redmond (City) that allows use of a watershed approach for implementing required stormwater best management practices (BMPs) pursuant to the Phase II municipal stormwater permit. Through the implementation of this WMP, the City will focus stormwater BMPs in a subset of priority watersheds that are moderately impacted by urbanization and therefore expected to respond more quickly to rehabilitation efforts. This provides a unique opportunity to study the effectiveness of stormwater BMPs for improving receiving water conditions on an accelerated timeframe. Recognizing this opportunity, the City is implementing the Redmond Paired Watershed Study (RPWS) to quantify improvements in receiving water conditions based on routine and continuous measurements of various hydrologic, chemical, physical, and biological indicators of stream health. This study will be implemented over an anticipated ten-year timeframe with funding from Ecology's Stormwater Action Monitoring (SAM) program.

To guide its implementation, Herrera Environmental Consultants (Herrera) developed a quality assurance project plan (QAPP) for the RPWS through a previous contract with the City. This QAPP provides detailed descriptions of the procedures that will be used for the following components of the study's experimental design:

- Hydrologic monitoring
- Water quality monitoring
- Sediment quality monitoring
- Physical habitat monitoring
- Biological monitoring

To date, the City has authorized Herrera to implement the monitoring identified in the QAPP over a period that extends from water year 2016 through the end of water year 2025 (a water year is defined as the 12-month period that extends from October 1 in any given year through September 30 of the following year). This scope of work amends this previous contract to extend the monitoring implementation through the end of WY2025. No further monitoring for the RPWS is planned beyond WY2025.

Pursuant to this scope of work, Herrera will take the lead role for implementing all the components of the study's experimental design identified above except hydrologic monitoring; King County will lead this component of the study under a separate contract with the City.

The QAPP for the RPWS indicates trend analyses reports should also be prepared following 4, 6, 8, and 10 years of study implementation. These reports summarize the results of statistical analyses that are described in the QAPP to identify relationships between rehabilitation efforts and improving receiving water conditions. The trend analyses reports following 4 and 8 years of study implementation were prepared under previous contract amendments. The trend analysis report following 6 years of study implementation was also eliminated through a previous contract amendment; this change was made with Ecology's concurrence to reduce the overall budget for the study while allowing for a longer period of data collection before conducting analyses to identify relationships between rehabilitation efforts and improving receiving water conditions. This scope of work includes a task for preparing the trend analysis report following 10 years of study implementation.

This scope of work includes a discussion of the activities, assumptions, deliverables associated with the following tasks:

- Task 18.0 - Water Year 2025 Study Implementation
- Task 19.0 - Trend Analysis Report: Water Years 2016 - 2025

The cost by deliverable, and schedule by deliverable for work to be performed by Herrera are included in a separate payment schedule (Exhibit B).

TASK 18.0 – WATER YEAR 2025 STUDY IMPLEMENTATION

Under this task, Herrera will implement required monitoring activities identified in the QAPP for the RPWS over water year 2025 (October 1, 2024, through September 30, 2025). This would include field measurement collection, data management and quality assurance review, and reporting. These activities are described in more detail under the following subtasks:

Subtask 18.1 - Hydrologic Monitoring

The hydrologic monitoring component of the RPWS involves continuous flow monitoring at 12 stations. Data from the continuous flow monitoring is processed to calculate a suite of indicators for evaluating hydrologic impacts from urban development. King County is leading the implementation of the hydrologic monitoring component of the study under a separate contract with the City. Herrera's involvement will entail the post processing of data compiled by King County to generate summary statistics (e.g., antecedent dry period, flow at time of sample collection) from the flow record for storm and base flow events that were sampled for water quality under Subtask 18.2. Herrera will also coordinate with King County to summarize the

continuous flow monitoring data for each station for presentation in the data report described in Subtask 18.6.

Assumptions

- King County will make available continuous flow monitoring data in an electronic format for post processing by Herrera. King County will perform a quality assurance review on these data that will clearly identify any limitations to their use and interpretation.

Deliverables

- Table with flow summary statistics for sampled storm and base flow events from 12 stations.

Subtask 18.2- Water Quality Monitoring

The water quality monitoring component of the RPWS involves the collection of up to twelve grab samples over the water year during storm events (three each quarter) at 12 stations. In addition, up to four grab samples will be collected over the water year during base flow (one each quarter) at these stations. Each sample will be analyzed for the following indicators for evaluating water quality impacts from urban development:

- Total suspended solids
- Turbidity
- Hardness
- Dissolved organic carbon
- Fecal coliform bacteria
- Total phosphorus
- Total nitrogen
- Copper, total and dissolved
- Zinc, total and dissolved

In addition, probes will be used for continuous in-situ monitoring of temperature at all 12 stations.

SCOPE OF WORK

Under this subtask, Herrera will oversee the collection of grab samples during both storm and base flow events. This will include the following activities that will be performed in accordance with the QAPP for the study:

- Weather tracking and go/no go decision coordination
- Mobilization of field crews for sampling during the event
- Delivery of samples to the laboratory after the event
- Auditing of laboratory analytical results within seven days of their receipt
- Entry of the analytical results into the study's data management system
- Preparation of a data validation memorandum that will establish the usability of all the data
- Preparation of graphical and tabular summaries for the data report described in Subtask 18.6.

King County will oversee the continuous in-situ monitoring at each station under a separate contract with the City. Herrera will coordinate with King County to summarize these data in the data report described in Subtask 18.6.

Assumptions

- Storm event sampling will be performed by two teams of two Herrera staff. Sampling for each event will be performed over an 8- hour period including travel but not including storm tracking and go/no go decision coordination. A 15 percent contingency is included to account for sampling event false starts and to allow for make-up sampling.
- Nominally, all 12 stations will be sampled during each storm event. If specific stations are not sampled because a sampling event was terminated, they will be prioritized for sampling in subsequent events to ensure the annual sampling goals established for the study are met for every station.
- Base flow event sampling will be performed by one team of two Herrera staff. Sampling for each event will be performed over a 10- hour period including travel.
- King County will provide continuous water quality monitoring data in an electronic format for review by Herrera. King County will perform a quality assurance review on these data that will clearly identify any limitations to their use and interpretation.

- Obtaining storm event samples may not be possible during particularly dry quarters. If this should occur, efforts will be made to conduct makeup sampling in subsequent quarters to obtain twelve grab samples from each station over the water year.

Deliverables

- Laboratory analytical results and documentation of Herrera audits from water quality sampling at 12 stations during 3 storm events and 1 base flow event per quarter; these data will be uploaded to the Environmental Information Management (EIM) database.
- Data validation memorandum.

Subtask 18.3 - Sediment Quality Monitoring

The sediment quality monitoring component of the RPWS involves the collection of sediment samples once during the water year at 17 monitoring stations. Each sample will be analyzed for the following indicators for evaluating sediment quality impacts from urban development:

- Total organic carbon
- Copper
- Zinc
- Polycyclic aromatic hydrocarbons
- Phthalates

Under this subtask, Herrera will oversee the collection of these sediment samples. This includes the following activities that will be performed in accordance with the QAPP for the study:

- Mobilization of field crews for sampling
- Delivery of samples to the laboratory after the event
- Auditing of laboratory analytical results within seven days of their receipt
- Entry of the analytical results into the study's data management system
- Preparation of a data validation memorandum that will establish the usability of all the data
- Preparation of tabular summaries for the data report described in Subtask 18.6

Assumptions

- Sediment samples and the benthic macro invertebrate samples described in Subtask 18.5 will be collected during the same field visit to each station. This sample collection will be performed by one team having two Herrera staff. Collection of these samples from 3 stations will require approximately 8-hours of field time including travel.

Deliverables

- Laboratory analytical results and documentation of Herrera audits from sediment sampling at 17 stations.
- Data validation memorandum.

Subtask 18.4 - Physical Habitat Monitoring

Under this subtask, Herrera will conduct physical habitat monitoring for the RPWS once during the water year at 17 monitoring stations. Herrera will coordinate with Ecology's Environmental Assessment Program (EAP) for training, data management, and quality control of habitat data. At each station, the characteristic bed-form type will be recorded as a whole, and physical habitat quality indicators will be measured at 11 cross sections and one longitudinal (thalweg) profile. Pursuant to the QAPP for the study, the following indicators will be measured at each cross-section:

- Bank-full width, wetted width, and cumulative bar width
- Bank-full depth, wetted depth, substrate class and embeddedness
- Fish cover
- Riparian shading
- Riparian vegetation structure

The following indicators will be measured along the thalweg profile:

- Thalweg depth and the presence of bars and/or edge pools
- Main channel slope and bearing
- Large woody debris tally, including notation of diameter, length, category, zone, and key-pieces

Upon completion of field work, physical habitat monitoring data will be uploaded to the EIM. Based on post processing of these data within this system, Ecology will provide a suite of

indicators for assessing physical habitat quality that are consistent with those being used for the broader SAM program. Herrera will summarize these indicators for presentation in the data report described in Subtask 18.6.

Assumptions

- Two Herrera staff will participate in an Ecology sponsored 2-day training session on the physical habitat monitoring protocols developed for the SAM program. These staff will coordinate an additional 1-day training session for two additional Herrera staff that will be involved in the monitoring.
- Physical habitat monitoring will be performed by two teams having two Herrera staff. Physical habitat monitoring at each station will require approximately 8-hours of field time including travel.
- Data from the physical habitat monitoring will be recorded on custom forms while in the field. The custom forms will be reviewed in the field upon completion of the monitoring at each station to ensure all required data have been collected. In an office setting, data from the custom forms will then be transferred to the electronic field data collection software that has been developed by Ecology to ensure completeness in field data collection and facilitate upload of these data to Ecology's Watershed Health database in the EIM. Ecology's Environmental Assessment Program (EAP) will perform quality assurance review of the compiled physical habitat monitoring data and calculate metrics for assessing physical habitat conditions using scripts that have been developed to work with the Watershed Health database in the EIM. Costs for EAP's support for these activities are not included in the cost proposal for this scope of work.
- A delay of approximately 6 to 8 months can be expected for obtaining processed indicators for assessing physical habitat conditions from EAP via the Watershed Health database in the EIM system.

Deliverables

- Results from physical habitat monitoring at 17 stations that are uploaded to Watershed Health database in the EIM.

Subtask 18.5 - Biological Monitoring

Under this subtask, Herrera will conduct biological monitoring for the RPWS once during the water year at 17 stations. Pursuant to the QAPP for the study, this entails the collection of a composite sample of benthic macro invertebrates from specific locations along the cross-sections for physical habitat monitoring. These samples will be submitted to an analytical laboratory where they will be processed to compute the following indicators for use in evaluating stream health:

- Benthic Index of Biotic Integrity
- Taxa Richness
- Ephemeroptera Richness
- Plecoptera Richness
- Trichoptera Richness Clinger Percent
- Long-Lived Richness
- Intolerant Richness
- Percent Dominant
- Predator Percent
- Tolerant Percent

Assumptions

- Benthic macro invertebrate samples and the sediment samples described in Subtask 18.3 will be collected during the same field visit to each station. This sample collection will be performed by one team having two Herrera staff. Collection of these samples from 3 stations will require approximately 8-hours of field time including travel.
- A delay of approximately 6 to 8 months can be expected for obtaining processed indicators for evaluating stream health from the analytical laboratory.

Deliverables

- Laboratory results from macroinvertebrate sample analysis for 17 stations entered into the Puget Sound Stream Benthos database.

Subtask 18.6- Water Year Data Summary Report

Herrera will prepare a data summary report with tabular and/or graphical summaries of all data that were collected over the water year in connection with the following monitoring components of the RPWS: hydrologic, water quality, sediment quality, physical habitat, and biological. This report will provide a detailed description of any quality assurance issues associated with these data based on results from audits and data validation memoranda. Any corrective actions that were undertaken to address quality assurance issues will also be described. Finally, this report will document all rehabilitation efforts that have occurred in the Application watersheds over the previous year. Included will be detailed information on the

design and operational status of structural stormwater controls and the frequency and geographic extent of nonstructural stormwater control implementation.

Herrera will collaborate with King County to prepare a preliminary draft of the data summary report for review by the City. Based on comments received from the City, Herrera will then prepare a revised draft for review by Ecology and the technical advisory committee (TAC) that has been established for the study (see Subtask 18.7). Herrera will then prepare a finalized version of the report based on comments received.

Deliverables

- Preliminary draft data summary report.
- Draft data summary report.
- Final data summary report.

Subtask 18.7 -Technical Advisory Committee Coordination

The TAC for this study includes representation from the following agencies: City of Redmond, City of Kirkland, City of Seattle, King County, US Geological Survey, and Ecology. Under this subtask, Herrera will coordinate and participate in up to two meetings to obtain input from the committee on technical issues related to the study over water year 2025. It is anticipated that one of these meetings may occur after the release of the data report from Subtask 18.6 to review and discuss the monitoring results from the water year. Contingency budget is also provided for a second, optional meeting to address unforeseen issues that may arise during implementation of the RPWS over the water year.

Assumptions

- Technical advisory committee meetings will last 2-hours and be attended by up to 3 Herrera staff.

Deliverables

- Meeting notes documenting discussion items and consensus decisions from the technical advisory committee.

Subtask 18.8 - Project Management

Herrera will be responsible for ongoing contract administration of this project, including preparing invoices and progress reports, as well as coordination of all work efforts with the designated City point of contact and the Project Team. The Herrera project manager (John Lenth) will have phone and e-mail contact with the City on an as-needed basis.

Deliverables

- Monthly invoices and progress reports.

TASK 19.0 – TREND ANALYSIS REPORT: WATER YEARS 2016 - 2025

Following completion of required monitoring for water year 2025 and preparation of the associated data summary report, Herrera will prepare a trend analysis report covering data collected over 10 years of study implementation (water years 2016 – 2025). This report will summarize results from statistical analyses performed to detect improving or degrading trends in receiving water conditions in the seven watersheds that are the focus of monitoring efforts for the RPWS. A detailed discussion of these trends will be provided with a specific emphasis on relationships between trends and rehabilitation efforts in the Application watersheds relative to trends in the Reference and Control watersheds. A summary of major conclusions from these analyses will also be provided.

Statistical analyses will follow procedures that are described in the QAPP and documented in minutes from the TAC meeting that occurred on July 29, 2019. The following specific procedures will be performed in connection with these analyses:

- Correlation analyses to detect trends over time in water and sediment pollutant concentration data and computed indicators from hydrologic and biological monitoring.
- Computation of annual mass load estimates from data for a subset of parameters from water quality monitoring; correlation analyses would then be performed on these estimates to detect trends over time.
- Comparisons of data from physical habitat monitoring to reference conditions from Puget Sound lowland ecoregion streams.

Herrera will collaborate with King County to prepare a preliminary draft of the trend analysis report for review by the City. Based on comments received from the City, Herrera will then prepare a revised draft for review by Ecology and the TAC that has been established for the study. Herrera will then prepare a finalized version of the report based on comments received.

Herrera will create two (2) presentations that summarize major findings from the trend analysis report and the RPWS more broadly for permittees and stakeholders. One of these presentations will be made to the Stormwater Work Group. The other can be made at a conference with a stormwater and regional focus (e.g. MuniCon), upon agreement with the City and Ecology (SAM Coordinator). Herrera will also create a SAM factsheet for distribution on the SAM website.

Assumptions

- Comments on the draft and revised draft trend analysis reports will be provided using a standardized template to be provided by Herrera.

Deliverables

- Preliminary draft trend analysis report.
- Draft trend analysis report.
- Final trend analysis report.
- Two presentations on study design and findings to date.
- SAM factsheet on project findings to date.

EXHIBIT B: PAYMENT SCHEDULE

Redmond Paired Basin Retrofit Effectiveness monitoring Implementation - Water Year 2025

Task/Deliverable	Target Completion Date	Quantity	Unit Cost	Total by Deliverable
Task 18.0 – Water Year 2025 Study Implementation				
Subtask 18.1 – Hydrologic Monitoring				
Table with flow summary statistics for sampled storm and base flow events from 12 stations	Mar 2026	1	$ 9,300	$ 9,300
Subtask Total				$ 9,300
Subtask 18.2 – Water Quality Monitoring				
Laboratory analytical results and documentation of Herrera audits for 12 stations x 16 sampling events		16	$ 9,230	$ 147,680
Data validation memorandum	Mar 2026	1	$ 16,400	$ 16,400
Subtask Total				$ 164,080
Subtask 18.3 – Sediment Quality Monitoring				
Laboratory analytical results and documentation of Herrera audits for 17 stations		1	$ 20,300	$ 20,300
Data validation memorandum	Mar 2026	1	$ 5,080	$ 5,080
Subtask Total				$ 25,380
Subtask 18.4 – Physical Habitat Monitoring				
Results from physical habitat monitoring at 17 stations	Mar 2026	1	$ 72,900	$ 72,900
Subtask Total				$ 72,900
Subtask 18.5 – Biological Monitoring				
Laboratory results from macroinvertebrate sample analysis for 17 stations	Mar 2026	1	$ 17,100	$ 17,100
Subtask Total				$ 17,100
Subtask 18.6 – Water Year Data Summary Report				
Preliminary Draft / Draft data summary report	May 2026	1	$ 25,900	$ 25,900
Final data summary report	Jun 2026	1	$ 6,480	$ 6,480
Subtask Total				$ 32,380
Subtask 18.7 – Technical Advisory Committee Coordination				
Meeting notes documenting discussion items and consensus decisions	Apr 2026	2	$ 2,150	$ 4,300
Subtask Total				$ 4,300
Subtask 18.8 – Project Management				
Monthly invoices and progress reports	Sep 2025	12	$ 3,180	$ 38,160
Subtask Total				$ 38,160
Task Total				$ 363,600

EXHIBIT B: PAYMENT SCHEDULE

Redmond Paired Basin Retrofit Effectiveness monitoring Implementation - Water Year 2025

Task/Deliverable	Target Completion Date	Quantity	Unit Cost	Total by Deliverable
Task 19.0 – Trend Analysis Report: Water Years 2016 - 2025				
Prelimnary Draft / Draft data analyis report	May 2026	1	$ 42,900	$ 42,900
Final data analysis report	Jun 2026	1	$ 10,720	$ 10,720
Stormwater Work Group and Conference Presentation	Jul - Sep 2026	2	$ 2,000	$ 4,000
Fact Sheet	Sep 2026	1	$ 3,400	$ 3,400
Task Total				$ 61,020
Project Total				$ 424,620

Scope of Work
Paired Basin Retrofit Effectiveness Monitoring Study – Phase VI

Background/Description

In 2015, the Washington Department of Ecology awarded to City of Redmond a Regional Stormwater Monitoring Program (RSMP) stormwater effectiveness grant for Phase I of the Redmond Paired Basin Study ("Project"). This study is designed to monitor changes in receiving waters before and after construction of stormwater retrofit projects, stream restoration projects, and targeted stormwater program application within watersheds in Redmond and King County (including Evans Creek 108). Phases II, III, IV, and V have been completed to continue monitoring through to September, 2024. King County conducts flow and limited water quality monitoring for this project and expert support for data analysis. Phase VI will include monitoring through September 30th, 2025, and expert support for data analysis through December 31st, 2026.

Under the attached interagency agreement (IAA) and this scope of work, King County Water and Land Resources Division ("WLRD") will provide to Redmond services to support completion of the Project, per the tasks as outlined below. The completion target date for the Project and tasks to be performed by WLRD is **December 31st, 2026**.

Overview of Tasks

WLRD will provide continuous gaging services for flow and water quality in six watersheds for the duration of the Project. WLRD will participate in meetings as needed for troubleshooting and Project Team coordination and administer the Project in accordance with this Scope of Work.

Task 1: Monitoring and Maintenance

WLRD gaging specialists (Bliss, Grant, or Smith) will maintain and replace flow and water quality monitoring equipment and maintain equipment to ensure proper operation. Equipment required for maintenance and replacement includes but is not limited to batteries, solar panels, data logger hardware, temperature probes and data transfer services. Monitoring data will be telemetered where cell phone coverage is available and the installation feasible. Telemetered data will be automatically processed and available for download on King County's Hydrological Information Center (HIC) website, a public website. Non-telemetered data will be processed within seven days after download, and then will be available for download on the HIC website. WLRD will prepare an electronic data file annually of all project data for the City of Redmond upon request. At the completion of water year 2025, the gaging specialists will de-mobilize all equipment that had been installed and maintained pursuant to this project.

Deliverables:

1. Posting of telemetered data on HIC (continual)
2. Posting of non-telemetered data on HIC will occur every 5 weeks
3. Electronic data file of monitoring data provided by February 28th, 2025 for the 2024 calendar year.
4. Electronic data file of monitoring data provided by January 31st, 2026 for the 2025 water year.

Timeline
From October 1, 2024, through September 30, 2025

Task 2: Data Quality Assurance

WLRD gaging specialist will regularly review flow and water quality monitoring data for quality assurance (QA) purposes and conduct an annual QA review of monitoring data. Regular review of telemetered data will include a daily (work week) check that the station is transmitting reasonable data. After each site visit, the result of the discharge measurement will be plotted and the rating curve verified. Observations of water level and water quality will be compared to the recorded values. Annual QA review includes: an examination of the continuous record for completeness; charting average, maximum and minimum daily values; comparison with a nearby station; review of discharge measurements, review of rating curve and data workup.

Deliverables:

1. Annual QA reports will be provided as follows:
    - Water year through calendar year 2024 (10/1/2023 – 12/31/2024) by 2/28/2025
    - Water year 2025 (10/1/2024 – 9/30/2025) by 1/31/2026

Timeline
From October 1, 2024, through January 31st, 2026

Task 3: TAC input

The WLRD gaging specialist (Bliss, Grant, or Smith) and Agreement Administrator (Bliss) will attend up to three meetings a year for troubleshooting and/or project status reports. Jeff Burkey and Kate Macneale will attend two meetings per year on analytical strategy in 2025. Meetings will be up to two hours in length. All four staff will also review the annual water year (2024, 2025) project data reports, and the 2016-2025 Trend Analysis Report by Herrera.

Deliverables:

1. Meeting participation
2. Review comments

Timeline: Duration of services

Task 4: Project Management

The Agreement Administrator (Bliss) will act as Project Manager for services to be provided pursuant to this Scope of Work. Task 4 includes coordination of WLRD and other King County staff, budget management, progress reports (annual end-of-year 2024, 2025, and 2026) and participation in Project Team meetings for troubleshooting and status check purposes.

Deliverables:

1. Annual progress reports for prior calendar year will be provided by January 31st (end-of-year 2024, end-of-year 2025 and end-of-year 2026)

Timeline: Duration of Project

King County Budget by Task

Task 1 - Monitoring and Maintenance	$70,908.60
Task 2 - Data QA	$15,463.80
Task 3 - TAC input	$11,980.32
Task 4 - Project Administration	$1,874.40
TOTAL	**$100,227.12**

King County Budget by Hours

Year	Task #	Task	Bliss $115.36/hr	Macneale $139.80/hr	Burkey $157.40/hr	Subtotal
2024-2025	Task 1	Monitoring and Maintenance	440	0	0	$50,758.40
2025	Task 1	Monitoring and Maintenance	70			$8,075.20
2025	Task 2	Data QAQC	66	0	0	$7,613.76
2025	Task 3	TAC input	16	8	8	$4,223.36
2025	Task 4	Project Admin	8	0	0	$922.88
2025 Subtotal			*600*	*8*	*8*	*$71,593.60*
			Bliss	**Macneale**	**Burkey**	
			$118.94/hr	$144.13/hr	$162.27/hr	
2026	Task 2	Data QAQC	66	0	0	$7,850.04
2026	Task 3	TAC input	24	16	16	$7,756.96
2026	Task 4	Project Admin	8	0	0	$951.52
2026 Subtotal			*98*	*8*	*8*	*$16,558.52*
Labor subtotal			**698**	**16**	**16**	**$88,152.12**
Equipment						**$12,075.00**
Total						**$100,227.12**

Memorandum

Date: 9/17/2024
Meeting of: City Council

File No. AM No. 24-131
Type: Consent Item

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Planning and Community Development	Carol Helland	425-556-2107

DEPARTMENT STAFF:

Planning and Community Development	Seraphie Allen	Deputy Director
Planning and Community Development	Michael Hintze	Manager, Transportation Planning & Engineering
Planning and Community Development	LaNaya Taylor	Program Administrator

TITLE:
Approval of Consultant Agreement with Enviroissues, in the Amount of $94,995, for Go Redmond Program Refresh

OVERVIEW STATEMENT:
Approve a Consultant Agreement with Enviroissues to provide branding guidance and website design for the Transportation Demand Management and Commute Trip Reduction program, Go Redmond.

☒ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information** ☐ **Provide Direction** ☒ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
  ESAP T1: Increase the equitable use of non-SOV modes of transportation, such as biking, walking, and public transit
  ESAP T1.21: Partner with organizations such as the Transportation Management Association (TMA) to increase commuter mobility and efficient use of transportation systems through services, incentives, education, and the promotion of single occupancy vehicle alternatives to residents.
  Redmond 2050 TR-6.7: Implement transportation programs, projects, and services that support the independent mobility of those who cannot or choose not to drive.

- **Required:**
  Council approval is required to award a Consultant Services agreement that exceeds $50,000 (2018 City Resolution 1503)
- **Council Request:**
  N/A
- **Other Key Facts:**
- Go Redmond was created in 2015 with a focus on logging commute trips on a regional online calendar to then receive monetary rewards. In addition to refreshing the brand and website user experience, the focus will be expanded to include everyday transportation around Redmond rather than a focus solely on work commute trips.
- The City posted an RFP and received seven proposals. A review committee consisting of Redmond staff unanimously selected Enviroissues to provide these services.
- Work should be completed by the time the Downtown and Marymoor stations open in Spring 2025 so that it can be used as a tool to help people connect with light rail and other transportation options.

OUTCOMES:
The agreement will result in the following outcomes:

- New program name, logo, and branding.
- Visually appealing, user-friendly, and easy-to-navigate website user experience.
- Enhanced social media and blog functionality to improve promotional efforts while reducing staff time.
- Outreach launch plan and materials aligned to fully leverage and support light rail opening.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
  N/A
- **Outreach Methods and Results:**
  N/A
- **Feedback Summary:**
  N/A

BUDGET IMPACT:

Total Cost:
Total cost for the program refresh is $94,995 and is included in the adopted budget.

Approved in current biennial budget: ☒ **Yes** ☐ **No** ☐ **N/A**

Budget Offer Number:
0000034 - Mobility of People and Goods

Budget Priority:
Vibrant and Connected

Other budget impacts or additional costs: ☐ **Yes** ☐ **No** ☒ **N/A**

If yes, explain:
N/A

Funding source(s):
118-Operating Grants

Budget/Funding Constraints:
N/A

☒ **Additional budget details attached**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
9/3/2024	Committee of the Whole - Planning and Public Works	Provide Direction

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:
Commencing work as soon as possible makes it more likely that work will be completed before the Downtown and Marymoor light rail stations open in Spring of 2025.

ANTICIPATED RESULT IF NOT APPROVED:
If not approved, city staff will have less tools available to help connect people with transportation options and promotions, including light rail.

ATTACHMENTS:
Attachment A -Agreement
Attachment B-Scope of Work

Consulting Services Agreement
[Non-Public Work]

PROJECT TITLE Go Redmond Refresh	***EXHIBITS*** ***(List all attached exhibits - Scope of Work, Work Schedule, Payment Schedule, Renewal Options, etc.)*** Consultant Agreement Exhibit A- Scope of Work, Work Schedule, Budget Estimate
CONTRACTOR EnviroIssues	***CITY OF REDMOND PROJECT ADMINISTRATOR*** ***(Name, address, phone #)*** City of Redmond LaNaya Taylor 15670 NE 85th St., Redmond, WA 98052 425.556.2482 ltaylor@redmond.gov
CONTRACTOR'S CONTACT INFORMATION ***(Name, address, phone #)*** Alexandra Streamer EnviroIssues 101 Stewart St., Suite 1200 Seattle, WA 98101 206.390.7441 astreamer@enviroissues.com	***BUDGET OR FUNDING SOURCE*** 118.82200.00410.54720
CONTRACT COMPLETION DATE March 2024	***MAXIMUM AMOUNT PAYABLE*** $94,995

THIS AGREEMENT is entered into on _____, 20__ between the City of Redmond, Washington, hereinafter called "the CITY", and the above person, firm or organization, hereinafter called "the CONSULTANT".

WHEREAS, the CITY desires to accomplish the above-referenced project; and

WHEREAS, the CITY does not have sufficient staff or expertise to meet the required commitment and therefore deems it advisable and desirable to engage the assistance of a CONSULTANT to provide the necessary services for the project; and

WHEREAS, the CONSULTANT has represented to the CITY that the CONSULTANT is in compliance with the professional registration statutes of the State of Washington, if applicable, and has signified a willingness to furnish consulting services to the CITY, now, therefore,

IN CONSIDERATION OF the terms and conditions set forth below, or attached and incorporated and made a part hereof, the parties agree as follows:

1. Retention of Consultant - Scope of Work. The CITY hereby retains the CONSULTANT to provide professional services as defined in this agreement and as necessary to accomplish the scope of work attached hereto as Exhibit A and incorporated herein by this reference as if set forth in full. The CONSULTANT shall furnish all services, labor and related equipment necessary to conduct and complete the work, except as specifically noted otherwise in this agreement.

2. Completion of Work. The CONSULTANT shall not begin any work under the terms of this agreement until authorized in writing by the CITY. The CONSULTANT shall complete all work required by this agreement according to the schedule attached as Exhibit B and incorporated herein by this reference as if set forth in full. A failure to complete the work according to the attached schedule, except where such failure is due to circumstances beyond the control of the CONSULTANT, shall be deemed a breach of this agreement. The established completion time shall not be extended because of any delays attributable to the CONSULTANT, but may be extended by the CITY, in the event of a delay attributable to the CITY, or because of unavoidable delays caused by circumstances beyond the control of the CONSULTANT. All such extensions shall be in writing and shall be executed by both parties.

3. Payment. The CONSULTANT shall be paid by the CITY for satisfactorily completed work and services satisfactorily rendered under this agreement as provided in Exhibit C, attached hereto and incorporated herein by this reference as if set forth in full. Such payment shall be full compensation for work performed or services rendered and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work specified in the Scope of Work attached. The CONSULTANT shall be entitled to invoice

the CITY no more frequently than once per month during the course of the completion of work and services by the CONSULTANT. Invoices shall detail the work performed or services rendered, the time involved (if compensation is based on an hourly rate) and the amount to be paid. The CITY shall pay all such invoices within 30 days of submittal, unless the CITY gives notice that the invoice is in dispute. In no event shall the total of all invoices paid exceed the maximum amount payable set forth above, if any, and the CONSULTANT agrees to perform all services contemplated by this agreement for no more than said maximum amount.

4. Changes in Work. The CONSULTANT shall make such changes and revisions in the complete work provided by this agreement as may be necessary to correct errors made by the CONSULTANT and appearing therein when required to do so by the CITY. The CONSULTANT shall make such corrective changes and revisions without additional compensation from the CITY. Should the CITY find it desirable for its own purposes to have previously satisfactorily completed work or parts thereof changed or revised, the CONSULTANT shall make such revisions as directed by the CITY. This work shall be considered as Extra Work and will be paid for as provided in Section 5.

5. Extra Work.

A. The CITY may, at any time, by written order, make changes within the general scope of the agreement in the services to be performed. If any such change causes an increase or decrease in the estimated cost of, or the time required for, performance of any part of the work or services under this agreement, whether or not changed by the order, or otherwise affects any other terms or conditions of the agreement, the CITY shall make an equitable adjustment in the (1) maximum amount payable; (2) delivery or completion schedule or both; and (3) other affected terms, and shall modify the agreement accordingly.

B. The CONSULTANT must submit any "proposal for adjustment" under this clause within 30 days from the date of receipt of the written order to make changes. However, if the CITY decides that the facts justify it, the CITY may receive and act upon a proposal submitted before final payment of the agreement.

C. Failure to agree to any adjustment shall be a dispute under the Disputes clause of this agreement, as provided in Section 13. Notwithstanding any such dispute, the CONSULTANT shall proceed with the agreement as changed.

D. Notwithstanding any other provision in this section, the maximum amount payable for this agreement shall not be increased or considered to be increased except by specific written amendment of this agreement.

6. Ownership of Work Product. Any and all documents, drawings, reports, and other work product produced by the CONSULTANT under this agreement shall become the property of the CITY upon payment of the CONSULTANT'S fees and charges therefore. The CITY shall have the complete right to use and re-use such work product in any manner deemed appropriate by the CITY, provided, that use on any project other than that for which the work product is prepared shall be at the CITY'S risk unless such use is agreed to by the CONSULTANT.

7. Independent Contractor. The CONSULTANT is an independent contractor for the performance of services under this agreement. The CITY shall not be liable for, nor obligated to pay to the CONSULTANT, or any employee of the CONSULTANT, sick leave, vacation pay, overtime or any other benefit applicable to employees of the CITY, nor to pay or deduct any social security, income tax, or other tax from the payments made to the CONSULTANT which may arise as an incident of the CONSULTANT performing services for the CITY. The CITY shall not be obligated to pay industrial insurance for the services rendered by the CONSULTANT.

8. Indemnity. The CONSULTANT agrees to hold harmless, indemnify and defend the CITY, its officers, agents, and employees, from and against any and all claims, losses, or liability, for injuries, sickness or death of persons, including employees of the CONSULTANT, or damage to property, arising out of any willful misconduct or negligent act, error, or omission of the CONSULTANT, its officers, agents, subconsultants or employees, in connection with the services required by this agreement, provided, however, that:

A. The CONSULTANT's obligations to indemnify, defend and hold harmless shall not extend to injuries, sickness, death or damage caused by or resulting from the sole willful misconduct or sole negligence of the CITY, its officers, agents or employees; and

B. The CONSULTANT's obligations to indemnify, defend and hold harmless for injuries, sickness, death or damage caused by or resulting from the concurrent negligence or willful misconduct of the CONSULTANT and the CITY, or of the CONSULTANT and a third party other than an officer, agent, subconsultant or employee of the CONSULTANT, shall apply only to the extent of the negligence or willful misconduct of the CONSULTANT.

9. Insurance. The CONSULTANT shall provide the following minimum insurance coverages:

A. Worker's compensation and employer's liability insurance as required by the State of Washington;

B. General public liability and property damage insurance in an amount not less than a combined single limit of two million dollars ($2,000,000) for bodily injury, including death, and property damage per occurrence.

C. Professional liability insurance, if commercially available in CONSULTANT's field of expertise, in the amount of two million dollars ($2,000,000) or more against claims arising out of work provided for in this agreement.

The amounts listed above are the minimum deemed necessary by the CITY to protect the CITY'S interests in this matter. The CITY has made no recommendation to the CONSULTANT as to the insurance necessary to protect the CONSULTANT'S interests and any decision by the CONSULTANT to carry or not carry insurance amounts in excess of the above is solely that of the CONSULTANT.

All insurance shall be obtained from an insurance company authorized to do business in the State of Washington. Excepting the professional liability insurance, the CITY will be named on all insurance as an additional insured. The CONSULTANT shall submit a certificate of insurance to the CITY evidencing the coverages specified above, together with an additional insured endorsement naming the CITY, within fifteen (15) days of the execution of this agreement. The additional insured endorsement shall provide that to the extent of the CONSULTANT's negligence, the CONSULTANT's insurance shall be primary and non-contributing as to the City, and any other insurance maintained by the CITY shall be excess and not contributing insurance with respect to the CONSULTANT's insurance. The certificates of insurance shall cover the work specified in or performed under this agreement. No cancellation, reduction or modification of the foregoing policies shall be effective without thirty (30) days prior written notice to the CITY.

10. Records. The CONSULTANT shall keep all records related to this agreement for a period of three years following completion of the work for which the CONSULTANT is retained. The CONSULTANT shall permit any authorized representative of the CITY, and any person authorized by the CITY for audit purposes, to inspect such records at all reasonable times during regular business hours of the CONSULTANT. Upon request, the CONSULTANT will provide the CITY with reproducible copies of any such records. The copies will be provided without cost if required to substantiate any billing of the CONSULTANT, but the CONSULTANT may charge the CITY for copies requested for any other purpose.

11. Notices. All notices required to be given by either party to the other under this Agreement shall be in writing and shall be given in person or by mail to the addresses set forth in the box for the same appearing at the outset of this Agreement. Notice by mail shall be deemed given as of the date the same is deposited in the United States mail, postage prepaid, addressed as provided in this paragraph.

12. Project Administrator. The Project Administrator shall be responsible for coordinating the work of the CONSULTANT, for providing any necessary information for and direction of the CONSULTANT's work in order to ensure that it meets the requirements of this Agreement, and for reviewing, monitoring and approving the quality and quantity of such work. The CONSULTANT shall report to and take any necessary direction from the Project Administrator.

13. Disputes. Any dispute concerning questions of fact in connection with the work not disposed of by agreement between the CONSULTANT and the CITY shall be referred for resolution to a mutually acceptable mediator. The parties shall each be responsible for one-half of the mediator's fees and costs.

14. Termination. The CITY reserves the right to terminate this agreement at any time upon ten (10) days written notice to the CONSULTANT. Any such notice shall be given to the address specified above. In the event that this agreement is terminated by the City other than for fault on the part of the CONSULTANT, a final payment shall be made to the CONSULTANT for all services performed. No payment shall be made for any work completed after ten (10) days following receipt by the CONSULTANT of the notice to terminate. In the event that services of the CONSULTANT are terminated by the CITY for fault on part of the CONSULTANT, the amount to be paid shall be determined by the CITY with consideration given to the actual cost incurred by the CONSULTANT in performing the work to the date of termination, the amount of work originally required which would satisfactorily complete it to date of termination, whether that work is in a form or type which is usable to the CITY at the time of termination, the cost of the CITY of employing another firm to complete the work required, and the time which may be required to do so.

15. Non-Discrimination. The CONSULTANT agrees not to discriminate against any customer, employee or applicant for employment, subcontractor, supplier or materialman, because of race, creed, color, national origin, sex, religion, honorable discharged veteran or military status, familial status, sexual orientation, age, or the presence of any sensory, mental, or physical disability or the use of a trained dog or service animal by a person with a disability, except for a bona fide occupational qualification. The CONSULTANT understands that if it violates this provision, this Agreement may be terminated by the CITY and that the CONSULTANT may be barred from performing any services for the CITY now or in the future.

16. Compliance and Governing Law. The CONSULTANT shall at all times comply with all applicable federal, state, and local laws, rules, ordinances, and regulations. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

17. Subcontracting or Assignment. The CONSULTANT may not assign or subcontract any portion of the services to be provided under this agreement without the express written consent of the CITY. Any sub-consultants approved by the CITY at the outset of this agreement are named on separate Exhibit attached hereto and incorporated herein by this reference as if set forth in full.

18. Non-Waiver. Payment for any part of the work or services by the CITY shall not constitute a waiver by the CITY of any remedies of any type it may have against the CONSULTANT for any breach of the agreement by the CONSULTANT, or for failure of the CONSULTANT to perform work required of it under the agreement by the CITY. Waiver of any right or entitlement under this agreement by the CITY shall not constitute waiver of any other right or entitlement.

19. Litigation. In the event that either party deems it necessary to institute legal action or proceedings to enforce any right or obligation under this agreement, the parties agree that such actions shall be initiated in the Superior Court of the State of Washington, in and for King County. The parties agree that all questions shall be resolved by application of Washington law and that parties to such actions shall have the right of appeal from such decisions of the Superior Court in accordance with the law of the State of Washington. The CONSULTANT hereby consents to the personal jurisdiction of the Superior Court of the State of Washington, in and for King County. The prevailing party in any such litigation shall be entitled to recover its costs, including reasonable attorney's fees, in addition to any other award.

20. Taxes. The CONSULTANT will be solely responsible for the payment of any and all applicable taxes related to the services provided under this agreement and if such taxes are required to be passed through to the CITY by law, the same shall be duly itemized on any billings submitted to the CITY by the CONSULTANT.

21. City Business License. The CONSULTANT has obtained, or agrees to obtain, a business license from the CITY prior to commencing to perform any services under this agreement. The CONSULTANT will maintain the business license in good standing throughout the term of this Agreement.

22. Entire Agreement. This agreement represents the entire integrated agreement between the CITY and the CONSULTANT, superseding all prior negotiations, representations or agreements, written or oral. This agreement may be modified, amended, or added to, only by written instrument properly signed by both parties hereto. These standard terms and conditions set forth above supersede any conflicting terms and conditions on any attached and incorporate exhibit. Where conflicting language exists, the CITY'S terms and conditions shall govern.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

CONSULTANT:

By: _____
Title: _____

CITY OF REDMOND:

_____
Angela Birney, Mayor
DATED: _____

ATTEST/AUTHENTICATED:

_____
City Clerk, City of Redmond

APPROVED AS TO FORM:

_____
Office of the City Attorney

Docusign Envelope ID: E35CE21C-23AF-4D53-9A07-82E6E1B5A67C

Task 0: Project Management

As a firm, EnviroIssues has established a set of internal policies and procedures that align our deliverables with our client's communications goals and standards. Our responsive approach for managing this project includes a set of clear communication protocols, defined roles and responsibilities, and detailed project management tools.

We strive to reflect values of customer service, integrity, and a solution-focused approach in how we manage and deliver projects to clients. Our success depends on setting a solid foundation for the work through diligent project management in close coordination with our clients.

Alexandra Streamer will serve as the project manager for the contract and is committed to providing timely responses to inquiries, resources, and strategic advice.

Key components of project management include:

- Our team's availability
- Responsiveness to requests and inquiries
- Our process for setting up new task orders and kicking off projects
- Active management and reporting throughout each project
- Handling amendments and changes
- Evaluation processes and project close-out

Project kick-off, scoping, and planning

Once the contract is finalized and signed, the EnviroIssues team will organize a kickoff meeting to establish shared expectations, including finalizing project scope, budget, staffing levels, team roles, communication protocols, meeting schedules, and collaboration tools. This kick-off sets a solid foundation for effective teamwork and project management throughout the project.

Ongoing communication, project management, and progress monitoring

Throughout the project life cycle, our project manager conducts recurring check-ins with the City to review progress against the project scope and budget. These meetings serve as an opportunity to address any concerns or issues that may arise and ensure transparency and accountability.

We also use project management tools to track and manage tasks and schedules during the project. These tools enable seamless workback planning so the City project manager knows what to expect and when. On the accounting side, we use an integrated billing system (Deltek Vantagepoint) that provides weekly budget tracking and monthly invoices. Alexandra will provide detailed labor and expense reporting with each invoice customized to the City's needs. Our team of diverse expertise can offer flexibility and access to specialized skills.

Capacity

Our proposed team will be supported by a bench of over 75 professionals with the range of expertise needed to support Go Redmond rebranding and website development. As consultants, we strive to set a course and stick to it, but we also recognize that flexibility is part of the complex environment of any project. Our project managers are highly experienced adapting to and managing changing project needs. As needs arise, we can quickly add expertise and capacity to our team to stay aligned with your desired outcomes.

Docusign Envelope ID: E35CE21C-23AF-4D53-9A07-82E6E1B5A67C

Task 1: Program Name, Logo, and Branding

Our goal is to guide you through each step, working closely together to create an identity that reflects who you are to the community. We will begin by understanding the Go Redmond audience and goals through a detailed creative brief, followed by design exercises like word association to develop a new name and tagline for the program. Once these elements are refined, we will create a logo and visual identity that perfectly aligns with the new identity, with the goal of authentically representing the community's evolved needs for the program. Based on the proposed budget and timeline, the following outlines the essential steps we recommend to meet your tight schedule while ensuring alignment with your vision and resources

The connection between storytelling and messaging

We believe a brand should consistently tell a compelling story to connect with its audience. Our team is excited to collaborate with you to uncover meaningful messages that resonate with your desired audiences. We will guide you through the storytelling process to highlight the city's transportation resources and increase awareness of the Go Redmond programs. Together, we will draft compelling narratives and develop a creative plan using the blog and social media to promote safe, eco-friendly transportation solutions.

Building the brand

Rebranding is a continuous journey of learning, researching, and enhancing. To ensure that the brand and marketing strategy are memorable and genuine, they must also be relevant, honest, inspiring, and consistent. We will lead the Go Redmond rebranding effort by following a process that builds what we consider to be the three core components.

Building the brand core components:

1. **Visual identity: The visual components you want the audience to associate with Go Redmond.**
2. **Brand Voice: Text and words used to describe Go Redmond.**
3. **Perceived identity: The perception your target audience has about Go Redmond.**

Brand assessment

Because building a strong client relationship is important to us, we prioritize initial meetings to foster trust and a mutual understanding. Our approach begins with a kick-off meeting and workshop to evaluate Go Redmond's current brand and communication strategies. This introspective phase allows us to identify successes and areas for improvement, laying a solid foundation for your rebranding journey. This research will inform our work, helping us understand how the new brand platform can enhance Go Redmond's reputation among your existing audience. We will work with Redmond staff to catalogue the known challenges, such as confusion among other "Action verb – Redmond" services and a reduced interest in viewing sustainable transportation options through the lens of commuting.

These insights will shape a creative brief guiding the development of visual and written identities, along with strategic marketing plans, and key deliverable dates set accordingly.

Creative brief

The Branding and User Interface Lead, Anh Mai, will utilize the information gathered from the kick-off meeting and lead the branding process. The creative brief serves as the blueprint for the rebrand, outlining key objectives, tone and voice, target audiences, brand applications, and visual considerations. Establishing these strategic criteria provides clear guidance for designers and reviewers throughout the creative process.

Evaluating the brand name

Our creative director will guide you through the process of evaluating what works and what doesn't with the current Go Redmond name. We'll identify the necessary changes to align the brand name with your vision and purpose, making certain that the new program name resonates with the community.

Docusign Envelope ID: E35CE21C-23AF-4D53-9A07-82E6E1B5A67C

Visual identity

With a creative brief, we will craft brand concepts encompassing visual identity and compelling taglines that resonate with Go Redmond's essence. Our approach involves developing creative strategies to ensure deliverables align with project goals, resonate with target audiences, and maintain visual coherence. We will create a comprehensive draft of your brand messaging strategy, covering brand introspection, audience understanding, tone of voice, messaging, and brand applications.

Presenting two creative concepts for Go Redmond, we will invite you to review and select the concept that best represents your organization for further refinement. Multiple rounds of feedback will be encouraged to accurately reflect your vision in the new brand. This collaborative process will effectively refine and finalize both the visual and written identities.

Brand guidelines

After completing the brand refresh, Anh will oversee the creation of brand guidelines, which will serve as a comprehensive reference for applying and implementing the brand across various applications. These guidelines will cover logo usage, color palette, typography, photography/imagery, and other essential brand elements.

Launching your new brand

We understand that a rebranding process involves deep thought, continuous exchange of ideas, and an emotional investment. Upon completion, a rebrand deserves a strategized rollout plan that honors the effort and care invested. We will assist you in preparing, evaluating, and selecting the appropriate tools and platforms to introduce your new brand to your audience. An approach for launching the new brand through social media and other digital channels in addition to in-person events is described in Task 3 and Task 4, respectively. We will also guide you on how to evaluate your brand's effectiveness after launch, assessing how well it communicates with your target audience. This will enable you to make necessary adjustments and improvements as your branding efforts evolve.

Task 2: Website Design

Creating a new website is a complex task that goes beyond just its appearance. We aim to create a product that provides a long-life span, is scalable to growing needs, and is optimized for excellent performance from both a technical and user-oriented standpoint. Our Development Team collaborates closely with our Design Team to deliver a supportive experience from the project kick off, all the way to site launch. To deliver a high-quality product on time, we will follow a detailed schedule of tasks and deliverables, which will keep us within the City's timeline, budget, and scope of the deliverables.

Website assessment

The website assessment will allow us to look "under the hood" of your current site and better understand what is working best. This will provide us with insights as to what elements should be replicated or retained in the new site and what areas need to be reimagined or crafted to meet future needs. We will audit the current site build in the areas of functionality, content strategy, performance, and traffic analytics. This analysis will help us determine weak points and influence a plan of improvement.

Conducting user research is important for creating an accessible website, as it helps us understand our audience's needs and pain points. The depth of user testing will be determined based on client preference, schedule and budget. Our Design and Development teams will guide you in leveraging available resources, such as Google Analytics data and website traffic insights, to better understand how the audience is using the site.

Development setup

We will use a version control system to implement updates in a timely manner and offer stability of the code base during the build. We will also use industry standards for creating staging and production servers of the new site for seamless integration of updates and quality assurance during review. These instances will continue to serve the site for updates after launch. Domain registration (if applicable) will also be handled while we consider the need for redirects from the old site to the new site so that visitors can have a seamless journey during the transition to the new build.

Docusign Envelope ID: E35CE21C-23AF-4D53-9A07-82E6E1B5A67C

Ride-matching component

The new website will include the ride-matching component using the same technology already used on the website. This may require using some of the code snippets used on the current site. Common integrations would be an API call or embed provided by the SmartRideshare service.

Build processes

Wordpress is our CMS of choice and allows us to make a fully custom theme with built-in components (blocks) that can be easily implemented based on your content needs throughout the site. This theme will be built in accordance with pre-existing content types based on the current build but will incorporate the design aesthetic of the new brand. The site administrator and content editors will have the control they need for publishing content and allowing flexible content layouts for various new content types. We will store backups throughout the development process and configure the servers to create automatic backups as well. In coordination with Redmond's digital team, we will migrate a scoped, pre-determined amount of content from the current site to the new build at a scheduled time during the build process. Aspects of this migration process will be done ad-hoc and reviewed for content quality.

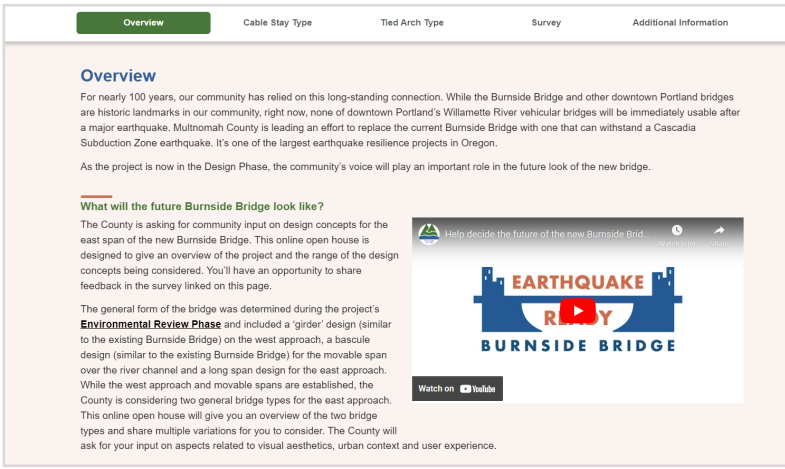
Adherence to best practices

Our design and development team will work together to create a site that is responsive and works in different viewports (desktop, mobile, tablet). We will ensure the site meets accessibility requirements by performing a series of tests throughout the development process and at final review before launch. Search engine optimization (SEO) is a continually evolving necessity for every high-performing site.

We will employ current standards by integrating an industry-standard tool within the CMS, during content creation, and in the codebase to meet search engine requirements and achieve optimal natural site rankings. Google analytics will also be implemented to track user interaction and consumption while further analyzing SEO after the launch. Additionally, we will set up an easily accessible tool to help track your traffic sources, clicks, and user base.

Ongoing support

Following the launch of the new brand and website, our team will create clear documentation for how to create content within the site and provide tutorials and staff training sessions. This could include specific directions about how to update the state-owned rideshare tool when the update becomes available. We will be available for up to three months for troubleshooting, depending on the available budget. Should the City want to make major updates or add new features that require our specialized skills, we will help the City develop a scope and budget to contract for this additional work.



Screenshot of the Burnside Bridge home page.

Case Study

Earthquake Ready Burnside Bridge

https://burnsidebridge.participate.online/

Overview

Multnomah County needed a site to educate the public about the final design phase of the Burnside Bridge in downtown Portland. The site needed to house many images of two primary bridge types and their corresponding variations. The site also needed to provide a survey to capture the thoughts of the public.

The Challenge

We were tasked with organizing the site's content to maximize the user experience and direct them to the survey after they digested the media and content related to the various bridge designs. We displayed the various assets in interactive ways to hold the visitor's attention while educating them on the details of what each design entails. Due to the number of different options available, we designed and built a unique component to further enable users to pick and choose which details they wanted to learn more about while they took the survey. This attention to content strategy, design and custom-tailored functionality was a success as the survey data captured has far exceeded the initial goals set at project kickoff.

Docusign Envelope ID: E35CE21C-23AF-4D53-9A07-82E6E1B5A67C

Task 3: Program Social Media and Blog Content

Social media is a major connecting thread between your agency and the public, and a critical part of the updated Go Redmond brand rollout process. A targeted approach to social media is key to audience building, and a distinctive social media 'voice' will help you stand out in increasingly crowded social media platforms such as Facebook, X, and Instagram. A social media brand voice will be a shortcut in the content planning process, establishing a consistent perspective and guidelines for all your future social media content.

Building on the written and verbal identity that we created during the brand development process, our team will collaborate with Redmond staff to define a distinctive social media brand voice that reflects core values. This voice can be practical, educational, funny, whimsical—whatever best suits the needs of the Go Redmond program and target audiences. The ultimate goal of this social media brand voice will be to connect with new audiences via Go Redmond brand content tailored to their social media engagement habits and then encourage those audiences to engage in desired behaviors such as using transit to visit Remond, joining a vanpool group for their daily commute, or biking to new destinations around the city. Our project team has experience identifying the unique qualities of your program and developing a voice and plan that builds on those qualities to attract target audiences through social media platforms.

This multi-step process will include:

- Defining goals for social media outreach.
- Cataloging lessons learned from existing social media presence and rider inquiries.
- Reviewing high-priority topics for future Go Redmond social media content.
- Defining target audiences—such as existing users of Go Redmond and new users with high mode shift potential given the 2 Line opening—and identifying their priorities, interests, and patterns of social media engagement.
- Identifying a meaningful connection point between Go Redmond priority topics and the audiences that need to hear about them.

Once your social media brand voice is established, we will develop a customized social media plan, including guidelines that outline best practices for content creation, establish a realistic schedule for social media engagement, and identify a variety of potential post themes for future engagement. Our team will ensure that these are achievable within the 4 hours per month that Redmond staff have available to operate Hootsuite. Our design team will also provide an updated visual identity for your social media and blog, including profile photo, account name, and updated blog themes.

Part of our social media communications strategy will involve identifying when and how blog posts can have the most impact with your userbase. This will include identifying key topics that warrant expanded content best served by a blog post and identifying the best way to promote these topics on social media. Through thoughtful integration of social media content and blog functionality, our team will help you develop an educational and entertaining repository of knowledge for your users that can invite participation.

Task 4: Launch Plan

Whether reaching people individually or at a large event to inform people about new transit service in their neighborhood, EnviroIssues knows how to make meaningful connections to uncover barriers and promote education to facilitate behavior change. We know how to craft messages that resonate and images that motivate. Our team has experience and deep knowledge of transportation strategies and expertise in community engagement. Behavior change is inherent to transit expansion and neighborhood evolution, and we are eager to plan the public presentation of the updated Go Redmond brand and website to excite the community about new ways to get around.

We will draft a comprehensive and clear event plan that outlines a tabling strategy with an engaging call to action, suggested materials (e.g., flyer or rack card) and content, potential giveaways featuring the new brand, and activities for booth visitors.

Whether reaching people individually or at a large event to inform people about new transit service in their neighborhood, EnviroIssues knows how to make meaningful connections to uncover barriers and promote education to facilitate behavior change. We know how to craft messages that resonate and images that motivate. Our team has experience and deep knowledge of transportation strategies and expertise in community engagement. Behavior change is inherent to transit expansion and neighborhood evolution, and we are eager to plan the public presentation of the updated Go Redmond brand and website to excite the community about new ways to get around.

Docusign Envelope ID: E35CE21C-23AF-4D53-9A07-82E6E1B5A67C

We will draft a comprehensive and clear event plan that outlines a tabling strategy with an engaging call to action, suggested materials (e.g., flyer or rack card) and content, potential giveaways featuring the new brand, and activities for booth visitors.

Our goal will be to propose fun and intriguing opportunities for people to learn about the new Go Redmond brand and program offerings. Booth visitors could fill out a board with the prompt, "How will you access the Downtown Redmond light rail station without a car?" for a chance to spin a prize wheel with fun giveaways like free ORCA cards, branded to-go coffee mugs, a map of safe bike routes to and from key neighborhood destinations, branded umbrellas, personalized trip planning assistance, bike spoke decals, new helmets, branded reusable shopping bags, and more.

EnviroIssues looks for every opportunity to maximize engagement and would recommend using this event to poll attendees about their awareness of Go Redmond's offerings. One approach could be to ask booth visitors to add a bean to one of two jars labeled "yes" and "no" to indicate familiarity. Having multiple activities at the table encourages attendees to linger, which gives staff a longer opportunity to strike up a conversation and expand awareness to promote use.

The event plan would also include suggested opportunities for promotion, beginning first with the updated social media strategy and furthered by leveraging Redmond's robust newsletter subscriber lists (e.g., the Parks Department, Focus, and ENCORE newsletters) to promote the updated brand and upcoming event to expanded audiences. The City could also consider its existing partnerships with neighborhood community organizations and develop suggested social media language for these groups to share with their networks.

Central to our approach is blending our knowledge of Redmond with innovative ways to capture the attention of travelers most likely to be considering a mode shift. Whether through in-person events or online engagement tools, we strive to remove barriers to access and promote accessible participation to all so that Redmond's can continue successful engagement long after our contract has ended.

Case Study

Redmond Routes to Rails

On the Redmond Routes to Rails project, EnviroIssues developed a dynamic kick-off event for the pilot project called "Walk, Rock and Roll" that included family-friendly activities like rock painting, bike safety and helmet fitting, free scooter trials, ice cream, outdoor games, and an opportunity to try out the route and answer a few questions. More than 75 community members came out to the event, and more than 120 responded to our survey to inform permanent signage and suggestions for additional area improvements. A large percentage of respondents reported not knowing about the alternative route highlighted through this event, and many were willing to utilize the trail as an alternative route moving forward.

Why EnviroIssues?

Familiar with City of Redmond (as a client and the area)

Certified DBE and MWBE Business

Offers Public Engagement, Web Design, and Branding Services

Vast Experience with Transportation and Behavior Change Projects

Docusign Envelope ID: E35CE21C-23AF-4D53-9A07-82E6E1B5A67C

Project Schedule

September & October

- **Task 0: Kickoff meeting**
- **Task 1:** Development of:
  - Visual identity
  - Brand voice
  - Brand guidelines
- **Task 2:** Website assessment

November & December

- **Task 2**
  - Content wireframing
  - Website build
  - Testing and tutorials with Redmond staff
- **Task 3**
  - Define social media and blog goals and audiences
  - Identify post themes and schedule
  - Develop visual assets

January & February

- **Task 2:** Testing and tutorials with Redmond staff
- **Task 4:** Develop detailed launch event plan

Docusign Envelope ID: E35CE21C-23AF-4D53-9A07-82E6E1B5A67C

Cost Proposal

STAFF	Alexandra Streamer	Anh Mai	Kerry Hammond	Ben Bogard	Dev Team	Jessa Wolfe	
Billing Rate	$188.00	$191.00	$140.00	$191.00	$124.00	$153.00	
Total Hours	109.5	152.0	102.0	81.0	60.0	53.5	**558**
Total Labor Cost	$20,586.00	$29,032.00	$14,280.00	$15,471.00	$7,440.00	$8,185.50	**$94,995**
PROJECT MANAGEMENT							
						Total Hours	**36**
						Total Labor	**$6,752**
PROJECT NAME, LOGO, AND BRANDING							
						Total Hours	**139**
						Total Labor	**$22,540**
PROGRAM WEBSITE							
						Total Hours	**234**
						Total Labor	**$40,118**
PROGRAM SOCIAL MEDIA AND BLOG							
						Total Hours	**84**
						Total Labor	**$14,308**
LAUNCH PLAN							
						Total Hours	**65**
						Total Labor	**$11,130**
						Total Direct Cost	**$0**
TOTAL COST							**$94,995**

The above cost estimate reflects the proposed depth and complexity of what it takes to do this important rebranding and website update work with care. We recognize the City may desire to maintain a project budget of $50,000 or below. In our professional experience, this amount won't be sufficient to accomplish all four tasks with the quality and standard the City of Redmond typically delivers. Our professional recommendation would be to focus the $50,000 contract on the delivery of Tasks 1 and 2 and delay Tasks 3 and 4 in a separate contract. This would allow the City to prioritize completing the rebranding and website update and allow Redmond to secure the contract for Tasks 3 and 4 while this work is underway. If this City decides to move forward with the limited budget of $50,000, we will want to work closely with you to identify a scaled back scope for Tasks 1 and 2 that can be successfully delivered.

We would work collaboratively with you to reduce scope elements, which could impact components like:

- The robust process needed to rename the program thoughtfully
- Any user research that informs your target audiences' top priorities for site functionality
- Ability to customize Word Press to innovate on site structure and user experience

We are offering this limited version to you because budget realities are the nature of supporting municipalities and we share your passion for expanded transportation demand management services. EnviroIssues strongly recommends applying the full budget of $94,995 for this work to devote the requisite resources to evolving Go Redmond and its reach to truly invest in the opportunity for behavior change.

Memorandum

Date: 9/17/2024
Meeting of: City Council

File No. AM No. 24-132
Type: Consent Item

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Public Works	Aaron Bert	425-556-5814
Executive	Lisa Maher	425-556-2427
Parks	Loreen Hamilton	425-556-5814

DEPARTMENT STAFF:

Public Works	Amy Kim	Engineer
Public Works	Eric Dawson	Acting Engineering Supervisor
Parks	Quinn Kuhnhausen	Parks Manager
Parks	David Tuchek	Parks Deputy Director
Executive	Jenny Lybeck	Environmental Sustainability Program Manager
Public Works	Steve Gibbs	Capital Projects Division Manager
Public Works	Vangie Garcia	Deputy Public Works Director

TITLE:
Approval of an Agreement with McKinstry Essention, in the Amount of $109,197, for the Public Safety Building Phase 2 and Sustainability Building Automation Projects

OVERVIEW STATEMENT:
The Public Safety Building Phase 2 and Sustainability Building Automation Projects will replace selected existing Heating, Ventilation, and Air Conditioning (HVAC) equipment and controls with energy-efficient solutions, reducing utility and operational costs. In addition, this project will replace end-of-life equipment ensuring safe and optimized performance. This is phase 2 of a multi-phase effort to optimize energy efficiency in the Public Safety Building.

The agreement with McKinstry Essention is in the amount of $109,197. The agreement is for an Investment Grade Audit (IGA) following the American Society of Heating, Refrigerating and Air Conditioning Engineers (ASHRAE) Level 2 audit for the Public Safety Building Phase 2 and Sustainability Building Automation Projects (City Project Nos. 2336 and 2111). The audit will propose cost-effective upgrades to improve the building's energy efficiency and assist in complying with current energy use regulations and City sustainability goals.

This initial agreement includes the cost of the audit only. Future supplemental agreements will be for the construction of the proposed improvements followed by measurement and verification to ensure energy savings goals are met.

☒ Additional Background Information/Description of Proposal Attached

REQUESTED ACTION:

☐ Receive Information ☐ Provide Direction ☒ Approve

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
  Capital Facilities Plan 2025-30, 2020 Environmental Sustainability Action Plan, 2021 City Operations Zero Carbon Strategy, Climate Emergency Declaration
- **Required:**
  Council approval required for contracts exceeding $50,000.
- **Council Request:**
  N/A
- **Other Key Facts:**
  Clean Buildings Performance Standard (CBPS)
  The Washington Clean Buildings Performance Standard (CBPS) (HB 1257 Chapter 285 Laws of 2019) was signed into law in 2019 and requires Tier 1 commercial buildings that are 50,000 SF or greater to meet the established average energy use intensity target (EUIt) or perform an energy audit and implement all cost-effective efficiency measures (a.k.a. investment criteria pathway). CBPS non-compliance penalties can start at $5,000 plus $1 per gross square foot for every year of non-compliance.

  Public Safety Building is a Tier 1 building (53,328 SF) with a compliance date of June 1, 2028. Implementing this project will help meet the Washington State-mandated law.

  Energy Service Performance Contracting (ESPC)
  Energy Service Performance Contracting is an alternative to the traditional Design-Bid-Build (DBB) process.

  Administered by the Washington State Department of Enterprise Services (DES), ESPC aims to improve energy efficiency in existing facilities. Local governments can join the program by signing an Interagency Agreement (IAA) with DES and collaborating with pre-qualified Energy Service Companies (ESCOs). On May 7, 2024, Council authorized the Mayor to sign an IAA, which was subsequently signed on May 17, 2024. McKinstry Essention is a pre-qualified ESCO and was selected to complete the PSB project.

  ESPC offers unique opportunities for energy efficiency projects that are not typically feasible under the DBB process. The ESCO takes on both the construction and performance risks, guaranteeing the maximum construction cost and ensuring energy savings and equipment performance. This approach integrates commissioning as a key component, ensuring the ESCO meets its guarantees.

  In ESPC, the ESCO handles everything from the initial audit to design, construction, and commissioning, acting as the single point of accountability. Unlike the DBB process, ESCOs do not have to publicly advertise for bids and can procure equipment through bidding, negotiation, or self-performance. While subcontracted work is expected to be competitively bid to ensure cost-effectiveness, the ESCO is not obligated to select the lowest

bidder if it negatively impacts the project's performance.

OUTCOMES:

- Compliance with the Washington State Clean Building Performance Standard (CBPS) and avoid a penalty of $58,328 per year if not in compliance by the established Tier 1 compliance date.
- Reduced utility expenses and decreased maintenance costs associated with emergency equipment replacement.
- Decreased emissions from buildings by reducing overall energy consumption.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
  N/A
- **Outreach Methods and Results:**
  N/A
- **Feedback Summary:**
  N/A

BUDGET IMPACT:

Total Cost:
$109,197

Approved in current biennial budget: ☒ Yes ☐ No ☐ N/A

Budget Offer Number:
CIP

Budget Priority :
Vibrant and Connected
Healthy and Sustainable

Other budget impacts or additional costs: ☐ Yes ☒ No ☐ N/A
If yes, explain:
N/A

Funding source(s):
General Fund
Real Estate Excise Tax

Budget/Funding Constraints:
N/A

☐ **Additional budget details attached**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
4/23/2024	Committee of the Whole - Parks and Environmental Sustainability	Provide Direction
5/7/2024	Business Meeting	Approve
9/3/2024	Committee of the Whole - Planning and Public Works	N/A

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:
This CBPS compliance deadline of June 1, 2028, requires a minimum of 1 year of measurement and verification of the building's energy use. Therefore, considering the commissioning period of the HVAC equipment and building control system, the construction must be completed at least 15 months before the published deadline. In summary, this project must be completed by Q1 2027, and construction should start no later than Q2 2026.

ANTICIPATED RESULT IF NOT APPROVED:
If the agreement is not approved, staff would pursue a design-bid-build process which would likely extend the project schedule. This could lead to a potential violation of State law, CBPS. Failure to submit appropriate documentation by the scheduled reporting date will result in progressive penalties by legal notice.

ATTACHMENTS:
Attachment A - Project Information Sheet
Attachment B - ESPC Program Process Description
Attachment C - Investment Grade Audit Proposal
Attachment D - Interagency Agreement with Department of Enterprise Services
Attachment E - History of the Clean Buildings Performance Standard
Attachment F - DES Audit Authorization Packet Blank Forms

CIP Project Information Sheet

Project Name: Sustainability Building Automation - Heating, Ventilation, and Air Conditioning (HVAC) Controls

Project Status: Existing
Functional Area(s): Facilities
Relevant Plan(s): Facilities Plan, Environmental Sustainability Action Plan
Neighborhood: Willows & Rose Hill

Time Frame: 2023-2024
Budget Priority: Healthy and Sustainable
Citywide Rank: 42
Functional Area Priority: High

Location: Citywide in occupied municipal buildings

Description:
Install building automation system to provide consistent scheduling, control, and monitoring of lighting and HVAC settings, and system performance at City-occupied buildings.

Anticipated Outcomes: ***Primary:*** Environmental Sustainability ***Secondary:***
These systems will reduce energy consupmption while providing greater comfort to building occupants. The systems will also improve diagnostic and repair troublshooting.

Request: ***Primary Reason(s):***

Budget:	Prior	2023	2024	2025	2026	2027	2028	Future	Total
Original Budget		$142,477	$363,571						$506,048
Approved Changes									
Current Approved Budget		$142,477	$363,571						$506,048
Proposed New Budget		$142,477	$363,571						$506,048
Proposed changes due to	___ Scope Change		___ Schedule Change		___ Budget Change				

Project Phasing:	Prior	2023	2024	2025	2026	2027	2028	Future	Total
Preliminary Design (0-30%)		$12,948							$12,948
Right of Way									
Design (31-100%)		$64,742	$6,474						$71,216
Construction			$280,550						$280,550
Contingency		$64,787	$76,547						$141,334
Total		$142,477	$363,571						$506,048

Estimated M&O Impacts:	Prior	2023	2024	2025	2026	2027	2028	Future	Total
Cost				$10,000	$10,000	$10,000	$10,000	ongoing	$40,000

Explanation: Estimated service contract for preventive maintenance and software upgrades.

Proposed Funding Source	Prior	2023-2028	Future	Total
General Fund		$506,048		$506,048
Total		$506,048		$506,048

CIP Project Information Sheet

Project Name: Public Safety Building Phase 2 (Mechanical and Electrical)

Project Status: Existing
Functional Area(s): Facilities
Relevant Plan(s): Facilities Plan
Neighborhood: Downtown

Time Frame: 2023-2024
Budget Priority: Vibrant and Connected
Citywide Rank: 54
Functional Area Priority High

Location: Public Safety Building

Description:
Continue mid-life investment in facility for functional modernization, operational repairs, and system replacement.

Anticipated Outcomes: ***Primary:*** Asset Protection ***Secondary:***
Building life is extended and work environment is safe and productive for staff.

Request: ***Primary Reason(s):***
Budget change due to project initiation moving out one year.

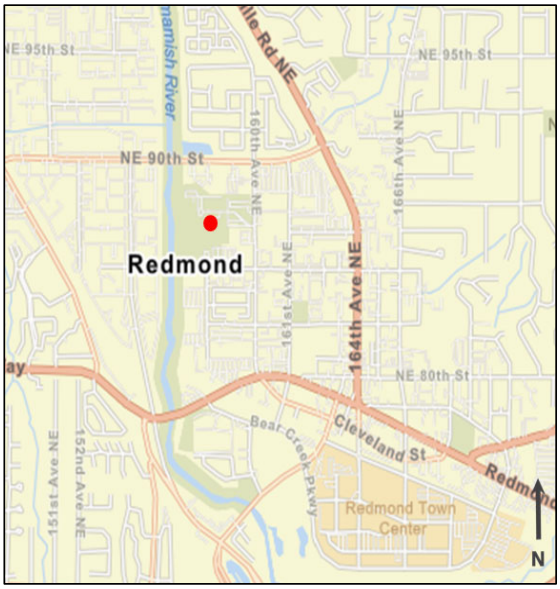
Budget:	Prior	2023	2024	2025	2026	2027	2028	Future	Total
Original Budget	$207,757	$182,517	$2,635,346						$3,025,620
Approved Changes	-$207,757	$257,233							$49,476
Current Approved Budget		$439,750	$2,635,346						$3,075,096
Proposed New Budget			$439,750	$2,635,346					$3,075,096
Proposed changes due to	__ Scope Change		X Schedule Change		X Budget Change				

Project Phasing:	Prior	2023	2024	2025	2026	2027	2028	Future	Total
Preliminary Design (0-30%)			$50,000						$50,000
Right of Way									
Design (31-100%)			$250,000						$250,000
Construction			$139,750	$2,635,346					$2,775,096
Contingency									
Total			$439,750	$2,635,346					$3,075,096

Estimated M&O Impacts:	Prior	2023	2024	2025	2026	2027	2028	Future	Total
Cost									

Explanation: No M&O costs expected.

Proposed Funding Sources:	Prior	2023-2028	Future	Total
General Fund		$2,673,357		$2,673,357
Real Estate Excise Tax		$401,739		$401,739
Total		$3,075,096		$3,075,096



2345678##

Energy Savings Performance Contracting Program
Process Description

I. Program History

The Energy Savings Performance Contracting (ESPC) program was developed to provide a means to install Energy Efficiency Measures (EEMs) in State facilities without affecting the State's capital budget. The ESPC program within the Department of Enterprise Services (formerly General Administration) has since been expanded to provide energy conservation services to all public facilities in the State.

In 2001, the Legislature found that the economy of the state and the health, safety, and welfare of its citizens were threatened by the current energy supply and price instabilities. The ESPC program has been involved in over $1billion in total energy construction projects since its inception in 1986, resulting in $40 million a year in annual utility costs reductions to public facilities.

II. Energy Service Company pre-qualification

On a biennial basis, the Energy Program prepares an advertisement to be placed in the Seattle, and Portland editions of The Daily Journal of Commerce, and the Spokesman Review in Spokane. The advertisement describes the intent to develop a pre-approved list of Energy Services Companies (ESCOs) providing services to public facilities in the State for the upcoming biennium. ESCO firms submit a summary of their qualifications and experience. The submittals are reviewed by the Energy Program and those ESCOs deemed to be qualified are interviewed and offered a Master Energy Services Agreement. This makes them eligible to participate in energy related projects at public facilities managed by the DES Energy Program.

III. Client agency and DES contractual agreement

Local governments, school districts and state agencies (referred to as Client Agencies) must enter into an Interagency Agreement (IAA) with DES before they can participate in the program and work with one of the pre-qualified ESCOs. The IAA is drafted pursuant to Chapter 39.34 RCW. It allows the DES Energy Program to provide overall contracting and project management services to the Client Agency. All work by the Energy Program is authorized by amendments to the Agreement. Compensation for DES's Energy Program services is based on a pre-determined fee schedule that sets project management compensation levels based on the total project value. If the Client Agency proceeds with a project, then they are obligated to pay DES based on the project management fee

schedule. If the ESCO fails to develop a project that meets the Client Agencies established cost-effectiveness criteria, then there is no cost to the Client Agency.

IV. ESCO selection by the client agency

Client Agencies are allowed to select any of the pre-qualified ESCOs to work with under the ESPC Program. The DES Energy Program Manager assigns energy project managers (PMs) to work with clients based on their locality within the state or by client organization. The Energy Program PM may provide the client with a copy of executive summaries from each ESCOs statement of qualifications. The summaries provide key information on how each firm approaches projects, their specific experience, and the scope of projects completed in recent years. The PM also has access to the full Statement of Qualification and sample energy audits that each of the ESCO's submitted for evaluation by the pre-qualification selection committee. Client Agencies may use whatever selection process that complies with their own policies and procedures for selecting firms that provide professional services. If the Client Agency chooses to interview firms as part of the selection process, the Energy Program PM may sit in on ESCO interviews but does not participate in the final decision-making process. The Client Agency selects the ESCO.

Energy Program PMs have engineering and other technical experience in energy efficiency technologies and construction projects. These individuals are primarily licensed professional engineers who can interact with the ESCO on issues such as appropriate modification to existing building energy systems, control strategies for heating, ventilating and air-conditioning (HVAC) systems, and appropriate measurement and verification (M&V) methods associated with these retrofit projects.

V. Preliminary audit

After the Client Agency has selected an ESCO for their facility or project, the PM will often conduct a walk-through energy audit of the facility with the selected ESCO and the facility representative to determine the general scope and size of the project. During the development of the preliminary audit, energy baseline development and M&V methods will be discussed. DES and the Client Agency will review and agree with the methods proposed.

Prior to the walk-through the Client Agency should provide the ESCO with information about the facility, including utility billing information from at least the most current 12-month period (data covering the past two years is better). Utility data may include electricity, natural gas and water consumption records as appropriate. Information about the facility such as operating schedule, typical number of occupants and square footage are also helpful. This data is analyzed to establish the energy utilization index (EUI) of the facility. EUI may be thought of as similar to a car's fuel efficiency in miles per gallon (mpg). In buildings the lower the EUI, the better it's performing.

The purpose of the preliminary audit is to determine if a potential project exists and, to identify potential EEMs. This is also the time to evaluate equipment data-logging opportunities. (It is difficult, for instance, to get a good representation of cooling equipment operation in the winter or true occupancy patterns of a school in the summer.) The preliminary audit stage is an opportunity for the Client Agency and the PM to clarify with

the ESCO the Client Agencies cost-effectiveness criteria and any specific requirements or limitations for the project. ESCOs use the preliminary audit and subsequent proposal process to ensure there will be a feasible project established.

Investment grade audit

Once the ESCO, DES Energy PM, and the Client Agency are satisfied that there is adequate energy saving potential in the facility, the next step is to move to the investment grade audit. The ESCO will develop an audit proposal that will include the systems to be evaluated, the timeline to completion, and the cost to conduct the investment grade audit. The PM will review the proposal and negotiate the cost of the audit prior to the proposal being presented to the Client Agency.

Upon receiving Client Agency approval to go forward with the specific proposal, the Energy Program PM will prepare an Energy Services Authorization. The Client Agency receives a Funding Authorization document for signature. By authorizing the funding, the Client Agency certifies to the Energy Program PM that funds are appropriated and/or allocated for the project.

The ESCO will then proceed to conduct a detailed investment grade energy audit of the facility(s) and submit an investment grade audit and energy services proposal to the Energy Program PM and the Client Agency for review and approval.

The investment grade audit is to analyze all cost-effective EEMs for lighting, HVAC equipment, building envelope, steam systems, chilled water systems, domestic hot water and other water using systems, controls, energy generation and distribution systems, and waste management systems, as identified in the audit proposal. The audit will evaluate the economic performance and investment value of the EEMs.

There are three potential outcomes of the Investment Grade Audit:

1. If a facility does not have EEMs that meet the “cost effectiveness criteria” established by the Client Agency, there is no cost to the Client Agency for the audit. This is true unless the Client Agency, DES, and the ESCO agree to other arrangements. In that case these special arrangements must be reflected in the Authorization between the ESCO and Client Agency.
2. If the ESCO identifies cost-effective measures and the Client Agency decides not to proceed, then the ESCO will be reimbursed for the audit and the Energy Program will be paid a termination fee. This occurs rarely.
3. If the ESCO identifies cost-effective measures and the Client Agency decides to proceed, an energy services proposal is presented to the Client Agency.

The energy services proposal outlines the maximum guaranteed construction cost guaranteed and guaranteed equipment performance.

VI. Cost-effectiveness criteria

The definition of cost-effectiveness for energy conservation projects is found in Chapter 39.35C.010 RCW. It states:

> "Cost-effective" means that the present value to a state agency or school district of the energy reasonably expected to be saved or produced by a facility, activity, measure, or piece of equipment over its useful life, including any compensation received from a utility or the Bonneville power administration, is greater than the net present value of the costs of implementing, maintaining, and operating such facility, activity, measure, or piece of equipment over its useful life, when discounted at the cost of public borrowing.

This means that projects are considered cost-effective if they result in a net positive present value over their economic lifetime. For purposes of determining economic lifetime, ESCOs rely on generally accepted engineering practice as is guided by entities such as the American Society of Heating Refrigerating and Air-Conditioning Engineers (ASHRAE), or other national or international standard setting bodies.

The following general criteria are commonly used to determine the cost-effectiveness of EEMs proposed in the energy services proposal. Occasionally a Client Agency will have additional criteria that must be met, such as shortened facility life time due to planned replacement.

- The Client Agency may use any combination of the following funding and payment options to discharge its obligations under the Energy Services Agreement:
    - ESCO financing;
    - ESCO arranged Municipal Lease financing;
    - State Treasurer's LOCAL Program;
    - Other third-party financing (banks, etc.)
    - Energy cost savings, utility cost savings, and approved O&M savings to pay off any of the above debt structures;
    - Grants, loans and/or incentives from utilities or other funding sources; and
    - The Client Agencies capital budget or any other funds at the Client Agencies discretion.
- The Client Agencies loan term may not exceed the economic life of the ECM, unless otherwise approved by the Client Agency and DES.
- Not more than 90% of the energy cost savings may be used to repay the loan, unless approved by the Client Agency.
- Up to 100% of utility grants may be used to defray project costs or to repay the loan.
- Labor or maintenance cost savings shall not be included in energy cost savings for the purpose of determining cost-effectiveness, unless specifically approved by the Client Agency. These will typically represent costs for purchased parts and service contracts, not internal labor costs.

- The cost of the EEMs will include: the cost of the investment grade audit and preparation of the energy services proposal; project design; construction; ESCO's construction and project administration; DES's project management fee; system commissioning; bidding; bonding; overhead and profit; permits; taxes; training; cost and saving guarantees, and other costs that may be agreed to by the ESCO PM and the Client Agency.

- The Client Agency's cash flow including savings, utility contributions, cost of measurement and verification services, cost of EEMs, and loan repayments shall be neutral or positive with respect to the baseline cash flow and based on guaranteed savings.

- Current utility rates shall be used for the purpose of calculating energy and utility cost savings. Energy and utility cost inflation factors shall not be used without the Client Agencies expressed approval.

VII. Energy services proposal and ESCO construction contract

The energy services proposal contains a breakdown and details of the following:

- Facility name, description, EUI, square footage, existing equipment, etc.;
- The EEMs proposed for installation, including quantities;
- The EEMs analyzed but not recommended;
- The EEMs proposed/analyzed but not chosen by the Client Agency;
- Improvements to operations and maintenance (O&M) practices for existing equipment;
- The maximum guaranteed project cost, including engineering and design, permits, materials, construction, commissioning, ESCO fees, DES Energy Program fees, measurement and verification fees, etc.;
- The energy and energy cost savings expected from the EEMs and O&M recommendations;
- Savings guarantee;
- Project cash flow over the term of the project financing, including capital infusion, financing expenses, and M&V costs;
- A detailed schedule for project completion;
- Verification that comfort conditions will be maintained at the facility;
- Identify the services and associated costs for the ESCO during the course of the project, including but not limited to; engineering, construction management, preparation of O&M procedures, training of facility personnel, commissioning, functional testing, HVAC testing, adjusting and balancing, start-up/stop, warranty services, and equipment maintenance; and
- The nature and extent of work and equipment that the ESCO will receive from other firms under subcontract.

The ESCO's overhead and profit and other approved markups to the overall cost of the project are set in the Master Energy Services Agreement. A contingency amount is included to cover any hazardous material costs or additional work for unforeseen conditions that may be encountered in the construction of the project. If contingency is used, it will be managed jointly by DES, the ESCO, and the Client Agency. The use of the contingency requires a change order to the ESCO construction contract.

Once the Client Agency approves the energy services proposal, the PM amends the Energy Services Authorization to add the design, construction contract administration, and overhead and profit.

After the project design is completed and approved by the Client Agency and the Energy Program PM, the ESCO will begin the procurement process. ESCO projects are delivered through a turnkey negotiated process and the ESCO is not required to publicly advertise for bids. The ESCO can procure the equipment through bidding, negotiation, or thru self-performance.

- For bidding, the ESCO can solicit bids from preselected sub-contractors, and will consider the client agency's requests for specific sub-contractors. Typically, only two or three subcontractors (pre-approved or requested by the Client Agency) are asked to bid the work.

The ESCO is not required to take the lowest bidder if it is determined to be detrimental to the performance of the project. All sub-contracted work is expected to be competitively bid by the ESCO to assure the ESCO and the Client Agency of a cost-effective installation.

- For negotiation, the ESCO may be allowed to negotiate with specific subcontractors or vendors if it is determined to be beneficial to the project providing that both the client agency and the Energy Program PM agree.
- For self-performance, the ESCO may be allowed to self-perform the work if it is determined to be beneficial to the project and both the client agency and the Energy Program PM agree. For work that is self-performed by the ESCO, the project team must agree on whether the construction group will act as a bidder in a selected bidding process or be treated in the same manner as negotiated procurement. If it is through the selected bidding process, it is recommended that the owner or the Energy Program PM receive the bids and the team open the bids as a group.

The ESCO construction contract identifies the acquisition and installation costs associated with the work, overhead and profit margins, bonds and insurance costs, commissioning activities, training for the Client Agencies maintenance personnel, and Washington State Sales Tax.

VIII. Notice of Commencement of Energy Cost Savings

When project construction is complete, the ESCO will issue a Notice of Commencement of Energy Cost Savings. This document is the formal written notification to DES and the Client Agency that the ESCO has substantially completed installation of ESCO equipment and/or provided ESCO services. This validates that the equipment or services are now providing sufficient energy savings for the Client Agency to begin making payments, as set

forth in the energy services proposal. Acceptance of the Notice of Commencement of Energy Cost Savings by the DES Energy PM and the Client Agency constitutes the date of substantial completion of the project. The Energy Program PM and Client Agency will have inspected the project and accepted it prior to this notice.

The ESCO is confirming that they have inspected the project and that it is complete, that all previously identified "incomplete work items" have been fulfilled, and that the project is providing cost savings sufficient to repay the investment.

IX. Invoices

One of the cornerstones of the ESPC program in Washington State is "open book" pricing. Construction costs are defined as "the actual cost of purchasing and installing the ESCO equipment, as demonstrated by the installation price quotes or construction contracts". This means that the ESCO furnishes all the subcontractor and equipment invoices as backup to the invoices it submits. The ESCO will track project costs by listing subcontractor amounts and equipment quotes as individual lines on the schedule of values (further broken down by project phase if appropriate) on the "APPLICATION AND CERTIFICATE FOR PAYMENT ON CONTRACT" form that accompanies invoice voucher form A-19. It is preferred that subcontractors and equipment purchases over $10,000 be listed as individual line items on the schedule of values. All contract invoices will be broken down to show all materials and labor costs, even if that contractor is a subsidiary of the ESCO.

If the project is completely financed by the Client Agency through lease purchase or other loan provisions; the ESCO invoice will not be submitted until the project or approved project phase is complete, and the ESCO has submitted the "Notice of Commencement of Energy Cost Savings". Payments to the ESCO that are dependent on, grants, loans or utility incentive payments will be made within 30 days of the date the Client Agency receives the funds. Payments to the ESCO, which are dependent on funding provided by the Client Agency, may be made by monthly partial payments depending on services provided. The ESCO must meet deadlines for completion and invoicing in order to not delay financing.

X. Measurement & Verification

The ESCO will enter into an M&V Authorization with the DES Energy Program to provide measurement and verification services as described in the energy services proposal to the Client Agency. M&V services are used to verify that energy or other utility savings are indeed being achieved. The recommended time period for M&V services is three years, with a one-year minimum. The Energy Program PM and the Client Agency may determine that additional M&V is required or beneficial in order to ensure savings continue to accrue, or to meet requirements established under utility reimbursement programs.

August 05, 2024

City of Redmond
Investment Grade Audit Proposal

To: Amy Kim, Project Manager, City of Redmond
From: Andrew Williamson, Business Development Manager, McKinstry Essention
Cc: Jessica DeWitt, Energy Engineer, WA Department of Enterprise Services

Subject: Public Safety Building Phase 02: HVAC and Controls Upgrade Investment Grade Audit Proposal

Project Description: The City of Redmond is interested in improving the infrastructure and efficiency of the Public Safety Building facility through a performance-based contract with McKinstry. This proposal will provide the guidelines for which McKinstry will provide the following tasks:

1. Conduct an Investment Grade Audit at the target facility.
    A. Public Safety Building – 53,328 SF; 8701 160th Ave NE, Redmond, WA 98052
2. Develop a comprehensive Energy Services Proposal for selected measures. Initial target measures are :
    B. Investigate indoor Water Source Heat Pump (WSHP) unit upgrades.
        a. Preliminary equipment list provided by the City comprises below units. Replace with same capacity units. Except for Units HP-8x and HP-9x which will be sized for new zoning. Consider relocation where necessary to improve access.

Floor	Unit #	Serves	Notes
First	HP-4A	Ops LT office	Possible Relocate
First	HP-5A	Briefing Room	Abandon and Relocate
First	HP-5B	Briefing Room	Abandon and Relocate
First	HP-7B	Entry	Abandon and Relocate, Not on DDC
First	HP-8A		Replace and right size
First	HP-9A	Flight Ops/ Prosecutor	Air Distribution needs mod
First	HP-9 NEW		New unit for the core zone
First	HP-A	Women's R/Rm Locker Rm	Hard Lid, Not on DDC
First	HP-G	Police Fitness Room	Not on DDC
Second	HP-18A	Tech Support	
Second	HP-19A	Chief's	
Second	HP-19B	Chief Conf Rm	
Second	HP-20A	Sr Admin South Perimeter	
Second	HP-20B	Sr Amin conf/Store, room dujour	
Second	HP-31B	Lobby Large Unit West Mezz	
Second		Investigations Break Rm	Possible abandon/ relocate

C. Main AHU (OA Unit) Retrofit
    a. Assess retrofit to replace the supply fan with new fan array.
    b. Perform review of the existing system and operation.
        i. Review the operation of this unit (supply air) and the building general exhaust with the facilities team.
        ii. Review BAS data for unit's setpoints and operation trends if available.
        iii. Review for current code compliance including heat recovery.
        iv. TAB for airflow or building pressure is not included.
D. Full Building Controls Upgrades
    a. Evaluate upgrade the controls of replaced WSHP and all legacy controls in the building to the newer version of the existing controls in the building.
E. Condenser Pump Replacement
    a. Evaluate replacement of (1) condenser pump with new pump and VFD. New pump to match the previously replaced pump.
F. IDF Room Split system upgrade.
    a. Evaluate upgrade the outdoor and indoor units to match existing cooling capacity. Reuse existing refrigerant lines.

3. Develop a Rough Order of Magnitude (ROM) scope and budget. Review with the City to select scope for GMAX that aligns with the City priorities and budget.
4. Coordinate the construction access requirements, expected construction duration and construction impacts with the City to develop an acceptable mitigation plan and inform the GMAX scope and budget.
5. Comprehensive ASHRAE Level 2 Audit. Refer Attachment B for detailed tasks.
    A. Perform comprehensive building audit to identify energy reduction Facility Improvement Measures (FIMs). The intent is to identify FIMs with total energy savings that shall meet the CBPS EUI_t.
    B. Perform EUI benchmarking to determine CBPS EUI_t .
    C. Provide preliminary energy savings, preliminary budgets, simple payback analysis for the identified measures and Life Cycle Cost Analysis for select measures.
    D. Support the City to prioritize the measures to align with City's EUI reduction for CBPS.

The investment grade effort is intended to lead to the implementation of energy improvement measures. The audit will provide all the details necessary for implementation of viable initiatives detailing all the associated savings, costs, potential utility funding, and return on investment scenarios, as well as loan details (if applicable) and construction schedules.

This will be a collaborative effort with the City of Redmond and the Washington State Department of Enterprise Services (DES). The study will be a product of the direction McKinstry receives, and it is anticipated that the information contained in the resulting Energy Services Proposal will form the basis of contracting documents for implementation. The specific deliverables associated with this professional services endeavor can be found in Attachment A.

Requested Information: For effective execution of this proposal we ask that the City of Redmond provide access to the following:

- ✓ Historical utility bills for the last 24 months.
- ✓ All mechanical, electrical, architectural, and structural drawings.
- ✓ All operational and maintenance manuals, balancing records, & specifications.
- ✓ Operational records related to the cost of maintaining specific equipment.
- ✓ Information with regards to any on-going maintenance contracts.
- ✓ Access to individuals that have relevant information pertaining to the day-to-day operation of energy using systems on site.
- ✓ Access to the building automation systems, including remotely, if available.
- ✓ Prior energy studies for related systems, if applicable.
- ✓ Any available hazardous material survey reports.

Timeline and Milestones: McKinstry will initiate this scope of work immediately upon execution of a Professional Services Contract and notice to proceed. Formal progress review meetings will be conducted regularly throughout the study phase. During these review meetings, McKinstry will recommend measures based on preliminary analysis, while the City of Redmond will provide final direction regarding recommended measures. The goal of these review meetings is to focus engineering efforts, budgeting, and savings assessment on those measures that possess a high probability for implementation. McKinstry will target completion of the IGA within 120 days of a notice to proceed. The following are proposed milestones following notice to proceed:

Duration	Action
6 weeks	McKinstry to deliver Rough Order of Magnitude analysis and recommendations
2 weeks	Owner review comments and direction given
6 weeks	McKinstry to deliver pre-final analysis and recommendations and deliver IGA Document
2 weeks	Owner review comments and direction given. Includes DES review time for IGA Document
2 weeks	McKinstry to deliver final investment grade audit analysis and Energy Services Proposal to Owner and DES

Criteria for Implementation: It is the City of Redmond intent that McKinstry will implement all approved projects that meet the project criteria:

1. The NPV of the proposed project will be neutral or positive over the term of the useful life of the equipment where the following will be included in the cash flow: total project cost, any available utility incentives, the value of the energy saved on an annual basis (cost at current utility rates).
2. For the purpose of the financial cash flow models, McKinstry will work with DES Energy Program and the client to use appropriate financial rates and other variables to show project benefits.
3. The cash flow model may include the following based on client approval: Hard-cost operational savings (no labor), Capital infusion from planned capital project budgets, cash reserves, grants, utility incentives, or other sources, Loans/financing, Deferred maintenance, Social cost of carbon etc.

4. The project scope could be adjusted to align with the funds budgeted for the project.
5. McKinstry will work with Puget Sound Energy to secure rebates for applicable scope.

Investment Grade Audit Fee: The City of Redmond will reimburse McKinstry for **Not to Exceed $99,000** for this scope of work.

Fee Breakout

Targeted IGA Scope Fee – $ 77,000

Comprehensive Building ASHRAE Level 2 Audit Fee - $ 22,000

Total Fee - $99,000

All fees assessed under this proposal will be included in the final implementation costs. In the event that McKinstry is unable to recommend projects that meet the criteria above, the City of Redmond has no financial obligation to McKinstry. However, if the recommendations meet or exceed the Criteria for Implementation and the City of Redmond chooses not to enter into an agreement with McKinstry to install the projects, the City of Redmond will reimburse McKinstry for the Investment Grade Audit fee. All associated information, including deliverables, will become the property of the City of Redmond upon final receipt of payment.

We look forward to working with the City of Redmond . Please call should you have any questions.

Best Regards,

Andrew Williamson
Business Development Manager
McKinstry Essention

Attachment A

Investment Grade Audit Deliverables

An IGA is an intensive engineering analysis of Facility Improvement Measures (FIMs) for the facility, net energy savings, and a cost-effectiveness determination. This is a Level 2 audit as defined in ANSI/ASHRAE/ACCA Standard 211-2018, Standard for Commercial Building Energy Audits. This IGA proposal as currently scoped is focused solely on the FIMs listed in our IGA proposal and will meet the ASHRAE Level 2 audit requirements for those FIMs only. Accordingly, items 3, 9 and 15 below will apply only to the FIMs listed in this IGA Proposal.

The IGA report shall be submitted before the ESP for Owner and DES review. The IGA report shall include results from the preliminary audit and:

1. Executive summary of the audit findings;
2. A description of the Facility including type of use, square footage, and location; T
3. Description of building systems and major equipment;
4. The standards of comfort and service appropriate for the Facility;
5. The Baseline Energy Consumption per fuel type for the Facility, including the data, methodology and variables used to compute the Baseline, and the Baseline calendar period which must not be less than 12 months, and must be multiples of 12 months;
6. Utility rate schedules and/or Tariffs;
7. Detailed energy analysis calculations. If an energy model is performed the software used, baseline modeling assumptions, and summary of results;
8. Facility benchmarking including the Energy Use Intensity (EUI) index and 12 months of utility data input into the EPA's Energy Star Portfolio Manager with a printout of the Energy Star Statement of Performance; **(Please note that the Statement of Performance will not be stamped by a professional engineer unless our IGA proposal explicitly includes stamping. This is because the EPA has additional tasks (beyond those required in ASHRAE Level 2 audits) that must be completed prior to stamping the Statement of Performance.)**
9. A list of applicable building, mechanical, energy, or other pertinent state and local codes that the facility currently doesn't meet or that may impact the projectcosts;
10. Description of Facility Improvement Measures (FIMs) recommended;
11. Description of FIMs considered and not recommended or not financially viable;
12. Measurement and verification (M&V) plan proposed for verifying energy savings consistent with the International Performance Measurement and Verification Protocol (IPMVP);
13. Financial analysis of FIMs;
14. Summary table with FIM name, installed cost, energy savings by utility, and O&M savings;
15. Normative Annex C Reporting Forms for Level 1 and Level 2 audits found in the ASHRAE Standard for Commercial Buildings Energy Audits;

16. Prepared by a person acting as the auditor of record, who must be a qualified energy auditor having training, expertise, and three years of professional experience in building energy auditing, and being any one of the following:

    a. A licensed professional architect or engineer

    b. An energy auditor, assessor, or analyst certified by ASHRAE or the Association of Energy Engineers (AEE) for all building types.

Attachment B

ASHRAE Level 2 Audit for CBPS - Detailed Tasks

Roles & Qualifications

1. The energy audit and subsequent calculations will be completed by a Qualified Energy Auditor (QEA), which is a person who has the training, expertise, and at least three years professional experience in building energy auditing and is a licensed professional architect or engineer or certified energy auditor by ASHRAE or AEE.

Systems Included

1. The below facility systems are included in the energy audit scope, where existing: Envelope, Structural Considerations (i.e., roofing condition for solar adaptation), Lighting System, Cooling, Computer Rooms, Heating, Ventilation and Exhaust Systems, Air Distribution Systems, Heating, Chilled, Condenser, and Domestic Water Systems, Refrigeration (except for food processing refrigeration), Power Generation Equipment (including renewables), Uninterruptible Power Supplies and Power Distribution Units, Electrical System Capacity, People-Moving Systems, Building Heating and/or Cooling Systems.

Scope of Work Detail

McKinstry will perform the following scopes of work as part of the ASHRAE Level II audit. Individual scopes items are laid out sequentially, but McKinstry expects to return to previous activities as necessary throughout the audit process:

1. Continued Benchmarking Support
    a. Help establish the EUIt considering the varied use types of the facility.
2. Documentation Collection and Review
    a. Gather digital facility documentation and identify existing onsite hard copies.
    b. As built drawings (architectural, mechanical, electrical, plumbing, lighting, and renewables)
    c. Washington State Energy Compliance Forms (architectural, mechanical, electrical, plumbing, lighting, and renewables); these would be completed for permitted projects in the last 20 years.
    d. Any previous commissioning reports.
    e. Any previous energy audit reports (mechanical, electrical, plumbing, lighting)
    f. Controls information (as-builts or final submittals, configuration/programming files (depending on the vendor), and if remote access is available)
    g. Review documentation and identify information gaps
    h. Pre-identify FIMs that may get the facility into compliance and develop on-site audit plan
    i. McKinstry will review at least two years of utility consumption on a per building basis. Per our discussion, we will work with City of Redmond's Energy Manager to acquire the consumption reports.
3. On-Site Assessment`
    a. Conduct interviews with facilities personnel and other onsite staff as appropriate.
        i. Discuss any current efficiency programs
        ii. Discuss known performance, operational, or comfort issues
        iii. Discuss active and planned projects and pre-identified FIMs
    b. Perform comprehensive facility inspection

i. Compare facility documentation to on-site observations to verify accuracy .
ii. Observe equipment/system operations
iii. Install data loggers/instrumentation to collect trends (as necessary)

c. Perform Building Automation System (BAS) assessment
i. Compare facility documentation and on-site observations to BAS to verify accuracy
ii. Observe sequences of operations and other control strategies
iii. Set up and pull trend data (as necessary)
iv. Identify no-cost, low-cost, and capital energy efficiency measures

4. Facility Improvement Measure (FIM) Development
a. Utilize facility documentation and information gathered during the on-site assessments to identify potential FIMs
b. Perform additional documentation collection/review and on-site assessments as necessary to further develop potential FIMs and develop a Preliminary FIM List
c. Conduct "go/no-go" conversation with relevant facility stakeholders on Preliminary FIM List to determine FIM feasibility and whether they are appropriate in accordance with facility operations and future plans.
d. Finalize Preliminary FIM list with details required for cost estimation

5. Modeling and Estimating
a. Develop budgetary cost estimates for Preliminary FIMs, taking into account potential utility incentives
b. Develop calibrated baseline energy model of the facility
c. Develop efficiency model of the facility that includes the Preliminary FIMs
d. Compare baseline and energy efficient model to determine estimated savings for each FIM, taking into account interactive effects
e. Utilize budgetary costs and estimated savings to determine energy savings, EUI impacts, and FIM return on investment (ROI)
f. Review FIMs with facility owner and identify which FIMs it would like to pursue.

6. Life-Cycle Cost Analysis
a. Perform a Life Cycle Cost analysis on FIMs identified during the audit, utilizing "Form F" in accordance with CBPS rules and regulations.
b. Add LCCA findings to the audit report

7. Reporting
a. A final report will be presented at the end of the project that meets the requirements of CBPS programs:
b. EUI validation and gap analysis, including baseline calculation methodology, assumptions, and time period
c. Facility and systems descriptions
d. List of FIMs with the goal of reducing the facility EUI
e. List of FIMs likely required to pursue Investment Criteria Pathway
f. Estimated energy savings and peak energy savings for each recommended FIM (in cost and energy units)
g. Estimated cost of implementation for each recommended FIMs per ASHRAE 211 Section 5.4.8 for level 2 audits
h. Calculations address interactive effects of all recommended FIMs
i. Estimated end-use breakdown analysis after expected FIM implementation

DocuSign Envelope ID: B97B8BAF-56CA-413D-9175-75FE3D6C8DDB

STATE OF WASHINGTON

DEPARTMENT OF ENTERPRISE SERVICES

1500 Jefferson St. SE, Olympia, WA 98501
PO Box 41476, Olympia, WA 98504-1476

State of Washington **ENERGY PROGRAM** Department of Enterprise Services P.O. Box 41476 Olympia, WA 98504-1476	**INTERAGENCY AGREEMENT**	
	IAA No.:	K8952
City of Redmond PO Box 97010 Redmond, WA 98073	Date:	March 21, 2024

INTERAGENCY AGREEMENT
BETWEEN
CITY OF REDMOND
AND
WASHINGTON STATE DEPARTMENT OF ENTERPRISE SERVICES

Pursuant to RCW chapter 39.34 and RCW chapter 39.35C, this *Interagency Agreement* (*Agreement*) is made and entered into by and between the State of Washington acting by and through the Energy Program of the Department of Enterprise Services, a Washington State governmental agency ("Enterprise Services") and City of Redmond, a Washington State governmental agency ("Client Agency") and is dated and effective as of the date of the last signature.

RECITALS

A. Enterprise Services, through its Energy Program ("Energy Program"), helps owners of public facilities reduce energy and operational costs. The Energy Program is a national leader in developing and managing energy savings performance contracts that help reduce energy and operational costs in publicly-owned facilities.

B. Upgrading to energy efficient infrastructure helps reduce long-term operations and maintenance costs. This allows owners to be better financial stewards while achieving their mission, so that Washington is a better place to live, learn, and work.

C. Acting as the owner's advocate, the Energy Program delivers professional expertise and contract management services. By leveraging capital investments, owners can achieve efficiencies, improve facilities, and reduce carbon emissions in their publicly-owned facilities. Energy Program also creates value to owners by managing risk through guaranteed total project costs, equipment performance, and energy savings.

D. Client Agency, an owner of a public facility, desires to contract with Energy Program to access and obtain certain Energy Program Services.

E. The purpose of this *Agreement* is to establish a vehicle for Energy Program to provide future energy/utility conservation project management services to Client Agency and to authorize the development of the energy services proposal in a cost-effective, efficient manner.

DocuSign Envelope ID: B97B8BAF-56CA-413D-9175-75FE3D6C8DDB

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the parties agree as follows:

1. **TERM**. The term of this *Agreement* commences on the date of the last signature and ends **December 31, 2028**.

2. **STATEMENT OF WORK.**

   A. ENERGY PROGRAM. Energy Program agrees to provide the following Services:

      i. Upon request by Client Agency for energy services for a specific Energy/Utility Conservation Project(s), the Parties shall execute an amendment to this *Agreement* to specify the project and associated project management fees as set forth by Attachment B. Enterprise Services shall furnish necessary personnel and services as specified and set forth in Attachment A, *Project Management Services Scope of Work.*

      ii. Assist in Dispute Resolution. Dispute resolution is an ongoing process throughout the project. However, this assistance does not include formal dispute resolution, arbitration or legal advice or representation in any legal action, and does not include legal fees and costs related to any dispute. Formal dispute resolution begins when a written claim is received demanding arbitration or other legal process is received. All formal dispute fees and costs will be borne separately by Client Agency. The Attorney General cannot and will not represent or advise a non-state agency.

   B. CLIENT AGENCY. Client Agency agrees to the following:

      i. Will conform to the protocols of this *Agreement*, including Enterprise Services' *General Conditions for Washington State Energy Savings Performance Contracting ("General Conditions")*, and as supplemented.

      ii. Will conform to the requirements of the *General Conditions* for timely processing and approval of agreed upon changes to construction contracts involving cost, and for payment.

      iii. Will conform to the following guidelines for communications between Client Agency, Enterprise Services and ESCOs (Energy Services Company) through the design, construction and post-construction phases as outlined below:

         a) Communications between Client Agency, Energy Program Project Manager ("PM") and ESCO shall go through the PM. The PM may authorize exceptions for specific projects or situations. The PM may authorize the ESCO to communicate directly with Client Agency personnel to expedite the design and to avoid communication delays. This action does not authorize additional work, change in scope, or exclude copying all communications between ESCO and Client Agency to the PM.

         b) All drawings, specifications, reports, and project correspondence must contain the State Project Number and suffix.

DocuSign Envelope ID: B97B8BAF-56CA-413D-9175-75FE3D6C8DDB

- The State Project Number consists of the fiscal year and a numerical sequence number, for example 2018-024, followed by an alphabetical suffix.
- Professional services agreements have suffixes A through F, for example 2018-024 A.
- Construction contracts have suffixes G through Z, for example 2018-024 G.

iv. All identification and monitoring of documentation required by the funding source shall remain the responsibility of Client Agency.

3. **COMPENSATION AND REQUIREMENTS.**

A. COMPENSATION. Compensation under this *Agreement* shall be by amendment to this *Agreement* for each authorized project. Each amendment shall include a payment schedule for the specific project.

i. Project Management Services Scope of Work (Attachment A): For project management services provided by Energy Program, Client Agency shall pay Enterprise Services a Project Management Fee for services based on the total project value (including Washington state sales tax) per the Project Management Fee Schedule set forth in Attachment B.

ii. Termination Fee: If Client Agency, after authorizing an investment grade audit and energy services proposal, decides not to proceed with an energy/utility conservation project that meets Client Agency's cost effective criteria, then the Client Agency will be charged a termination fee as set forth in Project Management Fee Schedule. The termination fee shall be based on the estimated total project value outlined in the energy services proposal prepared by the ESCO as set forth in Attachment B.

iii. Measurement & Verification Services ("M&V") Scope of Work (Attachment C): If M&V are requested by Client Agency beyond the first three years following the notice of commencement of energy cost savings, Client Agency shall pay Enterprise Services $2,000.00 annually for each year that such M&V are provided.

B. PAYMENT FOR ESCO SERVICES. In the event that Client Agency enters into a contract with an Energy Program pre-qualified ESCO, pursuant to an *Enterprise Services Main Energy Services Agreement for ESCO Services*, Client Agency shall make payment for such contracted services directly to the ESCO, after Energy Program has reviewed and sent such invoices to Client Agency for payment.

C. FURTHER ASSURANCES. Client Agency shall provide the ESCO with any additional necessary or desired contract language to comply with Client Agency's obligations pertaining to its use of federal, state, or other grants, funding restrictions, or unique contract/entity requirements. The ESCO and their subcontractors are required to comply with all applicable federal regulations and reporting procedures.

D. MANAGING COMPLIANCE WITH STATE AND FEDERAL LAW. In all ESCO project agreements and contracts pertaining to this *Agreement*, Energy Program will require ESCO's compliance with applicable federal and state laws and state policies including, but not limited to, the following:

DocuSign Envelope ID: B97B8BAF-56CA-413D-9175-75FE3D6C8DDB

1. RCW Title 39 and 43
2. ADA Requirements
3. Buy America
4. Davis-Bacon
5. Prevailing Wage
6. DBE Participation
7. Apprentice Participation

Upon request by Client Agency, Energy Program will collect and provide the weekly-certified payroll to Client Agency. Client Agency, however, shall remain responsible for any documentation required by Client Agency's funding source. All federal verification, investigation, survey, reporting and enforcement requirements when there is a possible violation shall remain the responsibility of the federal grant recipient (Client Agency) unless negotiated by Energy Program and added by amendment to this *Agreement*. In the event that Energy Program becomes aware of a possible violation, it will notify Client Agency.

4. **INVOICES AND BILLING.**

A. BILLING PROCEDURE. Enterprise Services shall submit invoices to Client Agency upon substantial completion and notice of commencement of energy cost savings of each authorized project, unless an amendment specifies special billing conditions and timeline. Substantial completion of the project will include the delivery and acceptance of the notice of commencement of energy cost savings issued by the ESCO. Each invoice will clearly indicate that it is for the services rendered in performance under this *Agreement* and shall reflect this *Agreement* and Amendment number. Energy Program will invoice for any provided services within sixty (60) days of the expiration or termination of this *Agreement*.

B. PAYMENT PROCEDURE. Client Agency shall pay all invoices received from Enterprise Services within thirty (30) days of receipt of properly executed invoice vouchers.

C. BILLING DETAIL. Each invoice submitted to Client Agency by Enterprise Services shall include information as is necessary for Client Agency to determine the exact nature of all expenditures. At a minimum, the invoice shall reference this *Agreement* and include the following:

- Amendment number and project
- The date(s) such services were provided
- Brief description of the services provided
- Total invoice amount

D. BILLING ADDRESS. Invoices shall be delivered to Client Agency electronically to:

Email: jemork@redmond.gov

5. **AGREEMENT MANAGEMENT.** The parties hereby designate the following *Agreement* administrators as the respective single points of contact for purposes of this *Agreement*, each of whom shall be the principal contact for business activities under this *Agreement*. The parties may change administrators by written notice as set forth below. Any notices required or desired shall be in writing and sent by U.S. mail, postage prepaid, or sent via email, and shall be sent to the respective addressee at the respective address or email address set forth below or to such other address or email address as the parties may specify in writing:

DocuSign Envelope ID: B97B8BAF-56CA-413D-9175-75FE3D6C8DDB

Enterprise Services	**Client Agency**
Attn: Amy Kim	Attn: John Mork
Energy Project Manager	Project Manager
Energy Program	City of Redmond
Washington Dept. of Enterprise Services	PO Box 97010
PO Box 41476	Redmond, WA 98073
Olympia, WA 98504-1476	Tel: (425) 556-2713
Tel: (360) 480-0022	Email: jemork@redmond.gov
Email: amy.kim@des.wa.gov	

Notices shall be deemed effective upon the earlier of receipt, if mailed, or, if emailed, upon transmission to the designated email address of said addressee.

The Client Agency representative shall be responsible for working with Energy Program, approving billings and expenses submitted by Energy Program, and accepting any reports from Energy Program or ESCO.

The Energy Program representative shall be the contact person for all communications regarding the conduct of work under this *Agreement*.

6. **RECORDS**.

   A. AGREEMENT AVAILABILITY. Prior to its entry into force, this *Agreement* shall be posted on the parties' websites or other electronically retrievable public source as required by RCW 39.34.040.

   B. RECORDS RETENTION. Each party shall maintain records and other evidence that sufficiently and properly reflect all direct and indirect costs expended by either party in the performance and payment of the services. These records shall be subject to inspection, review, or audit by personnel of both parties, other personnel duly authorized by either party, the Office of the State Auditor, and officials authorized by law. Such records shall be retained for a period of six (6) years following expiration or termination of this *Agreement* or final payment for any service placed against this *Agreement*, whichever is later; Provided, however, that if any litigation, claim, or audit is commenced prior to the expiration of this period, such period shall extend until all such litigation, claims, or audits have been resolved.

   C. OWNERSHIP. Records and other information, in any medium, furnished by one party to this *Agreement* to the other party, will remain the property of the furnishing party, unless otherwise agreed. The receiving party will not disclose or make available this material to any third party without first providing notice to the other party and allowing ten (10) business days in which to file, at its sole expense, a motion seeking a protective order, or other legal action. Each party will utilize reasonable security procedures and protections to assure that records and information provided by the other party are not erroneously disclosed to third parties.

   D. PUBLIC RECORDS. This *Agreement* and all related records are subject to public disclosure as required by RCW 42.56, the Public Records Act (PRA).

7. **RESPONSIBILITY OF THE PARTIES**. Each party to this *Agreement* assumes responsibility for claims and/or damages to persons and/or property resulting from any act or omission on the part of itself, its employees, or its agents. Neither party assumes any responsibility to the other party for any third party claims.

DocuSign Envelope ID: B97B8BAF-56CA-413D-9175-75FE3D6C8DDB

8. **DISPUTE RESOLUTION**. The parties shall use their best, good faith efforts cooperatively and collaboratively to resolve any dispute that may arise in connection with this *Agreement* as efficiently as practicable, and at the lowest possible level with authority to resolve such dispute. The parties shall make a good faith effort to continue without delay to carry out their respective responsibilities under this *Agreement* while attempting to resolve any such dispute. If, however, a dispute persists regarding this *Agreement* and cannot be resolved, it may be escalated within each organization. In such situation, upon notice by either party, each party, within five (5) business days shall produce its description of the dispute in writing and deliver it to the other party. The receiving party then shall have three (3) business days to review and respond in writing. In the event that the parties cannot then agree on a resolution of the dispute, the parties shall schedule a conference between the respective senior managers of each organization to attempt to resolve the dispute. In the event the parties cannot agree on a mutual resolution within fifteen (15) business days, the parties shall abide by the Governor's dispute resolution process (RCW 43.17.330), if applicable, or collectively shall appoint a third party to evaluate and resolve the dispute and such dispute resolution shall be final and binding on the parties.

9. **TERMINATION FOR CONVENIENCE**. Except as otherwise provided in this *Agreement*, either party may terminate this *Agreement* upon thirty (30) calendar days prior written notification. Upon such termination, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this *Agreement* prior to the effective date of such termination.

10. **GENERAL PROVISIONS**.

    A. COMPLIANCE WITH LAW. The Parties shall comply with all applicable law.

    B. INTEGRATED AGREEMENT. This *Agreement* constitutes the entire agreement and understanding of the parties with respect to the subject matter and supersedes all prior negotiations, representations, and understandings between them. There are no representations or understandings of any kind not set forth herein.

    C. AMENDMENT OR MODIFICATION. Except as set forth herein, this *Agreement* may not be amended or modified except in writing and signed by a duly authorized representative of each party.

    D. AUTHORITY. Each party to this *Agreement*, and each individual signing on behalf of each party, hereby represents and warrants to the other that it has full power and authority to enter into this *Agreement* and that its execution, delivery, and performance of this *Agreement* has been fully authorized and approved, and that no further approvals or consents are required to bind such party.

    E. NO AGENCY. The parties agree that no agency, partnership, or joint venture of any kind shall be or is intended to be created by or under this *Agreement*. Neither party is an agent of the other party nor authorized to obligate it.

    F. GOVERNING LAW. The validity, construction, performance, and enforcement of this *Agreement* shall be governed by and construed in accordance with the laws of the State of Washington, without regard to its choice of law rules.

    G. JURISDICTION & VENUE. In the event that any action is brought to enforce any provision of this *Agreement,* the parties agree to exclusive jurisdiction in Thurston County Superior Court for the State of Washington and agree that in any such action venue shall lie exclusively at Olympia, Washington.

DocuSign Envelope ID: B97B8BAF-56CA-413D-9175-75FE3D6C8DDB

H. EXHIBITS. All exhibits referred to herein are deemed to be incorporated in this *Agreement* in their entirety.

I. CAPTIONS & HEADINGS. The captions and headings in this *Agreement* are for convenience only and are not intended to, and shall not be construed to, limit, enlarge, or affect the scope or intent of this *Agreement* nor the meaning of any provisions hereof.

J. ELECTRONIC SIGNATURES. A signed copy of this *Agreement* or any other ancillary agreement transmitted by facsimile, email, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this *Agreement* or such other ancillary agreement for all purposes.

K. COUNTERPARTS. This *Agreement* may be executed in any number of counterparts, each of which shall be deemed an original and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart. Execution of this *Agreement* at different times and places by the parties shall not affect the validity thereof so long as all the parties hereto execute a counterpart of this *Agreement*.

11. NON-DISCRIMINATION/ANTI-DISCRIMINATION.

Except to the extent permitted by a bona fide occupational qualification, the Client Agency agrees as follows:

A. The Client Agency shall not discriminate against any employee or applicant for employment because of race, creed, color, national origin, marital status, sex, age or the presence of any sensory, mental, or physical handicap. The Client Agency shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, creed, color, national origin, marital status, sex, age or the presence of any sensory, mental, or physical handicap. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, transfer, recruitment, advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training.

B. The Client Agency shall in all solicitation for employees or job orders for employees placed with any employment agency, union, or other firm or agency, state that all qualified applicants shall receive consideration for employment without regard to race, creed, color, national origin, marital status, sex, age or the presence of any sensory, mental, or physical handicap. The words "equal opportunity employer" in advertisements shall constitute compliance with this Article.

C. The Client Agency shall include the provisions of the foregoing paragraphs 1 and 2 in every sub-agreement or purchase order for the goods or services which are the subject matter of this *Agreement*.

D. In the event of non-compliance by the Client Agency with any of the non-discrimination provisions of the *Agreement*, the Owner shall have the right, at its option, to cancel the *Agreement*, in whole or in part. If the *Agreement* is canceled after partial performance, the Owner shall be obligated to pay fair market value or the *Agreement* price, whichever is lower, for goods or services which have been received and accepted.

DocuSign Envelope ID: B97B8BAF-56CA-413D-9175-75FE3D6C8DDB

E. During the term of the *Agreement,* the Client Agency, including any consultant, shall not discriminate on the bases enumerated at RCW 49.60.530(3). In addition, Client Agency, including any consultant, shall give written notice of this nondiscrimination requirement to any labor organizations with which Client Agency, or consultant, has a collective bargaining or other agreement.

EXECUTED AND EFFECTIVE as of the date of the last signature.

City of Redmond

By: DocuSigned by: Angela Birney F678C3A6CA90451...

Name: Angela Birney

Title: Mayor

Date: 5/16/2024

STATE OF WASHINGTON
DEPARTMENT OF ENTERPRISE SERVICES

By: Kirsten G. Wilson

Name: Kirsten G. Wilson, PE

Title: Energy Program Manager

Date: 5.21.24

DocuSign Envelope ID: B97B8BAF-56CA-413D-9175-75FE3D6C8DDB

Washington State DEPARTMENT OF ENTERPRISE SERVICES

ATTACHMENT A

PROJECT MANAGEMENT SERVICES SCOPE OF WORK

Energy/Utility Conservation Projects

Statewide Energy Performance Contracting Program

Energy Program will provide the following project management services for each specific project for the Client Agency. Each individual project shall be authorized by an amendment to this *Agreement*.

1. Assist the Client Agency in the selection of an Energy Service Company (ESCO) consistent with the requirements of RCW 39.35A for local governments; or 39.35C for state agencies and school districts.

2. Assist in identifying potential energy/utility conservation measures and estimated cost savings.

3. Assist in negotiating scope of work and fee for an ESCO audit of the facility(s).

4. Assist in identifying appropriate project funding sources and assist with obtaining project funding.

5. Assist in negotiating the technical, financial and legal issues associated with ESCO's Energy Services Proposal.

6. Review and recommend approval of ESCO energy/utility audits and Energy Services Proposals.

7. Provide assistance during the design, construction and commissioning processes.

8. Review ESCO invoice voucher(s) received for reasonableness and forward to Client Agency for review and payment.

9. Assist with final project acceptance.

10. Assist in resolution of disputes with the ESCO that arise during this *Agreemen*t, not to include formal disputes.

11. Review up to the first three years of the ESCO's annual Measurement and Verification (M&V) reports for completeness and accuracy. Review any ESCO guarantee compared to reported results and resolve differences, if needed. Review and forward ESCO invoice vouchers for payment by the Client Agency.

DocuSign Envelope ID: B97B8BAF-56CA-413D-9175-75FE3D6C8DDB

Washington State DEPARTMENT OF ENTERPRISE SERVICES

ATTACHMENT B

PROJECT MANAGEMENT FEE SCHEDULE

2023-25 Interagency Reimbursement Costs
for Project Management Fees to Administer Energy/Utility Conservation Projects

TOTAL PROJECT VALUE	PROJECT MANAGEMENT FEE	TERMINATION FEE
5,000,001 6,000,000	$68,800	25,700
4,000,001 5,000,000	67,700	25,400
3,000,001 4,000,000	66,700	25,000
2,000,001 3,000,000	62,500	23,400
1,500,001 2,000,000	58,300	21,800
1,000,001 1,500,000	51,600	19,300
900,001 ... 1,000,000	43,800	16,400
800,001 900,000	41,300	15,400
700,001 800,000	38,300	14,400
600,001 700,000	36,500	13,700
500,001 600,000	33,800	12,600
400,001 500,000	30,200	11,300
300,001 400,000	25,800	9,700
200,001 300,000	20,700	7,700
100,001 200,000	14,400	5,400
50,001 100,000	7,800	3,500
20,001 50,000	4,200	2,000

The project management fee on projects over $6,000,000 is 1.15% of the project cost. The maximum Energy Program termination fee is $25,700.

1. These fees cover project management services for energy/utility conservation projects managed by Enterprise Services' Energy Program.
2. Termination fees cover the selection and project management costs associated with managing an ESCO's investment grade audit and energy services proposal. No termination fee will be charged unless Client Agency decided not to proceed to construction based on an energy services proposal that identifies projects that met Client Agency's cost effectiveness criteria.
3. If the project meets Client Agency's cost effectiveness criteria and Client Agency decides not to move forward with a project, then Client Agency will be invoiced per the above listed Termination Fee or $25,700 whichever is less. If Client Agency decides to proceed with the project then the *Agreement* will be amended to include the Project Management Fee listed above.
4. If the audit fails to produce a project that meets Client Agency's established cost effectiveness criteria, then there is no cost to Client Agency and no further obligation by Client Agency.

DocuSign Envelope ID: B97B8BAF-56CA-413D-9175-75FE3D6C8DDB

Washington State
DEPARTMENT OF
ENTERPRISE SERVICES

ATTACHMENT C

MEASUREMENT & VERIFICATION SERVICES SCOPE OF WORK

Energy/Utility Conservation Projects

Statewide Energy Performance Contracting Program

If requested, Energy Program will provide the following measurement and verification services for each year beyond the first three years following the Notice of Commencement of Energy Cost Savings by the ESCO for the specific Client Agency project:

1. Review the ESCO's annual Measurement and Verification report for completeness and accuracy. Review any ESCO guarantee compared to reported results and resolve differences, if needed. Review and forward any ESCO invoice vouchers for payment by the Client Agency.

2. Where necessary, review Client Agency facility operations including any changes in operating hours, changes in square footage, additional energy consuming equipment and negotiate changes in baseline energy use with the ESCO and Client Agency that may impact achieved energy savings.

3. Attend a meeting or meetings with Client Agency and ESCO to review and discuss the annual Measurement and Verification report.

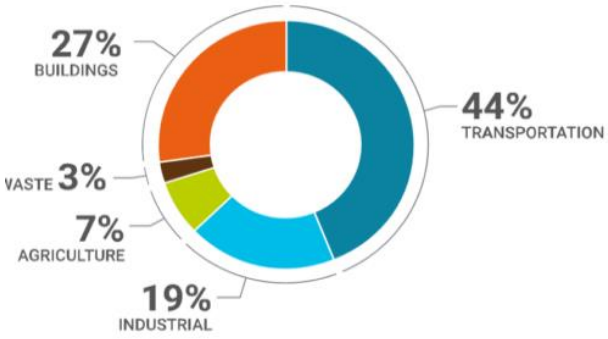
CLEAN BUILDINGS PERFORMANCE STANDARD

History of the Clean Buildings Performance Standard

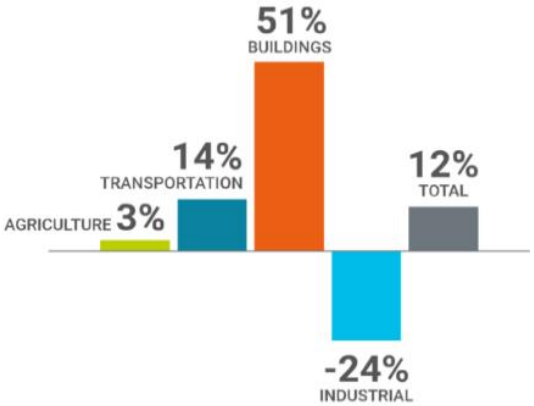
State adopts landmark energy efficiency performance standard

Residential and commercial buildings are Washington's second-largest source of greenhouse gas emissions, accounting for 27% of statewide emissions. Energy-efficient buildings are essential to meet statewide greenhouse gas emissions limits. With the life of a building spanning at least 50-100 years, retrofitting our existing buildings to use less energy is the most cost-efficient way to reduce greenhouse gas emissions significantly. To meaningfully reduce building emissions, we need more robust energy use standards. The 2019 Clean Buildings Act created energy performance standards for existing covered buildings larger than 50,000 square feet. Mandatory compliance begins in 2026. The 2022 expansion bill added a new second tier of buildings larger than 20,000 square feet, including multifamily buildings

Buildings are the second largest source of greenhouse gas emissions in Washington (2015)



As Washington's population has grown, greenhouse gas emissions from buildings jumped significantly from 1990-2015



To meaningfully reduce these emissions, the legislature passed clean buildings laws in 2019 (HB 1257) and 2022 (SB 5722) to:

1. Create an energy performance standard for non-residential buildings larger than 50,000 square feet; and

2. Require energy management planning, operations and maintenance and tracking energy use over time for non-residential buildings larger than 20,000 square feet and multifamily buildings over 50,000 square feet.

Clean Buildings Performance Standard Rulemaking (Tier 1)

In 2019, the Legislature directed Commerce to adopt the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) Standard 100-2018 as a base, and establish energy use intensity targets (EUIt) specific to Washington state for different building occupancy types.

Commerce conducted 15 workshops and comment periods from 2019 through 2020 to establish the new standard and set state-specific targets 15% less than 2009-2018 averages. The targets are based on data showing the average energy use for covered buildings larger than 50,000 square feet as well as the downward trend in energy use resulting from new technology and maintenance or operation practices. Examples include the replacement cycle of lighting to LEDs and trends in building tune-ups and operations.

The new rules filed on Oct. 30, 2020, known as WAC 194-50, implement Washington's landmark Clean Buildings Performance Standard enacted in 2019 (Chapter 285, Laws 2019). The law required Commerce to develop and implement an energy performance standard for Tier 1 covered buildings (formerly known as covered commercial buildings), which are buildings greater than 50,000 square feet, and provide incentives at $0.85 per square foot to encourage energy efficiency improvements. Compliance and reporting for Tier 1 covered buildings begin on June 01, 2026.

Tier 1 Compliance Dates

June 1, 2026
- Greater than 220,000 sq. ft.

June 1, 2027
- Greater than 90,000 sq. ft. but less than 220,001 sq. ft.

June 1, 2028
- Greater than 50,000 sq. ft. but less than 90,001 sq. ft.

Tier 2 Compliance Dates

July 1, 2027
- Greater than 20,000 sq. ft. but less than 50,001 sq. ft.
- Includes all multifamily greater than 20,000 sq. ft.

Tier 1 buildings have between four and six years, depending on square footage, to complete the following reporting requirements:

- Benchmark by measuring and tracking energy use in a building over time.
- Implement an operations and maintenance program. Well-implemented O&M can, on average, save buildings 10-15% in energy use.
- Create an energy management plan.

Tier 1 buildings must then meet an energy performance metric by either:

1. Meeting an *average* energy use intensity (EUIt). This metric represents a site-based average for similar building types and **does not** represent achieving "net-zero" or other green building certifications;
2. Utilizing the "investment criteria" pathway. This compliance route includes performing an energy audit and implementing all cost-effective efficiency measures.

Rulemaking for the expansion bill: Clean Buildings - Tier 2

On March 25, 2022, Governor Inslee signed the Clean Buildings expansion bill into law. The expansion applies to buildings 20,000 square feet or larger, adding a new second tier that includes multifamily buildings.

The first phase of this law is not a performance standard. It will require reporting on benchmarking, energy management plans, and operations and maintenance programs for Tier 2 covered buildings. Compliance and reporting for this new tier is expected July 1, 2027.

The expansion bill also includes an incentive program with an additional $150 million available for Tier 2 covered buildings at a rate of $0.30 cents per square foot.

Commerce conducted six workshops and comment periods in 2023. The six-workshop series began in April 2023 and covered various topics, including technical support, benchmarking, energy management plans, operations and maintenance programs, Annex Y administrative rules, and Tier 1 amendments.

Similar to Tier 1, Tier 2 buildings are required to:

- Benchmark by measuring and tracking energy use in a building over time
- Perform operations and maintenance programming
- Create an energy management plan

However, Tier 2 building owners are **not** currently required to meet a performance metric.

Rulemaking for HB1390- Decarbonization of District Energy Systems

Gov. Jay Inslee signed House Bill 1390 into law on May 4, 2023, amending the Clean Buildings Law to add a new section on facilities connected to district energy systems. The bill recognizes that building decarbonization is necessary to achieve the state's climate goals and the advantages of upgrading existing district energy systems while considering the timeline to implement upgrades.

The bill instructs owners of a publicly owned district energy system to develop a decarbonization plan for up to 15 years. The plans must contain strategies to decarbonize the central plant and reduce energy use through conservation efforts at the central plant and the connected buildings.

Commerce filed the CR101 on December 11, 2023, to begin rulemaking and solicit comments. Rulemaking is expected to conclude in June 2024.

Legislation and Reference Standards

- Tier 1 rulemaking documents and past workshop materials
- Tier 2 rulemaking documents and past workshop materials
- HB 1257 2019 session law
- SB5722 2022 session law
- HB1390
- Chapter 194-50 WAC
- ASHRAE Standard 100-2018

- ASHRAE Standard 211-2018
- Clean Buildings Performance Standard – Integrated Document
- Clean Buildings Legislative Report – Published Jan 25, 2022
- Clean Buildings Legislative Report – Published Jan 15, 2023

State energy performance standards:

- 19.27A.200 – Definitions
- 19.27A.210 – State energy performance standard
- 19.27A.220 – Early adoption incentive program
- 19.27A.230 – Limit on early adoption incentive payments
- 19.27A.240 – Early adoption incentive payment administration
- 19.27A.250 – State energy management and benchmarking requirement.

STATE OF WASHINGTON

DEPARTMENT OF ENTERPRISE SERVICES

1500 Jefferson St. SE, Olympia, WA 98501
PO Box 41476, Olympia, WA 98504-1476

August 26, 2024

TO: Amy Kim, City of Redmond

FROM: Kim Obi, Contracts Specialist, (360) 972-5003

RE Agreement No. 2025-147 A (1)
IGA – Redmond Public Safety Building Phase 3

IAA No. K8952

McKinstry Essention, LLC

SUBJECT: Funding Approval

The Dept. of Enterprise Services (DES), Energy Program, requires funding approval for the above referenced contract documents. The amount required is as follows:

ESCO Audit	$ 99,000.00
Total Funding	**$ 99,000.00**

In accordance with the provisions of RCW 43.88, the signature affixed below certifies to the DES Energy Program that the above identified funds are appropriated, allotted or that funding will be obtained from other sources available to the using client/agency. The using/client agency bears the liability for any issues related to the funding for this project

By _____ _____
Name / Title **Date**

Please sign and return this form to the Energy Program. If you have any questions, please call me.

2025147Aagrfundingko

STATE OF WASHINGTON

DEPARTMENT OF ENTERPRISE SERVICES

1500 Jefferson St. SE, Olympia, WA 98501
PO Box 41476, Olympia, WA 98504-1476

ENERGY SERVICES AUTHORIZATION NO. 2025-147 A (1)
Detailed Investment Grade Energy Audit & Energy Services Proposal Agreement
City of Redmond
Redmond Public Safety Building Phase 3
August 26, 2024
MAIN ENERGY SERVICES AGREEMENT NO. 2023-185 F (6)

The Owner and the Energy Services Company (ESCO) named below do hereby enter into this Authorization under terms described in the following sections:

Authorization to Proceed
Compensation for Energy Services
Project Conditions
Scope of Work
Schedule for Completion
Civil Rights
Non-Discrimination

I. AUTHORIZATION TO PROCEED:

Energy Services Company:

McKinstry Essention, LLC
PO Box 24567
Seattle, WA 98134
Telephone No. (206) 762-3311
Fax No.(206) 658-1769
E-Mail wades@mckinstry.com

By _____
Name _____
Title _____
Date _____

Owner:

City of Redmond
acting through the
Department of Enterprise Services
Energy Program
PO Box 41476
Olympia, WA 98504

By _____
Name Kirsten G. Wilson, PE
Title Energy Program Manager
Date _____

State of Washington Contractor's License No. MCKINEL874CL
State of Washington Revenue Registration No. 603 259 907

II. COMPENSATION FOR ENERGY SERVICES:

Basic Services	**COMPENSATION**
Energy Audit and Energy Services Proposal	$ 99,000.00
Grand Total (plus WSST as applicable)	**$ 99,000.00**

III. PROJECT CONDITIONS:

The Project Conditions contained in the Main Energy Services Agreement will be used unless specifically changed herein. The cost effectiveness criteria for this project are per the McKinstry Essention, LLC proposal dated August 5, 2024.

IV. SCOPE OF WORK:

Per the ESCO proposal dated August 5, 2024 conduct a Detailed Investment Grade Energy Audit of City of Redmond, Public Safety Building, to identify cost effective energy conservation measures and present a written Energy Services Proposal, including all energy audit documentation. The ESCO shall prepare the final Energy Services Proposal, detailing the actual energy services and ESCO equipment to be provided, energy savings and cost guarantees, measurement and verification plans, and commissioning plans for the proposed measures. Measures will include items that save energy, water and other resources. The Cost Effectiveness Criteria for this project shall be as established in the Main Energy Services Agreement or as modified in Section III above.

V. SCHEDULE FOR COMPLETION

Final completion of the Energy Audit and Energy Services Proposal within 126 calendar days after Authorization to Proceed.

VI. CIVIL RIGHTS

Contractor represents and warrants that Contractor complies with all applicable requirements regarding civil rights. Such requirements prohibit discrimination against individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin.

VII. NON-DISCRIMINATION

1. Nondiscrimination Requirement. During the term of this Contract, Contractor, including any subcontractor, shall not discriminate on the bases enumerated at RCW 49.60.530(3). In addition, Contractor, including any subcontractor, shall give written notice of this nondiscrimination requirement to any labor organizations with which Contractor, or subcontractor, has a collective bargaining or other agreement.

2. Obligation to Cooperate. Contractor, including any subcontractor, shall cooperate and comply with any Washington state agency investigation regarding any allegation that Contractor, including any subcontractor, has engaged in discrimination prohibited by this Contract pursuant to RCW 49.60.530(3).

3. Default. Notwithstanding any provision to the contrary, Agency may suspend Contractor, including any subcontractor, upon notice of a failure to participate and cooperate with any state agency investigation into alleged discrimination prohibited by this Contract, pursuant to RCW 49.60.530(3). Any such suspension will remain in place until Agency receives notification that Contractor, including any subcontractor, is cooperating with the investigating state agency. In the event Contractor, or subcontractor, is determined to have engaged in discrimination identified at RCW 49.60.530(3), Agency may terminate this Contract in whole or in part, and Contractor, subcontractor, or both, may be referred for debarment as provided in RCW 39.26.200. Contractor or subcontractor may be given a reasonable time in which to cure this noncompliance, including implementing conditions consistent with any court-ordered injunctive relief or settlement agreement.

4. Remedies for Breach. Notwithstanding any provision to the contrary, in the event of Contract termination or suspension for engaging in discrimination, Contractor, subcontractor, or both, shall be liable for contract damages as authorized by law including, but not limited to, any cost difference between the original contract and the replacement or cover contract and all administrative costs directly related to the replacement contract, which damages are distinct from any penalties imposed under Chapter 49.60, RCW. Agency shall have the right to deduct from any monies due to Contractor or subcontractor, or that thereafter become due, an amount for damages Contractor or subcontractor will owe Agency for default under this provision.

2025147Aagrko

August 05, 2024

City of Redmond
Investment Grade Audit Proposal

To: Amy Kim, Project Manager, City of Redmond
From: Andrew Williamson, Business Development Manager, McKinstry Essention
Cc: Jessica DeWitt, Energy Engineer, WA Department of Enterprise Services

Subject: Public Safety Building Phase 02: HVAC and Controls Upgrade Investment Grade Audit Proposal

Project Description: The City of Redmond is interested in improving the infrastructure and efficiency of the Public Safety Building facility through a performance-based contract with McKinstry. This proposal will provide the guidelines for which McKinstry will provide the following tasks:

1. Conduct an Investment Grade Audit at the target facility.
    A. Public Safety Building – 53,328 SF; 8701 160th Ave NE, Redmond, WA 98052
2. Develop a comprehensive Energy Services Proposal for selected measures. Initial target measures are :
    B. Investigate indoor Water Source Heat Pump (WSHP) unit upgrades.
        a. Preliminary equipment list provided by the City comprises below units. Replace with same capacity units. Except for Units HP-8x and HP-9x which will be sized for new zoning. Consider relocation where necessary to improve access.

Floor	Unit #	Serves	Notes
First	HP-4A	Ops LT office	Possible Relocate
First	HP-5A	Briefing Room	Abandon and Relocate
First	HP-5B	Briefing Room	Abandon and Relocate
First	HP-7B	Entry	Abandon and Relocate, Not on DDC
First	HP-8A		Replace and right size
First	HP-9A	Flight Ops/ Prosecutor	Air Distribution needs mod
First	HP-9 NEW		New unit for the core zone
First	HP-A	Women's R/Rm Locker Rm	Hard Lid, Not on DDC
First	HP-G	Police Fitness Room	Not on DDC
Second	HP-18A	Tech Support	
Second	HP-19A	Chief's	
Second	HP-19B	Chief Conf Rm	
Second	HP-20A	Sr Admin South Perimeter	
Second	HP-20B	Sr Amin conf/Store, room dujour	
Second	HP-31B	Lobby Large Unit West Mezz	
Second		Investigations Break Rm	Possible abandon/ relocate

C. Main AHU (OA Unit) Retrofit
    a. Assess retrofit to replace the supply fan with new fan array.
    b. Perform review of the existing system and operation.
        i. Review the operation of this unit (supply air) and the building general exhaust with the facilities team.
        ii. Review BAS data for unit's setpoints and operation trends if available.
        iii. Review for current code compliance including heat recovery.
        iv. TAB for airflow or building pressure is not included.
D. Full Building Controls Upgrades
    a. Evaluate upgrade the controls of replaced WSHP and all legacy controls in the building to the newer version of the existing controls in the building.
E. Condenser Pump Replacement
    a. Evaluate replacement of (1) condenser pump with new pump and VFD. New pump to match the previously replaced pump.
F. IDF Room Split system upgrade.
    a. Evaluate upgrade the outdoor and indoor units to match existing cooling capacity. Reuse existing refrigerant lines.

3. Develop a Rough Order of Magnitude (ROM) scope and budget. Review with the City to select scope for GMAX that aligns with the City priorities and budget.
4. Coordinate the construction access requirements, expected construction duration and construction impacts with the City to develop an acceptable mitigation plan and inform the GMAX scope and budget.
5. Comprehensive ASHRAE Level 2 Audit. Refer Attachment B for detailed tasks.
    A. Perform comprehensive building audit to identify energy reduction Facility Improvement Measures (FIMs). The intent is to identify FIMs with total energy savings that shall meet the CBPS EUI_t.
    B. Perform EUI benchmarking to determine CBPS EUI_t .
    C. Provide preliminary energy savings, preliminary budgets, simple payback analysis for the identified measures and Life Cycle Cost Analysis for select measures.
    D. Support the City to prioritize the measures to align with City's EUI reduction for CBPS.

The investment grade effort is intended to lead to the implementation of energy improvement measures. The audit will provide all the details necessary for implementation of viable initiatives detailing all the associated savings, costs, potential utility funding, and return on investment scenarios, as well as loan details (if applicable) and construction schedules.

This will be a collaborative effort with the City of Redmond and the Washington State Department of Enterprise Services (DES). The study will be a product of the direction McKinstry receives, and it is anticipated that the information contained in the resulting Energy Services Proposal will form the basis of contracting documents for implementation. The specific deliverables associated with this professional services endeavor can be found in Attachment A.

Requested Information: For effective execution of this proposal we ask that the City of Redmond provide access to the following:

- ✓ Historical utility bills for the last 24 months.
- ✓ All mechanical, electrical, architectural, and structural drawings.
- ✓ All operational and maintenance manuals, balancing records, & specifications.
- ✓ Operational records related to the cost of maintaining specific equipment.
- ✓ Information with regards to any on-going maintenance contracts.
- ✓ Access to individuals that have relevant information pertaining to the day-to-day operation of energy using systems on site.
- ✓ Access to the building automation systems, including remotely, if available.
- ✓ Prior energy studies for related systems, if applicable.
- ✓ Any available hazardous material survey reports.

Timeline and Milestones: McKinstry will initiate this scope of work immediately upon execution of a Professional Services Contract and notice to proceed. Formal progress review meetings will be conducted regularly throughout the study phase. During these review meetings, McKinstry will recommend measures based on preliminary analysis, while the City of Redmond will provide final direction regarding recommended measures. The goal of these review meetings is to focus engineering efforts, budgeting, and savings assessment on those measures that possess a high probability for implementation. McKinstry will target completion of the IGA within 120 days of a notice to proceed. The following are proposed milestones following notice to proceed:

Duration	Action
6 weeks	McKinstry to deliver Rough Order of Magnitude analysis and recommendations
2 weeks	Owner review comments and direction given
6 weeks	McKinstry to deliver pre-final analysis and recommendations and deliver IGA Document
2 weeks	Owner review comments and direction given. Includes DES review time for IGA Document
2 weeks	McKinstry to deliver final investment grade audit analysis and Energy Services Proposal to Owner and DES

Criteria for Implementation: It is the City of Redmond intent that McKinstry will implement all approved projects that meet the project criteria:

1. The NPV of the proposed project will be neutral or positive over the term of the useful life of the equipment where the following will be included in the cash flow: total project cost, any available utility incentives, the value of the energy saved on an annual basis (cost at current utility rates).
2. For the purpose of the financial cash flow models, McKinstry will work with DES Energy Program and the client to use appropriate financial rates and other variables to show project benefits.
3. The cash flow model may include the following based on client approval: Hard-cost operational savings (no labor), Capital infusion from planned capital project budgets, cash reserves, grants, utility incentives, or other sources, Loans/financing, Deferred maintenance, Social cost of carbon etc.

4. The project scope could be adjusted to align with the funds budgeted for the project.
5. McKinstry will work with Puget Sound Energy to secure rebates for applicable scope.

Investment Grade Audit Fee: The City of Redmond will reimburse McKinstry for **Not to Exceed $99,000** for this scope of work.

Fee Breakout

Targeted IGA Scope Fee – $ 77,000

Comprehensive Building ASHRAE Level 2 Audit Fee - $ 22,000

Total Fee - $99,000

All fees assessed under this proposal will be included in the final implementation costs. In the event that McKinstry is unable to recommend projects that meet the criteria above, the City of Redmond has no financial obligation to McKinstry. However, if the recommendations meet or exceed the Criteria for Implementation and the City of Redmond chooses not to enter into an agreement with McKinstry to install the projects, the City of Redmond will reimburse McKinstry for the Investment Grade Audit fee. All associated information, including deliverables, will become the property of the City of Redmond upon final receipt of payment.

We look forward to working with the City of Redmond . Please call should you have any questions.

Best Regards,

Andrew Williamson
Business Development Manager
McKinstry Essention

Attachment A

Investment Grade Audit Deliverables

An IGA is an intensive engineering analysis of Facility Improvement Measures (FIMs) for the facility, net energy savings, and a cost-effectiveness determination. This is a Level 2 audit as defined in ANSI/ASHRAE/ACCA Standard 211-2018, Standard for Commercial Building Energy Audits. This IGA proposal as currently scoped is focused solely on the FIMs listed in our IGA proposal and will meet the ASHRAE Level 2 audit requirements for those FIMs only. Accordingly, items 3, 9 and 15 below will apply only to the FIMs listed in this IGA Proposal.

The IGA report shall be submitted before the ESP for Owner and DES review. The IGA report shall include results from the preliminary audit and:

1. Executive summary of the audit findings;
2. A description of the Facility including type of use, square footage, and location; T
3. Description of building systems and major equipment;
4. The standards of comfort and service appropriate for the Facility;
5. The Baseline Energy Consumption per fuel type for the Facility, including the data, methodology and variables used to compute the Baseline, and the Baseline calendar period which must not be less than 12 months, and must be multiples of 12 months;
6. Utility rate schedules and/or Tariffs;
7. Detailed energy analysis calculations. If an energy model is performed the software used, baseline modeling assumptions, and summary of results;
8. Facility benchmarking including the Energy Use Intensity (EUI) index and 12 months of utility data input into the EPA's Energy Star Portfolio Manager with a printout of the Energy Star Statement of Performance; **(Please note that the Statement of Performance will not be stamped by a professional engineer unless our IGA proposal explicitly includes stamping. This is because the EPA has additional tasks (beyond those required in ASHRAE Level 2 audits) that must be completed prior to stamping the Statement of Performance.)**
9. A list of applicable building, mechanical, energy, or other pertinent state and local codes that the facility currently doesn't meet or that may impact the projectcosts;
10. Description of Facility Improvement Measures (FIMs) recommended;
11. Description of FIMs considered and not recommended or not financially viable;
12. Measurement and verification (M&V) plan proposed for verifying energy savings consistent with the International Performance Measurement and Verification Protocol (IPMVP);
13. Financial analysis of FIMs;
14. Summary table with FIM name, installed cost, energy savings by utility, and O&M savings;
15. Normative Annex C Reporting Forms for Level 1 and Level 2 audits found in the ASHRAE Standard for Commercial Buildings Energy Audits;

16. Prepared by a person acting as the auditor of record, who must be a qualified energy auditor having training, expertise, and three years of professional experience in building energy auditing, and being any one of the following:

    a. A licensed professional architect or engineer

    b. An energy auditor, assessor, or analyst certified by ASHRAE or the Association of Energy Engineers (AEE) for all building types.

Attachment B

ASHRAE Level 2 Audit for CBPS - Detailed Tasks

Roles & Qualifications

1. The energy audit and subsequent calculations will be completed by a Qualified Energy Auditor (QEA), which is a person who has the training, expertise, and at least three years professional experience in building energy auditing and is a licensed professional architect or engineer or certified energy auditor by ASHRAE or AEE.

Systems Included

1. The below facility systems are included in the energy audit scope, where existing: Envelope, Structural Considerations (i.e., roofing condition for solar adaptation), Lighting System, Cooling, Computer Rooms, Heating, Ventilation and Exhaust Systems, Air Distribution Systems, Heating, Chilled, Condenser, and Domestic Water Systems, Refrigeration (except for food processing refrigeration), Power Generation Equipment (including renewables), Uninterruptible Power Supplies and Power Distribution Units, Electrical System Capacity, People-Moving Systems, Building Heating and/or Cooling Systems.

Scope of Work Detail

McKinstry will perform the following scopes of work as part of the ASHRAE Level II audit. Individual scopes items are laid out sequentially, but McKinstry expects to return to previous activities as necessary throughout the audit process:

1. Continued Benchmarking Support
    a. Help establish the EUIt considering the varied use types of the facility.
2. Documentation Collection and Review
    a. Gather digital facility documentation and identify existing onsite hard copies.
    b. As built drawings (architectural, mechanical, electrical, plumbing, lighting, and renewables)
    c. Washington State Energy Compliance Forms (architectural, mechanical, electrical, plumbing, lighting, and renewables); these would be completed for permitted projects in the last 20 years.
    d. Any previous commissioning reports.
    e. Any previous energy audit reports (mechanical, electrical, plumbing, lighting)
    f. Controls information (as-builts or final submittals, configuration/programming files (depending on the vendor), and if remote access is available)
    g. Review documentation and identify information gaps
    h. Pre-identify FIMs that may get the facility into compliance and develop on-site audit plan
    i. McKinstry will review at least two years of utility consumption on a per building basis. Per our discussion, we will work with City of Redmond's Energy Manager to acquire the consumption reports.
3. On-Site Assessment`
    a. Conduct interviews with facilities personnel and other onsite staff as appropriate.
        i. Discuss any current efficiency programs
        ii. Discuss known performance, operational, or comfort issues
        iii. Discuss active and planned projects and pre-identified FIMs
    b. Perform comprehensive facility inspection

i. Compare facility documentation to on-site observations to verify accuracy .
ii. Observe equipment/system operations
iii. Install data loggers/instrumentation to collect trends (as necessary)

c. Perform Building Automation System (BAS) assessment
i. Compare facility documentation and on-site observations to BAS to verify accuracy
ii. Observe sequences of operations and other control strategies
iii. Set up and pull trend data (as necessary)
iv. Identify no-cost, low-cost, and capital energy efficiency measures

4. Facility Improvement Measure (FIM) Development
a. Utilize facility documentation and information gathered during the on-site assessments to identify potential FIMs
b. Perform additional documentation collection/review and on-site assessments as necessary to further develop potential FIMs and develop a Preliminary FIM List
c. Conduct "go/no-go" conversation with relevant facility stakeholders on Preliminary FIM List to determine FIM feasibility and whether they are appropriate in accordance with facility operations and future plans.
d. Finalize Preliminary FIM list with details required for cost estimation

5. Modeling and Estimating
a. Develop budgetary cost estimates for Preliminary FIMs, taking into account potential utility incentives
b. Develop calibrated baseline energy model of the facility
c. Develop efficiency model of the facility that includes the Preliminary FIMs
d. Compare baseline and energy efficient model to determine estimated savings for each FIM, taking into account interactive effects
e. Utilize budgetary costs and estimated savings to determine energy savings, EUI impacts, and FIM return on investment (ROI)
f. Review FIMs with facility owner and identify which FIMs it would like to pursue.

6. Life-Cycle Cost Analysis
a. Perform a Life Cycle Cost analysis on FIMs identified during the audit, utilizing "Form F" in accordance with CBPS rules and regulations.
b. Add LCCA findings to the audit report

7. Reporting
a. A final report will be presented at the end of the project that meets the requirements of CBPS programs:
b. EUI validation and gap analysis, including baseline calculation methodology, assumptions, and time period
c. Facility and systems descriptions
d. List of FIMs with the goal of reducing the facility EUI
e. List of FIMs likely required to pursue Investment Criteria Pathway
f. Estimated energy savings and peak energy savings for each recommended FIM (in cost and energy units)
g. Estimated cost of implementation for each recommended FIMs per ASHRAE 211 Section 5.4.8 for level 2 audits
h. Calculations address interactive effects of all recommended FIMs
i. Estimated end-use breakdown analysis after expected FIM implementation

Memorandum

Date: 9/17/2024
Meeting of: City Council

File No. AM No. 24-133
Type: Consent Item

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Technology and Information Services	Michael Marchand	425-556-2173

DEPARTMENT STAFF:

Technology and Information Services	Maria O'Neill	Technology Project Manager

TITLE:
Approval of a Contract with Assetworks, Inc. for the Migration of FleetFocus and FuelFocus to a SaaS Environment and Addition of Telematics Hardware in the Amount of $94,327

OVERVIEW STATEMENT:
In the 2023-2024 BTIP, Public Works requested to deploy data collection technology in vehicles that will collect manufacture type and vehicle data and upload to Assetworks cloud environment. This will allow for proactive data collection and improve vehicle maintenance process.

☐ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information** ☐ **Provide Direction** ☒ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
  Budget for this project is in the 2023-2024 BTIP
- **Required:**
  Council approval is required to award a contract that exceeds $50,000
- **Council Request:**
  N/A
- **Other Key Facts:**
  N/A

OUTCOMES:
Proactive analytics collection and improve vehicle maintenance process. Also reduce maintenance cost by replacing on-premise environments and associated support services to cloud based environments.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
  Estimated timeline for assignment of vendor resources and implementation is 7 months from contract execution
- **Outreach Methods and Results:**
  N/A
- **Feedback Summary:**
  N/A

BUDGET IMPACT:

Total Cost:
The cost for Implementation ($24,640) and the first year of licensing and support ($69,687) totals $94,327. Implementation fees include professional services for configuration, data migration, and integrations and will be invoiced according to the billing milestones identified in the statement of work. The first year of licensing and support fees will be invoiced beginning when the contract is fully executed and annually on the anniversary of that date.

Approved in current biennial budget: ☒ **Yes** ☐ **No** ☐ **N/A**

Budget Offer Number:
BTIP

Budget Priority:
Vibrant and Connected

Other budget impacts or additional costs: ☐ **Yes** ☐ **No** ☐ **N/A**
If yes, explain:
Annual licensing and support fees of $69,687 plus approved yearly increase

Funding source(s):
BTIP funds

Budget/Funding Constraints:
N/A

☐ **Additional budget details attached**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
9/10/2024	Committee of the Whole - Finance, Administration, and Communications	Provide Direction

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:
N/A

ANTICIPATED RESULT IF NOT APPROVED:
Public Works staff will continue to use on premise versions of the application and will not collect vehicle data.

ATTACHMENTS:
Attachment A: Assetworks MSA and Order Form

This Master Subscription Agreement ("Agreement") is deemed effective as of _____ 2024 or the below date of countersignature ("Effective Date") between the AssetWorks Contracting Party ("AssetWorks") and the customer and/or its authorized intermediary ("Customer") as detailed on the order form and/or statement of work (collectively "Order").

SCOPE & TERM.

0.1 This Agreement shall continue for five (5) years from the Effective Date (the "Term") and shall apply to all Orders executed between AssetWorks and Customer (collectively "Parties" and individually a "Party") during the Term. Capitalized terms are defined at the end of this Agreement.

0.2 The following order of precedence shall control in case of conflict:

- Agreement
- Exhibit A – Order Form

0.3 Customer agrees to pay the undisputed fees and AssetWorks agrees to supply the items in each case as detailed on the Order, subject to the terms and conditions of this Agreement to the exclusion of any additional or conflicting terms of acceptance.

0.4 No terms or conditions endorsed upon, delivered with, or contained in the Customer's acknowledgement or acceptance of this Agreement or any related Order shall form part of this Agreement. Customer hereby waives and agrees to waive any right to rely on such terms and conditions.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by authorized representatives as of the Effective Date:

	ASSETWORKS INC.		CITY OF REDMOND
By	_____	By	_____
Name	_____	Name	_____
Title	_____	Title	_____
Date	_____	Date	_____
Address	1001 Old Cassatt Road, Ste. 204	Address	_____
	Berwyn, PA 19312		_____
CC 1:	jim.hammond@assetworks.com	CC 1:	_____
	_____		
CC 2:	legal@assetworks.com	CC 2:	

1 SAAS SUBSCRIPTION

1.1 Software-as-a-Service Subscription. If the Order includes SaaS, recurring service, or similar identifier then subject to the terms and conditions of this Agreement including the payment of fees, AssetWorks will provide Customer with subscription-based access to the Service as detailed on the Order and Documentation during the prepaid Term through an access-restricted website or designated IP address hosted via a third-party data center ("SaaS" or "Service") for Customer's internal business purposes provided Customer complies with the applicable limitations on use set forth in Section 3 (*Ownership; Restrictions; Utilization Limitations*).

1.1.1 Support. SaaS subscriptions include standard support pursuant to Section 4 (*Maintenance & Support*).
1.1.2 Hosting. SaaS subscriptions include standard hosting services pursuant to Section 5 (*Hosting Services*).
1.1.3 Delivery N/A. Customer acknowledges and agrees that Orders for SaaS are services agreements for which delivery and acceptance is inapplicable and that no copies of the Software nor license thereto will be delivered nor granted to Customer.

2 SOFTWARE LICENSE

2.1 Restated Software License. If the Order includes license to Software, then subject to the terms and conditions of this Agreement including the payment of fees, AssetWorks grants to Customer a non-exclusive, non-transferable, non-sublicensable, perpetual license to use the Software as detailed on the Order and Documentation up to the number of units or in the amount, quantity, and/or tier or as otherwise specified on the Order (e.g. Active Equipment Unit, Concurrent License, Enterprise License) for Customer's internal business purposes provided Customer complies with the applicable restrictions set forth in Section 3 (*Ownership; Restrictions; Utilization Limitations*). Customer's license is for (1) copy or image of the Software within one (1) business entity for production purposes on approved database and application servers ("Customer Environment"). Customer shall not copy nor use the Software for any other purpose except: (a) for archival purposes; (b) in connection with a disaster recovery program; or
(c) for testing operation the Software outside of a live production environment.

2.1.1 Support N/A. For additional fee, Customer may obtain standard support pursuant to Section 4 (*Maintenance & Support*).
2.1.2 Hosting N/A. For additional fee, Customer may obtain hosting services pursuant to Section 5 (*Hosting Services*).

3 OWNERSHIP; RESTRICTIONS; UTILIZATION LIMITATIONS;

3.1 Restrictions; Limitations. To the extent permitted by law and unless Parties agree otherwise, Section 1 (*SaaS Subscription*) and Section 2 (*Software License*) are conditioned on the following limitations and restrictions. Customer shall not (indirectly or directly) attempt, permit, nor encourage any third party to: (a) copy, modify, enhance, translate, change data structures, create derivative works from, distribute, publicly display or perform, sublicense, transfer, sell, rent, lease, or assign the Software or Documentation or otherwise encumber the Service; (b) reverse engineer, decompile, disassemble, or otherwise attempt to derive or modify the Software or Source Code, underlying data structure, ideas, know-how, algorithms, or other trade secrets relevant to the Service; (c) engage in any activities that interfere or disrupt any computer, software, network, or other device used to provide the Service or otherwise impacting the Service or data contained therein; (d) gain unauthorized access to the Service or networks; (e) remove any proprietary notices, labels, or markings from the Software or Documentation; (f) use the Software or Service by more than one (1) business entity, in processing work for third parties, or for any purpose other than its internal business purposes, which does not include use by any parent, subsidiary, or affiliate of Customer nor any third party other than Customer's Users; (g) use the Service in a manner that violates laws or rights of others such as by inputting Excluded Data into the Service; (h) use the Software or Service as part of a fail-safe design for dangerous or emergency applications or as part of control measures required for hazardous materials, life support systems, munitions, or weapons; (i) perform bench mark or pen tests without prior consent; (j) use the Software or Service to compete with AssetWorks; (k) engage in web- or data scraping on or related to the Service, including without limitation collection of information through bot, web crawler, or any software that simulates human activity; and (l) use the Service and/or Software in excess of the licensed quantity or tier (e.g. Active Equipment Unit, Concurrent License, Enterprise License, etc.).

3.2 Ownership. Customer will not obtain any ownership rights, title, or interest to the Software or Services nor to any improvements, enhancements, derivatives, or modifications thereto. Any software, systems, methods, inventions, technology, and any intellectual property rights ("IPR") developed or otherwise arising during this Agreement shall remain exclusively owned by AssetWorks and/or its licensors. Notwithstanding anything to the contrary, AssetWorks shall have the right to collect and analyze data and other information relating to the provision, use and performance of various aspects of the Services and related systems and technologies (including, without limitation, information concerning Customer Data), and AssetWorks will be free (during and after the term hereof) to: (a) use such information and data to improve and enhance the Services and for other development, diagnostic and corrective purposes in connection with the Services and other AssetWorks offerings, and (b) disclose such data solely in aggregate or other de-identified form in connection with its business. No rights or licenses are granted except as expressly set forth herein.

4 MAINTENANCE & SUPPORT

4.1 Annual Support Subscription (i.e. Maintenance-as-a-Product). Subject to the terms and conditions of this Agreement, AssetWorks will provide the latest updates, modifications, and enhancements (including correction of errors) which relate to the operation and performance of the Software or SaaS (hereinafter referred to collectively as the "Service(s)") as they are developed and made generally available in accordance with the maintenance and support schedule published by AssetWorks (collectively "Maintenance" or "Support"). Subscriptions to Maintenance include:

4.1.1 Technical Assistance. AssetWorks will make available technically qualified personnel to respond to all reasonable support requests made by Customer during normal business hours published by AssetWorks Customer Care (excluding legal holidays).

4.1.2 Technical Literature. AssetWorks will make available all technical literature (i.e. Documentation) in electronic format that is relevant to the operation of the Service within the scope of Customer's operations.

4.1.3 Correction of Deviations. AssetWorks will take reasonably necessary steps to correct errors and/or malfunctions ("Deviation(s)") without undue delay that, in the mutual and reasonable opinion of the Parties, constitute a serious impediment to the normal intended use of the Service as set forth in the Documentation. Corrections to Deviations which do not rise to this level will be distributed to Customer in accordance with AssetWorks' normal maintenance schedule.

4.1.4 Software Revisions & New Versions. The Software may be revised by AssetWorks to correct Deviations and/or for upgrades, enhancements, improvements, or modifications designed to improve performance and/or increase capabilities of the Software. Revisions may be mandatory or optional and are included at no cost with annual subscription to Maintenance. New products or versions may also be added to the Software from time to time by AssetWorks. Compared to revisions, new products substantially improve the performance, functionality, and capability of the Software. AssetWorks has sole discretion to determine which revisions are mandatory and which updates shall be issued as new products for which there may be an additional charge.

4.2 Maintenance Exclusions. Unless the Order provides otherwise, subscriptions to Maintenance do not include: (a) custom programming, consulting, configuration services, and upgrade support; (b) on-site support or installation, travel, hotel, and per-diem expenses related thereto; (c) support of any software other than the Software accessed as part of the Service; (d) training; (e) support for third-party integrations; (f) support of Customer's computer equipment, servers, printers, or problems which arise therefrom;
(g) remediation of issues resulting from: Customer's misuse of the Software or data files in contravention of the Documentation, failure to implement a mandatory revision or update the Software to a current or supported version when recommended, failure to obtain or decision to otherwise previously forgo Maintenance; (h) diagnostic assistance for issues unrelated to a Deviation; and (i) any Professional Services which AssetWorks ordinarily performs pursuant to a SOW.

4.3 Additional Software Maintenance Fee. Customer agrees that Maintenance fees shall automatically increase in an amount equal to twenty-five percent (25%) of the non-discounted, then-current Software fee for additional licenses supplied during the Term. AssetWorks shall invoice and Customer agrees to pay additional maintenance for Software licenses upon the Order Effective Date. Customer agrees to pay additional maintenance for the cost of any custom-developed software, custom report, or custom notification upon delivery pursuant to the Order. For SaaS, additional custom maintenance will be added to the annual SaaS fee or added into the per-unit SaaS fee.

4.4 Maintenance Re-enrollment Fee. In the event Customer subscribes to Maintenance any time after the Effective Date or otherwise fails to pay for Maintenance in advance of the annual term, then in addition to the annual subscription fee due in advance for the next year, Customer also agrees to pay back-maintenance in a total amount equal to the Maintenance fees otherwise payable.

4.5 Mandatory Revisions; Termination. AssetWorks reserves the right to terminate Maintenance if Customer does not implement a mandatory revision within sixty (60) days' notice or such longer period as AssetWorks may provide.

4.6 Other Fees & Expenses. If on-site Maintenance is required, Customer agrees to pay reasonable travel, hotel, and per-diem expenses of AssetWorks' personnel which shall be invoiced and paid when incurred.

SPACE INTENTIONALLY OMITTED

5 HOSTING SERVICES.

5.1 Scope of Services. AssetWorks provides hosting services via a third-party data center ("Hosted Environment") inclusive with subscriptions to SaaS and to support installation and upgrade management of Software licensed by Customer ("Hosting Services"). If the Order includes Hosting Services or SaaS, then the Service for purpose of the Agreement includes the following:

5.1.1 Application. Application refers to AssetWorks' proprietary software and third-party software if specified on the Order.

5.1.2 Support Software. Support Software includes the operating system, utilities, database software, and all necessary licenses required to operate the Application as detailed in the Documentation.

5.1.3 Hosted Environment Hardware. Server infrastructure using redundant web and database servers is deployed within the Hosted Environment. If required, Customer will provide the telecommunications equipment, communications line, and services for connecting Customer's site to the Hosted Environment.

5.1.4 Database Instances. AssetWorks will maintain a single production database instance to provide daily, real-time transaction data to Users and will populate a test database (if applicable) with Customer's production data up to four (4) times in any twelve (12) month period at no additional cost. If applicable, updates or patches are first introduced to the test environment and it is Customer's responsibility to perform testing and report any errors within ten (10) days. If Customer does not report any errors within ten (10) days, the new release or patch will then be discharged in the production environment. AssetWorks may use the test environment to trouble shoot or configure and test new functionalities or reports. A Reporting Database may be provided for an additional fee on a 24-hour refresh.

5.1.5 Custom Reports. For an additional fee pursuant to a SOW, AssetWorks will certify a Customer-built report for scheduling execution from within the Application directly against the production database, certifying that the report performs within appropriate performance guidelines and does not cause unacceptable response time issues. Once certified, AssetWorks will install the report into Customer's production environment to make it available for execution submission from within the Application.

5.1.6 Backups. Hosted Environment database and incremental file Service backups are performed daily with local retention at fifteen (15) to thirty (30) days, local workloads enabled with cloud tiering to Microsoft Azure Blob storage for archive data from thirty-one (31) to ninety (90) days; target recovery time objective (RTO) is thirty-six (36) hours or maximum of four (4) business days; Recovery Point Objective (RPO) under one (1) minute.

5.1.7 Hours of Service Operation. Application will be accessible and available to Customer and capable of normal operating functions twenty-four (24) hours-per-day, seven (7) days-per-week, except for periods of scheduled maintenance and AssetWorks' approved outages with prior customer notification. AssetWorks will not be held responsible for inaccessibility arising from communications problems occurring anywhere beyond AssetWorks' external network interface, nor will those hours of inaccessibility count as unavailable.

5.1.8 Hosted Environment Maintenance. AssetWorks will complete routine maintenance, including application upgrades, on the Hosted Environment according to the published schedule. Upgrade/patch notifications are normally sent two (2) business days in advance and generally occur during off-hours. All routine, additional, and emergency maintenance will be considered a period of scheduled maintenance. AssetWorks will endeavor to provide at least thirty (30) days' notice to any changes in the schedule. If additional non-emergency maintenance outside of the scheduled maintenance window is required, AssetWorks will notify Customer in writing of and Parties will mutually agree on the downtime.

5.1.9 Data Classification. The Hosted Environment maintains SSAE-16 SOC 2 certification/ISO27001 compliance as a facility housing CUI (Controlled Unclassified Information) data based on the DOJ assessment using NIST 800-53 guidelines for FISMA (Federal Information Standards Management Agency) standards. (SC Information Service = [(confidentiality, MODERATE), (integrity, LOW), (availability, LOW)].

5.2 Customer Responsibilities. The Service specifically excludes the following items which Customer agrees to be responsible for:

5.2.1 Maintenance Exclusions. All items listed within section 4.2 (*Maintenance Exclusions*) including (but is not limited to) remediation of issues which do not constitute a Deviation. AssetWorks shall have no obligation but may attempt to correct such situations at Customer's expense.

5.2.2 Proper Use. Ensuring the Service is used in accordance with this Agreement and in a manner that does not violate nor threaten to violate applicable laws or rights of others (such as by inputting Excluded Data into the Service) and promptly notifying AssetWorks upon discovery of misuse or suspected misuse by Customer, its Users, or any third party.

5.2.3 Unauthorized Access. Customer shall take reasonable steps to prevent unauthorized access to the Service such as by protecting passwords and securely managing log-in credential. Customer shall notify AssetWorks immediately of any suspected unauthorized use of the Service or breach of its security and shall use best efforts to stop said breach.

5.2.4 Key Personnel. Assigning primary and alternate Customer-designated key personnel to coordinate all communications and activities related to the Services on a regular basis.

5.2.5 Customer SOW Resources. Customer will provide, maintain, and make available to AssetWorks, at Customer's expense and in a timely manner, the resources described in the SOW. Delays in the provision of these resources may result in

delays in the performance of the Professional Services and/or additional fee. Customer will designate qualified representatives with project management responsibilities and/or decision-making authority to consult with AssetWorks on a regular basis in connection with the Professional Services. For avoidance of doubt, the forgoing shall apply mutatis mutandis to resources and key personnel of AssetWorks that are required for performance under any Order.

5.2.6 Customer Credentials & Application-level Security. Providing up-to-date User identification data, determining the appropriate security profile for each User, keeping all User identifications and passwords secure ("Customer Credentials"), and promptly notifying AssetWorks upon suspicion that Customer Credentials were compromised. Customer is solely responsible for application-level security and for secure management of Customer Credentials.

5.2.7 Customer's Site. Installation, operation, and maintenance of all workstation software, existing data communications and configurations, LAN, hardware, or other application software required at Customer's site. Customer will provide access to its site and obtain any license or approvals necessary for any on-premise performance.

5.2.8 Customer's Environment. Ensuring Software deployed to the Customer Environment (if applicable) complies with the Documentation and does not exceed the licensed quantity, tier, or other Order restriction.

5.2.9 Testing updates, fixes, and upgrades. Testing updates or patches and reporting any errors within ten (10) days of their introduction to the test environment or otherwise during the mutually agreed testing period.

5.2.10 Diligent Troubleshooting. Customer must utilize best efforts to analyze suspected problems to determine their specific nature and possible causes before calling AssetWorks for assistance. Notwithstanding this diligence requirement, Customer is responsible for informing AssetWorks of any problems encountered in a timely manner, provided that failure to so timely notify will not void AssetWork's responsibility to fix said problem.

5.3 Service Level Objectives.

5.3.1 Availability. AssetWorks will use commercially reasonable efforts to provide Services with an average of 99% Availability for each quarter during the Term. For purposes of the Agreement, "Availability" during any quarter refers to Customer's Users' ability (i.e. documented inability) to log into the Service during such quarter calculated as follows:

$$X = (Y - Z) / Y * 100$$

"X" is the Availability of the Service during the quarter;
"Y" is the total number of hours in such quarter minus the number of hours during such quarter that the Customer is unable to log into the Service because of: (a) regularly scheduled maintenance windows and for times in which Customer has been notified in writing (including e-mail) by AssetWorks in advance thereof; (b) Force Majeure; (c) non-performance of hardware, software, Customer's internet service provider (ISP) connections, and/or non-performance of other equipment that is neither provided nor certified by AssetWorks for use in conjunction with the Service (except as such non-performance is directly or indirectly caused by AssetWorks); and
"Z" is the number of hours in such month during which the Customer is unable to log into the Service (other than for reasons set forth in the definition of "Y" above); provided that AssetWorks has been notified, is otherwise aware, or reasonably should be aware of Customer's inability to log into the Service.

5.3.2 Service Credit. In the event the average Availability for the Service is less than ninety-nine percent (99%) during any two (2) consecutive quarters, Customer will receive a service credit (i.e. fee adjustment) to its account with AssetWorks of five per cent (5%) of the amount of a quarter's aggregate Service fees paid or payable by Customer to AssetWorks. AssetWorks' obligation to provide said service credit is conditioned on Customer delivering written notice detailing the alleged unavailability within fifteen (15) days of the relevant quarter's end. Upon receipt of such notice, AssetWorks shall have thirty (30) days to investigate the contention and, if it is determined that AssetWorks did in fact fail to meet the applicable Availability level, Customer will receive the appropriate service credit to its account during the next invoice cycle. THE SERVICE CREDIT SET FORTH ABOVE SHALL BE CUSTOMER'S SOLE REMEDY AND ASSETWORKS' ENTIRE LIABILITY IN THE EVENT OF A BREACH OF THESE SERVICE LEVEL OBJECTIVES.

SPACE INTENTIONALLY OMITTED

6 HARDWARE

6.1 Hardware Prices & Specifications. Hardware prices and specifications are subject to change without notice. AssetWorks is not responsible for typographical and/or photographical errors.

6.2 Hardware Installation & Configuration. Hardware fees are exclusive of shipping, installation, and/or configuration services unless Order provides otherwise. Customer agrees that installation guides, site readiness requirements, and/or other hardware-specific terms on the Order or otherwise published by the applicable hardware provider are deemed an integral part of this Agreement.

6.3 Hardware Warranties. AssetWorks responsibility for Hardware is limited to repair or replacement (i.e. parts only) during the warranty period in accordance with the then-current applicable warranty statements.

6.4 AssetWorks GPS

6.4.1 Technical Assistance. Telephone and/or Help desk support is available for AssetWorks GPS hardware issues 8:00AM-5:00pm MST Monday through Friday, by emailing fss.support@assetworks.com or calling 403-777-3760 x2

6.4.2 Warranty on third-party products, where sold as part of the AssetWorks GPS, will be as offered by the original manufacturer's warranty terms and Customer will be subject to these terms.

6.5 FuelFocus, FuelDrive, & KeyValet

6.5.1 Technical Assistance. Telephone and/or Help desk support is available for FuelFocus & FuelDrive hardware issues 8:00AM- 5:00pm ET Monday through Friday, by emailing fuelsupport@assetworks.com or calling 610-225-8350 (800-900-8152). Calls left after hours will be returned the next business day. Access to support after warranty period is on a commercially reasonable basis unless Customer is a fully paid subscriber for Maintenance.

6.5.2 Return Policy. Hardware may be returned within thirty (30) days of shipment by requesting a Returned Merchandise Authorization ("RMA") by emailing fuelsupport@assetworks.com or by calling 610-225-8350. RMAs are valid for fifteen (15) days from the date of issuance. Customer must ship the requested hardware, freight pre-paid, with original packing, manuals, and accessories (as applicable) to the RMA-identified return address with AssetWorks-issued RMA affixed and enclosed otherwise no credit will be issued. A minimum restocking fee of 25% will be charged against any return credit issued to Customer. AssetWorks shall refund, replace, or exchange such Hardware within fifteen (15) business days of its receipt; provided, however, that AssetWorks reserves the right to reject returns of Hardware that are: (a) lacking a valid and/or unexpired RMA; (b) no longer in production; (c) used unless under warranty or other maintenance contract; (d) altered without AssetWorks' specific authorization; or (e) not evaluated by AssetWorks' personnel and/or returned in accordance with this section.

6.6 Limited Hardware Warranty. AssetWorks warrants Hardware to be free from defects in materials and workmanship for one (1) year commencing on the earlier of three (3) months from shipment or the date of invoice. During the one (1) year warranty period and subject to the exclusions contained herein, AssetWorks will replace parts found to be defective with new or rebuilt parts within fifteen (15) business days of AssetWorks' receipt of such Hardware if evaluated by AssetWorks technical support and returned in accordance with these terms. Labor and travel costs are not included.

6.7 HARDWARE WARRANTY DISCLAIMER . HARDWARE WARRANTIES ARE PROVIDED IN LIEU OF ALL OTHER RIGHTS, CONDITIONS, AND WARRANTIES. ASSETWORKS MAKES NO OTHER EXPRESS OR IMPLIED WARRANTY WITH RESPECT TO HARDWARE, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTIBILITY, OR NON-INFRINGEMENT. ASSETWORKS DOES NOT WARRANT THAT HARDWARE WILL BE ERROR-FREE OR THAT ANY DEFECTS THAT MAY EXIST IN PRODUCTS CAN BE CORRECTED. IN NO EVENT SHALL ASSETWORKS BE LIABLE FOR THE COST OF PROCUREMENT OF SUBSTITUTE GOODS, LOST PROFITS, OR ANY OTHER SPECIAL, INDIRECT, CONSEQUENTIAL, OR INCIDENTAL DAMAGES, HOWEVER CAUSED WHETHER OR NOT ASSETWORKS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

6.8 HARDWARE WARRANTY EXCLUSIONS. AssetWorks Hardware warranties do not cover and shall be void in regards to nor shall AssetWorks be responsible (unless Parties agree otherwise) for any damages, costs, and/or repairs attributable in any way to: (i) faulty installation or installation otherwise not in accordance with AssetWorks installation manual or instructions; (ii) Customer's use of personnel other than qualified AssetWorks personnel absent prior written approval from the AssetWorks Project Manager; (iii) water, fire, abuse, theft, vandalism, shipment, accident, operator error or lack of knowledge, power surges or failure, acts of god and force majeure; (iv) any condition not encountered during normal operation; (v) neglecting, misusing, tampering, or adjusting of the Hardware; (vi) Customer 's failure to perform normal preventive maintenance as recommended by AssetWorks installation manual or instructions; (vii) accessories attachments or other devices not furnished by AssetWorks; (viii) labor, travel, or any costs unrelated to parts; and (ix) and expendable items such as magnetic card, printer ribbons, fuses, bulbs, and similar items and supplies subject to ordinary wear and tear.

8 PROFESSIONAL SERVICES.

8.1 Scope. AssetWorks will provide the professional services detailed on the Order Form and/or SOW (collectively "Order") or otherwise requested by Customer ("Professional Services").

8.2 Fees. Customer agrees to pay undisputed Professional Services fees as follows:

8.2.1 Each Order will be on a time and material basis, a fixed price basis, or a hybrid of both as specified in the Order. The Order may or may not include a definitive list of deliverables ("Deliverables") that must be completed by AssetWorks. In some instances, the Order will include a date by which Deliverables must be completed.

8.2.2 Unless specifically addressed in the Order, all travel and expenses will be extra and billed as incurred.

8.2.3 Customer will bear the expense of its failure to meet all assumptions noted on the Order.

8.3 Subcontractors. AssetWorks may engage subcontractors as it deems appropriate to perform its obligations under this Agreement; provided, however, that AssetWorks shall require its subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services and AssetWorks shall remain liable to the Customer for the performance of such subcontractor(s).

8.4 SOW Termination. Either Party may terminate a SOW in accordance with this Agreement as well as for convenience upon ninety (90) days' written notice. In addition, AssetWorks may terminate any SOW (or suspend performance of Professional Services under any Order) effective immediately upon written notice if Customer fails to make any undisputed fee payment in full as and when due hereunder. Termination of an Order or SOW will not terminate this Agreement. Upon termination for any reason, AssetWorks shall invoice and Customer agrees to pay unbilled and undisputed Professional Services provided to Customer up to the date of termination regardless if Customer accepted the Deliverable or if the milestone was achieved. This Agreement shall survive until conclusion of any pending Order.

9 FEES & PAYMENT

9.1 Fees. Customer agrees to pay the undisputed fees detailed on the Order within thirty (30) days of invoice date as follows:

9.1.1 Software license fees are due and payable upon the Effective Date and thereafter upon license increase, if applicable.

9.1.2 Service subscription fees for Maintenance/Support, Hosting, SaaS, and other recurring services are due and payable upon the Effective Date and annually in advance thereafter. Existing customers migrating to Hosting and/or SaaS shall be billed upon notification from AssetWorks that the Hosting/SaaS environment has been established.

9.1.3 Professional Services Fees, including one-time implementation or set-up fees identified on the Order, shall be billed either on: a fixed-fee basis upon achievement of milestones pursuant to a mutually agreed project plan, on a time-and-materials basis monthly in arrears, or on a hybrid-fixed-T&M basis, in each case as detailed on the Order.

9.1.4 Hardware shall be billed at cost upon delivery through an AssetWorks-selected common carrier, F.O.B. destination, with Customer responsible for any fees related to shipping such as custom duties, shipping insurance, etc.; and

9.1.5 such other fees to which Customer agreed or received notice via the Order or otherwise.

9.2 Invoices; No Refunds. Customer agrees to pay the undisputed fees set forth on the Order within thirty (30) days from the date of a proper invoice, to the AssetWorks Contracting Entity identified on the Order, in the currency of the Order, preferably by electronic funds transfer (EFT) either via Funds Transfer (Fed Wire) or via Direct Deposit (ACH), without deduction, withholding, or offset. For late payment, Customer agrees to pay interest absent notice or demand from in an amount equal to the lower of: (a) statutory interest in the prompt payment act applicable to Customer; (b) eighteen percent (18%) per annum compounded monthly; or (c) the maximum interest rate permitted by applicable law. All fees are nonrefundable unless Parties agree otherwise.

9.3 Additional Maintenance/Support Fee. As per section 4.3 above, Customer agrees that Maintenance/Support and SaaS subscription fees shall automatically increase based on additional software licenses, SaaS subscriptions, or custom-developed software.

9.4 Taxes. Amounts due under this Agreement are payable to AssetWorks without deduction and are net of any tax, tariff, duty, or assessment imposed by any government authority (national, state, provincial, or local), including without limitation any sales, use, excise, ad valorem, property, withholding, or value-added tax, whether or not withheld at the source (collectively, "Sales Tax"). Except as forbidden by applicable law, AssetWorks may require that Customer submit applicable Sales Taxes to AssetWorks. However, the preceding sentence does not apply to the extent that Customer is tax exempt, provided it gives AssetWorks a valid tax exemption certificate within thirty (30) days of the Effective Date. AssetWorks' failure to include any applicable tax in an invoice will not waive or dismiss the parties' rights or obligations pursuant to this Section 11.4. If applicable law requires withholding or deduction of Sales Taxes or any other tax or duty, Customer shall separately pay AssetWorks the withheld or deducted amount, over and above the fees on the Order. In the event a taxing authority conducts an audit of this Agreement and determines that an additional tax should have been imposed or a refund of tax is due on the Services provided by AssetWorks to Customer (other than those taxes levied on AssetWorks income), Customer shall reimburse AssetWorks, or

AssetWorks shall reimburse such refund to Customer, for any such additional tax or any such refund, as applicable, including interest and penalties thereon.

10 CONFIDENTIAL INFORMATION. For purpose of this Agreement, Parties agree that "Confidential Information" means all information disclosed by or on behalf of either Party ("disclosing party") to the other Party ("recipient") during the Term, whether orally or in writing, that the recipient should reasonably understand to be confidential. Each Party will maintain all Confidential Information in confidence and will use it solely in the discharge of its obligations under this Agreement. Nothing herein will be deemed to restrict a Party from disclosing Confidential Information to its employees and subcontractors in the discharge of such obligations. Confidential Information will not include information that: (a) is or becomes generally known or available to the public through no fault of the recipient; (b) is known to the recipient at the time of its receipt from the disclosing party; (c) the disclosing party provides to a third party without restrictions on disclosure; (d) is subsequently and rightfully provided to the recipient by a third party without restriction on disclosure; (e) is independently developed by the recipient, without reference to the disclosing party's Confidential Information; or (f) is required to be disclosed pursuant to a government agency or court ordered subpoena, provided the recipient promptly notifies the disclosing party of such order to allow disclosing party reasonable time to seek protective order or other appropriate re lief. Because of the unique nature of the Confidential Information, each Party agrees that irreparable harm may occur in the event the recipient fails to comply with its confidentiality obligations herein, that monetary damages may be inadequate to compensate the disclosing party for such breach, and that the disclosing party may accordingly be entitled to injunctive relief.

AssetWorks recognizes the Customer is a municipal entity subject to the Washington State Public Records Act, Chapter 42.56 RCW, and that Customer is obligated to disclose records upon request unless a specific exemption from disclosure exists. Nothing in the Agreement is intended to prevent the Customer's compliance with the Public Records Act, and Customer shall not be liable to AssetWorks due to Customer's compliance with any law or court order requiring the release of public records.

11 WARRANTIES & DISCLAIMERS

11.1 Software Warranty. AssetWorks warrants the Software licensed or included with Hardware shall perform substantially in accordance with the Documentation for ninety (90) days from delivery which in any event shall not exceed one (1) year from the Effective Date. During the Software warranty period, in the event there exists a Deviation or nonconformance to the Documentation, which in the mutual and reasonable opinion of AssetWorks and Customer, constitutes a serious impediment to the normal intended use of the Software, AssetWorks' sole responsibility shall be to correct the Deviation or nonconformance with due dispatch. Corrections to Deviations or nonconformance which do not rise to this level shall be corrected and distributed by AssetWorks in accordance with the published maintenance schedule provided Customer is subscribed for Maintenance.

11.2 Service Subscription Warranty. AssetWorks warrants the Service shall function substantially in conformance with the Documentation for so long as Customer pays in advance the subscription fee for the applicable Service (e.g. Maintenance, Hosting, and/or SaaS).

11.3 Professional Services Warranty. AssetWorks warrants that the Deliverables provided under the SOW will be performed with the degree of skill and judgement normally exercised by recognized professional firms performing substantially similar services. In the event of any breach of the foregoing warranty, AssetWorks will at its expense and discretion either: (a) correct the non-conforming Deliverables; or (b) refund to Customer the portion of Professional Services fees attributable to the non-conforming Deliverables. No Professional Services warranty claim will be effective unless Customer delivers to AssetWorks written notice detailing the non- conformities within sixty (60) days after tender of the non-conforming Deliverables. The remedy set forth in this section is the sole and exclusive remedy for breach of the foregoing professional services warranty. Customer represents and warrants to AssetWorks that Customer has the right to use and furnish any information, specifications, data, or intellectual property that Customer has provided or will provide to AssetWorks in order for AssetWorks to perform the Professional Services and provide the Deliverables identified in the Order.

11.4 WARRANTY DISCLAIMER. Except to the extent set forth herein, CUSTOMER ACCEPTS THE SERVICE "AS IS", "AS AVAILABLE", and "WITH ALL FAULTS" AND ASSETWORKS DISCLAIMS ALL WARRANTIES INCLUDING WITHOUT LIMITATION: MERCHANTABILITY, FITNESS FOR PURPOSE, NONINFRINGEMENT OF IPR OR THIRD-PARTY RIGHTS, COMPLIANCE WITH LAW, ERROR-FREE PERFORMANCE, OR ANY WARRANTY OF FUNCTIONALITY WITH THIRD-PARTY PRODUCTS OR WITH CUSTOMER'S HARDWARE, SOFTWARE, OR COMPUTER SYSTEMS OR ANY IMPLIED WARRANTY ARISING FROM STATUTE, COURSE OF DEALING, PERFORMANCE, OR USAGE OF TRADE. ASSETWORKS DOES NOT WARRANT SERVICE WILL PERFORM ERROR-FREE OR WITHOUT INTERRUPTION NOR THAT CUSTOMER DATA WILL REMAIN PRIVATE, SECURE, OR AVAILABLE; NOR THAT ANY DEFECTS CAN BE CORRECTED.

12 INDEMNIFICATION.

12.1 IP Indemnity From AssetWorks. AssetWorks shall indemnify and defend, at its own expense, any action commenced against

Customer to the extent based on a claim that the Software supplied by AssetWorks infringes a Worldwide patent or copyright ("Claim"), and AssetWorks will pay those costs and damages finally awarded against Customer to the extent attributable to any such Claim; provided, however, such defense and payments are conditioned on: (a) AssetWorks shall be promptly notified of any Claim; (b) AssetWorks shall have sole control of any defense, negotiations, settlements, or compromises to the extent related to such Claim; and (c) AssetWorks shall have the option to either: (i) procure a non-infringing license to use the Software; (ii) modify the Software to be non-infringing; or (iii) refund to Customer a depreciated credit for the Software which Parties agree shall be five (5) years.

12.2 Exclusions. AssetWorks shall have no liability to Customer with respect to: (a) Customer's breach of this Agreement, including without limitation its failure to cease use of the Software after AssetWorks' direction pursuant to Section 16.1.2 (*IP Rights in the Service*); (b) revisions to the Software or other Service components made without AssetWorks' written consent; (c) Customer's failure to incorporate Software updates or upgrades that would have avoided the alleged infringement, provided AssetWorks has notified Customer of such updates or upgrades as set forth in section 20 below and offered such updates or upgrades without charges not otherwise required pursuant to this Agreement; (d)any Deliverable if the Order, SOW, or a disclosure provided at or before delivery states that such Deliverable incorporates third party software or other assets; or (f) use of the Service in combination with hardware or software not provided by AssetWorks.

12.3 Indemnity from Customer. Unless prohibited by Applicable Law, Customer shall indemnify and defend AssetWorks against any claims related in any way to Excluded Data or otherwise arising out of Customer's improper utilization of the Service.

13 LIMITATION OF LIABILITY.

13.1 Aggregate Dollar Cap. CUSTOMER AGREES THAT ASSETWORKS' CUMULATIVE LIABILTY SHALL NOT EXCEED TWO TIMES (2x) THE FEES PAID DURING THE YEAR PRECEDING THE DATE ON WHICH THE LIABILITY AROSE FOR ALL CLAIMS RELATED TO SUCH ORDER.

13.2 Excluded Damages. CUSTOMER AGREES THAT ASSETWORKS SHALL NOT BE LIABLE FOR: (a) LOST PROFITS OR LOSS OF BUSINESS (WHETHER DIRECT OR INDIRECT); (b) SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES (SUCH AS LOSS OF: USE, REVENUE, ACTUAL OR ANTICIPATED PROFITS OR SAVINGS, BUSINESS OPPORTUNITIES, DATA, GOODWILL, PRIVACY, REPUTATION); OR (c) ANY DAMAGES (HOWEVER CALCULATED OR ARISING) WHICH IN THE AGGREGATE EXCEED THE AMOUNT OF FEES PAID TO ASSETWORKS DURING THE YEAR PRECEDING THE DATE ON WHICH THE LIABILITY AROSE. THE LIABILITIES LIMITED BY THIS SECTION (*LIMITATION OF LIABILITY*) APPLY: (d) TO THE BENEFIT OF ASSETWORKS' OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, AFFILIATES, LICENSORS, SUPPLIERS, AND THIRD-PARTY CONTRACTORS, AS WELL AS: (e) TO LIABILITY REGARDLESS THE FORM OF ACTION OR THEORY OF LIABILITY (WHETHER IN CONTRACT, TORT, STRICT PRODUCT LIABILITY, NEGLIGENCE, OR OTHERWISE) EVEN IF ASSETWORKS IS ADVISED IN ADVANCE OF THE POSSIBILITY AND EVEN IF SUCH DAMAGES WERE FORESEEABLE; AND (f) EVEN IF CUSTOMER'S REMEDIES FAIL OF THEIR ESSENTIAL PURPOSE.

13.3 Data Transfer. AssetWorks does not guarantee the privacy, security, authenticity, or non-corruption of any information transmitted through or stored in any system connected to the internet, mobile or wireless network. AssetWorks will not be liable to Customer nor any third party for any claims, expenses, damages, costs, or losses related in any way to the use of the internet, any mobile or wireless network, Customer's use of the Service insofar as such Service may be used to store, transmit, display, disclose, or otherwise use data or information considered private, confidential, proprietary, or otherwise exempt from public disclosure or subject to regulation under Applicable Law (i.e. Excluded Data).

13.4 Limitation. The Parties' respective responsibilities, warranties, and limitations of liability herein form an essential basis of the Parties' bargain. If Applicable Law limits the application of the provisions of this section (*Limitation of Liability*), Customer acknowledges and agrees that AssetWorks' liability will be limited to: (a) the maximum extent permitted by law; (b) claims presented to AssetWorks principal office in writing; and (c) claims not waivable.

14 TERM & TERMINATION.

14.1 Term. The term of this Agreement will commence on the Effective Date and continue for the greater of: (a) the period detailed on the first page of this Agreement or the Order, or if none is specified, a default term of five (5) years; or (b) for so long as Customer continues to use the Services (the "Term"). Thereafter, the Term will renew for successive one (1) year periods upon mutual agreement absent ninety (90) days' written non-renewal notice.

14.2 Termination for Cause. Either Party may terminate this Agreement for: (a) material breach after providing written notice and reasonable opportunity to cure of no less than sixty (60) days; (b) failure of the Service to perform substantially in accordance with the Documentation due to an AssetWorks-verified issue for which a written action plan is not delivered to Customer within sixty (60) days of written notice from Customer; and (c) the other Party's insolvency, cessation of business, liquidation, assignment for the benefit of creditors, or any proceeding related thereto which is not dismissed within ninety (90) days.

14.3 Suspension for Nonpayment. Without limiting AssetWorks' other rights and remedies, AssetWorks may suspend or terminate access to the Service: (a) if Customer's account becomes delinquent and is not cured within ten (10) days of notice of

nonpayment of undisputed fees; or (b) if AssetWorks reasonably concludes that Customer's actions are not consistent with the requirements of this Agreement or may subject AssetWorks or a third party to potential liability.

14.4 Effects of Termination. Upon termination of this Agreement, Customer shall cease all use of the Service and delete, destroy, or return all copies of the Documentation and Software in its possession or control. If Customer terminates this Agreement for any reason other than termination for default, Customer will be obligated to pay the balance due for the remainder of the Term of the Agreement computed in accordance with the Order Form. Customer agrees to pay such undisputed fees for any Services and Professional Services performed and reasonable costs incurred up to the effective date of such termination however terminated. The following provisions will survive termination or expiration of this Agreement: (a) any obligation of Customer to pay undisputed fees incurred before termination; (b) Section 4 (Restrictions on Software Rights), Section 15 (IP Ownership; Customer Data), 10 (Confidential Information), Section 11 (Warranty & Disclaimers), Section 12 (Indemnification); and(c) any other provision of this Agreement that must survive to fulfill its essential purpose.

15 IPR OWNERSHIP; CUSTOMER DATA.

15.1 IPR Ownership. Customer and AssetWorks shall each retain ownership of and all right, title, and interest in and to their respective pre-existing IPR and any derivatives thereto. AssetWorks will not obtain any ownership rights, title, or interest to Customer's confidential data files nor will Customer obtain any ownership rights, title, or interest to the Software, SaaS, systems, and methods developed or employed by AssetWorks (collectively referred to herein as the "Service"). Services performed, code developed, and any IPR however arising during this Agreement ("Developments") are not "works made for hire" nor any similar concept throughout the world, and AssetWorks is the sole owner of all right, title, and interest in such Developments. If any Developments may be considered "works made for hire" such that any IPR may accrue to Customer, then Customer hereby irrevocably assigns and agrees to assign any and all right, title, and interest thereto, whether now known or hereafter defined or discovered, to AssetWorks and Customer agrees to take such further action as AssetWorks may reasonably request to evidence such assignment. If Customer provides suggestions, enhancement requests, or ideas related to Services ("Feedback"), Customer agrees that AssetWorks has all rights to use, exploit, and incorporate such Feedback into the Services without restriction or payment.

15.2 Return of Customer Data. For up to thirty (30) days (or such greater period of time agreed to by the Parties or required by Applicable Law) following expiration or termination of the Agreement for any reason ("Customer Access Period"), AssetWorks will provide Customer with reasonable access to Customer Data in its existing format: ASCII comma, separated value (CSV format) with binary images TIFF, JPG, or PRF. Requests after this period or for other formats are subject to approval and may require additional fee.

15.3 Erasure of Customer Data. AssetWorks may permanently erase or otherwise render unrecoverable Customer Data: (a) if Customer's account is delinquent, suspended, or terminated for sixty (60) days or more; or (b) at the end of the Customer Access Period except to the extent prohibited by applicable law.

15.4 Use of Customer Data. AssetWorks will only process Customer Data in accordance with Customer's instructions, with adequate safeguards, and to provide, maintain, support, and enhance the Services. AssetWorks shall not: (a) access, process, or otherwise use Customer Data contrary to this Agreement; (b) give Customer Data access to any third party, except AssetWorks' approved subcontractors that have a need for such access to facilitate the Service. Further, AssetWorks shall: (c) exercise reasonable efforts to prevent unauthorized disclosure or exposure of Customer Data; and (d) comply with all Applicable Laws that are applicable both specifically to AssetWorks and generally to data processors (if applicable) in the jurisdictions in which AssetWorks does business. Notwithstanding anything to the contrary contained herein, AssetWorks may use, reproduce, sell, publicize, and otherwise commercially exploit De- Identified Data (as determined in its sole discretion) to the fullest extent permitted by law including without limitation aggregated with data from other customers and commercial sources. "De-Identified Data" refers to Customer Data with information that could reasonably be used to identify an individual person, household, User, or Customer is removed or otherwise rendered de-identified.

15.5 Required Disclosure of Customer Data. Notwithstanding anything to the contrary herein, AssetWorks may use and disclose Customer Data as required: (a) by Applicable Law; (b) by proper demand of legal or governmental authority; (c) to provide the Service or functionalities paid for by Customer. AssetWorks shall give Customer prompt notice of any such legal or governmental demand (unless notice is prohibited, in which case, AssetWorks shall only disclose Customer Data to the limited extent necessary to comply with such demand) and AssetWorks shall cooperate with any Customer-initiated effort to seek a protective order or otherwise to contest such demanded disclosure at Customer's expense.

15.6 Third Party Access. Customer acknowledges and agrees that Customer is responsible for protecting and securing all data, usernames, and passwords from unauthorized use, whether such use is by Customer or by any other person/organization to whom Customer grants access (whether directly or through AssetWorks) ("Third Party"). Customer represents and warrants

that it has obtained all relevant consents from Users such as employees or relevant data subjects for this access. Customer agrees that access by the Third Party (or anyone to whom Customer provides direct or indirect access) is at Customer's sole risk and expense. Customer further

agrees to indemnify and hold AssetWorks harmless against any and all claims, losses, costs, damages, and liabilities arising out of or in any way related to such access, including but not limited to the failure to notify or obtain consent for this transfer or such access.

15.7 Excluded Data. Customer warrants that: (a) it has not, will not, nor will it permit the transmission of Excluded Data to AssetWorks or otherwise into the Service; (b) Customer Data does not and will not include Excluded Data except to the extent necessary to make ordinary use of the Service in accordance with the Documentation; and (c) it shall inform AssetWorks of any Excluded Data promptly after discovery (without limiting AssetWorks' rights or remedies). Customer recognizes and agrees that: (i) the provisions of this Agreement related to Customer Data do not apply to Excluded Data; (ii) AssetWorks has no liability for any failure to provide protections required by law applicable to Excluded Data or otherwise to protect Excluded Data; and (iii) AssetWorks' Services are not intended for management nor protection of Excluded Data and may not provide adequate or legally required security for Excluded Data. AssetWorks is not responsible nor liable for any exposure or related loss to the extent that it involves Excluded Data.

15.8 Additional Fees. Unless explicitly prohibited by Applicable Law, Customer recognizes and agrees that AssetWorks may charge additional fees (without limitation) for: (a) activities (if any) required by Applicable Laws, and (b) activities requested of AssetWorks to help Customer comply with Applicable Laws; provided that AssetWorks first shall notify Customer in writing that the Applicable Laws, or activities requested by Customer will result in the imposition of additional fees and give Customer the opportunity to terminate the Agreement or change the SOW or Order.

16 PREDICTIVE ANALYTICS; TELEMATICS CLOUD; COLLECTION AND USE OF ASSET DATA: In the course of providing the Service, AssetWorks may receive or collect spatial data relating to the vehicles, mobile objects, devices, locations, Users (whether employees, contractors, suppliers, and/or customers of Customer), including but not limited to, vehicle identification number (VIN), GPS location, vehicle speed, acceleration, driver-behavior information, vehicle diagnostics information, User ID numbers, and other usage information ("Collected Data"). will cooperate to If required, Customer agrees to notify its Users that a vehicle or other asset has been fitted with equipment enabled for the Service which collects and analyzes data points associated with the vehicle's location and manner of operation. If Customer and/or User provides written consent, AssetWorks may continue to receive and collect the Collected Data after the termination of the Service for purposes of facilitating Third-Party access requested by Customer. Customer agrees that, during and after termination of the Service, AssetWorks, its affiliates, and/or third-party suppliers may: (a) retain and use Collected Data to provide and improve the Service, Maintenance/Support, and Professional Services, and for conducting research and development; (b) AssetWorks may share Collected Data with affiliates and third-parties providing services to AssetWorks subject to obligations of confidentiality; (iii) AssetWorks may disclose Collected Data if required under applicable law, regulation, or court order; and (iv) AssetWorks may use and share with third-parties any Collected Data in aggregated or deidentified form (such that the source of the Collected Data cannot be identified) or that is publicly available without any restriction. Customer acknowledges that Collected Data may be commercially exploited by or on behalf of AssetWorks for commercial marketing purposes, subject to the permissions and restrictions set forth in this Agreement, and in AssetWorks' then-current privacy policy (available at www.AssetWorks.com/privacy). To the extent required by applicable law, Customer agrees to provide notice to and to receive consents from its Users of: (v) the nature of the equipment and Service, (vi) AssetWorks' collection, use, and disclosure of Collected Data (which may contain Confidential Information) from time to time, and (vii) whether and if so the extent to which such Users' whereabouts, movements, vehicle usage, and other activities may be excluded from Collected Data or disassociated with such User.

17 THIRD-PARTY SERVICES

17.1 Third-Party Integrations. The Service may contain features which interoperate with products, applications, or services not provided by AssetWorks ("Third-Party Service"). To use such features, Customer may be required to obtain access to such Third-Party Service and may be required to grant AssetWorks access to Customer's account on such Third-Party Service. If Customer chooses to use a Third-Party Service with the Service, Customer hereby grants AssetWorks permission to allow the Third-Party Service and its providers to access any data (including data that may constitute Confidential Information) provided to AssetWorks by or on behalf of Customer as required for the interoperation of that Third-Party Service with the Service. Customer shall provide (and shall cause the provider of the Third-Party Service to provide) AssetWorks with any reasonably required information and materials needed to integrate the Third-Party Service. Customer's use of a Third-Party Service will be subject to the applicable term between such Third Party and Customer. Customer recognizes and agrees that Customer Data and data regarding Customer's use of a Third-Party Service may be shared with and/or collected by such Third Party to improve that Third-Party Service.

17.2 Third-Party Disclaimer. AssetWorks provides integrations with Third-Party Services solely as a convenience which Customer

accesses at its own risk. ASSETWORKS IS NOT RESPONSIBLE FOR THE UNAVAILABILITY, ACCURACY, OR RELIABILITY OF ANY INFORMATION, DATA, OR CONTENT FROM SUCH THIRD-PARTY SERVICES. AssetWorks is not responsible for any disclosure, modification, or deletion of such data resulting from such access by any Third-Party Service or its provider. Any acquisition by Customer of a Third-Party Service and any exchange of data thereby is solely between Customer and such Third Party. Unless agreed otherwise, AssetWorks neither warrants nor supports the Third-Party Service whether or not they are designated by AssetWorks as operable with the Service. Further, AssetWorks cannot guarantee the continued availability of and may cease to offer any Service features that interoperate with any Third-Party Service without entitling Customer to any refund, credit, or other compensation, if for example (without limit) the provider of a Third-Party Service ceases to make the Third-Party Service available for interoperation with the corresponding Service features in a manner deemed acceptable to AssetWorks at its sole discretion.

18 API Terms

18.1 API Definitions. As used in this section, "API Information" means all information and data that is created, captured, or is otherwise accessible from the AssetWorks APIs through use of the Service. "AssetWorks APIs" or "APIs" mean AssetWorks' current or future application program interfaces (e.g., MAXQueue Module PLUS and Integrations Module PLUS (M5))

18.2 API License. Subject to the terms and conditions of this Agreement, AssetWorks grants to Customer during the prepaid term a personal, revocable, limited, non-exclusive, royalty-free, non-sublicensable, non-transferable, terminable subscription-based license to access or otherwise receive information from the AssetWorks APIs and to obtain API Information. This API 'license' is granted solely to aid Customer's internal provisioning of the Service to Users and for no other purpose.

18.3 Access Tokens or Security Keys. AssetWorks will give Customer and/or Users unique access token(s) or security key(s) to access the AssetWorks APIs for the purpose of accessing and receiving API Information. Customer will immediately notify AssetWorks if any User's access tokens or security keys are used or suspected of being used by a third party. Neither Customer, its Users, nor any Third Party is authorized to provide direct access, access token(s), or security key(s) for the AssetWorks APIs.

18.4 Limitations and Restrictions. The API license granted to Customer is subject to the following limitations and restrictions:

18.4.1 AssetWorks may, in its sole discretion, (a) modify, change, update and/or enhance the AssetWorks APIs at any time (a "Modification"), provided AssetWorks gives Customer commercially reasonable notice and supports Customer's access to the AssetWorks API in the same manner as prior to the Modification for a commercially reasonable period of time. Notwithstanding the foregoing, AssetWorks may suspend, terminate and/or revoke Customer's access, or make a Modification without providing notice if necessary to address or prevent a security breach or to protect from the unauthorized disclosure of any API Information or other personally identifying information. In such circumstances, AssetWorks will notify Customer and use commercially reasonable efforts to ameliorate any impact from such action.

18.4.2 Customer acknowledges that, except as set forth in the API License section above, nothing in this Agreement grants or assigns to Customer (nor its Affiliates or any third party) any right, title, interest, or license of any kind, including in any patents, copyrights, trade secrets, trademarks, logos or other IPRs of AssetWorks.

18.4.3 AssetWorks may establish limits on the use of the AssetWorks APIs, including, but not limited to, the number of AssetWorks API requests initiated over a limited time period (e.g., per minute, hourly, and daily) upon advance notice to Customer and only to protect the functioning, security, and/or reliability of the API Information and/or AssetWorks APIs. AssetWorks shall make commercially reasonable efforts to maintain the availability of the AssetWorks API but does not guarantee the service level, availability, or quality of service of the AssetWorks APIs.

18.4.4 To the extent obtained by Customer pursuant to this Agreement, Customer will protect all API Information from unauthorized alteration, copying, access, storage, transmittal, or use. Customer must immediately notify AssetWorks of any unauthorized use, disclosure, or access to API Information.

18.4.5 Customer will not: (a) make derivative works of, reverse engineer, reverse compile, or disassemble the AssetWorks APIs; or

(b) access or use the AssetWorks APIs in any unauthorized manner, including any way that will (i) infringe any AssetWorks' or third party's copyright, patent, trademark, trade secret, other property rights or rights of publicity or privacy; or (ii) violate any applicable law, statute, ordinance, or regulation.

18.5 Customer API Security. Customer will not: (a) use any robot, spider, site search or other retrieval application or device to scrape, retrieve or index services or collect, disseminate, use, store or disclose information about AssetWorks customers for any unauthorized purpose; (b) disable, override or otherwise interfere with any AssetWorks alerts, warnings, display panels, consent panels and the like; (c) disrupt, disable, harm or otherwise impede the operation of any software, firmware, hardware, wireless communications device, computer system or network; (d) enable any third party to access the AssetWorks APIs to circumvent Service controls or otherwise penetrate AssetWorks network; or (v) take any action that affects or is otherwise competitive with any AssetWorks Service. Customer is solely responsible for protecting the confidentiality of any API Information or data that it collects or uses from the AssetWorks APIs.

18.6 API Disclaimer. ALL INFORMATION, MATERIALS, SOFTWARE, TECHNOLOGY, AND SERVICES PROVIDED BY ASSETWORKS

INCLUDING (WITHOUT LIMIT) THE ASSETWORKS APIs ARE PROVIDED "AS IS", "AS AVAILABLE", and "WITH ALL FAULTS". ASSETWORKS DOES NOT MAKE AND EXPRESSLY DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTIES, REPRESENTATIONS, OR ENDORSEMENTS OF ANY KIND WHATSOEVER INCLUDING (WITHOUT LIMIT) THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR PURPOSE, AND THE WARRANTIES OF TITLE OR NONINFRINGEMENT. CUSTOMER AND/OR ITS INTERMEDIARIES ASSUME ALL RISK AS TO THE AVAILABILITY, SUITABILITY, QUALITY, AND PERFORMANCE OF THE ASSETWORKS APIs AND API INFORMATION AND ASSETWORKS EXPRESSLY DISCLAIMS ALL RESPONSIBILITY AND LIABILITY RELATED THERETO.

19 MISCELLANEOUS.

Independent Contractors. Parties are independent contractors in all regards. Neither party is an agent authorized to make commitments on the other's behalf. Notices. Any communication or notice hereunder must be in writing and will be deemed given and effective: (i) when delivered personally with proof of receipt; (ii) when delivered by overnight express; or (iv) three days after the postmark date when mailed by certified or registered mail, postage prepaid, return receipt requested, in each case addressed to the Party at its address for notices stated on the Order or identified herein. Courtesy copies of such notices shall be provided via email. Such address may be changed by a notice delivered to the other Party in accordance with the provisions of this Section. Force Majeure. Neither party will be liable for any failure of or delay in performance of its obligations under this Agreement to the extent such failure or delay is due to acts of God, acts of a public enemy, fires, floods, power outages, wars, civil disturbances, sabotage, terrorism, accidents, insurrections, blockades, embargoes, storms, explosions, labor disputes, failure of common carriers, internet services providers, or other communication devices, acts of cyber criminals, acts of any governmental body (whether civil or military, foreign or domestic), failure or delay of third parties or governmental bodies from whom a Party is obtaining or must obtain approvals, authorizations, licenses, franchises, or permits, inability to obtain labor, materials, power, equipment, or transportation, or other circumstances beyond its reasonable control (collectively referred to herein as "Force Majeure"); however, nothing in this Section shall relieve Customer of the obligation to make otherwise undisputed payments when due. Any delays cause by Force Majeure shall not be a breach of or failure to perform this Agreement or any part thereof and the date on which the obligations hereunder are due to be fulfilled will be extended for a period equal to the time lost as a result of such delays. Neither Party shall be liable to the other for any liability claims, damages, or other loss caused by or resulting from Force Majeure. Assignment & Successors. Neither Party may assign this Agreement nor any of its rights or obligations hereunder without the prior express written consent of the other Party, which approval shall not be unreasonably withheld. This Agreement will be binding upon and inure to the benefit of the Parties' respective successors and permitted assigns. Notwithstanding the foregoing, in the event of an assignment or novation of this Agreement to an AssetWorks' affiliate pursuant to a *bone fide* internal corporate reorganization, AssetWorks shall not require Customer's prior written consent. Severability. To the extent permitted by applicable law, the Parties hereby waive any provision of law that would render any clause of this Agreement invalid or otherwise unenforceable in any respect. If a provision of this Agreement is held to be invalid or otherwise unenforceable, such provision will be interpreted to fulfill its intended purpose to the maximum extent permitted by applicable law, and the remaining provisions of this Agreement will continue in full force and effect. No Waiver. Neither party will be deemed to have waived any of its rights under this Agreement by lapse of time or by any statement or representation other than by an authorized representative in an explicit written waiver. No waiver of a breach of this Agreement will constitute a waiver of any other breach of this Agreement. Non-Solicitation. During the Term of this Agreement and for one year thereafter, Customer shall not solicit the employment nor contract for the services of any individual or entity that was an employee, agent, or subcontractor of AssetWorks during the Term of this Agreement. Nothing in this section shall prohibit Customer from placing a *bona fide* public advertisement for employment which is not specifically targeted at AssetWorks, nor shall Customer be restricted from hiring any such person who responds to any such general solicitation or public advertisement so long as no direct solicitation of such person has occurred. Choice of Law & Jurisdiction: This Agreement will be governed solely by the internal laws of the State of Washington without reference to: (a) any conflicts of law principle; (b) the 1980 United Nations Convention on Contracts for the International Sale of Goods; or (c) other international laws. The Parties consent to the personal and exclusive jurisdiction of the federal and state courts of Washington. Construction; Conflicts. The Parties agree that the terms of this Agreement result from arms-length negotiations and its terms will not be construed in favor of or against either Party by reason of authorship. All exhibits, schedules, and documents attached hereto or incorporated herein are intended to be read and construed in harmony with each other. In the event of any conflict between any provision of this Agreement, the order of precedence set forth on page 1 of this Agreement shall control. Any Customer purchase order terms are deemed to be for Customer's internal purposes only and are specifically rejected. The section headings in the Agreement are inserted only as a matter of convenience and in no way define, limit, extend, or otherwise impact the interpretation of any section or this Agreement. Counsel. By acceptance of this Agreement, each of the Parties acknowledges and agrees that it has had an opportunity to consult with legal counsel and that it knowingly and voluntarily waives any right to a trial by jury of any dispute pertaining to or relating in any way to the transactions contemplated by the Agreement, the provisions of any federal, state or local law, regulation or ordinance notwithstanding. Technology Export. Customer shall not: (a) permit any third party to access or use the Service in violation of any law or regulation; or (b) export any Software or Confidential Information provided by AssetWorks except in compliance with all applicable laws and regulations. Without limiting the generality of the foregoing, Customer shall not permit any third party to access or use the Service in, nor export the Software or Confidential Information to, a country subject to a United States embargo (e.g., the Crimea Region of Ukraine, Cuba, Iran, North Korea, Russia, and Syria). Entire Agreement. This Agreement sets forth the entire agreement of the parties and supersedes all prior or contemporaneous

writings, negotiations, and discussions with respect to its subject matter. Neither party has relied upon any such prior or contemporaneous communications. Each of the Parties represents and warrants that the Agreement is a valid and binding obligation enforceable against it and executed by its duly authorized representative. Electronic Execution in Counterparts. This Agreement may be executed electronically (e.g. DocuSign) and in one or more counterparts, each of which will be an original, and all which will constitute a single instrument. Amendment. This Agreement may only be amended via written agreement signed by both Parties' authorized representatives that explicitly states its intent to amend this Agreement. Customer PO terms are null and void. Notwithstanding the foregoing, AssetWorks may revise the Documentation at any time effective on the date posted provided such amended Documentation shall not materially reduce Customer's rights or protections.

20 DEFINITIONS. The following capitalized terms will have the following meanings whenever used in this Agreement.

20.1 "Active Equipment Unit License" means a license for each Active Equipment Unit covered by or utilizing the Service. "Active Equipment Unit" means any vehicle, asset, or other unit on which work is performed or for which activity is reported. Customer must pay fees to cover all Active Equipment Units unless Parties agree otherwise.

20.2 "AssetWorks Contracting Party" means the specific entity identified on the Order Form and shown below:

For USA Customers:	For UK & EU Customers:	
AssetWorks Inc.	**AssetWorks Fleet Solutions Ltd.**	**Lightbulb Analytics Limited**
Delaware Corporation EIN 46-0521049	England & Wales Company No. 15298579	England & Wales Company No. 01843754
1001 Old Cassatt Road, Ste. 204 Berwyn, PA 19312	Brook Suite, Ground Floor, Bewley House, Marshfield Road, Chippenham, SN15 1JW	Egale One, 80 St Albans Road, Watford, Herts, WD17 1DL
jim.hammond@assetworks.com CC: legal@assetworks.com	mike.gadd@assetworks.com CC: legal@assetworks.com	Adrian.mcmullan@lba.ltd CC: legal@assetworks.com

20.3 "Concurrent License" means a license for an authorized user of the Software, provided that the number of simultaneous users may not exceed the number of licenses purchased. Each simultaneous login to the Software (through active browser sessions) will be deemed to constitute one Concurrent License.

20.4 "Customer Data" means any data, information, or material that Customer or Customer's Users may disclose or submit to AssetWorks or the Service in the course of properly using the Service in accordance with the Documentation and best practices regarding minimization of personal information. Customer Data does not include Excluded Data, public information, or inferences derivable from Customer Data.

20.5 "Documentation" means the standard documentation and/or user manual provided or published by AssetWorks

20.6 "Enterprise License" means a license for the Software that allows for an unlimited number of users and tracks an unlimited amount of assets. Pricing is based on the population of the city, town, region, fleet, college, university, department, etc. ("Population Base") Customer utilizes in the Enterprise License to cover. Customer must promptly pay increased fees for an Enterprise License reconciliation if Customer's Population Base increases beyond the Customer's licensed limits for any reason, including, but not limited to, a material increase in Population Base, use of the Software to provide the Services to an additional population, or merger of Customer with any other entity that increases the population served by the Software.

20.7 "Excluded Data" means Payment Card Industry (PCI) or similar regulated financial information; protected health information (PHE) under HIPAA or similar regulated medical information of any nature; personal financial or any sensitive personal information subject to heightened privacy and/or security requirements by law, regulation, or applicable third-party terms (e.g., government issued identification or license numbers, personal bank account numbers, passport or visa numbers, credit card numbers, social security numbers, passwords and security credentials); or any other unnecessary personal identifiers (i.e. any information capable of truncation, hashing, or greater minimization); and any other categories of data for which the Service is not suitable or the input of which is unnecessary to make ordinary use of the Service per the Documentation and Customer's policies in regards to Excluded Data.

20.8 "Order Effective Date" means the date: (a) an Order is countersigned by the Parties, (b) an Order is signed by Customer and/or its authorized intermediary and accepted by AssetWorks, or (c) which the Parties deemed their agreement to be effective as of.

20.9 "Software" means AssetWorks' proprietary Software either: (a) perpetually licensed for on-premise installation in a Customer Environment, (b) perpetually licensed and hosted by AssetWorks in a Hosted Environment, (c) made available through an access-restricted website or designated IP address hosted via a third-party data center on a prepaid-subscription basis inclusive with Maintenance/Support under a software-as-a-service model ("SaaS"). "Software" includes commercially available updates, enhancements, and new versions if Customer subscribes for Maintenance/Support and may be revoked for material breach (e.g. nonpayment) to the extent permitted by Applicable Law.

20.10 “Intellectual Property Rights” or “IPR” means unpatented inventions, patent applications, patents, design rights, works of authorship, copyrights, trademarks, service marks, trade names, domain name rights, mask work rights, know-how, ideas, concepts, algorithms, database schema, and other trade secret rights, and all other intellectual property rights, derivatives thereof, and forms of protection of a similar nature anywhere in the world with respect to all intellectual property incorporated into any Development, SOW, or other deliverable whether or not first created, discovered, or developed by AssetWorks in providing the Services.

20.11 “Order” or “Order Form(s)” means the form evidencing the initial license or subscription and any subsequent Order submitted online or in written form (including any countersigned SOW), specifying the applicable Software, SaaS, Services, fees, and other charges agreed to between the Parties, each such fully executed Order to be incorporated into and to become a part of this Agreement (in the event of any conflict between the terms of this Agreement and the terms of any such Order, the terms of the Order shall prevail);

20.12 “Source Code” means software in human-readable form, including all appropriate programmer’s comments, data files and structures, header and include files, macros, make files, object libraries, programming tools not commercially available, technical specifications, flowcharts and logic diagrams, schematics, annotations and documentation reasonably required or necessary to enable a competent independent third party programmer to create, operate, maintain, modify and improve such software without the help of any other person, and with data files containing Source Code in standard ASCII format readable by a text editor.

20.13 “User(s)” or means Customer’s employees, representatives, consultants, contractors, or agents who use the Service on Customer’s behalf or through Customer’s account or passwords (whether or not authorized).

20.14 “Deliverable(s)” means any copyrightable works, code developed, products, discoveries, developments, designs, work product, deliverables, improvements, inventions, processes, techniques and know-how made, conceived, reduced to practice or learned by AssetWorks (either alone or jointly with Customer or others) that arise during the Term of this Agreement or result from Professional Services performed pursuant to any Order and delivered to Customer hereunder. Deliverables are not “works made for hire”

20.15 “Law” or “Applicable Law(s)” means privacy and security laws governing AssetWorks’ handling (if any) of Customer Data and other applicable laws and regulations in force as of the Effective Date. For the avoidance of doubt, Applicable Laws do not include laws applicable to Customer or its data to the extent not described in the preceding sentence, including laws in regards to Excluded Data.

20.16 “Maintenance” means the support and maintenance services provided by AssetWorks to Customer on a pre-paid annual subscription basis (i.e. maintenance-as-a-product) inclusive with SaaS but exclusive of Hosting Services and Professional Services.

20.17 “Professional Services” means those technical or non-technical services performed or delivered by AssetWorks under this Agreement as set forth in an Order and/or SOW.

20.18 “SOW” means a statement of work or other written scoping terms set forth on an Order or otherwise executed in writing by the Parties.

20.19 “SLA” means AssetWorks’ service level objectives, target availability level, and service level credit for unavailability of the Service.

AssetWORKS

ORDER FORM

AssetWorks Inc.
998 Old Eagle School Road, Suite 1215
Wayne, PA 19087

Order #: Q-08976-6
Date: 08/17/2024
Expires On: 12/31/2024

Ship To
Steve Eastman
City of Redmond, WA
18080 Northeast 76th Street
Redmond, Washington 98052
(425) 556-2940

Bill To
City of Redmond, WA
18080 Northeast 76th Street
Redmond, Washington 98052
United States

This Order Form is subject to the terms of the incorporated AssetWorks Master Agreement. Parties agree to be bound by those terms and conditions.

Annual SaaS

Description	QTY	Unit Cost	Annual Total
SaaS – FleetFocus (includes production, test, and reporting databases)	400	USD 54.48	USD 27,192.00
SaaS Services - FuelFocus Annual Fee (per ICU)	1	USD 600.00	USD 600.00
		SaaS Total:	USD 27,792.00

Migration - Professional Services (one-time fees)

Description	Line Total
FuelFocus Testing & Re-direction Services (Up to 4 ICUs)	USD 1,760.00
Database Conversion Services (SQL to ORA)	USD 9,680.00
One-Time Hosting Environment and Reporting Database Setup Fee	USD 10,560.00
System Migration Support Services	USD 2,640.00
Professional Services Total:	USD 24,640.00

Telematics Hardware

Part #	Description	QTY	UNIT PRICE	Line Total
87Z-002	ME87 Vehicle Tracking Unit - with "Y" harness for installation to Light/Heavy Duty Vehicle ECM	175	USD 0.00	USD 0.00
			Telematics Hardware Total:	USD 0.00

AssetWorks GPS SaaS

Description	QTY	Monthly Fee/Unit	Line Monthly Total	Annual Fee
AssetWorks GPS Bundle (includes Hardware, Monthly Subscription, and Telematics Module/Cloud)	175	USD 19.95	USD 3,491.25	USD 41,895.00
AssetWorks Telematics Integration License - Includes Telematics Module/Cloud (AW Client)	175	USD 0.00	USD 0.00	USD 0.00
			SaaS Total:	USD 41,895.00

Description	Line Total
Year 1 - SaaS Total (FleetFocus, FuelFocus, AssetWorks GPS)	$94,327.00
Year 2 - SaaS Total (FleetFocus, FuelFocus, AssetWorks GPS)	$71,632.44
Year 3 - SaaS Total (FleetFocus, FuelFocus, AssetWorks GPS)	$73,714.06
Year 4 - SaaS Total (FleetFocus, FuelFocus, AssetWorks GPS)	$75,941.40
Year 5 - SaaS Total (FleetFocus, FuelFocus, AssetWorks GPS)	$78,324.64

FuelFocus Testing & Re-direction Services Scope and Assumptions

- AssetWorks will provide assistance in the migration and re-directing of all FuelFocus ICUs for a customer transitioning to the AssetWorks hosted environment for both production and non-production.
- AssetWorks will need to upgrade ICU software prior to the hosting migration which will require a minimum 60 GB flash disk.
- Testing services are estimated based on completion of re-direction and testing efforts; quote has been provided based on an assumed number of ICUs and may increase if additional are needed. All services provided remotely via web conferencing.
- Costs are for a fixed fee project and do not include applicable taxes. Milestone(s) are to be billed upon testing and re-direction of ICUs as noted below in the milestone names, with the amounts noted below:
    - Milestone – Completion of FuelFocus Testing and Re-Direction of Four (4) ICUs = $1,760 USD

FleetFocus FA Relational Database Migration Services

- AssetWorks provides an RDBMS migration service to move the FleetFocus FA database from Oracle to Microsoft SQL Server or Microsoft SQL Server to Oracle. AssetWorks will perform a migration of both the non-production and production FleetFocus FA databases in an offline AssetWorks environment. If required to convert with the customer's environment, the work will be done using remote teleconferencing services to control the customer's desktop over a broadband connection; no onsite services to be utilized. Additional FleetFocus FA installations outside of a single non-production and production environment will incur an additional cost.
- AssetWorks will provide this migration service for a fixed fee of $9,680 USD not including applicable taxes, which will be invoiced upon completion of the production migration. Invoices are due on existing contract terms. The reinstallation of the FleetFocus FA application is optional and requires remote control access to the application server (as described above). If reinstallation services are needed, a change order will be necessary.
- The non-production and production migrations must occur no more than 90 days apart. This service includes only a single default instance on Microsoft SQL Server (no named instances). This service does not include the installation of your RDBMS or the migration of custom work, such as, but not limited to, any custom reports or interfaces. If you would like assistance with the RDBMS installation or with migrating custom items, please contact AssetWorks Sales.
- A database conversion does not include custom database views, Crystal Reports, MAXQueue tables or migrate the data stored in the tables at the point of the conversion. Customer is recommended to follow best practices and do the following at the time of the designated migration date:
    - Stop system users from entering additional data at the time of the designated migration.
    - Allow system administrators to review the MAXQueue error queue shown in the MAXQueue portal and confirm it is empty.
    - Reprocess and/or delete (only for errors that do not need reprocessed) any errors that are in the MAXQueue portal for all interfaces and/or integrations (ex: NAPA, Zonar, Network Fleet, etc.) to ensure no data is pending and waiting to be entered into FA; this avoids any potential data loss and is the responsibility of the customer at the time of migration and customer as directed by Customer Care.
- Customer is responsible for testing all business processes following the new environment installation.
- These services are to be provided during normal technical support business hours. If off-hours/weekend services are needed, a change order will be necessary.
- If this order is abandoned/paused by the client for any reason mid-effort, the client will be billed for the full contracted amount. If additional scope is added or required, a change order will be necessary.
    - Milestone - Deliver Production Converted Database (MSSQL to Oracle) = $9,680 USD
- Customer Care engagements have an 8 week lead time from execution of contract/order.

FleetFocus Hosting Setup and Migration Scope and Assumptions

- As part of going hosted, AssetWorks will create a non-production and production FleetFocus environment as well as a third reporting environment, and setup SSO per FleetFocus supported methods. AssetWorks Customer Care will work to schedule the installations and provide updates accordingly through a support ticket. Once installed, the login information to the production and non-production system will be provided to the customer. The reporting instance connection information will be provided as well, if elected on order form.

- Customers are required to upgrade to a supported generally available (GA) release available in the FA hosting environment. If the customer is on a supported version on premise, an upgrade is offered as part of the environment setup fees. If the customer is not a supported version on premise, a separate upgrade fee will apply to move the customer to a version that can be maintained by AssetWorks.
- MobileFocus handheld devices, Capital Asset Management (CAM), KeyValet key boxes and FuelFocus ICUs are excluded from upgrade unless otherwise noted on the quote. In addition, FuelFocus ICU and KeyValet key boxes require additional testing and re-direction services and are excluded unless otherwise noted on the quote.
- The AssetWorks environments run on an Oracle database and as such, all custom interfaces, custom reports, and custom reporting views must be either built in Oracle or converted to Oracle prior to moving to AssetWorks servers. If the custom work (AssetWorks or Customer built) is not built in Oracle it is excluded from this quote, unless otherwise noted on the quote. Please send a list of all currently used custom interfaces and reports that would need to be converted (if reports, send .RPT files and prompts) for review by AssetWorks development and inclusion of additional costs.
- AssetWorks will assist in the migration and re-connecting of all custom deliverables and out of the box integrations (i.e., NAPA, Telematics Cloud, FSS, etc.) for a customer transitioning to the AssetWorks hosted environment for both production and non-production. This service does not include full scale testing to the original specification but does include ensuring core connections are functioning. These services are covered under System Migration Support Services, which also includes general project administration and AW resource coordination. System Migration Support Services are presented on a fixed fee basis and will be invoiced in full after the migration to a production and non-production environment on AssetWorks' servers are complete.
- Customer is responsible for testing all business processes following migration of the non-production environment. This is expected to be completed within 30 days of installation in the hosted environment on AssetWorks' servers. All business processes should be reconfirmed following the migration of the production environment. This includes:
    - Reports, reporting views and interfaces that AssetWorks custom built for the customer. If any issues are encountered, AssetWorks Customer Care will open a ticket to investigate, troubleshoot and/or resolve.
    - Custom work built by customer including, but not limited to, reports, reporting views, data loads, batch processes, notifications, etc. AssetWorks cannot guarantee that any custom work built by the customer will continue to function after the migration and/or upgrade is completed. AssetWorks Customer Care can assist with initial investigation or troubleshooting but resolution is outside of the scope of the migration/upgrade process.
- Customer will make appropriate technical resources available to AssetWorks' consultants for tasks such as delivery of the database, file directories (attachments), etc. AssetWorks assumes customer utilizes an internal system administrator to maintain all aspects of FleetFocus configuration, user training and system administrator duties as required to support any necessary testing post migration to AssetWorks servers.
- All services are presented on a fixed fee basis and will be invoiced upon completion of the environments or 60 days after the non-production migration, whichever occurs first.
    - Milestone – One-Time Hosting Environment and Reporting Database Setup Fee = $10,560 USD
    - Milestone – System Migration Support Services = $2,640 USD

FleetFocus Hosting Setup and Migration Professional Services Terms

- Invoices are due on existing contract terms.
- All services will be performed remotely using web teleconferencing, unless otherwise noted.
- Customer Care engagements have an 8-week lead time from execution of contract/order.
- The expected project implementation timeline is 16 weeks from the date the project team is assigned.
- Customer will test all Deliverables within fifteen (15) business days of delivery per the scope in this Order Form. If the Deliverables have been tested and accepted a written notice will be issued by the Customer for AssetWorks to trigger billing. AssetWorks may not invoice until they have received Acceptance of each Deliverable in writing by the Customer provided scope has been met as noted above.
- Customer will make appropriate technical resources available to AssetWorks' consultants.
- Customer will have all the necessary and appropriate personnel at meetings for the purpose of defining the project requirements.
- Customer will appoint a single point of contact for the duration of the project. This person should have project management responsibilities and decision-making authority. This person will be the focal point of contact for the AssetWorks' Professional Services and Customer Care team.
- If additional scope is added or required, a change order will be requested of the customer.
- If this order is abandoned, paused or cancelled by the customer for any reason mid-effort, the customer will be billed for all AssetWorks time incurred at the current contracted labor rate.

AssetWorks GPS Notes & Assumptions

- Prices for GPS components are in USD dollars and valid for 90 days. All applicable shipping, sales/use taxes are additional and payment of such is the sole responsibility of the purchaser.
- Unless quoted herein, installation is responsibility of customer or can be quoted by AssetWorks upon request.
- Pricing is based on a 36-month term for SaaS service for each device.
- SaaS subscription will be billed annually with first invoice at time of shipment due net 30. The first invoice date will also be the anniversary date for future annual payments.
- Hardware fees will be billed at time of shipment due net 30.
- Professional services costs are on a fixed fee basis and will be invoiced in full upon installation.
- Devices can be shipped in small groups (appox. 25 at a time) so that inventory and install is manageable.

15670 NE 85th Street
Redmond, WA

City of Redmond

Memorandum

Date: 9/17/2024
Meeting of: City Council

File No. AM No. 24-134
Type: Consent Item

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Technology and Information Services	Michael Marchand	425-556-2173

DEPARTMENT STAFF:

Technology and Information Services	Maria O'Neill	Technology Project Manager

TITLE:
Approval of the CIP Project and Portfolio Management Software Contract with Aurigo Software Services, LLC for the Implementation of Masterworks, in the Amount of $487,366

OVERVIEW STATEMENT:
In the 2023-2024 BTIP, Public Works requested a Capital Investment Program (CIP)- Project and Portfolio Management Tool for managing the documentation, workflow, status and reporting on all aspects of CIP projects. Through a competitive, cross department RFP process, the City has selected Masterworks by Aurigo Software Services, LLC.

☐ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information** ☐ **Provide Direction** ☒ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
  Budget for this project is in the 2023-2024 BTIP
- **Required:**
  Council approval is required to award a contract that exceeds $50,000
- **Council Request:**
  N/A
- **Other Key Facts:**
  N/A

OUTCOMES:
Improve predictability and consistency in delivery and management of CIP projects by automating processes and centralizing project records, as well as increasing the accuracy and visibility of CIP data.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
  Estimated implementation timeline is 9 months from contract execution
- **Outreach Methods and Results:**
  N/A
- **Feedback Summary:**
  N/A

BUDGET IMPACT:

Total Cost:
The cost for Implementation ($180,052) and the first two years of licensing and support ($307,314) totals $487,366. Implementation fees include professional services for configuration, data migration discovery, and integrations and will be invoiced according to the billing milestones identified in the statement of work. The first year of licensing and support fees will be invoiced beginning when the contract is fully executed and annually on the anniversary of that date.

A change order for integrations still in discovery is expected for this project.

Approved in current biennial budget: ☒ **Yes** ☐ **No** ☐ **N/A**

Budget Offer Number:
BTIP

Budget Priority:
Vibrant and Connected

Other budget impacts or additional costs: ☐ **Yes** ☐ **No** ☐ **N/A**
If yes, explain:
Annual licensing and support fees of $151,386 plus 3% yearly increase

Funding source(s):
BTIP Funds

Budget/Funding Constraints:
N/A

☐ **Additional budget details attached**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action

9/10/2024	Committee of the Whole - Finance, Administration, and Communications	Provide Direction

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:
N/A

ANTICIPATED RESULT IF NOT APPROVED:
Public Works staff will continue to use manual processes to collect and distribute project information.

ATTACHMENTS:
Attachment A: Information Privacy and Security Agreement (IPSA)
Attachment B: Aurigo Master Service Agreement (MSA)
Attachment C: Schedule B - Statement of Work
Attachment D: RFP Attachment A - Key Requirements and Pricing
Attachment E: Aurigo Service Subscription Agreement (SSA)

INFORMATION PRIVACY AND SECURITY AGREEMENT

This Information Privacy and Security Agreement ("IPSA") is entered into by and between the City of Redmond ("City") and [ ] ("Contractor") as of the date last signed below (the "Effective Date") and hereby amends the attached agreement between City and Contractor (the "Underlying Agreement"). This IPSA shall apply to the extent that the provision of services by Contractor pursuant to the Underlying Agreement, for example including but not limited to, professional services, SAAS, on-premises software, and remote desktop access, involves the processing of City Data, access to City systems, or access to City Data that is subject to privacy laws.

In consideration of the mutual promises in the Underlying Agreement, this IPSA and other good and valuable consideration, the parties agree as follows:

1. Definitions.

a. "Authorized Users" means Contractor's employees, agents, subcontractors and service providers who have a need to know or otherwise access City Data to enable Contractor to perform its obligations under the Underlying Agreement or the IPSA, and who are bound in writing by confidentiality and other obligations sufficient to protect City Data in accordance with the terms and conditions of this IPSA.

b. "City Data" means any and all information that the City has disclosed to Contractor or that Contractor has created on behalf of the City pursuant to its obligations under the Underlying Agreement. For the purposes of this IPSA, City Data does not cease to be City Data solely because it is transferred or transmitted beyond the City's immediate possession, custody, or control.

c. "Data Breach" means the unauthorized acquisition, access, use, or disclosure of City Data which compromises the security or privacy of the City Data or associated City software systems.

d. "Services" means all services, work, activities, deliverables, software or other obligations provided by Contractor pursuant to the Underlying Agreement.

2. Standard of Care.

a. Contractor acknowledges and agrees that, in the course of its engagement by City, Contractor may create, receive, or have access to City Data. Contractor shall comply with the terms and conditions set forth in this IPSA in its creation, collection, receipt, access to, transmission, storage, disposal, use, and disclosure of such City Data and be responsible for any unauthorized creation, collection, receipt, access to, transmission, storage, disposal, use, or disclosure of City Data under its control or in the possession of Authorized Users.

b. Contractor further acknowledges that use, storage, and access to City Data shall be performed with that degree of skill, care, and judgment customarily accepted as sound, quality, and professional practices. Contractor shall implement and maintain safeguards necessary to ensure the confidentiality, availability, and integrity of City Data. Contractor shall also implement and maintain any safeguards required to be implemented by applicable state and federal laws and regulations.

3. User Access to City Data.

a. Contractor shall not access, use or disclose City Data in any manner that would constitute a violation of state or federal law, the terms of the Underlying Agreement, or the terms of this IPSA. Contractor may only provide access to Authorized Users who have a legitimate business need to access, use or disclose City Data in the performance of Contractor's duties to City.

b. If Contractor requires access to a City software system, then each Authorized User must have a unique sign-on identification and password for access to City Data on City systems. Authorized Users are prohibited from sharing their login credentials, and may only receive such credentials upon execution of the Authorized User Access Agreement, attached hereto as Exhibit A. Contractor shall notify City within one (1) day of the departure of any Authorized User, so that City may terminate such Authorized User's access to City software systems.

4. Use of Subcontractors or Agents.

a. Contractor may disclose City Data to a subcontractor and may allow the subcontractor to create, receive, maintain, access, or transmit City Data on its behalf, provided that Contractor obtains satisfactory assurances that the subcontractor will appropriately safeguard the information. Without limiting the generality of the foregoing, Contractor shall require each of its subcontractors that create, receive, maintain, access, or transmit City Data on behalf of Contractor to execute a written agreement obligating the subcontractor to comply with all terms of this IPSA and to agree to the same restrictions and conditions that apply to Contractor with respect to the City Data.

b. Contractor shall be responsible for all work performed on its behalf by its subcontractors and agents involving City Data as if the work was performed by Contractor. Contractor shall ensure that such work is performed in compliance with this IPSA, the Underlying Agreement and applicable law.

5. Use, Storage, or Access to, City Data.

a. Contractor shall only use, store, or access City Data in accordance with, and only to the extent permissible under this IPSA and the Underlying Agreement. Further, Contractor shall comply with all laws and regulations applicable to City Data (for example, in compliance with the Health Insurance Portability and Accountability Act ["HIPAA"] or the FBI Criminal Justice

Information Services requirements). If Contractor has access to City protected health information, then Contractor must also execute the City's Business Associate Agreement.

b. Contractor may store City Data on servers housed in datacenters owned and operated by third parties, provided the third parties have executed confidentiality agreements with Contractor. Any transmission, transportation, or storage of City Data outside the United States is prohibited except with the prior written authorization of the City.

6. Privacy.

a. Contractor represents and warrants that in connection with the Services provided by Contractor:

i. All use of City Data by Contractor shall be strictly limited to the direct purpose of performing the Services, except to the extent that City expressly grants permission in writing for such additional uses.

ii. Collection of data which identifies individuals shall be limited to the minimum required by the Services.

iii. If the Services, in whole or part, involves access or delivery of information pertaining to the City via a public-facing web site, then Contractor represents and warrants that its current privacy policy is published online, and is accessible from the same web site as any web-hosted application that is a part of the Services. Contractor's privacy policy will provide end-users with a written explanation of the personal information collected about end-users, as well as available opt-in, opt-out, and other end-user privacy control capabilities.

iv. If Contractor creates technical system log information, aggregated technical usage or traffic data, and/or statistically measured technical usage or traffic data that contains or originated (in whole or part) from City Data, then Contractor's use of such data shall be strictly limited to the direct purpose of the Services and Contractor's technical security operations and systems maintenance. Contractor is prohibited from using such data that personally identifies an individual for secondary commercial purpose (including but not limited to marketing to such individuals, or disclosing data to third parties for reasons unrelated to the primary purpose for originally collecting the data), nor may Contractor solicit consent from the identified individual to do so unless the Underlying Agreement defines a means to do so that does not unduly burden individual privacy rights.

b. Contractor shall maintain the confidentiality of City Data. Confidential information shall not be deemed to include information which (a) is or becomes publicly known through no fault of Contractor; (b) is a publicly available document; or (c) disclosure of which is required by court order or legal requirement. If disclosure of City Data is required by court order or legal requirement the Contractor shall notify City, unless such notification is prohibited by court order or legal requirement. City may take such legally available measures as it chooses to limit or prevent disclosure of the City Data.

7. Information Security. This Section 7 applies to the extent that Contractor owns, supports, or is otherwise responsible for host(s), network(s), environment(s), or technology products (including hardware or software) which may contain City Data.

a. Contractor represents and warrants that the design and architecture of Contractor's systems (including but not limited to applications and infrastructure) shall be informed by the principle of defense-depth; controls at multiple layers designed to protect the confidentiality, integrity and availability of data.

b. Contractor shall make appropriate personnel vetting/background checks, have appropriate separation of duties, and undertake other such workflow controls over personnel activities as necessary to safeguard City Data.

c. Contractor shall implement appropriate procedures to monitor and deploy security patches and prevent unintended or unauthorized system configuration changes that could expose system vulnerability or lead to a Data Breach.

d. To the extent that the Services include software that was developed, in whole or part, by Contractor, then Contractor shall ensure that all such Services were developed within a software development life cycle (SDLC) process that includes security and quality assurance roles and control process intended to eliminate existing and potential security vulnerabilities.

e. Contractor shall have appropriate technical perimeter hardening. Contractor shall monitor its system and perimeter configurations and network traffic for vulnerabilities, indicators of activities by threat actors, and/or the presence of malicious code.

f. Contractor shall have access, authorization, and authentication technology appropriate for protecting City Data from unauthorized access or modification, and capable of accounting for access to City Data. The overall access control model of Contractor systems shall follow the principal of least privileges.

g. Contractor shall collaborate with City to safeguard electronic City Data with encryption controls over such City Data both stored and in transit. Contractor shall discontinue use of encryption methods and communication protocols which become obsolete or have become compromised. All transmissions of City Data by Contractor shall be performed using a secure transfer method.

h. Contractor shall maintain a process for backup and restoration of data with a business continuity and disaster recovery plan.

i. Contractor facilities will have adequate physical protections, commensurate with leading industry practice to secure business facilities, data centers, paper files, servers, backup systems, and computing equipment, including, but not limited to, all mobile devices and other equipment with information storage capability.

j. Contractor shall, at its own expense, conduct an information security and privacy risk assessment, no less than annually, in order to demonstrate, substantiate, and assure that the security and privacy standards and practices of Contractor meet or exceed the requirements set out in this IPSA. Upon written request, Contractor shall furnish City with an executive summary of the findings of the most recent risk assessment. In lieu of providing an executive summary, Contractor may provide evidence of privacy and security certification from an independent third party.

i. City reserves the right to conduct or commission additional tests, relevant to the Services, in order to supplement Contractor's assessment. Contractor shall cooperate with such effort.

ii. If the findings of the risk assessment identify either: a potentially significant risk exposure to City Data, or other issue indicating that security and privacy standards and practices of Contractor do not meet the requirements set out in this IPSA, then Contractor shall notify City to communicate the issues, nature of the risks, and the corrective active plan.

8. Data Breach Procedures and Liability.

a. Contractor shall maintain a data breach plan in accordance with the criteria set forth in Contractor's privacy and security policy and shall implement the procedures required under such data breach plan on the occurrence of a Data Breach, in compliance with the requirements of Washington's data breach notification law codified at RCW 42.56.590. Contractor shall report, either orally or in writing, to City any Data Breach involving City Data including any reasonable belief that an unauthorized individual has accessed City Data. The report shall identify the nature of the event, a list of the affected individuals and the types of data, and the mitigation and investigation efforts of Contractor. Contractor shall make the report to the City immediately upon discovery of the Data Breach, but in no event more than forty-eight (48) hours after discovery of the Data Breach. Contractor shall provide investigation updates to the City. If such Data Breach contains protected health information, as defined by HIPAA, Contractor shall comply with the breach requirements contained in the Business Associate Agreement.

b. Notwithstanding any other provision of the Underlying Agreement, and in addition to any other remedies available to the City under law or equity, Contractor shall promptly reimburse the City in full for all costs incurred by the City in any investigation, remediation or litigation resulting from any Data Breach. Contractor's duty to reimburse the City includes but is not limited to, reimbursing to the City its cost incurred in doing the following:

i. Notification to third parties whose information may have been or were compromised and to regulatory bodies, law- enforcement agencies or other entities as may be required by law or contract;

ii. Establishing and monitoring call center(s) and credit monitoring and/or identity restoration services to assist each person impacted by a Data Breach of a nature that, in City's sole discretion, could lead to identity theft; and

iii. Payment of legal fees and expenses, audit costs, fines and penalties, and other fees imposed upon the City by a regulatory agency, court of law, or contracting partner as a result of the Data Breach.

c. Upon a Data Breach, Contractor is not permitted to notify affected individuals without the express written consent of City. Unless Contractor is required by law to provide notification to third parties or the affected individuals in a particular manner, City shall control the time, place, and manner of such notification.

9. No Surreptitious Code. Contractor warrants that, to the best of its knowledge, its system is free of and does not contain any code or mechanism that collects personal information or asserts control of the City's system without City's consent, or which may restrict City's access to or use of City Data. Contractor further warrants that it will not knowingly introduce, via any means, spyware, adware, ransomware, rootkit, keylogger, virus, trojan, worm, or other code or mechanism designed to permit unauthorized access to City Data, or which may restrict City's access to or use of City Data.

10. Public Records Act. Contractor recognizes that City is a municipal entity subject to the Public Records Act, Chapter 42.56 RCW, and that City is obligated to disclose records upon request unless a specific exemption from disclosure exists. Nothing in this IPSA is intended to prevent City's compliance with the Public Records Act, and City shall not be liable to Contractor due to City's compliance with any law or court order requiring the release of public records.

11. City Control and Responsibility. City retains all ownership, title, and rights to the City Data. City has and will retain sole responsibility for: (a) all City Data; and (b) City's information technology infrastructure, including computers, software, databases, electronic systems (including database management systems) and networks, whether operated directly by City or through the use of third-party services.

12. Term and Termination.

a. Term. The term of this IPSA is the same as the term in the Underlying Agreement.

b. Termination. In addition to the termination rights in the Underlying Agreement, City may terminate this IPSA and the Underlying Agreement as follows:

i. In the event of a material breach of this IPSA by the Contractor, provided that City first sends the Contractor written notice describing the breach with reasonable specificity, including any steps that must be taken to cure the breach. If Contractor fails to cure the breach to the reasonable satisfaction of City within thirty (30) days after receipt of the written notice, this IPSA and the Underlying Agreement may be terminated at the end of the 30-day period; provided, that if a cure cannot be completed within the thirty (30) day period, the cure period shall be extended so long as Contractor shall initiate the cure within the thirty (30) day period and thereafter diligently pursue it to completion, and provided further, that the cure

period shall not be extended more than ninety (90) days after receipt of the notice of the breach; or

ii. Immediately upon a Data Breach by Contractor or Contractor's Authorized Users.

c. Effect of Expiration or Termination.

i. If City terminates the Underlying Agreement or this IPSA due to a material breach or Data Breach described in Section 12.b above, City shall not be obligated to pay any early termination fees or penalties.

ii. Within thirty (30) days following the expiration or termination of the Underlying Agreement, Contractor shall return to City all City Data in a format and structure acceptable to City and shall retain no copies of such City Data, unless City requires destruction of the City Data. As applicable, Contractor shall comply with any transition service requirements described in the Underlying Agreement.

iii. Contractor is permitted to retain City Data in its backups, archives and disaster recovery systems until such City Data is deleted in the ordinary course of Contractor's data deletion practices; and all City Data will remain subject to all confidentiality, security and other applicable requirements of this IPSA and as otherwise required by law.

13. Insurance. In addition to the insurance requirements of the Underlying Agreement, Contractor will maintain at its sole cost and expense at least the following insurance covering its obligations under this IPSA.

a. Cyber Liability Insurance: With coverage of not less than Two Million Dollars ($2,000,000) in the aggregate which shall include at a minimum coverage for (i) unauthorized access, which may take the form of a "hacker attack" or a "virus" introduced by a third party or cyber extortion; (ii) crisis management, response costs and associated expenses (e.g. legal and public relations expenses); (iii) breach of the City Data; and (iv) loss of data or denial of service incidents.

b. If Contractor's Services include professional services, then Contractor shall maintain Professional Liability or Errors and Omissions Coverage of not less than Two Million Dollars ($2,000,000) per claim and in the aggregate.

c. Contractor's insurance shall be primary to any other insurance or self-insurance programs maintained by City. Contractor shall provide to City upon execution a certificate of insurance and blanket additional insured endorsement (if applicable for the Cyber Liability Insurance). Receipt by City of any certificate showing less coverage than required is not a waiver of Contractor's obligations to fulfill the requirements.

d. Upon receipt of notice from its insurer(s), Contractor shall provide City with thirty (30) days prior written notice of any cancellation of any insurance policy, required pursuant

to this Section 13. Contractor shall, prior to the effective date of such cancellation, obtain replacement insurance policies meeting the requirements of this Section 13. Failure to provide the insurance cancellation notice and to furnish to City replacement insurance policies meeting the requirements of this Section 13 shall be considered a material breach of this IPSA.

e. Contractor's maintenance of insurance as required by this Section 13 shall not be construed to limit the liability of Contractor to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or equity. Further, Contractor's maintenance of insurance policies required by this IPSA shall not be construed to excuse unfaithful performance by Contractor.

14. Cumulative Rights and Remedies. All City rights and remedies set out in this IPSA are in addition to, and not instead of, other remedies set out in the Underlying Agreement, irrespective of whether the Underlying Agreement specifies a waiver, limitation on damages or liability, or exclusion of remedies. The terms of this IPSA and the resulting obligations and liabilities imposed on Contractor shall supersede any provision in the Underlying Agreement purporting to limit Contractor's liability or disclaim any liability for damages arising out of Contractor's breach of this IPSA.

15. Indemnification. Contractor shall indemnify, defend and hold harmless City and City's officers, directors, employees, volunteers and agents (each, a "City Indemnitee") from and against any and all third party loss, cost, expense, claims, suit, cause of action, proceeding, damages or liability incurred by such City Indemnitee arising out of or relating to (i) a breach of this IPSA by Contractor; (ii) a violation by Contractor of any information security and privacy statute or regulations; or (iii) any Data Breach by Contractor.

16. Miscellaneous.

a. Order of Precedence. This IPSA shall survive the expiration or earlier termination of the Underlying Agreement. In the event the provisions of this IPSA conflict with any provision of the Underlying Agreement, or Contractor's warranties, support contract, or service level agreement, the provisions of this IPSA shall prevail.

b. Entire Agreement. This IPSA, including its exhibits, constitutes the sole and entire agreement of the Parties with respect to the subject matter of this IPSA and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter.

c. No Third-Party Beneficiaries. This IPSA is for the sole benefit of the parties hereto and their respective permitted successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this IPSA.

d. Notices. All notices required to be given by either party to the other under this IPSA shall be given to the Technology and Information Systems Service Desk at the following

email address: ISAdministration@redmond.gov, or phone number: 425-556-2929. All other notices shall be governed by the requirements of the Underlying Agreement.

e. Amendment and Modification; Waiver. No amendment to or modification of this IPSA is effective unless it is in writing, identified as an amendment to or modification of this IPSA and signed by an authorized representative of each party. The waiver of any breach of any provision of this IPSA will be effective only if in writing. No such waiver will operate or be construed as a waiver of any subsequent breach.

f. Severability. If a provision of this IPSA is held invalid under any applicable law, such invalidity will not affect any other provision of this IPSA that can be given effect without the invalid provision. Further, all terms and conditions of this IPSA will be deemed enforceable to the fullest extent permissible under applicable law and, when necessary, the court is requested to reform any and all terms or conditions to give them such effect.

g. Governing Law; Submission to Jurisdiction. This IPSA is governed exclusively by the laws of the State of Washington, excluding its conflicts of law rules. Exclusive venue for any action hereunder will lie in the state and federal courts located in Seattle, King County, Washington and both parties hereby submit to the jurisdiction of such courts.

h. Counterparts. This IPSA may be executed in counterparts and by facsimile or electronic pdf, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this IPSA delivered by facsimile, e-mail or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this IPSA.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the date first above written.

Contractor	**City of Redmond**
_____	
_____	
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

EXHIBIT A
AUTHORIZED USER ACCESS AGREEMENT

Name of Individual: _____ Name of Contractor: _____

I understand and agree that I am being provided electronic access to a system containing confidential and or proprietary data (the "City Data") owned and operated by the City of Redmond ("City") due to my employment by or contractual relationship with _____ ("Contractor").

I agree that I may use the City Data for the sole purpose of Contractor's obligations to City and in a manner that complies with City's Information Technology Usage Policy. I understand that under no circumstances shall I attempt to impermissibly access, download, read, alter, use or disclose any City Data.

In the event I inadvertently access City Data not related to Contractor's obligations to City, I agree that I will not use, copy, alter or disclose such data and will immediately delete all such data from my records and notify City.

I understand that my user identification, password and profile (collectively, "Authorized User ID") will allow me to access the City Data. I acknowledge that I will keep my Authorized User ID confidential and will not divulge such information to any other individual or entity. I agree to take appropriate measures to protect the privacy of any City Data and to comply with Contractor's privacy and security policies and procedures. I agree that if I suspect that my Authorized User ID has been obtained by another individual, I will immediately inform City so that appropriate action may be taken.

I understand that my access to City Data may be monitored. I understand that all actions used in connection with the City Data may be saved, searched and audited for compliance. I understand that I do not have any personal privacy rights related to my access of the City Data. I further understand that the City has the right to revoke my access at any time.

I agree that I will not use City Data for any other purpose, including personal use, solicitation for outside business ventures, or clinical or research studies. I understand that unauthorized use or disclosure of certain types of City Data may subject me to civil liability under state and/or federal law, and that improper use or disclosure may constitute a crime.

I understand that should I violate any provision of this Authorized User Access Agreement, City will discontinue my access to the City Data and may terminate access of Contractor.

I acknowledge that I have read, understand and agree with the conditions above. Further, I agree to immediately notify City at _____ of any conflict with or violation of the above conditions.

_____ _____

Authorized User Signature Date

Master Services Agreement

This Master Services Agreement (this "MSA") is made effective as of <<Date>> (the "Effective Date") between Aurigo Software Technologies Inc, having its registered office at 8310-2 N Capital of Texas Highway, Prominent Pointe II, Suite 100, Austin, TX 78731 (hereinafter referred to as "Aurigo") and City of Redmond having its principal place of business at P.O. Box 97010, Redmond, WA 98073-9710 (hereinafter referred to as "Customer") (Aurigo and Customer are collectively referred to as the "Parties" and individually referred to as a "Party").

Whereas, the Parties, based on their mutual discussions and negotiations, propose to enter into a contract governing the delivery of Aurigo Masterworks (the "Aurigo Software") to Customer;

Whereas, Customer, upon approval of the proposal, intends to enter simultaneously into a Software Subscription Agreement directly with Aurigo for the use of the Aurigo Software which will govern the rights and usage of the SaaS software;

Whereas, Aurigo agrees to perform certain services described on Schedule B (herein referred to as the "Services"), at the rates also specified in Schedule B with the intent of delivering the Aurigo Software and related services; and

Whereas, Customer shall actively participate in the Services by providing the resources and subject matter expertise required for Aurigo to deliver the Services; and

Whereas, the Parties are entering into this Agreement for the purposes of these Services, separate from the Service Subscription Agreement;

Now, Therefore,

In consideration of the mutual covenants and agreements hereinafter set forth, the Parties agree to as follows:

1. DEFINITIONS

"Authorized Representatives" are employees designated by each Party as their respective authorized agents for communications.

"Confidential Information" means all terms and conditions in this Agreement, and any and all financial, sales, marketing, pricing, customer, personnel, present or future product (including, without limitation, the source code of the Services and all know-how and trade secrets, relating to, contained in, or embodied in the Services, technical, research, development or other business data and information of the Parties (whether communicated orally, visually, in writing, or in any other recorded or tangible form) which is not in the public domain and which: (a) either Party has marked as confidential or proprietary, (b) either Party, orally or in writing, has advised the other Party of its confidential nature, or (c) due to its character or nature, a reasonable person in a like position and under like circumstances would treat as confidential.

"Customer Content" means all text, files, images, graphics, illustrations, information, data, audio, video, photographs, other content and material, and software programs including source code for such programs, that Customer or its Users provide and load onto, or create using, any SaaS. Aurigo Intellectual Property and all Derivative Work thereof, do not fall within the meaning of the term "Customer Content." The term "Customer Content" does not apply to any test data.

"Deliverables" means the materials, SaaS, and Services to be provided by Aurigo to Customer under this

MSA.

"Derivative Work" means modifications to and creation of forms, workflows, dashboards, and reports within Aurigo Masterworks. Subject to Customer's payment of undisputed subscription fees due to Aurigo, Aurigo hereby grants to Customer a non-exclusive license to prepare derivative works based on materials, including any and all modifications thereto, owned and developed independently by Aurigo prior to the reparation of its proposal and used to provide Services under this Agreement. Aurigo shall retain ownership interest in any modifications, enhancements, improvements, or derivative works of the foregoing, irrespective of their date of creation.

"Intellectual Property" means any intellectual or industrial property rights protected or protectable under applicable law and includes copyrights, moral rights, trade secrets, patent rights, rights in inventions, trade-marks, trade names and service marks, as well as applications for, and registrations, extensions, renewals and re-issuances of, the foregoing, in whatever form such rights may exist and whether registered or unregistered.

"SaaS" means software-as-a-service and refers to the Aurigo-hosted software service or software services to which you subscribe under Software Subscription Agreement.

"Taxes" means taxes, levies, duties or similar governmental assessments of any nature, including, for example, value-added, sales, use or withholding taxes, assessable by any jurisdiction whatsoever.

"Term" begins on the Effective Date and means the period of time during which this Agreement is in effect, as set forth on Schedule B.

"Users" are individuals or entities authorized by Customer to access and use a Deliverable.

2. ORDER of PRECEDENCE

This Master Services Agreement, along with the City of Redmond Information Privacy and Security Agreement (the "IPSA"), incorporates other attachments and documents in the following order of precedence, and together constitutes the "Agreement". If terms in one document conflict with another the terms will be interpreted with the following sequence of validity, beginning with item 1 and ending with item 7:

1. The City of Redmond Information Privacy and Security Agreement
2. This Master Services Agreement
    a. Schedule B – Statement of Work
    b. Attachment A - Key requirements and pricing
3. Aurigo Service Subscription Agreement

3. SERVICES, FEES, PAYMENTS

3.1 **Services.** Aurigo shall perform the Services described on Schedule B, subject to the terms and conditions of this Agreement.

3.2 **Change Control**. The Services and Deliverables to be provided pursuant to Schedule B may be amended from time to time, as mutually agreed by the Parties. Any such amendment will use the change control procedures set forth below.

a. When a Party desires a change to this Agreement, that Party will prepare a written document (a "Change Order") describing in reasonable detail its proposed changes, to include, at a minimum, any changes in cost, schedule, and impact, if any, to the project, and will submit the proposed Change Order to the other Party for approval.

b. A Change Order will only become effective, thereby amending this Agreement, when signed by the Parties.

3.3 **Customer Obligations.** Customer is solely responsible for all equipment used in connection with the Services, including its suitability in relation to the Services and Deliverables. Customer is solely responsible for the configuration, operation, performance and security of its equipment, networks and other computing resources, including its devices and networks used to connect to the Services.

3.4 **Use of Customer Content.** Customer hereby grants Aurigo the right to use, process and transmit, in accordance with this Agreement, Customer Content, solely in order to perform the Services and deliver the Deliverables. Aurigo will not be responsible for the interoperability of Customer Content with the Services and Deliverables, except to the extent described in the applicable Statement of Work. Customer shall have sole responsibility for the accuracy, quality, integrity, legality, reliability, and appropriateness of all Customer Content.

3.5 **Fees; Invoices**. Customer agrees to pay Aurigo the undisputed fees set forth on Schedule B. Aurigo will invoice Customer for all sums owed on completion of each milestone set forth on Schedule B.

3.6 **Taxes.** The fees do not include any taxes, unless stated otherwise. Customer is responsible for all taxes it is legally obligated to pay, including, but not limited to, paying Aurigo any applicable value added, sales or use taxes. If any taxes are required by law to be withheld on payments made by Customer to Aurigo, Customer may deduct such taxes from the amount owed Aurigo and pay them to the appropriate taxing authority; provided, however, that Customer shall promptly secure and deliver to Aurigo an official receipt for any such taxes withheld or other documents necessary to enable Aurigo to claim a Foreign Tax Credit. If the Customer is tax exempt, it must provide a valid tax exemption certificate for Aurigo to exclude taxes from customer invoices.

3.7 **Refunds.** All charges are non-refundable unless expressly stated otherwise, or otherwise provided by law.

3.8 **Payments.** Payments to Aurigo for undisputed fees are due 30 days from receiving an approved invoice. Invoices shall detail the work performed or services rendered, the time involved (if compensation is based on an hourly rate) and the amount to be paid. Customer will make payment on invoices by check or EFT. In no event shall the total of all invoices paid exceed the maximum amount payable set forth in Schedule B, and Aurigo agrees to perform all services contemplated by this agreement for no more than said maximum amount. Late payments on undisputed and invoiced amounts accrue interest at the rate of 1% per month, or the highest rate permitted by law, whichever is lower. Aurigo may suspend or cancel the Services if Customer does not pay undisputed fees in full and on time.

4. TERM AND TERMINATION

4.1 This Agreement will become effective upon execution by the Parties and will remain in force for the Term unless terminated pursuant to this Agreement.

4.2 **Termination of this Agreement for Cause.** A Party may terminate this Agreement by written notice to the other Party if the other Party materially breaches this Agreement and fails to cure the breach during the Cure Period. The "Cure Period" will commence on the date the non-breaching Party gives written notice of breach to the breaching Party, specifying the nature of the breach, and will continue for a period of 30 days; provided that, notwithstanding the foregoing, there will be no period for curing or remedying a material breach by either Party of its obligations pertaining to Confidential Information. If the breaching Party fails to cure such breach within the Cure Period, the non-breaching Party may immediately, upon written notice to the breaching Party, terminate this Agreement.

4.3 **Termination for Insolvency.** This Agreement may be terminated by either Party, immediately upon written notice to the other Party in the event (i) the other Party files a petition for bankruptcy or is adjudicated bankrupt; (ii) a petition in bankruptcy is filed against the other Party and such petition is not dismissed within sixty (60) calendar days; (iii) the other Party becomes insolvent or makes an assignment for the benefit of its creditors or an arrangement for its creditors pursuant to any bankruptcy or other similar law; (iv) the other Party discontinues its business; or (v) a receiver is appointed for the other Party or its business.

4.4 **Effect of termination.** Upon termination, (i) Aurigo will immediately cease providing any Services to Customer, and (ii) Customer will pay Aurigo such undisputed amounts owed under Schedule B for performance rendered prior to the termination date. Termination will not result in a waiver of any remedy, legal or equitable, to which a Party may be entitled, or any claim a Party may have against the other. All provisions that by their nature should survive termination or expiration of this Agreement will so survive.

5. INTELLECTUAL PROPERTY AND RECORDS

5.1 Aurigo and its licensors are, and shall remain, the sole and exclusive owner of all right, title and interest in and to the Services and all Derivative Works thereof, including all Intellectual Property rights therein. Customer shall have no right or license to use the Services except solely during the Term and in accordance with this Agreement. No other rights are granted hereunder to Customer except as expressly set forth in this Agreement.

5.2 Aurigo and its licensors are, and shall remain, the sole and exclusive owner of all right, title and interest in and to Deliverables that are (a) SaaS or (b) commercial software; such Deliverables are licensed, not sold, by Aurigo to Customer.

5.3 Customer is, and shall be, the sole and exclusive owner of all right, title and interest in and to the Deliverables specified in Schedule B that are Services and that are not software.

5.4 Customer and its Users (where applicable) are, and shall remain, the sole and exclusive owner of all right, title and interest in and to the Customer Content, including all Intellectual Property rights therein. Aurigo shall have no right or license to use any

Customer Content except solely during the Term of the Agreement to the extent necessary to provide the Services to Customer.

5.5 Any and all documents, drawings, reports, and other work product produced by Aurigo under this Agreement shall become the property of Customer upon payment of Aurigo's fees and charges therefore. Customer shall have the complete right to use and re-use such work product in any manner deemed appropriate by the CITY, provided, that use on any project other than that for which the work product is prepared shall be at Customer's risk unless such use is agreed to by Aurigo.

5.6 Aurigo shall keep all records related to this agreement for a period of three years following completion of the work for which Aurigo is retained. Aurigo shall permit any authorized representative of Customer, and any person authorized by Customer for audit purposes, to inspect such records at all reasonable times during regular business hours of Aurigo. Upon request, Aurigo will provide Customer with reproducible copies of any such records. The copies will be provided without cost if required to substantiate any billing of Aurigo, but Aurigo may charge Customer for copies requested for any other purpose.

6. REPRESENTATIONS AND WARRANTIES

6.1 Each Party represents and warrants to the other Party as follows:

A. it is duly organized, validly existing and in good standing as a corporation or other entity as represented herein under the laws and regulations of its jurisdiction of incorporation, organization or chartering;

B. it has the full right, power and authority to enter into this Agreement, to grant the rights and licenses granted hereunder and to perform its obligations hereunder; and

C. when executed and delivered by such Party, this Agreement will constitute the legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms.

6.2 Aurigo represents and warrants to Customer that:

A. The Services will be provided in a professional and workmanlike manner; and

B. the Services and Deliverables will be in conformity in all material respects with all requirements or specifications stated in this Agreement.

6.3 EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, THE SERVICES AND DELIVERABLES ARE PROVIDED ON AN "AS IS" BASIS. WITHOUT IN ANY WAY LIMITING THE GENERALITY OF THE FOREGOING, THESE WARRANTIES ARE CUSTOMER'S EXCLUSIVE REMEDY, AND AURIGO DOES NOT REPRESENT OR WARRANT THAT THE SERVICES OR DELIVERABLES WILL MEET THE REQUIREMENTS OF ANY PERSON OR WILL OPERATE ERROR-FREE OR CONTINUOUSLY, AND MAKES NO OTHER REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, OTHER THAN THOSE EXPRESSLY MADE IN THIS AGREEMENT.

7. CONFIDENTIALITY

7.1 Aurigo and Customer shall treat the terms and conditions of this Agreement, to the extent permitted by law, as confidential and shall not disclose them to any third Party except in the furtherance of the Parties' business relationship with each other. For government Customers, this Section is subject to the requirements of applicable trade secret, public records, or similar laws.

7.2 Each Party acknowledges the proprietary nature of the other Party's Confidential Information and the business advantage and opportunity provided thereby. Customer acknowledges and agrees that the Services and Deliverables, and all ideas, methods, algorithms, formulae, processes, and concepts used in developing or incorporated into the Services, all derivative works based upon any of the foregoing, and all copies of the foregoing are trade secrets, Confidential Information and proprietary property of Aurigo, having great commercial value to Aurigo. Accordingly, each Party agrees that the Confidential Information it receives from the other Party will be disclosed only to such of its employees and agents who have a need to know such particular information in furtherance of their duties and are bound to an enforceable written agreement prohibiting them from disclosing any such information to any other Party or using such information except for the purposes permitted by this Agreement.

7.3 Nothing in this Agreement will prevent the receiving Party from disclosing the other Party's Confidential Information to the extent the receiving Party is legally compelled to do so by any court or governmental investigative or judicial agency pursuant to proceedings over which such agency has jurisdiction, on condition that prior to the disclosure, the receiving Party shall (i) assert the confidential nature of the Confidential Information; (ii) immediately notify the disclosing Party in writing of the order or request to disclose; and (iii) cooperate fully with the disclosing Party in protecting against any such disclosure and/or obtaining a protective order narrowing the scope of the compelled disclosure and protecting its confidentiality.

7.4 Each Party acknowledges and agrees that due to the unique nature of Confidential Information, there can be no adequate remedy at law for any unauthorized use or copying of the Services or Deliverables by Customer or any breach of the obligations under this Section 7 regarding Confidential Information by either Party. Any such breach would result in irreparable harm to the non-breaching Party and, therefore, upon any such alleged breach, the non-breaching Party will be entitled to seek appropriate equitable relief, in addition to whatever remedies it might have at law, in equity or under this Agreement.

7.5 Aurigo recognizes the Customer is a municipal entity subject to the Washington State Public Records Act, Chapter 42.56 RCW, and that Customer is obligated to disclose records upon request unless a specific exemption from disclosure exists. Nothing in the Agreement is intended to prevent the Customer's compliance with the Public Records Act, and Customer shall not be liable to Aurigo due to Customer's compliance with any law or court order requiring the release of public records. In the event the Customer receives a request requiring the release of Aurigo's information, Customer will provide Aurigo with notice and an opportunity to obtain a court protection pursuant to Washington State Public Records Act, Chapter 42.56 RCW.

8. INDEMNIFICATION AND LIMITATION OF LIABILITY

8.1 Each Party (the "Indemnitor") will defend, indemnify and hold harmless the other Party, including its officials, affiliates, officers, directors, agents, employees, and representatives (jointly and severally, the "Indemnitees"), from and against proceedings and losses resulting from or arising out of: (a) the acts or omissions of the Indemnitor or its agents, employees, contractors, or subcontractors, except to the extent such losses result from the negligence or willful misconduct of the Indemnitee or its agents; (b) any breach of any representation or warranty of the Indemnitor contained in this Agreement; or (c) any breach of any covenant or obligation to be performed by the Indemnitor under this Agreement. In the event any claim is brought against a Party that may give rise to an indemnifiable loss, that Party will provide the other Party with prompt notice of such claim and reasonably cooperate in connection with such claim; provided, however, a Party's obligation to defend the other Party against Proceedings and losses does not extend to proceedings between the Parties. Neither Party, nor any attorney engaged by a Party, shall defend the claim in the name of the other Party, nor purport to act as legal representative of the other Party, without first receiving from its Authorized Representative authority to act as legal counsel for that Party. Neither Party shall settle any claim on behalf of the other Party without the approval of an Authorized Representative. Indemnitee will control the defense of any Proceeding, through its chosen counsel; provided, however, in such instance, the Indemnitee will allow the Indemnitor to participate in the settlement or defense of any Proceeding, at the Indemnitor's own expense.

8.2 Aurigo will defend Customer against any claims made by an unaffiliated third party that any Services infringes that third party's patent, copyright or trademark or makes intentional unlawful use of its trade secrets or confidential information. Aurigo will also pay the amount of any resulting adverse final judgment (or settlement to which Aurigo consents). This section provides Customer's exclusive remedy for these claims. Customer must notify Aurigo promptly in writing of the claim and give Aurigo control over its defense or settlement of the claim. Aurigo will work with Customer's designated representative to process and defend against the claim. Customer's designated representative must provide Aurigo with reasonable assistance in defending the claim. Aurigo will reimburse Customer for reasonable out of pocket expenses that it incurs in providing that assistance, but Aurigo will not be liable to Customer for any attorney fees of counsel hired by Customer unless Aurigo has expressly agreed to pay such fees in advance and in writing.

8.3 Aurigo's obligations in Section 8.2 will not apply to the extent that the claim or award is based on:

a) Customer's use of the Services after Aurigo notifies it to discontinue its use due to a third party claim;

b) Damages attributable to the use of a non-Aurigo product, data or business process;

c) Customer's use of Aurigo's trademark(s) without express written consent to do so;

d) Any trade secret or undisclosed information claim, where Customer acquires the trade secret or undisclosed information (1) through improper means; (2) under circumstances

giving rise to a duty to maintain its secrecy or limit its use; or (3) from a person (other than Aurigo) who owed to the Party asserting the claim a duty to maintain the secrecy or limit the use of the trade secret or undisclosed information.

8.4 If Aurigo receives information concerning an infringement claim related to the Services, Aurigo may, at its expense and without obligation to do so: (1) procure for Customer the right to continue to use the allegedly infringing Services, (2) modify the Services, (3) replace the Services with a functional equivalent, to make it non-infringing, in which case Customer will immediately stop using the allegedly infringing Services after receiving notice from Aurigo; or (4) terminate the License as to the infringing Services and refund any amounts paid in advance by Customer for unused Services.

8.5 IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER OR TO ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT OR LOSS OF DATA OR FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGE WAS FORESEEABLE AND WHETHER OR NOT SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

8.6 EXCEPT WITH RESPECT TO AURIGO'S INDEMNIFICATION OBLIGATIONS UNDER THIS AGREEMENT, IN NO EVENT WILL EITHER PARTY'S LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL INVESTMENT AS DEFINED IN SCHEDULE B OF THIS AGREEMENT.

9. INSURANCE

9.1 Prior to commencing the Services, Aurigo shall procure and maintain at its sole cost and expense at least the following insurance, covering its obligations under this Agreement.

A. Insurance Coverages:

i. Worker's compensation and employer's liability insurance as required by the State of Washington;

ii. General public liability and property damage insurance in an amount not less than a combined single limit of two million dollars ($2,000,000) for bodily injury, including death, and property damage per occurrence;

iii. Professional Liability/Errors and Omissions Insurance (including Technology Errors and Omissions) of at least $1,000,000 per occurrence and $2,000,000 in the annual aggregate;

iv. Cyber liability insurance with coverage of not less than $1,000,000 per occurrence and $5,000,000 in the annual aggregate which shall include but not be limited to coverage, including defense, for the following losses or services:

a) Network security liability arising from: (1) the unauthorized access to, use of, or tampering with computer systems, by an outside party, including hacker attacks or a virus introduced by a third party; or (2) the inability of an authorized third party to gain access to supplier systems and/or Customer Data, including denial of service, unless caused by a mechanical or electrical failure; (3) introduction of any unauthorized software computer code or virus causing damage to Customer Data or any other third party data.

b) Event management services and first-party loss expenses for a data breach response including crisis management services, credit monitoring for individuals, public relations, legal service advice, notification of affected parties, independent information security forensics firm, and costs to re-secure, re-create and restore data or systems.

B. The amounts listed above are the minimum deemed necessary by Customer to protect Customer's interests in this matter. Customer has made no recommendation to Aurigo as to the insurance necessary to protect Aurigo's interests and any decision by Aurigo to carry or not carry insurance amounts in excess of the above is solely that of Aurigo.

C. All insurance shall be obtained from an insurance company authorized to do business in the State of Washington. Excepting the professional liability insurance, Customer will be named on all insurance as an additional insured. Aurigo shall submit a certificate of insurance to Customer evidencing the coverages specified above, together with an additional insured endorsement naming Customer, within fifteen (15) days of the execution of this Agreement. The additional insured endorsement shall provide that to the extent of Aurigo's negligence, the Aurigo's insurance shall be primary and non-contributing as to Customer, and any other insurance maintained by Customer shall be excess and not contributing insurance with respect to Aurigo's insurance. The certificates of insurance shall cover the work specified in or performed under this Agreement. No cancellation, reduction or modification of the foregoing policies shall be effective without thirty (30) days prior written notice to Customer.

D. Aurigo's maintenance of insurance as required by this Section 9 shall not be construed to limit the liability of Aurigo to the coverage provided by such insurance, or otherwise limit Customer's recourse to any remedy available at law or equity. Further, Aurigo's maintenance of insurance policies required by this Agreement shall not be construed to excuse unfaithful performance by Aurigo.

10. GENERAL TERMS

10.1 **Parties' Relationship; Non-exclusivity**. The Parties acknowledge and agree that their relationship is that of independent contracting entities. This Agreement does not create any form of legal association that would impose liability upon one Party for any act or omission of the other, nor does it preclude either Party from conducting similar business with other parties.

10.2 **Notices.** Notices, authorizations, and requests to either Party in connection with this Agreement must be sent by regular or overnight mail, or express courier, to the addresses listed below. Notices will be treated as delivered on the date shown on the return receipt. Termination of the Agreement, a subscription, or cancellation of a subscription initiated by a Customer should be sent via the Aurigo customer service contact.

Notices to Aurigo:	Copies to Aurigo
Hugh Kreizenbeck Director of Sales Aurigo Software Technologies Inc. 8310-2 N Capital of Texas Highway Prominent Pointe II, Suite 100 Austin, TX 78731 Phone: (602) 339-1541 Email: hugh.kreizenbeck@aurigo.com	Contract notices email address: contracts@aurigo.com

Notices to Customer:	Copies to Customer
City of Redmond MS: 3SFN Service Desk P.O. Box 97010 Redmond, WA 98073-9710	servicedesk@redmond.gov

10.3 **Assignment.** Neither party may assign any rights or delegate the performance of any duties under this Agreement without the prior written consent of the other party.

10.4 **Severability.** If a court holds any provision of this Contract to be illegal, invalid or unenforceable, the rest of the document will remain in effect and this Agreement will be amended to give effect to the eliminated provision to the maximum extent possible.

10.5 **Non-waiver.** A waiver of any breach of this Agreement is not a waiver of any other breach. Any waiver must be in writing and signed by an Authorized Representative of the waiving Party.

10.6 **City Business License**. Aurigo has obtained, or agrees to obtain, a business license from Customer prior to commencing to perform any Services. Aurigo will maintain the

business license in good standing throughout the term of this Agreement.

10.7 Applicable law. This Agreement is governed by the laws of the State of Washington without regard to its conflict of laws principles.

10.8 Dispute Resolution. The Parties agree that any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled to the extent possible by good faith negotiations. Any dispute which the Parties cannot resolve by good faith negotiations within 30 days or such longer period as the Parties may mutually agree, shall be submitted to binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association by a single arbitrator appointed in accordance with such Rules. The arbitration will take place in Seattle, WA, USA, in the English language and the arbitral decision may be enforced in any court. Notwithstanding the foregoing, claims for injunctive or equitable relief or claims regarding Intellectual Property rights may be brought in any competent court. Subject to the preceding arbitration provision, the Parties consent to exclusive jurisdiction and venue in the state and Federal courts located in Seattle, WA.

10.9 Entire Agreement; Amendment. This Agreement and the incorporated attachments and documents constitute the entire agreement between the Parties and supersede all prior agreements, understandings and other communications with respect to the subject matter hereof. Except as specifically provided for in this Agreement, no modification or amendment of this Agreement will be effective unless in writing and executed by a duly Authorized Representative of each Party.

10.10 Cooperative Purchasing. To the extent the procurement regulations of Customer permit another state/local government to procure Aurigo's services under the terms and conditions of this Contract, Aurigo has a cooperative purchasing program under which it would allow for such procurement, provided that the procurement is also in accordance with that state/local government's procurement regulations. The term "state/local government" includes any State, local, regional, or tribal government, or any instrumentality thereof. Any such state/local government is required to separately sign the Aurigo Service Subscription Agreement.

10.11 Force majeure. Neither Party will be liable for any failure in performance due to causes beyond either Party’s reasonable control (such as fire, explosion, power blackout, earthquake, flood, severe storms, strike, embargo, labor disputes, acts of civil or military authority, war, terrorism (including cyber terrorism), acts of God, acts or omissions of Internet traffic carriers, actions or omissions of regulatory or governmental bodies (including the passage of laws or regulations or other acts of government that impact the delivery of Services)). This Section does not apply to Customer’s payment obligations under this Agreement to the extent that any services continue during the force majeure period, for services rendered prior to the force majeure period, or once services resume following the force majeure period.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement the day and year first above written.

City of Redmond

_____

Signature

_____

Printed Name

_____

Printed Title

AURIGO SOFTWARE TECHNOLOGIES

_____

Signature

Kevin Koenig

Chief Revenue Officer

Statement of Work: Schedule B – Scope and Investment
for
City of Redmond, Washington

Date: August 29, 2024

Attention:
Maria O'Neill
Technology Project Manager
City of Redmond, WA

Aurigo Contact

Hugh Kreizenbeck
Enterprise Account Executive
Aurigo Software Technologies Inc.
8310-2 N Capital of Texas Highway
Prominent Point II, Suite 100
Austin, TX 78731
Direct: 1-602-339-1541
Email: hugh.kreizenbeck@aurigo.com

© 2024 Aurigo Software Technologies

Table of Contents

1 Purpose 3
2 Investment Summary 4
2.1 Professional Services Milestone Payment Schedule 6
3 Implementation Services Scope 7
3.1 Integration Services 12
3.2 Data Migration Services 13
3.3 Masterworks Environments 13
3.4 Deliverable Review and Approval Timeframes 14
4 Project Schedule 15
4.1 Project Milestone Calendar 15
5 Client Responsibilities and Implementation Assumptions 16
6 Statement of Work: Schedule B – Scope and Investment Approval 17

© 2024 Aurigo Software Technologies

1 Purpose

This **Statement of Work: Schedule B – Scope and Investment** ("SOW") is between Aurigo Software Technologies, Inc. ("Aurigo") and City of Redmond, Washington ("Client"). This SOW incorporates by reference the terms and conditions of the Service Subscription Agreement (“SSA”) between Aurigo and Client. In the event of an inconsistency between the terms of this Statement of Work and the SSA, the terms of the SSA shall control.

The purpose of this **Statement of Work: Schedule B – Scope and Investment** document is to provide the Client with the investment and scope to implement Masterworks for the Client.

© 2024 Aurigo Software Technologies

2 Investment Summary

The following details the investment for the Client for the implementation and subscription of Masterworks.

Annual Software Subscription

Subscription Item	Subscription Detail	Annual Price
Aurigo Masterworks Cloud	Products: • Aurigo Masterworks Cloud Platform • Masterworks Capital Planning • Masterworks Construction Project Management • Data Link • Mobile	$ 131,640.00
Aurigo Gold Support		$ 19,746.00
	Total Annual Subscription:	**$ 151,386.00**

Implementation and Development Services

Subscription Item	Subscription Detail	Services Price
Masterworks Implementation, Setup, Deployment and Training	Per the **Implementation Services Scope** section below	$ 161,012.00
Integrations	Per the **Integration Services** section below	$ 19,040.00
	Total One-Time Implementation:	**$** 180,052.00

5 Year Total Cost of Ownership Investment

Item	Year 1	Year 2	Year 3	Year 4	Year 5	Subtotal
Masterworks Subscription	$131,640	$135,589	$139,657	$143,847	$148,162	$698,895
Gold Support	$19,746	$20,338	$20,948	$21,576	$22,223	$104,831
Implementation Services	$35,494	$144,558	-	-	-	$180,052
Subtotal by Year	*$186,880*	*$300,485*	*$160,605*	*$165,423*	*$170,385*	
					Total Investment (5) Years	**$983,778**

Payment Terms:

1. **Contract Term** – The contract term is two (2) years with successive one (1) year auto-renewals. All pricing specified in this SOW is subject to change after the expiration of the initial contract term.
2. **Annual Software Subscription** - The annual software subscription is due upon contract signing of this Schedule B and every anniversary date thereafter. The Annual Subscription is subject to a 3% increase after year 1 of the contract.

© 2024 Aurigo Software Technologies

3. **Travel and Expenses** - Travel expenses and course material reproduction (if requested) are not included in the investment. Aurigo will follow the Client's travel policy. These expenses will be billed as incurred as actuals.
    a. The Client Project Manager may request Aurigo travel onsite as long as there are no Aurigo or government travel restrictions in place.
    b. Aurigo Project Manager to request travel authorization from the Client before any Aurigo staff travel onsite as long as there are no Aurigo or government travel restrictions in place.
    c. Aurigo travel expenses to be invoiced monthly, with attached receipts, and reimbursed by the Client
    d. Aurigo will comply with the Client's Travel Policies. Travel costs will be reimbursed based on actual expenses limited by Federal Travel Regulations (FTR) and the CONUS rate for the Client's State. The FTR breaks down meals and incidental expenses at its website: www.gsa.gov/mie. The first and last travel days are calculated at seventy-five percent (75%). The lodging rate excludes taxes and fees. Taxes and fees are reimbursable.
4. **Professional Service Milestone Payment Schedule** - Payment for Professional Services (e.g., implementation, integration, etc.) shall be invoiced and be due and payable as identified in section *3.1 Professional Services Milestone Payment Schedule*.

Pricing Notes:

1. **Annual Software Subscription** – The Annual Software Subscription is based on:
    a. The annual software subscription investment for up to five hundred (500) named users (50 internal and 450 external).
    b. A DocuSign ISV Embedded eSignature Plan is not included as part of the Client's subscription. Aurigo can provide a DocuSign ISV Embedded eSignature Plan consisting of unlimited user and 2,500 envelopes for an additional cost.
2. **Support** - The pricing specified in the proposal includes Aurigo's Gold Support Plan.
3. **Scope Assumptions** - The services quoted were calculated based on the requirements discussed with the Client and Aurigo's interpretation of those requirements. Any changes to the assumptions or requirements which extend the project duration will trigger the Project Change Control process.
4. **Change Control** - Any change to the agreed-upon project schedule or scope outside Aurigo's control and extending the project duration will trigger the Project Change Control process. All Change Orders will be provided based on annual billable additional service rates.

© 2024 Aurigo Software Technologies

2.1 Professional Services Milestone Payment Schedule

ID	Services Payment Milestones	Amount	Invoice Frequency
1	Project and System Initiations: - Deployment of Masterworks base builds used during implementation for configuration, development, testing, and training - Project site setups - Team charter and project initiation	$9,002.60	On Completion
2	Project Management Services Status reports Project schedule maintenance	$9,002.60	9 Monthly Payments of $1,000.29 each
Project Planning Phase			
3	Baselined Project Schedule	$9,002.60	On Approval
4	Project Management Plan (PMP)	$9,002.60	On Approval
5	Requirements Traceability Matrix	$9,002.60	On Approval
6	Stakeholder Project Kick-off Meeting	$9,002.60	On Completion
Business Process Mapping Phase			
7	Business Process Mapping Workshop Plan	$9,002.60	On Approval
8	Business Process Mapping Workshop	$14,404.16	Monthly Progress
9	Functional Specifications 50% Complete	$9,002.60	On Completion
10	Functional Specifications 100% Complete	$9,002.60	On Completion
11	Technical Specifications 100% Complete	$3,601.04	On Completion
Solution Configuration			
12	20% Configuration Complete	$9,002.60	On Completion
13	40% Configuration Complete	$9,002.60	On Completion
14	60% Configuration Complete	$9,002.60	On Completion
15	80% Configuration Complete	$9,002.60	On Completion
16	100% Configuration Complete – Ready for UAT	$9,002.60	On Completion
Solution Testing			
17	Test Plan	$1,800.52	On Approval
18	System Integration Testing	$11,703.38	On Completion
19	User Acceptance Testing	$11,883.43	On Completion
Training			
20	Training Plan	$1,800.52	On Approval
21	Training Material	$3,601.04	On Completion
22	Training Delivery	$3,601.04	On Completion
	Services Payment Milestones Total:	**$180,052.00**	

© 2024 Aurigo Software Technologies

3 Implementation Services Scope

Deliverables	Scope	Scope Detail
ACM Deliverables		
Project Planning	Deliverables to be provided as part of Project Planning.	- Kickoff Presentation - Project Management Plan (Lean Approach) - Project Schedule - Project SharePoint Site Setup - Requirements Traceability Matrix (RTM) Setup - Requirements Validation and Mapping (RVM) Sessions Plan
Requirements Validation Mapping (RVM)	Delivery and documentation of RVM sessions.	- RVM Sessions - Requirements RACI - Configuration Specifications - Risk and Issues Log (if applicable) - Feedback Log (if applicable)
Solution Configuration	Delivery of configuration solution.	- Configured Solution - Updated Feedback Log
Solution Testing	The setup, configuration and testing of the production, test and training environments.	- User Acceptance Testing (UAT) – Development of UAT environment, plan, testing, and results. - System Integration Testing – See section **3.1 Integration Services**. - Data Migration Testing – See section **3.2 Data Migration Services**
Training	Training material development and training delivery.	The training deliverables are identified in the **Training and Warranty Services** section below.
Production Release		- Deployment Plan - Post Go-Live Support Plan
Project Closeout and Transition to Support		- Lessons Learned - Transition to Support - Client Acceptance
Project Management Services		
Project Management	Project Management services to manage the implementation from contract execution through the Warranty period.	- Primary project point-of-contact - Project schedule and status Reporting - Issue and Change Management
Environment Provisioning and Configuration		
Masterworks Environments	Environments are set up and configured for use by the Client.	All environments to be delivered are in section **3.3 – Masterworks Environments**.

© 2024 Aurigo Software Technologies

Templates	Provisioning of the best practice out-of-the-box library templates.	Preconfigured libraries to be provided: - Business Units (Divisions) - Budget - Contract - Project Management - Calendar - Documents - Vendors - Phases
System Services		
User Administration	Provisioning of the best practice out-of-the-box roles and permission settings. System Administrator training will present how to manage User Administration (e.g., new users, new roles, etc.).	Any additional configuration changes are to be performed by Client designated System Administrators.
Core Business Processes	Provisioning of the best practice out-of-the-box business processes. Each business process (listed in the next column) consists of a preconfigured Form. Most forms have a preconfigured workflow for submission and approval routing. These core business processes cannot be edited.	**Project Level:** - Budget Estimates - Budget Estimate Revision - Forecasts - Engineers Estimate Details - Contract Details - Contract Forecast - Contract Change Order - Pay Estimates - Asset Checklist - User Management - Document Management **Contract Level:** - User Management - Document Management **Planning Level:** - Planned Project - Fund Plan - Program - Master Program
Planning and Construction Management Business Processes	Provisioning of the best practice out-of-the-box business processes. Each business process consists of a preconfigured Form. The business process forms are configurable.	**Enterprise Level:** - Global Fund List - Fund Transaction **Project Level:** - Project Phases - Project Fund List - Project Fund Transaction - Project Fund Rules

© 2024 Aurigo Software Technologies

		- Purchase Order
		- Expenses
		- Request For Information
		- Minutes of Meeting
		- Risk Register
		- Submittals
		- Submittal Package
		- Transmittals
		- Daily Progress Report
		- Item Posting
		- Materials on Hand
		- Pay Estimates
		- Punch List
		- Inspections
		- Location
		- Health Report
		Project Level – Consulting Contract:
		- Request for Project Number
		- Project Details
		- Contract Intake Checklist
		- Spec Approval
		- **Bid Estimate**
		  ○ Bid Items
		  ○ Bid Letting
		  ○ Bid Management

Business Processes Configuration	Changes on up to ten (10) of the forms for the **Planning and Construction Management Business Processes** identified above. Changes include the addition of data fields, reordering of fields, and modifying field captions.	RVM sessions, Business Requirements Specification documentation, and configuration change for Forms and Workflows. **Processes to be Configured:** • Resource Management
Business Processes Development	Development of up to ten (10) new business processes.	**All Business Processes:** RVM sessions, Business Requirements Specification documentation, and configuration change for Forms and Workflows. **New Processes to be Developed:** • Grant Management • Submit, review, and process contractor payments, including: ○ Tracking paid and unpaid work

© 2024 Aurigo Software Technologies

		○ Different pay schedules and retention amounts ○ Effective date rate changes ○ Track by unit Liquidated damages
Dashboards and Reports	Provisioning of the out-of-the-box best practice dashboards.	**Out-of-the-box Planning and Construction Management Dashboards and Reports:** - **Enterprise Level Dashboards** ○ Enterprise Fund Summary ○ Portfolio Summary by Status ○ Project Summary by Status - **Project Level Dashboards** ○ Project Budget vs. Actual Spent ○ Project Fund Summary ○ Project Management ○ Project Resource Management ○ Project Risk and Issues ○ Schedule Dashboard - **Planning Level Dashboards** ○ Plan Summary by Program Category ○ Project Approval Funnel ○ Program Cost Chart ○ In-Year Budget Changes ○ In-Year Forecast Changes - **Enterprise Level Reports** ○ Budget vs. Actuals ○ Delayed Projects Based on Schedule ○ Enterprise Cost Sheet ○ Enterprise Schedule ○ Project Funding Overview ○ Mobile Sync - **Project Level Reports** ○ Funding Details by Budget Items ○ Funding Details by Contract ○ Project Funding Summary

© 2024 Aurigo Software Technologies

		○ Purchase Order Details ○ Purchase Order Original Items Details ○ Purchase Order Revision Details - **Contract Level Dashboards** ○ Change Management ○ Contract Work Progress ○ Contracts Bills and Payments - **Contract Level Reports** ○ Change Management ○ Contract Financial Summary ○ Contract Work Progress ○ Contracts Bills and Payments ○ Contract Level Reports ○ Change Order by Date ○ Completed Items ○ Item Reconciliation ○ Rework Items ○ Item Postings by Item Progress ○ Item Postings **Configured Dashboards:** - Up to five (5) dashboards **Configured Reports:** - Up to five (5) reports
Training and Warranty Services		
System Administrator Training	Instructor led System Administration training for up to fifteen (15) users per course. Will cover user administration, permissions, security access/permissions, system and functional configuration, Form Builder, Workflow Management, and Ad-hoc reporting.	- One (1) course(s) - A course is up to eight (8) hours in duration for two (2) days.
Train-the-Trainer Training	Instructor led Train-the-Trainer training for up to fifteen (15) users per course. This training is to train Trainers who will provide all end-user training. Will cover the	- One (1) course(s) - A course is up to forty (40) hours in duration and will be delivered over seven (7) consecutive days (No more than (6) hrs. / day).

© 2024 Aurigo Software Technologies

	functional processes as configured for the Client.	

Training Materials & Documentation	Training Materials & Online Help documentation	- Training Materials comprising:
		  ○ Presentation Deck for each training course
		  ○ Participant Guide for Train-the-Trainer Training course
		- Documentation:
		- Context Sensitive Help documentation accessible to authorized users from within the configured system

3.1 Integration Services

The ability to import a Microsoft Project file (*.MPP) is a standard feature of Masterworks. Aurigo will deliver all interfaces identified in the table below. However, for any additional interfaces that may be discovered during the business process mapping phase, including an integration to Project Cloud for real time updates, the Client can procure these services by initiating a change request as defined in the **Statement of Work: Schedule A – Product and Services Approach**.

The following integration services will be developed as part of this Statement of Work:

- DocuSign (electronic signature)
- Microsoft Azure Active Directory (Authentication)
- ESRI ArcGIS (Geographical Information System)
- Bluebeam Revu (Plan Review and Construction Document Management)
- PowerBI (Reporting)

Integration System	Data flow	Integration Method	Hours
Power BI	Data warehouse <-- Masterworks	Data Link product	0
Azure AD	Masterworks <--> City's Azure AD	SAML2.0	0
Bluebeam REVU	Masterworks <--> Bluebeam	REST API based	0
ESRI ArcGIS	Masterworks <--> ArcGIS	OOB – ArcGIS REST services. Parcel Association is not OOB.	112
DocuSign	N/A	Configuration - DocuSign client id, Api user id, Auth server and Private key as input	0

- Details of the integration services have been shared with the City via the Integration Discovery document dated 19th July 2024.

© 2024 Aurigo Software Technologies

3.2 Data Migration Services

Data Migration discovery of 50 hours have been allocated in this Statement of Work.

3.3 Masterworks Environments

Aurigo will set up the following environments to execute this project successfully and deliver a high-quality solution to the Client. Aurigo follows the Continuous Improvement – Continuous Deployment (CI-CD) process to promote builds from one environment to the other. Only Aurigo's Dev-Ops teams will have access to installing and making changes to the environment. Aurigo's deployment checklists, including deployment and roll-back plans, will help seamlessly promote the builds. The following environments will be available during the implementation:

Environment	Description
Sprint Review	• The primary purpose of this environment is to review the sprint releases during the solution configuration phase. • Aurigo will also use this environment to introduce Masterworks to the Client users during the business process mapping phase. • Aurigo will set up this environment before the Business Process Mapping phase. • Aurigo will update this environment at a minimum at the end of each Sprint.
System Integration Testing (SIT)	• The primary purpose of this environment is for the Client to perform System Integration Testing (SIT) and Data Migration Testing (DMT). • Aurigo will set up this environment before the System Integration Testing (SIT) begins. • This environment will have interfaces to the Client's external system that are in scope and the migrated data.
User Acceptance Testing (UAT)	• The primary purpose of this environment is for the Client to perform User Acceptance Testing (UAT). • Aurigo will set up this environment before the UAT begins. • This environment will have interfaces to the Client's external system that are in scope and the migrated data.
Training	• The primary purpose of this environment is to train the Client users. • Aurigo will set up this environment before the first training begins and throughout the training period. • Aurigo will use this environment to set up the training data and execute the training. The data will match the UAT or Pre-Production (whichever is the latest).
Production	• This environment will be the production environment with active interfaces, migrated, and live data. • This build will be set up and commissioned for use after the UAT and before Go-Live.
Pre-Production	• The primary purpose of this environment is to test the production updates after Go-Live. • Aurigo will set up this environment along with the production environment.

© 2024 Aurigo Software Technologies

Environment	Description
	• All releases or updates to the production environment post Go-Live will be updated, tested, and certified on this environment.

The only available builds post-implementation will be the Production, Training, and UAT environments. All use of the other environments will be discontinued.

3.4 Deliverable Review and Approval Timeframes

There is a standard process and timeline for reviewing and approving the project deliverables. Project deliverables include, but are not limited to, the following:

- Documentation deliverables, such as plans, requirements, or specifications
- Payment milestones
- Test results or other documentation of work performed
- Software and Software Configurations

Client will acknowledge receipt of a Deliverable within twenty-four (24) hours of delivery, excluding weekends and holidays. Below are the agreed-on timeframes for all reviews and approvals for the project:

Deliverable Status	Client Approval Turnaround Timeframe
Deliverable Review	Five (5) business days
Deliverable Approval	Five (5) business days
Amended Deliverable	Three (3) business days

In the event the Client discovers a defect during the deliverable review, the Client will notify Aurigo of the requested change as soon as practicable (the "Deliverable Notification"). The Aurigo team will acknowledge receipt of the requested change within one (1) Business Day of receipt of the Deliverable Notification. The Aurigo team will review and update the agreed upon changes in the deliverable. The amended deliverable will then be resubmitted to the Client for approval. The Client revision turnaround timeframe for any subsequent deliverable reviews will be no more than two (2) business days. Any additional requested changes will be limited to the original feedback items and will not include new changes, or items.

© 2024 Aurigo Software Technologies

4 Project Schedule

4.1 Project Milestone Calendar

A detailed project schedule in MS Project will be developed jointly with the Client during the Project Planning phase of the implementation. The plan assumes contract execution by September 17, 2024, and a production Go-Live in July 2025. Below is a ***DRAFT*** high-level project milestone calendar by project phases and planned phase durations.

City of Redmond PPM Implementation	2024				2025							
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Contract Execution												
Project Initiation and Mobilization												
Project Planning												
Requirements Validation and Mapping												
Solution Configuration and Integration												
Solution Testing												
Training												
Production Release												
Project Closeout and Transition to Support												

Assumption: The project milestone calendar is based on the assumption that the contract will be executed on or before Sep 17, 2024.

© 2024 Aurigo Software Technologies

5 Client Responsibilities and Implementation Assumptions

The following responsibilities and implementation assumptions are necessary to successfully implement Masterworks for the Client. If an item below does not occur in the manner or time frame defined, Aurigo may request to meet with the Client and mutually agree on an adjustment to the schedule, scope, and investment.

1. The Client will ensure the committed participation of all appropriate technical and user personnel throughout the project. Client resources assigned during the implementation must be empowered to make decisions on project deliverables and direction.
2. Unless specifically identified as a deliverable within this document, any item (e.g., data migration, integration, etc.) is not included within the scope of the Aurigo implementation. These items can be included through the Change Control process.
3. Aurigo will provide soft copies of all the training materials. The Client will be responsible for printing required hard copies and distributing them to participants if printed copies are required.
4. All change requests will follow the Change Control process. Any changes must be signed and accepted by the Client before initiating additional work by the Aurigo team.
5. The Client shall have the right to approve proposed new Key Personnel prior to reassignment to the project.
6. Aurigo will allocate, at a minimum, one (1) BA and one (1) PM to the project. The Aurigo BA and PM will manage any additional staff, as needed.
7. The implementation team will be available between 8:00am and 5:00pm PST.

© 2024 Aurigo Software Technologies

6 Statement of Work: Schedule B – Scope and Investment Approval

As of the last signature date shown below, both parties hereto agree that the requirements listed in this **Statement of Work: Schedule B – Scope and Investment Approval** ("SOW") to define the scope of this engagement and are the basis for the offered pricing. Any changes or modifications to the requirements listed in this SOW require a Change Order governed by the Implementation Change Control Plan defined in the **Statement of Work: Schedule A – Product and Services Approach**.

Signing for the City of Redmond, Washington (the "Client"):

_____ _____
(Signature) (Date)

Printed Name: _____

Title: _____

Signing for Aurigo Software Technologies, Inc. ("Aurigo"):

_____ _____
(Signature) (Date)

Printed Name: _____

Title: _____

© 2024 Aurigo Software Technologies

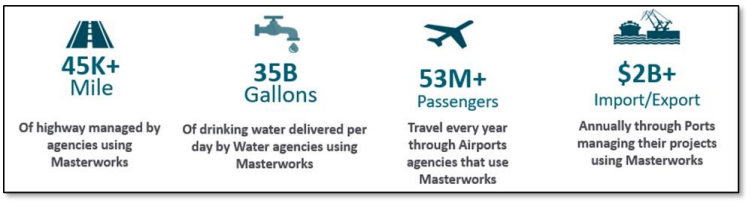
R = Required
I = Important
N = Nice to have
E = Explore

City of Redmond
Project Portfolio Management Solution Requirements

	Proposing Vendor and Solution Information	Response
	Vendor Information	
	Contact: Name, Title	The primary point of contact for Aurigo: Name: Hugh Kreizenbeck Title: Director of Sales
	Contact Phone(s)	602.339.1541
	Contact Email	hugh.kreizenbeck@aurigo.com
	Company Information	
	Year founded	Aurigo Software Technologies, Inc. was founded in 2003.
	Parent company (if separate)	Aurigo Software Technologies, Inc. is a privately held US corporation. It does not have a parent company.
	Company genealogy (name changes, mergers)	Aurigo has never been part of a merger, acquisition, or reorganization. Aurigo Software Technologies, Inc. has always operated under the same name.
	Public vs. private, exchange listing if public	Aurigo Software Technologies, Inc. is a privately held US corporation.
	Vendor Employees	
	Total	Aurigo currently has 550+ full-time employees.
	Number of employees dedicated to proposed software	A minimum of five Aurigo Team members will be assigned to the project. The standard roles for the Aurigo Team are Project Manager, Business Analyst, Training Lead, Integration Specialist, and Solution Architect. Additional experts and technicians like Configuration Specialists and Data Migration experts will be brought in to work on specified tasks per the project's scope.
	Vendor Customer Information	
	Total customers	Aurigo has over 20 years of experience providing Commercial-Off-the-Shelf (“COTS”) solutions to dozens of North American public sector agencies. Aurigo’s customers are 100% public sector, which includes federal, state, and provincial departments, cities, counties, municipalities, and government agencies, with thousands of users using Masterworks' solutions. Aurigo currently has forty-five active clients across the United States and Canada. One is a private entity, and forty-four are various governmental agencies, including eight of the fifty state DOTs that use Aurigo Masterworks Cloud to build and maintain their transportation infrastructure. The exhibit below provides a snapshot of some of Aurigo’s clients across North America. Most of these clients are government agencies equal or greater in size to the City:

R = Required
I = Important
N = Nice to have
E = Explore

City of Redmond
Project Portfolio Management Solution Requirements

	Proposing Vendor and Solution Information	Response
		 Aurigo is helping its customers plan and deliver over $300 billion of capital programs safely and efficiently. Masterworks is suitable for managing all infrastructure projects irrespective of size, scope, cost, or duration. 
	Percentage of customers in the Public Sector	Aurigo's clients are 98% Public Sector. Our primary client base includes state and provincial departments, cities, counties, municipalities, and other government agencies that employ tens of thousands of people.
	Customers in Washington	Aurigo's clients in Washington include the following: • City of Seattle • Snohomish County • King County Metro
	Customers similar to the City of Redmond	Aurigo clients that are similar to the City of Redmond include Snohomish County (Washington), King County Metro

	Proposing Vendor and Solution Information	Response
		(Washington), the City of Las Vegas (Nevada), Fort Bend County (Texas), and the City of Lincoln (Nebraska).
	Implementation model: Direct or Partner	Aurigo will provide all software and services required to implement the City's Project and Portfolio Management solution. We will not be working with a partner.
	Version Schedule	
	Proposed version and release date	Proposed Software Details: • Product Name: Aurigo Masterworks Cloud • Current version: 23.3.0 • Current version release date: Aug 17, 2023
	Typical release schedule (major and minor releases)	Aurigo will provide regular software updates to ensure the City has the most current maintenance updates and product upgrades. This well-defined process addresses each release type's scheduling, user experience, and other service factors for each release type. The City will receive advance notice of any system administration or upgrade activity and if any system downtime occurs. The City will also be informed about the content included in each release and the actions required (if any) before applying the update. The City and Aurigo will work together to promote updates and upgrades into production. New versions of Aurigo's software will always be deployed in a Staging/UAT environment for the City to test and approve before being deployed into production. There are two types of software releases: 1. **Maintenance Releases** – Maintenance releases (e.g., bugfix, patch updates, etc.) are generally initiated by a helpdesk ticket filed with the Aurigo Customer Success team. Aurigo will coordinate all maintenance releases with the City's staff to ensure little to no downtime or disruption of business. The Customer Success team will work with the City to identify the earliest opportunity Aurigo can promote the patch from the UAT environment to production. 2. **Product Releases** - Aurigo publishes a quarterly software update schedule for upgrades showing system configuration, patch management, and release plans for the following twelve (12) months. Aurigo releases new minor versions of its Masterworks software about once per quarter and new major versions every one to two years. There are two types of upgrade releases: o **Major upgrade** - The major version upgrade may include workflow changes, UI changes, new security features, or newer modules. This upgrade

	Proposing Vendor and Solution Information	Response
		release is delivered once every one to two years with prior approval from the City. Aurigo's Professional Services team typically handles major updates because they are generally more complex and may include more than updating the Masterworks software. ○ **Minor upgrade** - The minor version upgrade contains enhancements to existing features, security fixes, and application-level performance enhancements. This upgrade release is delivered no more than four times a year. The Customer Success team or other designated Aurigo representative will contact the City directly a few weeks before the update is scheduled. The Customer Success team will then work with the City to ensure the City is well-positioned to receive the update. The Aurigo Customer Success team will manage the initial deployment to the UAT and the subsequent approval by the City for promotion to production. The system administration and upgrade activities are performed in predefined windows agreed upon by the City and Aurigo. The windows typically occur between the close of business and the start of business the next day. In most cases, Aurigo can adjust downtime scheduling to meet the City's specific needs. Aurigo schedules downtime for major system updates at least 30 days in advance and commits not to exceed 12 hours of system downtime in 98% of cases. The average length of downtime for a complete system update is 2 hours. Any system administration or upgrade work needed to address an unplanned outage will be handled as a system outage as defined in the Service Level Agreement ("SLA"). Aurigo provides all Masterworks patch fixes at no additional cost during the life of the contract with the City.
	Number of prior versions supported	Aurigo provides support for the current and last two major releases of Masterworks. The City can run an older version while preparing to upgrade to the latest/newer version. The City must upgrade if Aurigo announces the discontinuation of support for an older version the City is running.
	Cost Estimate for On-Premises Deployment	
	Licensing Model: (Enterprise, Named, Concurrent)	Aurigo is not offering an on-premise solution.
	License: 50 Users (ability to add users in the future) with 450+ external users (contractors, project managers, etc.)	

R = Required
I = Important
N = Nice to have
E = Explore

City of Redmond
Project Portfolio Management Solution Requirements

	Proposing Vendor and Solution Information	Response
	Implementation Estimate: Include design, configuration, training, travel expenses, installation, data conversion, integration, reports, etc.	
	Other: Indicate any 3rd party software and associated costs for modules necessary to meet requirements.	
	Annual Support & Maintenance: Percent of software cost	
	Year One	
	Year Two	
	Year Three	
	Year Four	
	Year Five	
	Total Year One Cost	
	Total Five-Year Cost	
	Cost Estimate for Cloud Deployment	
	Licensing Model: (Enterprise, Named, Concurrent)	Named
	Annual Subscription: 50 Users (ability to add users in the future) with 450+ external users (contractors, project managers, etc.)	Year 1: $122,640 with a 3% increase annually. This subscription fee includes hosting, technical support, and Aurigo software maintenance patches.
	Implementation Estimate: Include design, configuration, training, travel expenses, installation, data conversion, integration, reports, etc.	$161,012
	Other: Indicate any 3rd party software and associated costs for modules necessary to meet requirements.	N/A
	Year One	$283,652 (this includes the implementation estimate noted above)
	Year Two	$126,319
	Year Three	$130,109
	Year Four	$134,012
	Year Five	$138,032
	Total Year One Cost	$283,652
	Total Five-Year Cost	$812,124

Aurigo Professional Service Rates:	
Project Manager, Technical and Solution Architects, Training Lead	$250 / hour
Business Analysis, Software Configuration, and Testing Specialists	$225 / hour

	Aurigo Pricing Assumptions:
1	All Pricing specified in the proposal is subject to change after the expiration of the initial contract term.
2	The Pricing specified in the proposal includes Aurigo's Silver Support Plan with 99.9% uptime, not including planned downtime, and phone support from 6 a.m. to 6 p.m. Redmond local time.
3	Aurigo expects to provide all services virtually and does not anticipate the need to bill for travel expenses. However, should travel be required, the expenses will be billed as actuals when they occur. Reimbursement will be per the City's travel policies.
4	Aurigo has included a Data Migration Discovery Session in the implementation scope. This session aims to understand the data migration requirements, define the scope, and provide the City with a defined scope and investment. If the City wants to proceed with the defined data migration scope, it can procure the services using the Project Change Control Process.
5	The Annual Subscription Fees are due upon contract signing and every anniversary date after that.
6	Any change to the agreed-upon scope or project schedule outside Aurigo's control may result in a Project Change Order and additional fees.
7	The Services investment quoted above is calculated based on the scope defined in the RFP, Aurigo's interpretation of those requirements, the City's answers to vendor questions, and the assumptions stated in Aurigo's RFP response. Any substantial changes to the assumptions or scope may result in a Project Change Order and additional fees.
8	Aurigo has provided our system integration approach and investment in the response.
9	The Pricing in this response is considered valid for ninety (90) days from the submission date.

R = Required I = Important N = Nice to have E = Explore	City of Redmond Project Portfolio Management Solution Requirements	
	Functional Requirements	**Comments – How does the solution address this?**
	Areas of Functionality	**Identify if 3rd Party solution is required for functionality**
R	1. Finance	Masterworks Capital Planning product can manage cash flows, plan multi-year programs, collaborate across key stakeholders, and drive year-on-year execution plans. The product can produce dynamic what-if forecasting for multi-year and multi-regional programs, monthly cash flow forecasting, and multiple plan/forecast comparisons. Masterworks will provide the City with the following capabilities to plan its capital projects seamlessly: • **Capital Projects:** Strategic objectives, multi-year planning, project scoring, approvals, and monitoring progress. • **Capital Programs:** Create and approve multi-year programs for CIP or TIP programs, determine fund source(s) and fund availability, track decisions, track approvals, and track progress. • **Funds:** Determine fund sources, fund programs and plans, fund allocations, fund availability, and funding reports • **Budgets:** Manage cash flows, track funding sources, track itemized costs, track revisions, budget allocation, and budget reports • **Analysis:** What-if analysis, budget analysis, CIP/STIP phased schedules, cash flow management • **Forecasting:** Compare multiple forecasts, multi-year cash flows, theoretical forecasting, Inflation adjustments, Interest capitalization, and expenditure curves • **Reports and Graphs:** Completion status reports, project financial reports, program financial reports, fiscal constraint reports • **Integration:** Financial systems, data warehouses, project management systems, ESRI/GIS mapping, DocuSign e-signatures
R	2. Project/Portfolio Management	Masterworks has program and portfolio planning capabilities to help the City track numerous projects, allocate funds to the right projects, manage multi-year schedules, and keep projects within budget. Masterworks combines everything the City will need to group projects into portfolios and programs. Program/Portfolio Managers and Directors will have access to screen forms, reports, and dashboards to assist them in managing the business. Masterworks comes with standard reports and dashboards that show KPIs and metrics at the program, portfolio, and project levels. The City can use the Report Builder in Masterworks to configure additional reports and dashboards that show project-related metrics such as project health, schedules, KPIs, cash flows, budget status, and funding availability.

		The City can configure dashboards that display administrator-level information for the Program/Portfolio Managers and Directors. From within the reports and dashboards, authorized users can drill down from the program/portfolio level to the project details or roll up from the project level. Users can display a summary of project schedules at the program and portfolio levels, and Masterworks can perform what-if analyses on projects and portfolios.
R	3. Contract/Bid Management	Masterworks' Estimation and Bidding product provides full procurement and bid management features that support the development of bid packages, management of solicitation invites, enforcement of bid open and close dates, collection of bids, comparison bids, and awarding contracts. The product can create commitment and value statements for all procurements. The City can compare bids with the engineer's estimate and differences in unit bid prices between bidders and the engineer's estimate. The analysis provided by this feature enables managers to determine the most competitive bid before awarding.
R	4. Construction Management	Masterwork's Construction Project Management product is the most complete solution on the market today. The City can use it to plan, track, and manage construction project resources, schedules, budgets, contracts, and risks to ensure projects are on time and within budget. The product supports intricate engineering estimates, contractor/consultant management, worksite equipment and material tracking, and all labor and skills requirements. It combines everything the City needs to plan, track, automate, and manage project funds, budgets, labor, equipment, materials, schedules, contracts, inspections, environmental compliance, and risk management in one integrated solution. The City will have all the information it needs to manage its construction projects.
R	5. Document Management	Masterworks has comprehensive document management capabilities that facilitate collaboration and organization of content in designated project folders. The solution will support document classification, metadata features, and a robust search engine. Business rules and role permissions determine who can upload, check-in or out, move, or delete files. Workflows can be associated with business activities and file types to manage document review and approval processes. Built-in version control allows authorized users to retrieve any version of a document.
R	6. Reporting	Masterworks will help the City stay in front of its projects by bringing real-time reporting to capital programs, construction, and maintenance projects. Masterworks comes with dozens of standard reports with analysis and comparison capabilities that aid decision-making. Additional reports can be configured to address specific requirements. Authorized users can create ad hoc reports, such as fund accounting and vendor summary reports, from any data set in the solution the user can access. Reports, once rendered, can be exported into various formats, including Word, Excel, PDF, PowerPoint, etc. The solution will include many dashboards to provide the City with decision-support assistance.
	Technology	

R	7. Deployment model (On premises, cloud single tenant, cloud multi-tenant, etc.).	Masterworks is a SaaS solution hosted in the Cloud on the Amazon Web Services (AWS) public cloud platform. The City's data, configured forms, workflows, reports, and documents will be in a single-tenant environment.
R	8. If cloud deployed, list cloud platform provider utilized (e.g., Azure, Amazon Web Services, etc.).	Masterworks will be hosted on the Amazon Web Services (AWS) public cloud platform.
R	9. If on premises deployed, list server/platforms supported and percentage of customers on each.	Aurigo does not provide on-premise solutions.
R	10. If on premises deployed, list databases supported and percentage of customers on each.	Aurigo does not provide on-premise solutions.
R	11. If on premises deployed, describe virtual server support.	Aurigo does not provide on-premise solutions.
R	12. Describe different levels of support, if offered, including hours of operation.	Aurigo provides world-class client support using an in-house team based out of Aurigo's corporate headquarters in Austin, Texas. The City can contact Aurigo during support hours via telephone or 24x7x365 via email or web portal. Aurigo offers three levels of support for its clients: • **Aurigo Silver Support:** The Silver Support Plan is Aurigo's standard software support plan. Clients receive phone/web support from 8 a.m. to 5 p.m. client local time. The Plan includes restorations for any issues that might arise during normal operations. Each issue is categorized by severity, and Aurigo commits to strict service level agreements (SLAs). Also, the client can access all software updates and upgrades Aurigo produces. Aurigo makes its enhancements available to all clients as they are released so they can run the latest and greatest version of Masterworks. • **Aurigo Gold Support:** The Gold Support Plan comprises everything in the Silver Plan, increases the response priority, and provides extended support hours from 8 a.m. to 5:30 p.m. client local time. The Plan allows clients to acquire additional blocks of support hours for post-production configuration changes for an additional yearly fee. The amount of support person-hours can be customized to meet the client's needs. • **Aurigo Platinum Support:** The Platinum Support Plan comprises everything in the Gold Plan, increases the response priority to the highest level, and provides extended support hours from 8 a.m. to 6 p.m. client local time. The Plan allows clients to acquire additional blocks of support hours for post-production configuration changes for an additional yearly fee. The amount of support person-hours can be customized to meet the client's needs. The City can select the Support Plan that meets its needs. All three Support Plans require the City's IT Department or Helpdesk to provide Level 1 support and take initial support calls directly from the

<table>
<tr><td></td><td></td><td>City's end-users. If the IT Department or Helpdesk cannot resolve a Masterworks software issue, the issue can be escalated to Aurigo’s Customer Success team by an authorized City IT Department or Helpdesk staff member. Aurigo will only provide Level 2 and Level 3 support directly to the City’s IT Department or Helpdesk staff.</td></tr>
<tr><td>R</td><td>13. Describe support service level agreement provided, including target response and resolution times.</td><td>Aurigo commits to responding to support requests in a timely manner. If the issue is because of a bug, a fix may take longer, depending on the nature of the bug. The time to fix will be bug-specific, and an estimate will be provided to the City. In such cases, Aurigo will provide a workaround or advisory instructions (such as when the fix will be released into production), stopping the SLA clock for that specific issue. The service level time will be measured from the first communication to Aurigo via email or the support line during standard business hours. To calculate "Time to Repair" accurately, the clock will pause if Aurigo waits for the City's approval, clarification, or confirmation for corrective change. This applies to all severity levels.

The SLAs for the target response and resolution times will be outlined in Schedule 2, “Support Plan and Service Level Agreement,” of Aurigo’s Services Subscription Agreement (“SSA”). The SSA is attached in Section 6 of the Response Document. The SLA times will depend on the issue's severity and the support plan chosen by the City. The following table outlines the typical response and resolution times.

<table>
<tr><th>Aurigo Support Plan</th><th>Silver (included with the subscription fee)</th><th>Gold (purchased separately)</th><th>Platinum (purchased separately)</th></tr>
<tr><td colspan="4">Incident Response Times</td></tr>
<tr><td>Severity 1</td><td>1 Hour</td><td>45 Minutes</td><td>30 Minutes</td></tr>
<tr><td>Severity 2</td><td>4 Business Hours</td><td>3 Business Hours</td><td>2 Business Hours</td></tr>
<tr><td>Severity 3</td><td>1 Business Day</td><td>6 Business Hours</td><td>4 Business Hours</td></tr>
<tr><td>Severity 4</td><td>1 Business Day</td><td>1 Business Day</td><td>4 Business Hours</td></tr>
</table>

<table>
<tr><th colspan="4">Incident Restoration Times</th></tr>
<tr><td>Severity 1</td><td>4 Hours</td><td>3 Hours</td><td>2 Hours</td></tr>
<tr><td>Severity 2</td><td>2 Business Days</td><td>2 Business Days</td><td>2 Business Days</td></tr>
<tr><td>Severity 3</td><td>7 Business Days</td><td>7 Business Days</td><td>7 Business Days</td></tr>
<tr><td>Severity 4</td><td>90 Business Days</td><td>45 Business Days</td><td>30 Business Days</td></tr>
</table>
</td></tr>
<tr><td>R</td><td>14. Describe training options, including at implementation (train the trainer, instructor led, etc.) and ongoing options.</td><td>Aurigo offers the following training options described in detail below.

• At Implementation Training Options:</td></tr>
</table>

		○ System Administrator Training ○ Train-the-Trainer Training (TTT) ○ Training Material & Documentation ○ Training Environment ○ Support for City-led Training (offline support) • Ongoing Training Options: ○ Annual Recurring Training Sessions ▪ Train-the-Trainer Training (TTT) ▪ System Administrator Training ▪ Refresher Training ○ Videos (pre-recorded videos) ○ Certification Programs Aurigo's cost proposal only includes the "At Implementation Training Options." The "Ongoing Training Options" are available at an additional cost. The following briefly describes Aurigo's "At Implementation Training Options." **System Administrator Training** Aurigo proposes a one-time Virtual Instructor-led Training (VILT) for up to fifteen (15) administrative users/IT support staff identified by the City. The course lasts approximately eight (8) hours and includes hands-on activities to adequately prepare the City admin staff to support and maintain the system and its users. System Administrator training comprises user management, user role and access permissions, system and functional configuration, workflow management, and form builder courses. System Administrator training will be delivered virtually (online) using web conferencing tools such as MS Teams or Zoom. The method of instruction includes a topic overview using presentation slides, followed by an in-system demonstration, and finally, in-system hands-on practice for learners. Hands-on activities are conducted using virtual breakout rooms. ***Training Material and Documentation for System Administrators:*** Aurigo will provide an electronic/soft copy of the following materials: • Microsoft PowerPoint presentation slide deck (Feature Overview) • System Administrator documentation in the form of context-sensitive Online Help for administrators accessible from the system **Train-the-Trainer (TTT) Training** Aurigo proposes a one-time Virtual Instructor-led Training (VILT) for up to fifteen (15) City users. The course duration is approximately forty (40) hours delivered across seven (7) consecutive business days with no more than six (6) hours per day. In the TTT training, Aurigo will train key City users on the full system functionality as configured for City business users. The City's trained personnel will then train the City end users. The value of this approach is developing a sustainable

		group of in-house trainers for long-term training needs. The TTT training will be delivered virtually (online) using web conferencing tools such as MS Teams/Zoom. The method of instruction includes a topic overview using presentation slides, followed by an in-system demonstration, and finally, in-system hands-on practice for learners. Hands-on activities are conducted using virtual breakout rooms. For the proposed class size of fifteen(15) users, we group learners into two breakout rooms - one led by an Aurigo trainer and another by City SMEs. Note: For the Train-the-Trainer session, Aurigo expects the City to provide SME/business process experts to support the Aurigo trainer during the training, to respond to the City-specific business process questions from participants, and to support the breakout rooms during hands-on practice. Aurigo recommends that the identified City trainers be engaged early and participate in project activities for this approach to be most effective. Participating in configuration activities, such as sprint demos and testing, and UAT sessions will prepare them sufficiently before the TTT. At a minimum, the TTT participants MUST be assigned to the (user acceptance testing) UAT to be better prepared before attending TTT. TTT participants will be required to attend TTT in its entirety and may not opt out of specific sessions. ***Training Material and Documentation for Train-the-Trainer Training:*** Aurigo will provide the electronic/soft copy of the following materials: • Microsoft PowerPoint presentation slide deck (feature overview) aligned with the courseware designed for the system as configured for the City • Participant (end-user) Guides with steps for hands-on practice aligned with the TTT courseware • User documentation in the form of context-sensitive Online Help for end-users accessible from the configured system **Training Environment:** Aurigo will provide an exclusive environment for use during training. Aurigo will provide the training environment with base library data and sample users to support the TTT and System administrator training. If the City requires specific data, the City must provide and assist in configuring the sample data in the training environment. Aurigo will continue to provide access to the TTT training environment for up to thirty (30) days after TTT so the City can use it to deliver end-user training. The City will be responsible for configuring additional data, as required, to deliver the end-user training. **Support for City Trainers (offline support):** Aurigo's proposal assumes that the City will deliver the end-user training post-Aurigo-delivered Train-the-Trainer. Aurigo will provide offline technical support to the City trainers as they prepare to

		deliver the end-user training. The scope of support by Aurigo includes the availability of the training environment (same as the TTT environment) and offline support with questions and clarifications to City trainers as they prepare for the end-user training. Aurigo proposes to provide offline support to trainers for up to five (5) hours over a week. **Assumptions:** • If the City identifies the need for Aurigo to deliver additional Train-the-Trainer sessions or End-User training, Aurigo will work with the City to identify the **scope and the costs associated** with it. • All training is delivered virtually online. The City must provide participants access to computers/laptops with requisite internet connectivity and browsers. • The City may deliver end-user training with the TTT training materials provided by Aurigo or modify the materials as required to deliver end-user training. • Aurigo will provide soft copies of all the training materials. The City may print and distribute hard copies to participants. Note: All proposed training sessions are Virtual Instructor-led Training (VILT). In this method, all training will be delivered by an Aurigo instructor virtually (online) using tools such as MS Teams or Zoom. **Ongoing Training Options:** Here is a brief description of Aurigo's "Ongoing Training Options" offered as optional services and not part of the proposal. **Annual Recurring Training Sessions:** Aurigo offers additional training options for an additional cost, as described below. • Train-the-Trainer Training (TTT): Aurigo offers a repeat of the Train-the-Trainer courseware delivered during implementation. The City can arrange for the repeat sessions to occur once or twice annually. The repeat program will use the same materials AND method as during implementation. • System Administrator Training: Aurigo offers a repeat of the System Administrator courseware delivered during implementation. Customers can choose either once annually or twice annually for the repeat sessions. The repeat program will use the same materials and method as during implementation. • Refresher Training: Aurigo offers a refresher training program, typically custom courseware developed for the customer, ranging from 6 to 8 hours courseware. The City can either get a summary (overview) session of the full program as a refresher or choose specific topics to be covered in the refresher program. The refresher program can be adjusted and priced as required.

		Videos (pre-recorded videos): Aurigo offers pre-recorded videos that can be used for ongoing training at an additional cost. Typically our customers avail this service for important business functions. If the City identifies the need, Aurigo will scope the requirements with the City. **Certification Programs:** Aurigo offers our customers a comprehensive Online Certification Program - "Certified Aurigo Masterworks (CAM)" to our customers. The certification is primarily offered to all the participants of the Aurigo-delivered training, such as Train-the-Trainer and System Administrator training. The certification will align with the system configured for the City. The participants earn their Aurigo Masterworks digitally verified certificate and badge upon completing the program. While the CAM certification program is typically a paid service, Aurigo is pleased to offer the program to the City of Redmond one-time for free at the end of implementation, if desired. If the City chooses to get the certification at some other time in the future, the program will be a paid service.
R	15. Web browser agnostic (Microsoft Edge, Chrome, Firefox).	Masterworks is accessible via the web using a standard browser such as Google Chrome, Apple Safari, Mozilla Firefox, and Microsoft Edge.
R	16. Ability to support Microsoft Active Directory for single sign-on.	Masterworks can support Single Sign-On through authentication providers like Active Directory Federation Services (ADFS), Lightweight Directory Access Protocol (LDAP), Microsoft/Azure Active Directory, Okta, Duo, OneLogin, Ping Identity, and CyberArk.
I	17. Multi-factor authentication or integration.	Masterworks provides an Identity Services utility with login options such as standard username and password, Single Sign-On, and Multi-Factor Authentication. These options will allow the City to customize the access security to meet its needs.
R	18. Configurable user access.	Masterworks' role-based permission capabilities will allow the City to control access by configuring user roles that uniquely identify the groups to which users belong. Each user role can be given permissions that control user access to data, forms, reports, dashboards, and documents. These role-based features will allow the City to manage user access effectively and ensure that the right individuals have the appropriate permissions. Users can be assigned to one or more roles based on their responsibilities and data access requirements. Permissions granted to a role are automatically extended to the users assigned to that role, streamlining the permission management process and ensuring consistency. This flexible approach will allow System Administrators to tailor permissions for each role, ensuring users have access only to the data and functionalities relevant to their responsibilities.
R	19. User and role-based security.	Masterworks utilizes role-based permissions for internal access and security. System Administrators will have roles that allow them to view and edit all roles and permissions across the application. The security roles assigned to a user will determine what data, forms, and reports the user can access.

R	20. Configurable menus, screens, and dashboards.	Masterworks' Configuration Toolkit has tools that allow authorized users to configure forms (screens), workflows, reports, and dashboards. The menus depend on the software that makes up the City's solution. The menu structure will be configured during implementation.
R	21. List integration tools or web services and describe integration interfaces (e.g., application programming interfaces, web services, etc.).	Masterworks is purpose-built to be an integration-friendly solution. Masterworks has a standard, flexible Open API that can be used to integrate the City's solution with nearly all third-party software and middleware. Aurigo applies Service Oriented Approach (SOA) principles to its integrations to help transform IT systems, applications, and data sources into highly flexible and reusable services. Masterworks also supports manual import/export, batched, and real-time integrations. The Open API has numerous pre-built web service-based APIs that any application can consume. Aurigo has integrated its Masterworks solution with many systems: • Project and Portfolio management system - Primavera P6 • Project Scheduling - MS Project, Primavera P6 • Finance and Accounting - JD Edwards, Oracle EBS, PeopleSoft, SAP, Workday • Geo Location - Esri ArcGIS • Document management systems - LaserFische, ProjectWise, SharePoint • Design systems - iPD (Exevision) • Construction Management - Aashtoware FieldManager, Aashtoware Project Construction & Materials Aurigo utilizes the following practices to develop integrations: • **Determine the Touchpoints** - Aurigo will conduct integration workshops with the City SMEs to identify the integration touchpoints with each application. Doing so will help the City understand the overall data flow between the systems and design an optimal solution. • **Define the Data Model** - Aurigo Solution Architects will elaborate on all the touchpoints identified with the technical team of each interfaced application to identify data attributes flowing between the systems (data mapping), workflows, schedules (real-time or batch), and modes of communication. • **Document the Approach** - Aurigo will prepare a technical interface document for the Aurigo and City configuration teams that provides all the details required to configure the interfaces. • **Test the Integration:** The Aurigo Integration Specialist will ensure test data flows between Masterworks and the integrated systems as expected. This test will be performed on a staging or test implementation of the system in production. The development environment will be used for this portion of the test. • **User Acceptance Testing:** Integrations between Masterworks and the integrated system will be tested to determine the appropriate data flows between systems with the expected

		triggers or scheduled batch times. City and Aurigo teams then verify the data to ensure it is accurate and acceptable. User Acceptance Testing will take place in a dedicated UAT environment. • **Go-Live Cutover**: Once Masterworks goes live, the integration will be pointed to the production environment. The integrations will be closely monitored during the hyper-care warranty period to ensure everything works as expected. Aurigo has a dedicated team of Integration Specialists that develop and deploy intelligent and efficient system integrations. The team has specialized knowledge of the Aurigo APIs and batch processing capabilities. Aurigo's approach to configuring system integrations will significantly reduce the risks for the City.
	22. Major key systems for interface or integration. Explain how your system might integrate or replace this solution, and if you have experience with it:	
R	A. Power BI (Reporting/Data Warehouse)	Masterworks has a highly adaptable API system that can be used to integrate the City's new solution with third-party reporting and data warehouse applications. This creates a powerful data repository that enables tracking and reporting of projects at an enterprise level. The City can integrate data and workflows in real-time, ensuring accurate and current information in all integrated systems. Masterworks' reporting capabilities can replace third-party reporting tools like Power BI. Our Report Builder tool has SSRS capabilities the City can use to recreate the reports and functions found in Power BI. Aurigo has experience integrating its Masterworks solutions with third-party reporting tools. Masterworks' APIs can integrate the proposed solution with Power BI if the City decides to continue using that software. Data can be regularly exported from Masterworks and uploaded into Power BI.
R	B. MS Office (Excel, Word, etc.)	Masterworks can be integrated with Microsoft Office 365, MS Teams, and One Drive. Workflows in Masterworks can send email notifications to users via Microsoft Office 365. Additional discussions may be required to fully define the City's requirements and scope for integrating with Microsoft Office apps.
R	C. Microsoft D365 Finance and Operations (Financials/Project Accounting)	Masterworks can be integrated with the Microsoft D365 finance and operations system. Additional discussions will be required to fully define the City's requirements and determine the scope and potential costs for implementing the functionality.
R	D. DocuSign (electronic signature)	Masterworks comes with APIs that can be used to integrate the City's solution with DocuSign. Masterworks' Open API can also be used for integrations with other digital signature applications. The City will be responsible for purchasing and maintaining the licenses for the eSignature applications.
R	E. Microsoft Azure Active Directory (Authentication)	Masterworks can be integrated with several Single Sign-On (SSO) providers for authentication, including Microsoft Azure Active Directory.

R	F. Bluebeam Revu (Plan Review and Construction Document Management)	Masterworks can be integrated with Bluebeam using its Open API. Files created or edited in Bluebeam can be uploaded into the solution, and Masterworks will maintain a version history each time a document is uploaded.
R	G. ESRI ArcGIS (Geographical Information System)	Masterworks comes with APIs that can be used to integrate the City's solution with Esri ArcGIS. Map screens and controls can be enabled on location-related forms like project, issue, and risk forms. Additionally, Masterworks has a map viewer that can display multiple locations at the enterprise level.
I	H. Autodesk PlanGrid/Build (Inspections/Punch List)	Aurigo has an exclusive partnership with Autodesk, the leading design and construction technology company. The two companies have created software integration connectors between Autodesk's and Aurigo's systems to bring together best-in-class design and construction products for public agencies, private owners, and contractors. Masterworks can be integrated with Autodesk PlanGrid, the popular Autodesk Construction Cloud mobile contractor application. The integration will give the City's contractors working on public infrastructure projects an easy way to access Aurigo project files from their mobile devices, including inspection data stored in Masterworks and the punch lists associated with the projects the contractors are working on.
I	I. SharePoint (Collaboration)	Masterworks can be integrated with the City's SharePoint instance for transferring documents between the two systems. Workflows can be configured to monitor document additions and changes on Masterworks and transfer the documents to SharePoint when needed.
I	J. Microsoft Project (Project Management)	Masterworks has full-fledged project scheduling capabilities, allowing the City to plan its projects in detail. In addition, the solution can seamlessly integrate with other project planning applications such as Microsoft Project and Primavera.
I	K. MS Outlook (Email)	Masterworks integrates with Microsoft Outlook for sending email notifications. Notifications can be sent based on a user's workflow actions or specific triggers defined in the system. Masterworks also has an Outlook plugin that can be installed on a user's client system. It will allow users to upload email contents and attached documents to Masterworks folders directly. Aurigo will work with the City's IT personnel to configure how Masterworks will integrate with the City's email systems.
I	L. Lucity (Asset Management)	Masterworks has Asset Management capabilities, including a library of business processes (e.g., forms, workflows, reports, etc.) that can be implemented and configured to the City's requirements. Based on Aurigo's experience with its other clients, the Masterworks solution is generally used to capture and manage assets during the project execution. After the project is closed out, the asset information can be exported or integrated into the City's Lucity asset management system. Further discussion is required to determine how the City could best utilize Masterworks' asset management capabilities.

E	M. Energov (Permitting)	Masterworks has a Permitting product as part of its Enterprise suite. It includes a library of business processes (e.g., forms, workflows, reports, etc.) that can be implemented and configured to the City's requirements. Based on Aurigo's experience with its other clients, the Masterworks Permitting product is used to configure business processes for tracking and managing project permits. Further discussion is required to determine how the City could best utilize Masterworks' Permitting product.
R	23. Mobile Strategy: App and/or Hyper Text Markup Language5 (iOS and Android).	Aurigo's Masterworks Mobile application runs on the latest and two most recent previous versions of iOS, Android, and Windows Mobile. Masterworks is also compatible with Windows PCs, tablets, and Windows, iOS, and Android mobile devices using standard browsers.
I	24. Store and forward capability (support mobile offline work).	The Masterworks Mobile app gives users in the field the flexibility to easily submit and respond to processes, view and annotate documents, and, most importantly, work offline when there is no internet connection. Data entered or changed on mobile devices in the field automatically syncs when internet connectivity is restored.
I	25. Ability to download documents for offline access (different from above) on mobile devices.	Users can download documents to their mobile devices while connected to the internet, including documents related to assets, inspections, work orders, warranties, specifications, and maintenance schedules. The documents will then be available for viewing in the field using the Masterworks Mobile app, even if the mobile device has no connectivity.
I	26. Data encryption in transit and at rest.	Masterworks encrypts data in transit using accepted HTTPS and TLS 1.2 protocols. Data at rest is encrypted with AES 256-bit encryption.
R	27. Meets System and Organization Compliance 2 standards.	Aurigo serves many clients in the public and private sectors who require Aurigo to provide comprehensive compliance controls and meet multiple Federal and State security standards. Aurigo maintains the following key compliance certifications and standards: • SOC 2 Type 2 (SSAE 18) Certified • NIST 800-53 (Rev. 4) Moderate Baseline Compliant • FedRAMP In Process • StateRAMP Ready • ISO 22301:2019 Certified Aurigo has also achieved the Amazon Web Services (AWS) Government Competency status. This accreditation recognizes Aurigo as an AWS partner with deep domain knowledge and the ability to deploy solutions seamlessly through the AWS platform.
R	28. Documented disaster recovery/business continuity policies (if cloud deployed).	Aurigo has developed a comprehensive Business Continuity and Disaster Recovery (BC/DR) Plan to ensure the continuity of its primary business functions and address potential disruptions. The plan is ISO22301:2019 certified and utilizes the AWS North Virginia region as the primary data center. Regular backups are stored in the secondary AWS Oregon regional data center, with additional backups stored on servers in separate buildings within the Virginia regional data center. Aurigo can restore backups in the event of a catastrophic server failure in the Virginia regional data center.

		Aurigo's BC/DR plan also includes maintaining an always-up-to-date backup of client implementations, configurations, and data. The backups fully comply with the NIST 800-53 data backup, recovery, and retention standards. Masterworks is SOC 2 Type 2 certified, and the backup procedures and practices incorporate all the practices related to business recovery, including the software and support services. Aurigo uses the BC/DR plan to provide a reliable and secure environment for its operations and valued clients.
R	29. Configurable data retention policy with alerts for automatic document deletion.	Masterworks will retain the City's data in the solution as long as the system is active and there is an active contract. Only authorized users can delete data within the solution. Data retention rules can be configured to meet the City's data retention policies. They will vary per the Support Plan chosen by the City. For example, Masterworks can be configured to allow authorized users to select documents and dispose of them only after the data retention requirements are met. Additional data retention capabilities can be provided at an additional cost.
I	30. What are your file size limitations? (looking for unlimited file size)	There is no theoretical size limit for files uploaded into the solution. However, the City can set a maximum file size limit as part of the solution's settings. Masterworks comes with 2 TB of data storage in the Annual Subscription Fee. Additional storage is available for an additional annual fee.
I	31. Support metadata searches.	Masterworks can search document metadata fields. Metadata can be defined based on the type of document.
I	32. Describe how conditional logic is used in data entry, e.g., use an if-do condition to show or hide different fields based on an answer to a previous question.	The City can configure business-specific forms in Masterworks. Using the Form Builder tool, the forms can be configured to utilize logic and business rules defined by the City to perform various functions. These functions include validating data entries, calculating totals, and displaying error messages when necessary. Additionally, logic can be added to create dropdown lists of valid entries, perform automatic searches, display data from other tables or systems, and show or hide fields based on user permissions.
	General Requirements	
R	33. User definable rules-based workflow, including configurable multi-channel notifications (email, system notifications, popups, etc.).	Masterworks comes with a built-in workflow engine with an easy-to-use Workflow Designer tool. The workflow engine can process City-definable processing rules. As part of the implementation, Aurigo will configure key business processes and train City-designated System Administrators to configure additional business processes. The workflow engine and Workflow Designer tool provide the ability to easily: • Create simple or multistage workflows. • Support manual, ball-in-court routing between users • Perform complex validation rules using expressions. • Generate notifications via email and in-app task lists. • Push or fetch data from other systems • Trigger secondary or parallel workflows automatically. • Track approval history

		• Generate notifications that address multiple items per user rather than a separate notification for each action.
R	34. Near real-time project data collaboration and co-authoring of information.	Masterworks allows authorized users to perform real-time data collaboration and co-authoring of information. All authorized users can access and update the same data source simultaneously.
I	35. Notifications that can be triggered by status changes (e.g., when a document is modified or approved).	Masterworks' workflow engine can send automated notifications upon any status change.
R	36. Visual view of workflows.	Masterworks' Workflow Designer tool allows authorized users to view graphical representations of workflows.
I	37. Workflow delegation capability.	Masterworks' Workflow Designer tool can delegate actions in a workflow to specific users or used groups if the user or group has permission to access the data or forms. Authorized users can delegate an action or task to another user for a defined timeframe if the user originally assigned is unavailable. All workflow tasks get assigned to delegated users automatically with appropriate email notifications when a workflow is initiated or a workflow stage is completed.
N	38. Ability to share large data files with users not permissioned to the project or system.	Masterworks does not allow sharing data files with non-registered or non-permissioned users as a security measure. Authorized users can download files and distribute them manually.
R	39. Drill-down to source transactions.	Masterworks allows authorized users to drill down to source transactions based on information availability and data attributes. However, configurations may be required to allow drill-down capabilities on some reports and dashboards.
R	40. Attach documents to transactions within the system.	Masterworks allows authorized users to attach documents to a project record within the solution. The documents can be referred to in any workflow or process. Also, links to the uploaded documents can be shared.
R	41. Wild card searches and queries.	Masterworks' enterprise search feature allows users to search for information in the database and document metadata using wild cards in the parameters.
I	42. Ability to create and search user-defined fields.	System Administrators and authorized users can add custom fields on all forms. All fields on a form can be used to enter parameters for queries and reports.
R	43. Audit trail with date, time, user stamp and historical values for all data fields including metadata and chats.	All data changes can be tracked, and an audit trail can be maintained using Masterworks' audit log functionality. With every change in data, the system can capture the user details, date, timestamp, previous value, new value, and action type. Audit Logs can be exported to Excel files and downloaded for analysis. Additionally, version control can be configured to ensure that a history of changes is captured for each change to a database record.
N	44. Context-sensitive help & ability to add City specific help information.	Aurigo will provide context-sensitive Online Help as part of the solution implementation, accessible via the Help menu button incorporated into the solution. The help files will be specific to the City's solution configuration. Any customizations or addition of City-

		specific help information will need to be provided by Aurigo's Professional Services group.
R	45. Library of pre-loaded documents/checklists including hyperlinks.	Masterworks' document management capabilities will include a repository for electronically storing and tracking documents, checklists, specifications, and manuals. The solution will facilitate the organization of the repository with documents logically and hierarchically stored in project folders and sub-folders to ensure consistency across the enterprise. Each document in the repository can be accessed using a hyperlink.
R	46. Ability for external entities (contractors and consultants) to access system with security.	Authorized users can access the City's solution anytime, anywhere on the internet, using standard web browsers such as Google Chrome, Apple Safari, Mozilla Firefox, and Microsoft Edge. The City's System Administrators can create user accounts that give external users access to only specific projects and functions in the solution. Authorized external users can log into the system and submit applications, upload drawings, access project information, and perform other activities permitted by their user roles. All activities performed in the solution by external users will be traceable using the user's unique account ID.
I	47. Functionality to create and enforce naming standards.	Masterworks can be configured to enforce naming standards. System Administrators can manage solution-wide settings such as file names cannot be longer than 128 characters or passwords must be fourteen characters in length or greater. The data entry forms used in the solution can also be configured to enforce naming standards. For example, names for new projects must end in the four-digit year in which the project was initiated (e.g., RedmondCityProject - 2023).
N	48. Ability to track permit requirements.	Permit requirements can be defined and maintained in one or more tables in the Masterworks Library. The forms used to track and maintain permit information for the City can be configured to use the permit requirements for validating data entered on the forms.
R	**Finance**	
R	49. Prepare and maintain project budgets based on custom templates, e.g., transportation, water, sewer, storm, etc.	Masterworks can use templates to create project budgets for each type of project the City manages. Budget templates can be configured to set up business processes, budget limitations, workflows, standard libraries, and document requirements. The associated project budget template will be applied whenever a new project is created for a City department.
R	50. Support Capital Investment Program Portfolio budgeting – biennium (every 2 years) and 6-year proposals.	Masterworks' Capital Planning and Portfolio Management product has budgeting features that will help the City build and maintain its capital investment program and portfolio budgets at a detailed level. Budgets defined and approved for each project will roll up to the program or portfolio level. The City will have everything it needs to plan and manage large, multi-year budgets for capital, infrastructure, and maintenance programs and portfolios.
R	51. Support creating budget documents such as project information sheets, graphics, etc.	The Report Designer in Masterworks can be used to create budget-related reports and dashboards that meet the City's business requirements. The reports and dashboards can contain detailed data

		lists, graphics, etc. They can be configured to display funding sources and revisions, budget allocations and cash flows, and itemized costs.
R	52. Track funding sources by fund, project, phase, month, year, grant, taxes, REET, etc.	Masterworks' fund management capabilities can be used to track multiple funding sources by fund, project, phase, month, year, grant, taxes, or REET. Each funding source can be used to fund multiple projects. Funding for projects can include fixed amounts from one or more funding sources or multiple amounts from multiple funds assigned as a percentage from each fund.
R	53. Track multiple funding sources to a project (grant, revenues, REET, etc.).	Masterworks' fund management features include tracking multiple funding sources for a project, such as funding from grants, revenues, REET, etc.
R	54. Ability to allocate and reallocate funding.	Authorized users can allocate and reallocate funding for budgets, and budget amounts for projects down to the task level.
R	55. Project management integrates to D365 Finance and Operations (project accounting), including revenues and expenditures, project staffing, and date fields from the project schedule.	Masterworks can be integrated with finance and operations systems like Microsoft's D365 using the Open APIs. Aurigo will work with the City's SMEs to understand the requirements in detail, conduct the data mapping sessions, and configure the integrations.
R	56. Real-time visibility of project finances (budgets, forecasts, actuals, etc.) by location, by project, by project phase, by project line item.	Masterworks can provide real-time visibility of project finances. Reports and dashboards that show current budgets, forecasts, and actuals by location, project, project phase, and project line item can be configured.
R	57. Project-specific budget and revenue to actuals reporting.	Reports and dashboards that show project-specific budgets and funding revenues to actuals can be configured.
R	58. Project change order tracking/history.	Masterworks has Change Order capabilities. Change Orders can be initiated for multiple aspects of a project or contract. Relevant documents can be attached to support the change requests. Approval workflows can align with the City's business processes. Once a Change Order is fully approved, the affected project or contract will automatically be updated.
N	59. Forecasting capability, including long term (i.e: 6, 10 and 25 year) cost/revenue escalation or de-escalation.	Masterworks has forecasting capabilities at project and contract levels. Forecasts can include allocations for long-term cost or revenue escalation and de-escalation. Linear and non-linear distribution curves can be used to calculate forecasts. The solution can automatically generate forecasts for the defined budget estimates. Also, the solution will enable users to adjust the distributed costs in the forecast. Once an optimum forecast is determined, the user can route it for review and approval via a workflow. The system can also generate a blended forecast that considers actual spending history.
I	60. Ability to create and manage what/if scenarios.	Masterworks enables users to perform what-if analysis both at project and program levels. For a project, the user can create multiple budget estimates, each with multiple cash flow forecasts. This enables users to do what-if comparisons using different budgets and cashflows and finally zero in on the optimum budget. Users can perform what-if analysis at the program level using a unique feature called 'fund-based what-if.' The feature lets users view and perform what-if analysis based on fund sources. Having clarity on fund-specific

		project requirements and available funds, users can determine the best project mix.
R	61. Manage project pay estimates/pay requests to contractors.	Masterworks allows authorized users to create payment requests (pay estimates) from the dailies. Workflows will be configured for approving the dailies and pay estimates. Contractors can request their pay estimates in Masterworks, which can then be routed to the City's staff for approval.
R	62. Functionality to support billing multiple schedules and project numbers.	Masterworks can be integrated with the City's financial systems to support invoicing processes that include multiple project numbers and billing schedules.
N	63. Track materials on hand.	Masterworks can track quantity and payments for construction materials. Materials can be identified as Material on hand (MOH), and amounts can be deducted when the material is used. A pay estimate can automatically be issued to reimburse the vendor as the materials are consumed.
R	64. Pay estimate/pay request workflow – approvers, contractors, PM, etc. (including workflow to external partners).	Workflows can be configured to manage the review and approval of pay estimates. The workflows can have multiple approval stages, and required approvals from stakeholders, including external users, can be dynamically determined based on factors such as payment amount, the department making the payment, the type of vendor being reimbursed, etc.
R	65. Manage invoice tracking by vendor, project, and contract.	Masterworks can be integrated with the City's financial systems. The solution can track invoices by vendor, project, and contract. Data from vendor invoices can be entered into the solution and matched with pay estimates. Workflows can be configured to manage the reviews and approvals of invoices. Approval to pay a vendor can then be sent to the City's financial systems, where the payment is initiated and processed. Once payment is confirmed, the invoice and payment data can be sent back to Masterworks, where the invoice will be marked as paid. Adjustments to contract items and materials on hand will automatically be made. Reports can be configured to show invoicing activity by vendor, project, or contract.
N	66. Support grant applications, to include details needed for grant applications such as project classification (e.g., pedestrian safety).	The ability to support grant applications is a functionality that will be configured in Masterworks. Aurigo's Business Analyst and Solution Architect will work with the City's SMEs to fully understand the requirements, develop a plan, and cost estimation for implementing the functionality.
I	67. Describe grant management/tracking functionality.	Grant management functionality will be a configurable effort. More information is required to understand the City's requirements fully. At a minimum, new forms, workflows, and reports must be configured to support tracking grant submissions, execution, and expiration dates. Aurigo's Business Analyst and Solution Architect will work with the City's SMEs to fully understand the requirements, develop a plan, and cost estimation for implementing the functionality.
I	68. Support for D365 grant billing and invoicing.	Masterworks can be integrated with the City's D365 financial system. Invoicing and grant billing can be managed in the D365 system, and

		the grant data can be transferred back to Masterworks, where it can be used for further processing, decision-making, and reporting.
I	69. Support grant-specific reporting requirements (restricted funds, etc.).	Grant restriction information can be maintained in the Masterworks Library. The restrictions can be used to determine how funds can be applied to projects and contracts. Reports and dashboards can be configured to show grants, their initial and remaining amounts, and the restrictions that apply to them.
R	70. Escalate/de-escalate project cost/revenue based on schedule changes and inflation.	Masterworks' cost estimation capabilities can be used to determine how project funds, budgets, and costs must be adjusted based on schedule and inflation changes. What-if analysis can show the effects on a project and other projects in a program or portfolio. New estimates can be created manually using information from previous budgets or current or previous bid estimates. Data from external systems can also be imported. Linear regression-based cost projections for the current period can be based on past data and historical cost inflation.
R	**Project/Portfolio Management**	
R	71. Support full Capital Investment Program project cycle at project and portfolio level.	Masterworks has program and portfolio planning capabilities to help the City track numerous projects, allocate funds to the right projects, manage multi-year schedules, and keep projects within budget. It brings together everything the City needs to group projects into portfolios and programs. Program/Portfolio Managers and Directors will have access to screen forms, reports, and dashboards that can assist them in managing the business. Masterworks comes with standard reports and dashboards that show KPIs and metrics at the program, portfolio, and project levels. The City can use the Report Builder functionality in Masterworks to configure additional reports and dashboards that show project-related metrics such as project health, schedules, KPIs, cash flows, budget status, and funding availability. The City can configure dashboards that display administrator-level information for the Program/Portfolio Managers and Directors. From within the program/portfolio/project reports and dashboards, administrative users can drill down from the program/portfolio level to the project details or roll up from the project level. Users can display a summary of schedules at the program and portfolio levels, and Masterworks can perform what-if analyses on projects within programs and portfolios.
R	72. Manage long range planning periods of 6 to 25 years.	Masterworks can manage planning periods from one month to 25+ years. It can also manage planning for fiscal periods that are not the same as calendar periods.
I	73. Electronic submittal and tracking of project requests.	Masterworks has standard capabilities allowing the City to submit project requests (Project Needs) in the Masterworks solution. The requests can contain expected project duration, cost estimates, relevant business units, strategic goals, and other important details that define the project. All scope specification documents can be attached to the requests. Once completed and saved, the requests can be sent for review and approval through using pre-configured

		workflows. Once approved, the requests can be used to create formal planned projects in the solution.
R	74. Support project charter development.	Fields can be added to the Project Needs forms for developing a project charter for each proposed project. Stakeholders can be invited to provide their take on a project's requirements and goals. The solution can record ideas from the stakeholders, and the information can be used to develop a project charter that defines the project's purpose. A Project Charter report can be configured to pull information from the project intake request and stakeholder feedback to create a formal project charter document formatted per the City's requirements. The Aurigo Team will work with the City's SMEs to map the Project Charter data requirements and ensure the fields are included on the Project Needs intake forms.
R	75. Support business case development.	Fields can be added to the Project Needs forms for developing a business case for each proposed project. Stakeholders can be invited to provide their take on the project needs to be approved. The solution can record ideas from the stakeholders, supporting documents can be attached, and the information can be used to develop a business case that describes the project's benefits. The solution can be configured to pull information from the project intake request and stakeholder feedback to create a business case document formatted per the City's requirements. The Aurigo Team will work with the City's SMEs to map the business case data requirements and ensure the fields are included on the Project Needs intake forms.
I	76. Develop project cost estimates.	Masterworks has standard capabilities for developing project cost estimates from the City's independent research and information gathered from past projects. Project cost estimate data can be created manually, imported from external sources, gleaned from previous budgets, or taken from current or previous bid estimates. Masterworks also offers linear regression-based cost projections for the current period based on historical cost trends and inflation predictions. Multiple cost estimates can be created for each project, and workflows can be configured to allow the appropriate stakeholders to approve or reject an estimate.
R	77. Prioritize and rank projects by a user defined set of criteria, such as strategic goals, grant opportunity, preservation of assets, etc.	Masterworks has standard project scoring capabilities. Fields can be added to project forms for gathering project-specific attributes and assigning values to those attributes. The City can configure questionnaires specific to the type of project. Users can score and rank projects based on the City's business criteria. Users can also score and set priorities for multiple projects within a program or enterprise.
I	78. Maintain information on unfunded projects for consideration in future years.	Masterworks allows users to maintain and securely store information on projects that have not received funding, remain unapproved or have already concluded (closed) until the City deems it appropriate to either archive or delete the project data. The City can return to unfunded and unapproved projects and reconsider them. Masterworks allows authorized users to retrieve and edit information in unapproved projects anytime.

R	79. Track project name changes with history.	Masterworks can track changes made in the solution, and an audit trail can be maintained using Masterworks' audit log functionality. The solution can capture user details, timestamps, previous values, new values, and action types.
I	80. Geographical Information System integration with projects.	Masterworks comes standard with APIs that can be used to integrate the City's solution with ESRI ArcGIS (GIS) and other third-party mapping applications. The GIS capabilities in Masterworks will allow the creation of geo-tagged objects for parcels, projects, current issues, and risk locations. Location-related forms, such as project, parcel, issue, and risk forms, will enable maps and map controls by default. Consolidated location information can be viewed at the enterprise level, and GIS search functionality can be enhanced to search by coordinates. Certain objects found in GIS layers can be read and updated directly within Masterworks. Any GIS information updated in Masterworks will auto-update back into ArcGIS layers. If design consultants provide the City with GIS objects that show read/write impacts, Aurigo can design customized functions within Masterworks that upload the objects into the appropriate GIS layers.
R	81. Project scheduling tools (color-coding, Gantt charting, flow charts, widgets, drag and drop, etc.). Briefly describe capabilities.	Masterworks has full-fledged project scheduling capabilities that can be used to plan projects in detail. The project scheduler allows users to break down project deliverables into manageable sub-components and task schedules and track the progress of project tasks. Forms can be configured to capture project and task information. Reports and dashboards can be configured to display project schedule information. Masterworks supports project scheduling techniques such as Gantt Charts, flow charts, widgets, and drag-and-drop as standard functionality.
R	82. Develop a project scope, cost estimate, schedule and baseline, including the ability to create snapshots at various project milestones including initiation, 30%, 60%, and 90% design, etc.	Masterworks provides the ability to capture project information like project details, costs, and schedules for creating a project scoping document. All fields can be configured to match the City's fields and nomenclature. Users can create detailed schedules for specific milestones and baseline them. Masterworks includes a budget estimating feature. Multiple versions of the budget can be created for a project, including hierarchical cost breakdown structures. The sub-totals and grand totals are generated at summary levels. Resource information can be captured along with the costs. Estimates, once created, can be routed in a workflow for review and approval based on the organization's review process. Multiple attributes can be applied based on client expectations and requirements. A snapshot option enables the capture of schedule progress at different project stages. Project information can be exported in different file formats to create project-scoping documents.
R	83. Project schedules can be rolled into portfolio level schedules in summary and detail.	Masterworks Capital Planning and Portfolio Management capabilities will allow the City to roll up project schedules in summary and detail within programs and portfolios.
R	84. View portfolio budget summary and detail, including cash flow summary and analysis.	The City can view budget summaries and details at the program and portfolio levels, including cash flow summaries and analysis. Reports and dashboards can also be configured to show budget summaries and details at the project, program, and portfolio levels.

R	85. Create and manage dynamic, editable checklists for adherence to business rules, federal or state statutes; discuss how your software handles new tasks added to a checklist at a point prior to the current status of a project.	The City can create checklists for any purpose and project stage. Checklists are user-configurable based on business needs. Different stages and business processes can have separate checklists, like during project scope definition or project closeout. Workflows can be configured to manage processing and tracking reviews and approvals. For example, a checklist for a project quality audit can be configured. The associated workflow will enforce the City's business processes, like determining at what project stage an audit must be completed, what activities must take place during the audit, when and what stakeholders must review the project deliverables and approve their quality, and what documents are required to accompany the audit. As activities on the checklist are completed, the solution will capture usernames, timestamps, and user comments. Authorized users can modify checklists, including adding new items or modifying existing items on the list that have not already been marked as complete.
I	86. Checklists have full workflow capability with configurable rules.	Masterworks' Workflow Designer tool will allow the City to configure workflows for checklists that match the City's business processes and comply with business rules.
R	87. Support workforce planning and management.	Masterworks has Resource Management capabilities for planning, allocating, and managing resources efficiently. Project Managers (PMs) can identify and allocate resources for a single project and concurrently on multiple projects and tasks. Every project task has a resource allocation grid, and the PM can decide what roles are required to complete the task. The total cost for a task is determined based on the resources assigned and their rates. The number of available hours per day and the hourly rates for resources are kept in the Masterworks Library. Once resource allocation is completed, the PM can view the allocations across all projects, including over or underutilization details.
R	88. Short-term and long-term workforce projections.	Masterworks has short and long-term maintenance planning capabilities that use project schedules, work orders, and projected resource requirements. Reports highlighting capacity shortages or excesses for labor, materials, or other resources can be configured.
I	89. Shared calendar/work loading features.	Masterworks can use a shared calendar for each project. The calendar is used to define project working days, task durations, workloads, budget planning, and cash flow estimations. Common calendars can be defined and stored in the Library. Project Manager can select the best calendar for their project or define a new one.
R	90. Manage resource allocations by percentage or hour, and visually identify if resources are over allocated.	Masterworks can allocate resources by percentage of the resource's time or specific days or hours. It also comes with standard reports and dashboards that show how resources are allocated on a single project and across all projects utilizing a resource. Authorized users can visually identify resources that are over and underutilized.
R	91. Manage resources by individuals or groups.	Project Managers can use the Resource Management capabilities in Masterworks to manage resources by individuals or groups. Individuals will be identified as belonging to a specific group by the user role assigned to them. External users who do not have logins to

		the solution will be identified as belonging to a designated group assigned to them in the Library resource tables.
R	92. Assign and track staff assignments within the portfolio schedule.	Masterworks' scheduling features are used to assign staff to tasks in projects. Staff assignments can be tracked at the portfolio level using reports and dashboards configured to display staff assignments across multiple projects.
R	93. Ability to set up alerts & notifications based on status, due dates, actions, approvals, etc.	The City can use the Workflow Designer to configure workflows for issuing alerts and notifications. The workflows can be set up to monitor certain events, like impending due dates, past due actions, approvals, or when actions are performed in the solution. The workflows can then send alerts or notifications. The workflows determine what users or user groups will get notifications based on assigned user roles and what actions must occur after previous actions have been reviewed or approved. The My Tasks feature on each user's home page will inform them of pending action items.
R	94. Support progress notes - scrolling/continuous format from the previous period's notes.	Freeform text fields can be added to any form. The text fields can be used to enter progress notes. Users can add new text to the bottom after the text is already entered in the field.
I	95. Create additional forms or workflows based on project criteria, e.g., a request for a building valuation for renovation projects.	Masterworks can create and maintain project forms and workflows using templates configured by the City. The templates can include settings for managing business processes, workflows, standard libraries, and document templates. The templates and resulting forms and workflows can be based on the nature of the project or contract. The associated template will be applied whenever a new project or contract is created for a particular business process. Fields for project attributes can be added to forms and are easily configurable to save additional project information. The City's standard project attributes can be optionally added to every project created in Masterworks.
R	96. Combine and split projects.	Masterworks has full-fledged project scheduling capabilities that can be used to plan projects in detail, including combining or splitting them. The project scheduler allows users to break down project deliverables into manageable sub-components and tasks, schedule the project tasks, and track the progress. Forms can be configured to capture project and task information. Reports and dashboards can be configured to display project schedule information.
R	97. Analysis of changes to the Capital Investment Program portfolio at various intervals.	Masterworks' Program Revision features can record CIP details as individual records in a Library table with all process details like who, when, and why. Approved changes to the CIP can be updated in the solution using forms and workflows configured specifically for the task. Masterworks can track changes made to the CIP, and an audit trail can be maintained using Masterworks audit log functionality.
R	98. Ability to link projects with schedule or budget dependencies (e.g., the start of one is dependent on the completion of another).	Sequencing, scheduling, and re-scheduling projects within a program can be carried out using Masterworks' what-if analysis capabilities to identify necessary changes and then adjust individual projects. Masterworks currently does not support linking projects with schedule or budget dependencies.

R	99. Ability to add project classifications to portfolio section. Need more granular level of tracking, e.g., stormwater - distribution, collection, etc.	Project attribute fields can be added to the project forms for tracking project classifications. The project classifications can be used to group projects at the program and portfolio levels. The classifications can also filter project data on reports and dashboards.
R	**Contract/Bid Management**	
R	100. Manage consultant/vendor/contractor solicitation, proposal review, and selection.	Masterworks' vendor management capabilities will allow users to select and qualify a vendor based on the criteria set by the City. The approval status of the vendor is maintained in the vendor details. Masterworks' Estimation and Bidding product provides full procurement and bid management features that support the development of bid packages, management of solicitation invites, enforcement of bid open and close dates, collection of bids, comparison bids, and awarding contracts. The product can create commitments and value statements for all procurements. The City can compare bids with the engineer's estimate and identify differences in unit bid prices between bidders and the engineer's estimate. The analysis provided by these features enables managers to determine the most competitive bid before awarding.
I	101. Bid portal functionality for posting/submitting bids electronically (Currently using Builders Exchange of WA).	Contractors can be given a login to Masterworks and access the solution's vendor management and bidding functionality. They can be given access to forms used for bidding on projects, submitting certifications, and accessing bid documentation.
I	102. Support Electronic Bid Management, including: • Post and receive solicitations • Manage addendums • Bid review including unbalanced bid items • Bid tabulation • Track historical trends at an item-level	The Bid Management features in Masterworks will allow external users and contractors to submit bids by following the City's defined processes for bidding. Separate data tables and maintenance processes can be created in the Library to manage bid and non-bid items. The information gathered can be used for project estimates based on business rules defined by the City. A contractor can enter bid information into the solution using screen forms configured specifically for that purpose. A workflow associated with the bidding process will then notify internal users when a bid has been entered and uploaded. The City can define business rules determining whether contractors can update their bid information before the bid opening date. Masterworks has Bid Tabulation functionality, allowing data analysis in a spreadsheet format. The bid functionality also allows for creating an addendum to an issued bid and attaching items to the addendum.
R	103. Create project forms based on a defined project attribute (e.g., Small Works or Federal Aid, Transportation, Building, Stormwater, etc.).	Masterworks can create user-defined tables in the Library with fields for defining project attributes. Fields can be added to project forms for tracking the project attributes. Data entry will be validated against the information in the Library tables. The attributes can also filter data on reports and dashboards.
R	104. Effective date for contractor wage rate adjustments.	Masterworks can track key dates associated with contracts and vendors (contractors). Fields can be added to vendor, contract, and contract item forms to indicate effective dates when a contractor's wage rate will automatically adjust. The dates and the rate adjustment amounts can be used to produce accurate cash flow projections. Aurigo's Business Analyst and Solution Architect will

		work with the City's SMEs to fully understand the requirements and determine the scope and cost of implementing the functionality.
I	105. Manage contractor information, including business licenses, certificates of insurance, evaluation forms, all projects assigned to, etc. all with permission-based access.	Tables can be configured in the Library for managing contractor information, including business licenses, certificates of insurance, evaluation forms, project assignment history, etc. Forms, workflows, and reports will be configured to manage the contractor data. System Administrators and authorized users can create new contractors, including contract IDs, services/materials provided, staffing levels, sub-contractor information, and external stakeholder associations, and attach associated documents such as certifications and bonding information. When setting up a new construction project or contract in the solution, users can select validated contractors from the contractor tables who meet the project or contract requirements.
R	**Construction Project Management**	
R	106. Construction documentation management, upload/download and storage, including: • Version history and control • Construction meeting agendas and notes • Request for Information (RFIs) • Plan and specification revisions • Change orders • Force account with labor, equipment, and material summaries • Material submittals and approvals • Materials testing coordination • Track working days used for contract • Unit item quantity and lump sum percentage tracking • Prepare and maintain as-built drawings • Routing and tracking documentation • Risk and issues analysis • Lessons learned	**Construction documentation storage and management - Version history and control** Masterworks has full-featured Document Management capabilities. The City can upload documents and associate them with specific projects, change orders, contracts, etc. Business rules and role permissions determine who can upload files, check them in/out, move them, or delete them. Workflows can be associated with certain activities and file types to manage document review and approval processes. The Document Management features in the solution will allow users to collaborate and coordinate amongst multiple parties. **Upload/download and storage:** Masterworks Document Management is a repository that stores and tracks documents electronically. It facilitates the organization and storage of content logically and hierarchically in project folders and sub-folders to ensure consistency across the enterprise. The documents will be stored within a directory structure defined by the City. The document management feature supports document classification and metadata features that can be used to group documents. Masterworks provides a robust document search engine that allows users to search for documents using document properties or keywords. Document search is available at the individual project level and the enterprise level. **Construction meeting agendas and notes:** Masterworks comes with the ability to create and track meeting minutes out of the box. Authorized users can seamlessly schedule and manage meetings using the Minutes of Meeting functionality. It allows the user to create a meeting with details such as the meeting agenda. The user can either add a new meeting agenda or copy an agenda from the previous meeting. In addition, users can use the Mail Merge feature to generate a meeting agenda from the previous meeting minutes. **Request for Information**

		The Request for Information (RFI) form in Masterworks is a formal communication between the contractor and the owner. The RFI process is used primarily by contractors to send questions to an owner and then receive resolutions back from the owner. Additionally, owners can initiate discussions with multiple project stakeholders and use the responses from the participants to develop solutions for problems. An RFI may result in a contract change order or a Request for Proposal. The City can use the RFI/RFP capabilities in Masterworks to accomplish the following tasks: • Contractors can initiate RFIs with questions that need to be answered along with pertinent details and submit them to the City. • Authorized users, such as Project Managers, can view the queries in the RFIs and collaborate with other stakeholders to arrive at solutions. • Authorized users can respond to contractors with clarifications and initiate a Request for Proposal process if required. • Final business decisions can be obtained from management and other stakeholders. **Change orders** In Masterworks, change orders can be initiated for changes in the price or quantity of contract items. An authorized user can request a change order that includes changes to the contract terms or contract item quantities or prices. Relevant documents can be attached to support the changes. The change order approval workflows can be configured to align with the City's business process. After approval, the contract is updated to include the changes. **Material submittals and approvals** In Masterworks, relevant documents, shop drawings, and material samples are attached to a submittal form and processed for stakeholders' approval. A submittal form comprises information about the contractor submitting the submittal, the title, type, and due date for the expected submission information, and specifications and descriptions. The City can also compile a set of submittals and package it into a single unit that can be used without having to attach these documents individually to a submittal form. The related records of other forms to a submittal can be associated, and project users can be invited to review a submittal before it is processed for approval. Then, a submittal response can be selected to either approve and close the submittal or to create a new submittal as a revision to the current submittal. **Unit item quantity tracking** Masterworks can add and track items with units, unit prices, and total item costs. The data can be imported through Excel into the application (item, description, unit, quantity, cost, totals, and subtotals). **Prepare and maintain as-built drawings.**

		Masterworks' document management features include annotating drawings and managing versions of Record/As-built drawings and spec files. **Routing and tracking documentation:** In Masterworks, every document is associated with a pre-defined workflow driven by its document type. Document approvals can be routed using workflows according to defined business rules; the system administrator can configure such workflows using the Workflow Builder tool. My Tasks feature on Masterworks will inform users of any pending action items. Using document management workflow, users can route documents and images for approval. Documents can be cross-referenced across multiple process objects. Every document will have a pre-defined workflow driven by its type. Workflows drive the status and approval cycles of documents. The associated approval cycle determines document review, redline, and version controls. **Risk and issues analysis:** Masterworks has a risk register that allows users to identify and track risks. Risks can be categorized and scored based on likelihood and severity, which determines the risk level and score and would be the quantitative analysis for the risk. The users can also define the action items and the mitigation plan to help the City's project team mitigate and reduce the likelihood of the risk. The impact regarding schedule, cost, etc., can also be quantified against the risk. The project risks can be tracked and monitored using risk reports and dashboards. **Lessons Learned:** A Lessons Learned table can be configured in the Masterworks Library. It can be used to record issues discovered while executing projects and what the City did to resolve them. Supporting documents can be uploaded and attached to each lesson learned. Authorized users can search the table for examples of how the City responded to past problems.
R	107. Manage task assignments.	Tasks are assigned by workflows, which are a part of business processes. Users are assigned tasks by the schedule feature within each project. Notifications are triggered based on the due dates for the completion of the task. Individuals can review and complete their respective tasks from the My Tasks page in the application.
R	108. Field access to project documents (mobile, desktop, web).	Masterworks comes with a companion mobile application, accessible on any modern mobile device that runs Android, Windows, or iOS. The Masterworks Mobile application improves productivity by enabling users in the field to work from a mobile device efficiently. The Masterworks mobile app is tailor-made for tracking and monitoring the onsite activities of a construction project. The site's field inspectors and construction managers can use the mobile app to record daily progress, issues, risks, etc. Videos and photos from the site can be uploaded into the system through the app. Project documents can be downloaded to a mobile device and accessed in the field for reference purposes.

R	109. Conduct design submittal reviews, including adding comments/redlines and mark up, and compiling into a comment log.	Masterworks has document annotation capabilities that can be used for collaborating with internal and external users and adding redlines to contracts and other project documents. External vendors can be given access to the solution where they can review documents for specified projects. They can provide their annotations and comments on what changes were made or needed. The external vendors can be assigned to user roles that only allow them to access specified content and perform City-designated tasks in the solution. Workflows can be configured to control the review and approval processes. Masterworks also has document submittal capabilities that allow the City and its vendors to exchange documents for projects, design reviews, contracts, RFIs, etc.
R	110. Support Critical Path Method schedules.	Masterworks supports project scheduling using the critical path method. The City can use the scheduling methodology to create and manage schedules for all of its projects. Masterworks supports multiple project schedule views. Critical paths can be viewed using a Gantt chart.
R	111. Change order creation and approval routing, including tracking detailed history by revising percentage complete, quantity, budget, etc.	Change Orders can be initiated for changes in price or quantity of contract items. Relevant documents can be attached to support the changes being made. Change Orders are used to update projects and contracts only after they receive all approvals. The workflows can be configured to align with the City's business process. The revised contracts can then be executed, tracked, and invoiced.
I	112. Contractor/Consultant performance metrics and review.	Masterworks has Vendor Management functions for capturing and evaluating contractor and consultant evaluations, performance metrics, and reviews.
N	113. Minority and Women-owned Business Enterprise and Disadvantaged Business Enterprise reporting.	Fields can be added to vendor management forms for tracking Minority and Women-owned Business Enterprise and Disadvantaged Business Enterprise data. Reports can be configured to extract and display the DBE goal details from the contracts. The DBE goal details can be used in associated business processes and for government reporting.
R	114. Field updates via mobile device, including attaching documents and images.	Aurigo's Mobile application runs on the latest and two most recent previous versions of iOS, Android, and Windows Mobile. Masterworks is also compatible with Windows PCs, tablets, and Windows, iOS, and Android mobile devices using standard browsers. The Masterworks Mobile app allows users in the field to easily submit and respond to processes, view and annotate documents, and, most importantly, work offline when there is no internet connection. In Offline Mode, data entered in the mobile client will automatically sync with Masterworks once the mobile device has internet connectivity.
R	115. Punchlist creation, tracking and management. Ability to share approved punchlists with contractors.	Masterworks supports punch lists. Authorized users can create punch lists with any number of items, assign the items to users or user groups, and set due dates. System Administrators can configure workflows to send notifications and share approved punch lists with contractors. Workflows can also be configured to send alerts when Punch List items are due or overdue. For example, a Project Manager

		can create a final Punch List for a project's closeout. The project cannot be set to "closed" until all the Punch List items are complete.
R	116. Capture punch list with notes and photos (or links) for items on a plan set, as identified by plan sheet.	Punch lists created in Masterworks allow authorized users to enter notes for each punch list item. Users can also upload documents and photos and attach them to punch list items.
I	117. Functionality to note if a punch list item is not started, in progress or complete.	Masterworks includes a punch list utility as a standard feature of construction contract management. The list can be used to define all pending deliverables, which can be tracked to completion. Workflows can also be configured to send alerts when Punch List items are due or overdue. Reports can be generated as needed.
I	118. Capture project progress notes in the field, including date stamp for each entry.	Masterworks and the Mobile app come with Daily Progress Report forms that the City can use to document site inspections. The forms can include fields for project name, project number, date, contractor name, weather conditions, remarks section, call log with name address, phone number, comments, ability to upload or link photos into a report, project manager signature, and date stamp for each entry. The form and its workflow can be configured to align with the City's business processes.
R	119. Static project details can be pre-populated on forms.	Fields on Masterworks forms can be auto-populated based on the City's business rules. Masterworks can auto-populate project detail data such as project name, number, and other fields based on what is defined in the library or what was used on a previous record.
R	120. Update progress notes from a previous day or have a scrolling/continuous form for new information to be added.	Masterworks Construction Project Management product comes with Daily Progress Report forms that inspectors can use to document site inspections. Masterworks can copy data from a previous Daily Progress Report and use it in a new Daily Progress Report.
R	121. Track labor to project and task level of project.	Masterworks offers Resource Management capabilities that allow tracking labor to the task level of a project. Project Managers (PM) can use the Resource Management functions to efficiently manage resources, identify resources for a project, and identify and manage resources concurrently on multiple projects and tasks. Every task has a resource allocation grid, and the PM can decide what roles are required for completing tasks. Once assigned, it will show the total cost for this task based on its resources. The number of available hours per day and the hourly rate for a resource are kept in the Masterworks Library module. Once resource allocation is completed, the PM can get an overview of the allocation across all projects, including over and underutilization.
R	122. Submit, review, and process contractor payments, including: • Tracking paid and unpaid work • Different pay schedules and retention amounts • Effective date rate changes • Track by unit • Liquidated damages	Masterworks supports submitting, reviewing, tracking, processing, and managing contractor payments, including tracking paid and unpaid work. The pay estimate features of Masterworks include allowances for retainage and retainage releases, advance payments and payment recoveries, liquidated damage holds, and hold releases. Retainage can be configured and applied at the contract level. Workflows and related reports can be configured to support tracking and managing retainage.

I	123. Track construction in process vs. in service (items not capitalized).	Masterworks' Construction Project Management solution will provide the City with everything it needs to manage in-process and in-service work tracking. The solution will provide project visibility, comprehensive reporting, real-time dashboards, stakeholder collaboration, automated change management, progress tracking, payment processing, and streamlined scheduling processes. Default project status tracking will be part of the solution, along with a scheduling feature to organize project tasks into manageable sub-components while tracking progress.
I	124. Project completion - transfer project information to an Enterprise Asset Management solution (Lucity), including record drawings, operation and maintenance manuals, warranty information, spare parts, maintenance logs, etc.	Masterworks provides the ability to realize value throughout the lifecycle of a project. To manage this for each project accurately, we recommend the City utilize a combination of processes (i.e., out-of-the-box forms with some advanced configuration) and additional configured reports. The process forms will capture the data throughout the project lifecycle based on the City value goals that need to be measured. As previously mentioned, Masterworks has a flexible Open API for integrating nearly all third-party software and middleware, creating a truly enterprise-level data store for seamless project tracking and reporting. Masterworks supports real-time, two-way data and workflow integration, meaning that Masterworks and integrated systems have accurate, up-to-the-minute data. Aurigo will conduct integration workshops with the core team to identify and elaborate on the integration touchpoints with each application. Doing so helps the Business Core Team understand the overall data flow between the systems and design an optimal solution. Aurigo's Solution Architects will elaborate on all the touchpoints identified with the technical team of each interfaced application to identify data attributes flowing between the system (data mapping), drawings, manuals, documents, warranty information, and logs. A technical interface document will provide all the details required for the interface configuration for Aurigo and the City's development team to build these interfaces. Interfaces are developed and tested in configuration sprints, SIT (System Integration Testing), and UAT (User Acceptance Testing) before sign-off and moving into Production. This will require further discussion to validate the requirements to define the scope, exceptions, and investment.
R	**Document Management**	
R	125. Full document management capability.	Masterworks includes a Document Management product. The City can upload documents and associate them with specific projects, change orders, and contracts. Business rules and role permissions determine who can upload files, check them in or out, and move or delete them. Workflows can be associated with certain activities and file types to manage document review and approval processes. Masterworks Document Management capabilities allow users to collaborate and coordinate amongst multiple parties.

R	126. Ability to migrate current and past project information from SharePoint and Excel to new PPM system.	Aurigo will work with the City to determine a data migration strategy for migrating current and past project information from legacy systems to the new solution. This may include developing custom, one-time migration solutions. Historical data can also be imported to Masterworks using ready-to-use APIs or Excel import capabilities.
R	127. Version management of documents, images, and reports including ability to mark them complete/final with locking.	The document management capabilities in Masterworks provides version control for all project documents. Any upload or change to a project document is versioned with a date and time stamp. Authorized users will be able to retrieve any version of a document. The solution will lock documents that are checked out, preventing other users from editing.
I	128. Mark a document or form as complete or approved.	A field or check box can be added to documents or forms indicating completion. After reviewing the submitted document or form, an authorized user can click the check box or enter information in the field. Also, as part of a business process workflow, a form can be marked as complete to kick off the subsequent workflow activity.
I	129. Manage and enforce document naming conventions.	All features, forms, documents, and fields within Masterworks are localization-enabled, which means they can be named or renamed to suit the City's naming conventions.
R	130. Photo/image management, including: • Directly import images to a project record easily • Ability to tag images to a sheet, plan set, geographical information system location, or project name	Masterworks can attach or link files, images, photos, videos, and drawings to project items and records. The solution also allows users to tag images to a sheet, plan set, and geographical information system location.
R	131. Support a form library, (typically for inputs) e.g., for business cases, cost estimates, ratings, schedules, consultant and contractor ratings, project development checklists, etc.	Masterworks has built-in forms for many business processes. It also has a Form Builder tool that can be used to create custom forms for business cases, cost estimates, ratings, schedules, consultant and contractor ratings, and project development checklists.
R	132. Support a template library (typically for sending out documents) e.g., for business cases, cost estimates, ratings, schedules, consultant and contractor ratings, project development checklists, etc.	Masterworks can use templates for business processes, workflows, library items, and documents. The templates can be unique for each project and contract type. The template library can contain templates for business cases, cost estimates, ratings, schedules, consultant and contractor ratings, and project development checklists.
I	133. Configurable record archiving and retention.	All data captured within the solution can be deleted or archived based on the City's data retention policies. The policies will be defined during the business analysis phase of the implementation and configured during the configuration phase. The City's data and documents can be maintained in the solution for as long as the system is active and there is an active contract. Authorized users can delete the data within the application if required. Data backup retention policies vary per the Support Plan chosen by the City. Additional data retention capabilities may be possible at an additional cost.
R	**Reporting**	
I	134. Dashboard functionality can be changed by end users (self-service).	Masterworks provides real-time reporting and dashboard capabilities so the City can visually communicate project updates to its

		stakeholders. The City can use the reports and dashboards that come with Masterworks as-is or use the Report Designer tool to reconfigure existing reports and dashboards or configure new ones (self-service).
R	135. Portfolio Dashboard by user type - Project Manager, Department Head, City Council, Field, Project Manager, Contractor, etc.	Masterworks has standard Portfolio Dashboards that can display data by user type, such as Project Manager, Department Head, City Council, Field, Project Manager, and Contractor.
R	136. Project Dashboard – timeline, budget to actual, percent complete, project shortfall, project on track, behind, etc.	Masterworks can track and report budgets at the project, program, and portfolio summary and detail levels by timeline, planned budget vs. actual, percent complete, project shortfall, project on track, project delay, planned cash flow vs. actuals, and cost breakdown structure.
R	137. Ability to drill down into details of project status, including earned value, spend rate, cash flow, etc.	Masterworks' on-screen reports and dashboards allow authorized users to drill down to the details such as earned value, spend rate, cash flow, etc.
I	138. Project performance metrics.	Project performance metric reports can be configured at the project, program, and portfolio levels. Fields can be added to project forms for performance metric tracking.
I	139. Self-service user query (ad-hoc) reporting tools based on multiple parameters/filters.	Masterworks has reporting capabilities that allow users to create ad-hoc custom reports for any data set available in the solution based on multiple parameters or filters. The reports can be saved as templates and made available to other users. The ability to access specific data is dependent on the roles and permissions assigned to the user.
I	140. User level security flows through to queries, reports and data.	Users can be given role permissions to create, modify, and delete ad-hoc reports and dashboards. Unless a user is permitted to access specific data in the system, they cannot create reports or dashboards that can retrieve the data. System Administrators will have full access to the data and functions in the solution and can edit the queries in the City's standard reports and dashboards.
I	141. Pre-built and user-generated reports and queries that can be modified, saved, and shared based on permissions.	Masterworks comes with dozens of industry-standard reports built using Microsoft SQL Reporting Services. The City can create custom reports using the Report Builder tool in Masterworks. The Report Builder allows users to save reports for future use, schedule them to run at predefined times, and send them to user inboxes or via email. Role permissions can be configured on custom reports to allow or restrict user permissions.
R	142. Ability to date and time stamp reports.	Reports generated by Masterworks can be configured to display the date and time stamp of the report's production.
I	143. Functionality to support “mining” previously completed projects including cost data.	The City can analyze the data stored in the solution using Masterworks' reporting capabilities. The Report Designer tool can configure reports that display information based on data points such as project delays and cash flows. The historical data can be used to display trend analysis and determine projected future performance based on past project performance. The Aurigo Team will work with the City's SMEs to understand the reporting requirements and determine if existing reports can be used as-is or need reconfiguring to meet the City's trend analysis reporting needs.

I	144. Support for year-end reporting.	Masterworks has several project, program, and portfolio-level reports that support year-end reporting. Program and fund forecast reports are included, including reports that show data spread across the entire program cycle (for example, four and five years). Additional program reports can be configured per the City's requirements.
N	145. Trend analysis.	Masterworks comes with standard reports showing financial trend analysis for funding levels, revenues, budget appropriations, expenditures, and cash flows. The Report Designer tool can be used to configure additional trend analysis reports that meet the City's business requirements. The reports can be generated on a regular basis and then distributed to stakeholders. Aurigo's Business Analyst and Configuration Specialist will work with the City's SMEs to fully understand the requirements and determine the scope and cost of implementing additional reports.
I	146. Automated report generation and distribution.	Masterworks' reporting engine can generate and distribute automated reports to authorized users who subscribe to the reports. System Administrators and authorized users can configure reports that automatically run on a defined schedule (Hourly, Daily, Weekly, Monthly, etc.). Authorized users like System Administrators can set up report subscriptions for themselves or others. The reporting engine will automatically generate per the defined schedule and email the reports to recipients as attachments. The received reports can be viewed and printed using the printing capabilities in the browser, which can set the default printer, orientation, etc.

AURIGO SERVICE SUBSCRIPTION AGREEMENT

This Service Subscription Agreement (the "Agreement") is an agreement between Aurigo Software Technologies Inc. (hereinafter referred to as “Aurigo”) and City of Redmond (the "Customer"). Aurigo and Customer are collectively referred to as the “Parties” and individually referred to as a “Party”. This Agreement consists of the terms and conditions, the service level agreements ("SLAs") corresponding to the applicable Services, and the pricing and payment terms related to the applicable Services. The Services may also contain other posted notices or codes of conduct incorporated by reference into this Agreement.

Please read this Agreement carefully. THIS AGREEMENT MUST BE SIGNED BY BOTH PARTIES PRIOR TO USING ANY OF THE SERVICES. THE CUSTOMER AGREES TO BE BOUND BY THIS AGREEMENT, INCLUDING ANY WRITTEN AND MUTUALLY AGREED MODIFICATIONS MADE TO IT FROM TIME TO TIME. IF THE CUSTOMER DOES NOT AGREE TO THE TERMS AND CONDITIONS IN THIS AGREEMENT, IT MAY NOT SUBSCRIBE TO OR USE THE SERVICES.

1. DEFINITIONS

"**Add-on Service**" means additional functionality or services that may be ordered by Users of the Services for an additional subscription fee or charge.

"**Affiliate**" means any legal entity that a Party owns, that owns a Party, or that is under its common ownership. "Ownership" means control of more than a 50% interest in an entity for purposes of this definition. If the Customer is an agency of a state, provincial, or local government, "Affiliate" means:

1. any government agency, department, office, instrumentality, division, unit or other entity, of the Customer's state, provincial or local government that is supervised by, or is part of, the Customer, or which supervises the Customer or of which the Customer is a part, or which is under common supervision with the Customer.

2. any county, borough, commonwealth, city, municipality, town, township, special purpose district, or other similar types of governmental instrumentality established by the Customer's state or provincial laws and located within the Customer's state's or province's jurisdiction and geographic boundaries.

3. any other entity in the Customer's state or province expressly authorized by the laws of the Customer's state or province to purchase under state or provincial contracts; provided that a state or province and its Affiliates shall not, for purposes of this definition, be considered Affiliates of the federal government or its Affiliates. Notwithstanding the foregoing, provincial Crown corporations are not Affiliates for the purposes of this definition. If the Customer is a US government agency, "Affiliate" means any other US government agency. If the Customer is an agency of the Canadian government, "Affiliate" means any other agency of the Canadian government, except for a federal Crown corporation.

"**Annual Construction Value**" or "**ACV**" means the Customer's sum of all construction costs (both direct and indirect) for one fiscal year.

"**Aurigo**" means Aurigo Software Technologies Inc. or its Affiliates.

"**CPGL**" means Core Product Go Live. It is the date that the base functionality of the Aurigo Commercially Off the Shelf platform and the licensed product(s) is/are made available to the Customer. This is different from the Solution Go-live date when the entire solution will be hosted in a production environment.

"**Client Software**" means any software provided to Customer by Aurigo related to the Services.

"**Confidential Information**" means all terms and conditions herein and all financial, sales, marketing, pricing, customer, personnel, present or future product (including, without limitation, the source code of the Services or Client Software and all know-how and trade secrets, relating to, contained in, or embodied in the Services or Client Software), technical, research, development or other business data and information of the Parties (whether communicated orally, visually, in writing, or any other recorded or tangible form) which is not in the public domain and which (a) either Party has marked as confidential or proprietary, (b) either Party, orally or in writing, has advised the other Party of its confidential nature, or (c) due to its character or nature, a reasonable person in a like position and under like circumstances would treat as confidential.

"**Content**" means all data, including all text, sound, or image files and software that are provided to Aurigo by, or on behalf of, the Customer, its Users, and associated account Users through their use of the Services. The term "Content" does not apply to any test data.

"**Customer**" means the entity that has entered into this Agreement. If an individual enters into this Agreement on behalf of a company or other legal entity, such individual represents that they have the authority to bind such entity to this Agreement.

"Derivative Work" means modifications to and creation of forms, workflows, dashboards, and reports within Client Software. Subject to Customer's payment of undisputed subscription fees due to Aurigo, Aurigo hereby grants to Customer a non-exclusive license to prepare derivative works based on materials, including any and all modifications thereto, owned and developed independently by Aurigo prior to the reparation of its proposal and used to provide Services under this Agreement. Aurigo shall retain ownership interest in any modifications, enhancements, improvements, or derivative works of the foregoing, irrespective of their date of creation.

"**Solution Go-Live**" means the date the entire configured Service is hosted and available in Aurigo's production environment for user access.

"**Intellectual Property**" means any intellectual or industrial property rights protected or protectable under the laws of the United States of America and includes copyrights, moral rights, trade secrets, patent rights, rights in inventions, trademarks, trade names, service marks, as well as applications for, and registrations, extensions, renewals and re-issuances of, the foregoing, in whatever form such rights may exist and whether registered or unregistered.

"**License**" means the rights granted by Aurigo to the Customer to copy, install, use, access, display, run and otherwise interact with the Services and Client Software for, as applicable, the Customer's internal business purposes.

"**Service" or** "**Services**" means any Aurigo-hosted software or services to which the Customer subscribes under this agreement.

"**SLAs**" means service level agreements representing commitments Aurigo makes to Customer regarding the Services. The term "SLAs" does not apply to any Third-Party Software or Third-Party Services.

"**Subscription**" means enrollment for a Service or Services for a defined Term.

"**Subscription Fee**" means the annual fee the Customer is required to pay for the Subscription to the Services and Client Software. The Customer is required to pay the Subscription Fees in advance. Payments are due and must be paid in accordance with the Agreement, Change Order, or Purchase Order. Price level changes are not retroactive. Prices for each price level are fixed when the Subscription is first placed and will apply throughout the Contract Term. Subscription Fees are subject to change by Aurigo at the end of the initial Contract Term and the end of any contract renewal term. Any Subscription Fee increase will be limited by Aurigo to a maximum of five percent (5%) or the CPI-W for June of the previous year for the Seattle/Tacoma/Bellevue area, whichever is higher, per applicable renewal term.

"**Subscription Period**" means the one-year period corresponding to a given Subscription Fee.

"**Term**" or "**Contract Term**" means the duration of this Agreement, as set forth on Schedule 1.

"**Third Party Software**" means software provided by a third party to the Customer (which may or may not be used through the Services) that are subject to additional terms and conditions between the third party and the Customer associated with the Customer's use of such third-party software. The term "Third Party Software" does not include software embedded in the Services or provided to the Customer by Aurigo as part of the Services necessary for the Customer's use of the Services.

"**Third Party Services**" means services provided by a third party to the Customer (which may or may not be used through the Aurigo Services) that are subject to additional terms and conditions between the third party and the Customer associated with the Customer's use of such third party services. The term "Third Party Services" does not include services provided to the Customer with, or as part of, the Aurigo Services necessary for the Customer's use of the Aurigo Services.

"**Users or User**" means individuals within the Customer's organization who have the right to use the Services, as dictated by the number of User Licenses purchased by the Customer.

"**User Licenses**" refers to the named user license subscriptions that the Customer has purchased under its Subscription for Services.

"**Work Order**" or "**Order**" means an order for Services.

"**Work Product**" means any item (tangible or intangible) created or produced as a result of any customization or configuration services by Aurigo. For the sake of clarity, the term "Work Product" does not include any items that are derivative works of intellectual property owned by Aurigo, including but not limited to the configuration of existing code.

2. LICENSE GRANT – WHAT CUSTOMER IS LICENSED TO USE

2.1 **General.** Aurigo grants the Customer a non-exclusive, non-transferable, non-assignable, limited License to the Services ordered by the Customer during the Term, subject to the Customer's obligation to pay and any rights and limitations described in this Agreement. The Customer's ability to use the Services may be affected by minimum system requirements or other factors. Aurigo reserves all rights not expressly granted. No implied licenses flow from this Agreement.

2.2 **Ownership.** Each Party shall retain ownership of its Intellectual Property and derivative works created therefrom. Ownership rights to Work Product provided to the Customer

under this Agreement will be defined in an applicable Statement of Work associated with that Work Product.

2.3 Client Software. The Customer may need to install Client Software wherever applicable (mobile client software for iOS and Android are available subject to users being licensed to access the Services) to access and use the Services, in which case Aurigo grants the Customer a non-exclusive, non-transferable, non-assignable, limited License to the Client Software during the Term, subject to the Customer's obligation to pay and any rights and limitations described in this Agreement. The Customer's ability to use the Client Software may be affected by minimum system requirements or other factors. The Customer may make copies of the Client Software solely to support the Services for its Users, but only to the extent the copies are true and complete copies (including copyright and trademark notices) and are made from an Aurigo approved media or a network source. The Customer agrees to use reasonable efforts to make all authorized Users (as discussed in Section 2.4 below) aware that use of the Services is licensed from Aurigo and subject to the terms of this Agreement. Additional rights and restrictions for the Client Software may accompany the provision of such Client Software, and the Customer agrees to abide by all such additional rights and restrictions.

2.4 Authorized Users. Only those individuals the Customer designates as authorized Users may use and access the Services. Only Users who have administrator privileges may add additional authorized Users to the Services up to and including the total number of User Licenses purchased during the Subscription Period. User Licenses cannot be shared or used by more than one authorized User and cannot be reassigned to a new User to replace a current authorized User who has terminated employment or otherwise changed job status or function and no longer uses the Services. However, a User who has administrator privileges may delete an authorized User from the Services and add a new authorized User to the Services to replace the former authorized User.

2.5 Limitations on use. The Customer shall not (and shall not permit any third party to) copy, reverse engineer, decompile or disassemble the Services or Client Software or make works derived from any version of the Services or Client Software or attempt to generate or access the source code for the Services or Client Software, whether by converting, translating, decompiling, disassembling or merging any part of the Services or Client Software with any other software, except where applicable law requires it despite this limitation. The Customer shall not (and shall not permit any third party to) rent, lease, lend, resell, or host to or for third parties any Services or Client Software. The Customer shall not circumvent or disable any usage rules or other security features of the Services or Client Software; or remove, alter or obscure any proprietary notices or labels.

3. ORDERING, PRICING, PAYMENTS, RENEWALS, AND TAXES

3.1 Ordering. The Customer shall issue a purchase order to Aurigo for each Subscription and each change to a Subscription during an applicable Subscription Period. If the Customer desires to increase the total number of User Licenses during a Subscription Period, the Customer must purchase those additional User Licenses prior to exceeding its then-current number of authorized User Licenses. If the Customer desires to reduce the total number of User Licenses, the Customer may request a reduction in the number

of User Licenses at any time during the applicable Subscription Period. If Aurigo assesses that the Customer is eligible for such reduction, which Aurigo may determine in its sole discretion, the reduction in the number of User Licenses will be effective at the beginning of the next Subscription Period. The Customer's reduction of User Licenses may trigger a price increase according to Aurigo's then-current Subscription Fee, and the Customer may lose any locked-in pricing or volume discounts previously agreed with Aurigo.

If the Customer has purchased an ACV-based Subscription, and if during the Contract Term, the Customer uses a higher ACV than it originally purchased for the applicable Subscription period, then (i) at the end of the applicable Subscription period, Aurigo will have the right to invoice the Customer in arrears at a price for the higher ACV tier used by the Customer; and (ii) the Customer will automatically be enrolled in the higher ACV tier used by the Customer for the next applicable Subscription Period. If the Customer's budget allocation changes, the Customer may request a downgrade to a lower ACV tier. If Aurigo assesses that the Customer is eligible for such downgrade, which Aurigo may determine in its sole discretion, the Customer's downgrade to a lower ACV tier will be effective at the beginning of the next Subscription Period. There will be no refunds if the Customer's ACV usage is lower than the tier selected for the then-current Subscription Period. The Customer's downgrade to a lower ACV tier may trigger a price increase according to Aurigo's then-current Subscription Fee, and the Customer may lose any locked-in pricing or volume discounts previously agreed with Aurigo.

Any Services added to a Subscription will expire at the end of the Term. The Customer may place Orders for its Affiliates under this Agreement and grant its Affiliates administrative rights to use the Services. Affiliates may not place Orders under this Agreement. To the extent the Customer grants any rights to Affiliates, such Affiliates shall be bound by the terms and conditions of this Agreement. The Customer agrees that it is jointly and severally liable for any Services purchased for or other actions taken by any of its Affiliates or any third party to which it provides rights under this Agreement**.**

3.2 **Renewal.** The Contract Term of this Agreement is defined in Schedule 1.

3.3 **New agreement.** Upon notice prior to placing new Orders, renewing any Subscriptions, or further use of the Services after the end of the Contract Term, Aurigo may require the Customer to enter into an updated agreement to govern Orders, renewal Subscriptions, usage, or other terms from that date forward.

3.4 **Taxes and other Incidental Charges.** Unless stated otherwise, the prices and rate plans do not include any taxes, phone and the Customer's cost of their Internet access charges, mobile text messaging, wireless service, and other data transmissions. The Customer is responsible for all such incidental charges and any taxes it is legally obligated to pay, including, but not limited to, paying Aurigo any applicable value-added, sales, or use taxes or like taxes that are permitted to be collected from the Customer by Aurigo under applicable law. If any taxes are required by law to be withheld on payments made by the Customer to Aurigo, the Customer may deduct such taxes from the amount owed Aurigo and pay them to the appropriate taxing authority; provided, however, that the Customer shall promptly secure and deliver to Aurigo an official receipt for any such taxes withheld or other documents necessary to enable Aurigo to claim a Foreign Tax

Credit. The Customer will make certain that any taxes withheld are minimized to the extent possible under applicable law. If the Customer is tax-exempt, it must provide a valid tax exemption certificate for Aurigo to exclude taxes from customer invoices.

3.5 **Refunds.** All charges are non-refundable unless expressly stated otherwise or otherwise provided by law.

3.6 **Late Payments.** Undisputed payments to Aurigo are due 30 days from receiving an invoice. Aurigo may suspend or cancel the Services if the Customer does not pay undisputed fees in full and on time.

4. TERM AND TERMINATION

4.1 This Agreement will become effective upon execution by the Parties and remain in force for the Term unless terminated pursuant to this Section 4.

4.2 **Suspension of Services by Aurigo.** Aurigo may immediately suspend the Customer's use of the Services or a portion thereof at any time if (a) Aurigo believes that the Customer's use of the Services represents a direct or indirect threat to its network function or integrity or anyone else's use of the Service, or (b) Aurigo is otherwise required by law to do so. Upon notification by Aurigo of any such suspension, the Customer's right to use the Services will stop immediately. For the avoidance of doubt, during any suspension, the other terms of this Agreement remain in full force and effect.

Aurigo will endeavor to work with the Customer to revoke a suspension, which may include the Customer taking remedial actions, after which the Customer's right to use the Services will resume. If Aurigo determines in its sole discretion that a suspension cannot be revoked, then Aurigo may terminate this Agreement by written notice to the Customer.

4.3 **Termination by Customer.** The Customer may suspend the Customer's use of the Services or a portion thereof at any time if Aurigo violates the terms of this Agreement. However, the Customer's obligation to pay remains in effect until the termination date.

4.4 **Termination of this Agreement for Cause.** A Party may terminate this Agreement by written notice if the other Party materially breaches this Agreement and fails to cure the breach during the Cure Period. The "Cure Period" will commence on the date the non-breaching Party gives written notice of a breach to the breaching Party, specifying the nature of the breach, and will continue for a period of (i) ten (10) days in cases where the breach is the failure to pay any undisputed amounts due under this Agreement; or (ii) thirty (30) days for all other breaches; provided that, notwithstanding the foregoing, there will be no period for curing or remedying a material breach by either Party of its obligations pertaining to Confidential Information under Section 8. If the Customer fails to make any payment required hereunder and fails to cure such breach within the Cure Period, Aurigo may declare all sums due and to become due hereunder immediately due and payable. If Aurigo terminates this Agreement for the Customer's violation of the Agreement terms, the Customer will be obligated to pay any Subscription fees due for the then-current Subscription Period.

4.5 **Termination for Insolvency.** This Agreement may be terminated by either Party,

immediately upon written notice to the other Party in the event (i) the other Party files a bankruptcy petition or is adjudicated bankrupt; (ii) a petition in bankruptcy is filed against the other Party, and such petition is not dismissed within sixty (60) calendar days; (iii) the other Party becomes insolvent or makes an assignment for the benefit of its creditors or an arrangement for its creditors pursuant to any bankruptcy or other similar law; (iv) the other Party discontinues its business; or (v) a receiver is appointed for the other Party or its business.

4.6 Effect of termination. Upon termination or cancellation of the Services or this Agreement by either Party for any reason, (i) the Customer will immediately cease all use of the Services and Client Software, (ii) the Customer shall certify in writing to Aurigo that, within 30 calendar days after termination, the Customer has erased from computer memory, destroyed, or returned to Aurigo all Client Software, as well as any copies thereof on any media or in any form, whether partial or complete, whether modified or in original form, and (iii) Aurigo may delete the Customer's Content permanently from its servers. Notwithstanding the foregoing, Aurigo will keep the Customer's Content for a period of 90 days before it is deleted from Aurigo's servers. Termination of the Services or this Agreement or any license granted herein shall not limit either Party from pursuing other remedies available to it at law or in equity.

At no additional cost to Customer, and when requested in writing by Customer, based upon termination of this Agreement, Aurigo will deliver (within forty-five (45) days of receipt of request) electronic files containing all available Customer Content. Aurigo will deliver the data as a SQL server backup file plus documents in the original form uploaded. The data files will be posted to an agreed to SFTP site. Any standardized documentation describing the data files will be included.

4.7 No liability for the deletion of Content. The Customer acknowledges that, other than as expressly described in these terms, Aurigo will have no obligation to continue holding, exporting, or returning the Customer's Content. The Customer acknowledges that Aurigo will have no liability whatsoever for the deletion of Content pursuant to these terms.

5. DATA PRIVACY

5.1 Use of Customer Data. Content and other data that the Customer may provide or cause to be provided to Aurigo for use with the Services ("**Customer Data**") will be used only to provide the Customer the Services, and in other limited circumstances, including troubleshooting aimed at preventing, detecting, and repairing problems affecting the operation of the Services, the improvement of features including but not limited to those features that involve the detection of, and protection against, emerging and evolving threats to the user (such as malware or spam), and develop new Service capabilities. Aurigo may also use Customer Data for the limited purposes of marketing, advertising, and customer communications. The Customer hereby grants to Aurigo a limited, nonexclusive license to use the Customer Data for the limited purposes set forth above in this Section 5.1.

Notwithstanding the foregoing, Aurigo will not otherwise disclose customer data to a third party (including law enforcement, other government entity, or civil litigant;

excluding Aurigo subcontractors and affiliates) except as the Customer directs or unless required by law. Should a third party contact Aurigo with a demand for customer data, Aurigo will attempt to redirect the third party to request it directly from the Customer. Aurigo may provide the Customer's basic contact information to the third party as part of that. If compelled to disclose customer data to a third party, Aurigo will use commercially reasonable efforts to notify the Customer in advance of a disclosure unless legally prohibited. The Customer is responsible for responding to requests by third parties defined in this clause regarding the Customer's use of the Service, such as a request to take down content under the Digital Millennium Copyright Act.

6. USE RIGHTS AND LIMITATIONS

6.1 SLAs. Aurigo will comply with the then-current SLA in place relating to the Services

6.2 Customer's Use. In using the Service,

Customer agrees to:

- comply with all laws
- comply with any codes of conduct or other notices provided by Aurigo
- keep its password secret
- promptly notify Aurigo if it learns of a security breach or unauthorized access related to the Service

Customer agrees to not:

- use the Services in any way that harms Aurigo or its Affiliates, resellers, distributors and/or vendors, or any customer of the same, or the Services or other Users
- engage in, facilitate, or further unlawful conduct
- damage, disable, overburden or impair the Services (or the networks connected to the Services) or interfere with anyone's use and enjoyment of the Services
- resell or redistribute the Services, or any part of the Services, unless the Customer has a contract with Aurigo that permits it to do so
- use any portion of the Services as a destination linked from any unsolicited bulk messages or unsolicited commercial messages ("spam")
- use any unauthorized automated process or service to access and/or use the Services (such as a BOT, a spider, periodic caching of information stored by Aurigo, or "meta-searching"), however, periodic automated access to the Services for report creation or scheduling is permitted
- use any unauthorized means to modify or reroute, or attempt to modify or reroute, the Services or work around any of the technical limitations in the Services
- modify, create derivative works from, reverse engineer, decompile or disassemble or otherwise attempt to discover any trade secret contained in the Services or in any technology, or system used by Aurigo in connection with providing the Services, except and only to the extent that applicable law expressly permits the Customer to do so despite this limitation
- create a "mirror" of any content of the Services to give the impression that the

Customer is offering all the functionality of the Services as its service is located on its servers

- build a product or service using similar ideas, features, functions, or graphics of the Services
- copy any ideas, features, functions, or graphics of the Services

6.3 **Use of Other Aurigo Services.** The Customer may need to use certain Aurigo websites or services to access and use the Services. If so, the terms of use associated with those websites or services, as applicable, apply to the Customer's use of them.

6.4 **Third Party Services.** Aurigo or its partners may make Third Party Services available to the Customer (a) through the Services or (b) that interface with the Aurigo Services. These Third Party Services are the responsibility of the Third Party Service provider, not Aurigo. The Third Party Service providers may require the Customer to accept additional terms and conditions and/or pay a fee to use their services. Those additional terms and conditions are between the Customer and the Third Party Service provider. The Customer must maintain an active Subscription to use the Aurigo Services with Third-Party Services.

Any Third Party Service provider's use of information that the Customer provides as part of using their Third Party Service is subject to the privacy statements and practices of that Third Party Service provider and/or their suppliers. Aurigo encourages the Customer to review the privacy statement of these Third Party Service providers. Aurigo is not responsible for the privacy statements or privacy practices of these Third Party Service providers or their suppliers.

6.5 **Third Party Software.** Some Third-Party Software may be appropriate or necessary for use with the Service. The Customer is solely responsible for any Third Party Software installed in or used with the Aurigo Services. The Customer's right to use such Third Party Software is governed by the terms of any applicable Third Party Software license agreement. Aurigo is not a party to and is not bound by any terms governing the Customer's use of the Third-Party Software. The Customer acknowledges that it will direct and control the installation and use of Third Party Software with the Aurigo Services.

The Customer must maintain an active Subscription to use the Aurigo Services with Third Party Software. Aurigo will not run or make any copies of Third Party Software licensed by the Customer except as necessary to support the Customer's use of the Aurigo Services. The Customer may not install or use the Third Party Software in any way that would subject Aurigo's intellectual property or technology to obligations beyond those included in the Agreement. Aurigo does not, and will not have any obligation to, provide technical or other support for any Third Party Software. Aurigo does not make any representation or guarantee that any Third Party Software will operate successfully with the Services or continue performing after an update, upgrade, services patch, support fix, or platform migration has been made to the Service.

6.6 **Third Party Software and Third-Party Services Release of Claims.** Aurigo will not be liable for any claims arising out of the Customer's use of Third-Party Software or Third-Party Services, including but not limited to claims pertaining to privacy, performance, availability, or data integrity.

6.7 **Third Party Software and Third-Party Services Indemnity for Use**. The Customer will indemnify and hold harmless Aurigo for all claims resulting from, related to, or in connection with the Customer's use of Third-Party Software or Third-Party Services associated with the Aurigo Services.

6.8 **Use of Third-Party Software or Third-Party Services Websites.** If the Customer accesses any third-party website to use Third Party Software or Third-Party Services in conjunction with the Aurigo Services, the Customer must abide by the third party's terms of use and Aurigo's terms of use for those third-party websites, as set forth in section 7.1 below.

7. CUSTOMER CONTENT

7.1 **Links to third-party websites.** The Services may contain links to third-party websites belonging to Third Party Software and Third Party Service providers. These third-party websites are not under Aurigo's control, and Aurigo has no responsibility for the content contained in such third-party websites. If Aurigo has included these links in the Services, it provides them as a convenience to the Customer only. The inclusion of these links is not an endorsement by Aurigo of any third-party website, Third Party Software, Third Party Services, or any other third-party service or product. Aurigo reserves the right to disable links to any third-party website that the Customer posts on the Services. The Customer's use of any such third-party website will also be subject to Aurigo's Third Party Terms of Use, available here: http://www.aurigo.com/third-party-terms-of-use/

7.2 **Aurigo will not own any Content.** Aurigo performs regular backups of Content for the purpose of recovery in the event of a failure in Aurigo's data centers. However, notwithstanding the foregoing, the Customer is solely responsible for the Content it provides to Aurigo through the Services either through integrations or manual entry. The Customer, not Aurigo, shall have sole responsibility for the accuracy, quality, integrity, legality, reliability, appropriateness, and intellectual property ownership or right to use such Content. Aurigo shall not be responsible or liable for the deletion, correction, destruction, damage, loss or failure to store any Content that the Customer uses with the Service.

8. CONFIDENTIALITY

8.1 Aurigo and the Customer shall treat the Agreement terms and conditions as confidential to the extent permitted by law. They shall not disclose them to any third party except in the furtherance of the Parties' business relationship with each other. For government customers, this Section is subject to the requirements of applicable trade secrets, public records, or similar laws.

8.2 **Protective Measures.** Each Party acknowledges the proprietary nature of the other Party's Confidential Information and the business advantage and opportunity provided thereby. The Customer acknowledges and agrees that the Services and Client Software, its object code and source code, whether or not provided to the Customer, and all ideas, methods, algorithms, formulae, processes, and concepts used in developing or incorporated into the Services or Client Software, all future updates and upgrades, and

all other improvements, revisions, corrections, bug-fixes, hotfixes, patches, modifications, enhancements, releases, signature sets, upgrades, and policy and database updates and other updates in, of, or to the Services or Client Software, all derivative works based upon any of the foregoing, and all copies of the foregoing are trade secrets, Confidential Information and proprietary property of Aurigo, having great commercial value to Aurigo. Accordingly, each Party agrees that the Confidential Information it receives from the other Party will be disclosed only to such of its employees and agents who have a need to know such information in furtherance of their duties and are bound to an enforceable written agreement prohibiting them from disclosing any such information to any other party or using such information except for the purposes permitted by this Agreement. Except as expressly permitted by this Agreement, neither Party will use the other Party's Confidential Information or disclose such information to any third party without the prior written consent of the other Party.

8.3 **Exceptions Regarding Disclosure.** Nothing in this Agreement will prevent the receiving Party from disclosing the other Party's Confidential Information to the extent the receiving Party is legally compelled to do so by any court or governmental investigative or judicial agency pursuant to proceedings over which such agency has jurisdiction, on condition that prior to the disclosure, the receiving Party shall (i) assert the confidential nature of the Confidential Information; (ii) immediately notify the disclosing Party in writing of the order or request to disclose; and (iii) cooperate fully with the disclosing Party in protecting against any such disclosure and/or obtaining a protective order narrowing the scope of the compelled disclosure and protecting its confidentiality.

8.4 **Injunctive Relief.** Each Party acknowledges and agrees that due to the unique nature of Confidential Information, there can be no adequate remedy at law for any unauthorized use or copying of the Services or Client Software by the Customer or any breach of the obligations under this Section 8 regarding Confidential Information by either Party. Any such breach would result in irreparable harm to the non-breaching Party and, therefore, upon any such alleged breach, the non-breaching Party will be entitled to seek appropriate equitable relief, in addition to whatever remedies it might have at law, in equity or under this Agreement.

8.5 Aurigo recognizes the Customer is a municipal entity subject to the Washington State Public Records Act, Chapter 42.56 RCW, and that Customer is obligated to disclose records upon request unless a specific exemption from disclosure exists. Nothing in the Agreement is intended to prevent the Customer's compliance with the Public Records Act, and Customer shall not be liable to Aurigo due to Customer’s compliance with any law or court order requiring the release of public records. In the event the Customer receives a request requiring the release of Aurigo’s information, Customer will provide Aurigo with notice and an opportunity to obtain a court protection pursuant to Washington State Public Records Act, Chapter 42.56 RCW.

9. WARRANTIES

9.1 **Limited warranty.** Aurigo warrants that the Services and Client Software will conform as per specification and will be subject to the following limitations:

- this limited warranty applies only during the Term, including any renewals

("Limited Warranty Period")

- any implied warranties, guarantees, or conditions not able to be disclaimed as a matter of law will last only during the Limited Warranty Period
- this limited warranty does not cover problems caused by accident, abuse, or use of the Services in a manner inconsistent with this Agreement or resulting from events beyond Aurigo's reasonable control
- this limited warranty does not apply to problems caused by the failure to meet minimum system requirements
- this limited warranty does not apply to downtime or other interruption in access to the Services or any other performance metrics that are addressed in an applicable SLA
- this limited warranty does not apply to problems caused by the Customer's use of any Third-Party Services, Third-Party Software, and any other third party provided goods or services
- This limited warranty expressly excludes any Third-Party Services, Third-Party Software, and any other third party provided goods or services

9.2 **Remedies for breach of limited warranty.** If the Customer notifies Aurigo within the Limited Warranty Period that the Services or a portion thereof do not meet the limited warranty, then Aurigo will either (1) return the amount paid for the applicable Services or portions thereof during the Term, but only in an amount equal to the portion of the payments for which the Customer's warranty claim applies, and only to the extent the Customer requests termination of the contract, or (2) update such Services to make it conform to the limited warranty. These are the Customer's only remedies for breach of the limited warranty unless other remedies are required to be provided under applicable law.

9.3 **DISCLAIMER OF OTHER WARRANTIES.** OTHER THAN THIS LIMITED WARRANTY, AURIGO PROVIDES NO OTHER EXPRESS OR IMPLIED WARRANTIES. AURIGO DISCLAIMS ANY IMPLIED REPRESENTATIONS, WARRANTIES, OR CONDITIONS, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SATISFACTORY QUALITY, TITLE, OR NON-INFRINGEMENT. THESE DISCLAIMERS WILL APPLY UNLESS OTHERWISE REQUIRED BY APPLICABLE LAW.

9.4 **DISCLAIMER OF LIABILITY**. Aurigo will not be in breach of any of its obligations under this Agreement (including in respect of any service levels, to the extent applicable) or be liable to the Customer, to the extent such act or omission (which would constitute such a breach or give rise to liability) is caused by or directly attributable to an act or omission of any third party not affiliated with Aurigo, including for the avoidance of doubt, the Customer.

10. DEFENSE OF INFRINGEMENT AND MISAPPROPRIATION CLAIMS

10.1 **Agreement to protect.** Aurigo will defend the Customer against any claims made by an unaffiliated third party that any Services or Client Software infringes that third party's patent, copyright, or trademark or makes intentional unlawful use of its trade secrets or confidential information. Aurigo will also pay the amount of any resulting adverse final judgment (or settlement to which Aurigo consents). This Section provides the Customer's exclusive remedy for these claims.

10.2 **What Customer must do:** The Customer must promptly notify Aurigo promptly in writing of the claim and give Aurigo control over its defense or settlement of the claim. Aurigo will work with the Customer's designated representative to process and defend against the claim. The Customer's designated representative must provide Aurigo with reasonable assistance in defending the claim. Aurigo will reimburse the Customer for reasonable out-of-pocket expenses incurred in providing that assistance, but Aurigo will not be liable to the Customer for any attorney fees of counsel hired by the Customer unless Aurigo has expressly agreed to pay such fees in advance and in writing.

10.3 **Limitations on defense obligation.** Aurigo's obligations in this Section 10 will not apply to the extent that the claim or award is based on:

- the Customer's use of the Services or Client Software after Aurigo notifies Customer in writing to discontinue its use due to a third-party claim
- the Customer's combination of the Services or any related Client Software with a non-Aurigo product, data, or business process, including Third Party Software and Third-Party Services
- damages attributable to the value of the use of a non-Aurigo product, data, or business process
- the Customer's use of Aurigo's trademark(s) without express written consent to do so
- any trade secret or undisclosed information claim, where the Customer acquires the trade secret or undisclosed information (1) through improper means; (2) under circumstances giving rise to a duty to maintain its secrecy or limit its use; or (3) from a person (other than Aurigo) who owed to the party asserting the claim a duty to maintain the secrecy or limit the use of the trade secret or undisclosed information

10.4 **Specific rights and remedies in case of infringement.**

- **Aurigo's rights in addressing possible infringement.** If Aurigo receives information concerning an infringement claim related to the Services or Client Software, Aurigo may, at its expense and without obligation to do so: (1) procure for the Customer the right to continue to use the allegedly infringing Services and/or Client Software, (2) modify the Services and/or Client Software, or (3) replace the Services and/or Client Software with a functional equivalent, to make it non-infringing, in which case the Customer will immediately stop using the allegedly infringing Services and/or Client Software after receiving notice from Aurigo.

- **Customer's specific remedy in case of an injunction.** If, as a result of an infringement claim, the Customer's use of the Services or Client Software is enjoined by a court of competent jurisdiction, Aurigo will, at its option, either: (1) procure the right to continue its use; (2) replace it with a functional equivalent; (3) modify it to make it non-infringing; or (4) terminate the License as to the infringing Services and/or related Client Software and refund any amounts paid in advance by the Customer for unused Services.

11. LIMITATION OF LIABILITY

11.1 Limitation on liability. Except as otherwise provided in this Section, to the extent permitted by applicable law, the liability of Aurigo and Aurigo's contractors to the Customer arising under this Agreement is limited to direct damages up to the amount the Customer paid Aurigo for the Services and/or Client Software giving rise to that liability during the (1) Term or (2) twelve months prior to the filing of the claim, whichever is less. These limitations apply regardless of whether the liability is based on breach of contract, tort (including negligence), strict liability, breach of warranties, or any other legal theory. However, these monetary limitations will not apply to:

- Aurigo's obligations under the Section titled "Defense of infringement and misappropriation claims"
- the Customer's use of Aurigo's trademark(s) without express written consent to do so
- liability for damages awarded by a court of final adjudication for Aurigo's or its employees' or agents' gross negligence or willful misconduct
- liabilities arising out of any breach by Aurigo of its obligations under the Section entitled "Confidentiality"
- liability for personal injury or death caused by Aurigo's negligence or that of its employees or agents or for fraudulent misrepresentation

11.2 EXCLUSION OF CERTAIN DAMAGES. To the extent permitted by applicable law, whatever the legal basis for the claim, neither Party, nor any of its affiliates or suppliers, will be liable for any indirect damages (including, without limitation, consequential, special or incidental damages, damages for lost profits or revenues, business interruption, or loss of business information) arising in connection with this agreement, even if advised of the possibility of such damages or if such possibility was reasonably foreseeable. However, this exclusion does not apply to either Party's liability to the other for violation of its confidentiality obligations or the other Party's intellectual property rights.

12. VERIFYING COMPLIANCE

During the Term of any Subscription and for three years thereafter, the Customer must keep all records relating to the Subscription(s) and the Customer's use of the Services and/or Client Software under this Agreement. Aurigo may request that the Customer conduct an internal audit of all Services in use throughout the Customer's organization, comparing (i) the number of User Licenses in use to the number of User Licenses purchased by the Customer or (ii) the ACV tier used by the Customer to the ACV tier purchased by the Customer, as the case may be. By requesting an audit, Aurigo does not waive its rights to enforce this Agreement or protect Aurigo's intellectual property by any other means permitted by law. If verification or self-audit reveals any unlicensed use, the Customer must promptly order sufficient User Licenses or purchase a higher ACV tier to cover its past and present use. If use is more than what the Customer purchased from Aurigo, the Customer must also reimburse Aurigo for the costs Aurigo has incurred in verification and acquire the necessary additional User Licenses or ACV tier, as the case may be, at single retail subscription cost within 30 days.

13. MISCELLANEOUS

13.1 Notices. Notices, authorizations, and requests in connection with this Agreement must

be sent by regular or overnight mail, or express courier, to the addresses listed below. Notices will be treated as delivered on the date shown on the return receipt. Termination of the Agreement, a Subscription, or cancellation of a Subscription initiated by the Customer should be sent via the Aurigo customer service contact.

Notices should be sent to Aurigo:	**Copies should be sent to:**
Aurigo Software Technologies Inc. 8310-2 N Capital of Texas Highway Prominent Pointe, Suite 100 Austin, TX 78731 Email: support@aurigo.com	Aurigo Software Technologies Inc. 8310-2 N Capital of Texas Highway Prominent Pointe, Suite 100 Austin, TX 78731

Notices should be sent to the Customer:	**Copies should be sent to:**
City of Redmond MS: 3SFN Service Desk P.O. Box 97010 Redmond, WA 98073-9710	servicedesk@redmond.gov

13.2 **Assignment.** Neither party may assign this Agreement.

13.3 **Severability.** If a court holds any provision of this Agreement to be illegal, invalid, or unenforceable, the rest of the document will remain in effect, and this Agreement will be amended to give effect to the eliminated provision to the maximum extent possible.

13.4 **Waiver.** A waiver of any breach of this Agreement is not a waiver of any other breach. Any waiver must be in writing and signed by an authorized representative of the waiving Party.

13.5 **Applicable law.** This Agreement is governed by the laws of the State of Texas without regard to its conflict of laws principles, except that (1) if the Customer is an entity of the US Government, this Agreement is governed by the laws of the United States, and (2) if the Customer is an entity of a state or local government in the United States, this Agreement is governed by the laws of that state. The 1980 United Nations Convention

on Contracts for the International Sale of Goods and its related instruments will not apply to this Agreement. The Services are protected by copyright and other intellectual property rights laws and international treaties.

13.6 Dispute Resolution. The Parties agree that any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled to the extent possible by good faith negotiations. Any dispute that the Parties cannot resolve by good faith negotiations within thirty (30) days or such a longer period as the Parties may mutually agree shall be submitted to binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association by a single arbitrator appointed in accordance with such Rules. The arbitration will take place in Seattle, WA, USA, in the English language, and the arbitral decision may be enforced in any court. Notwithstanding the foregoing, claims for injunctive or equitable relief or claims regarding intellectual property rights may be brought in any competent court. Subject to the preceding arbitration provision, the Parties consent to exclusive jurisdiction and venue in the state and federal courts located in Seattle, WA.

13.7 This Agreement is not exclusive. The Customer is free to enter into agreements to license, use or promote non-Aurigo software or services, subject to the terms of this Agreement.

13.8 Survival. Provisions regarding fees, restrictions on use, transfer of licenses, export restrictions, defense of infringement and misappropriation claims, limitations of liability, confidentiality, compliance verification, indemnification, obligations on termination, and the provisions in this Section entitled "Miscellaneous" will survive expiration or termination of this Agreement.

13.9 Force majeure. Neither Party will be liable for any failure in performance due to causes beyond either Party's reasonable control (such as fire, explosion, power blackout, earthquake, flood, severe storms, strike, embargo, labor disputes, acts of civil or military authority, war, terrorism (including cyber-terrorism), acts of God, acts or omissions of Internet traffic carriers, actions or omissions of regulatory or governmental bodies (including the passage of laws or regulations or other acts of government that impact the delivery of Services)). This Section does not apply to the Customer's payment obligations under this Agreement to the extent that any services continue during the force majeure period, for services rendered prior to the force majeure period, or once services resume following the force majeure period.

13.10 US export jurisdiction. The Services are subject to US export jurisdiction. The Customer must comply with all applicable laws, including the US Export Administration Regulations, the International Traffic in Arms Regulations, and end-user, end-use, and destination restrictions issued by the US and other governments.

13.11 Entire Agreement; Amendment. This Agreement and the schedules thereto constitute the entire agreement between the Parties and supersede all prior agreements, understandings, and other communications with respect to the subject matter hereof. Except as specifically provided for in this Agreement, no modification or amendment of this Agreement will be effective unless in writing and executed by a duly authorized representative of each Party.

SCHEDULE 1 - Description of Service Subscription

Product Name	Aurigo Masterworks Cloud – PRO
Product Version	2024-1
Products Included	1. Aurigo Masterworks Cloud – Platform Core – PLT 2. Full Lifecycle Construction Management – FLCM 3. Capital Planning - PLN 4. Construction Project Management – CPM 5. Data Link 6. Mobile - MBL
Contract Term	2 years with successive 1-year auto-renewals
# of Users	50 Internal Users (for included modules only) 450 External Users
Customer Name	City of Redmond
Support Plan	Gold Support Plan
Support Plan Amendments	Hyper-Care Warranty - 60 days after production go-live

Note:

Only the products listed above are included with the annual subscription.

SCHEDULE 2 – Support Plan and Service Level Agreement

Aurigo provides this Service Level Agreement (SLA) subject to the terms and conditions below, which will be fixed for the duration Contract Term of the Service. If a new SLA is proposed, it must be agreed upon in writing between Aurigo and the Customer.

Aurigo will provide product support to the administrative users of the system. Administrative users can contact Aurigo for support during the support times defined in the purchased Support Plan.

The Customer's end-users must contract the Customer's helpdesk for general support. If the Customer's helpdesk cannot resolve the issue, the Customer's designated and authorized personnel can contact Aurigo support helpdesk to help resolve the issue as set forth below.

A. Definitions

1. **"Claim"** means a claim submitted by the Customer to Aurigo that a Service Level under this SLA has not been met and that a Service Credit may be due to the Customer.
2. **"Downtime"** means the time when the Service is not functional and is not available to the Customer for use.
3. **"Incident"** means an unplanned interruption or degradation in Service.
4. **"Monthly Uptime Percentage"** is calculated on a calendar month basis (according to the formula set forth in Section B) using data collected about the Service's availability for a given calendar month by a third-party provider who makes frequent log-in attempts to the Service on a 24-hour/seven day a week basis.
5. **"Planned Downtime"** means published maintenance windows or times when Aurigo notifies the Customer of periods of scheduled Downtime for network, hardware, Service maintenance, or Service upgrades at least five days before the commencement of such Downtime. If an emergency Downtime is required (such as a fix to a zero-day vulnerability), Aurigo is authorized to give the Customer less than twenty-four (24) hours' notice before the required downtime. Except for all Emergency Downtime, the Customer's approval is mandatory for Scheduled Downtime. For Emergency Downtime, the Customer will be notified. A three-hour maintenance period (over a weekend) is scheduled every month for security patching.
6. **"Service Level"** means the percentage of Service availability for a given month that Aurigo agrees to provide to the Customer, which is measured by the Monthly Uptime Percentage.

B. Application Uptime Service Level

1. The Service Level for Application Uptime is according to the purchased Support Plan.
2. The Monthly Application Uptime Percentage is calculated for a given calendar month using the following formula:

Monthly Uptime Percentage =		
Total number of minutes in a given calendar month	**minus**	Total number of minutes of Unplanned Downtime in a given calendar month
Total number of minutes in a given calendar month		

3. To monitor the Service and ensure availability, the Customer agrees to provide a read-only user account to access the Customer's instance of the Service.

C. Claims against Application Uptime Service Level

1. The Customer may make a claim if the Application availability does not meet the uptime service level guarantee. The Customer's account must be active and in good standing to make a claim against Application Uptime Service Level.
2. The Customer must submit a formal claim to billing support at support@aurigo.com.
3. The Customer must provide all reasonable application downtown details related to the Claim.
4. The Customer must provide sufficient evidence to support the Claim by the end of the month following the month in which the Incident that is the subject of the Claim occurs. For example, if the Incident occurs on January 15 and the Customer provides Notice on January 20, the Customer must provide sufficient evidence to support the Claim by February 28.

   Aurigo will use all information reasonably available to validate Claims and make a good faith judgment on application uptime Service Level. Aurigo will use commercially reasonable efforts to process Claims within forty-five (45) days.
5. In the event that a valid Claim is determined and continues for at least 3 consecutive measurement periods, Aurigo will issue the Customer a service credit in the amount of 10% of the pro-rated monthly amount of the Subcription Fee during that annual Subscription Period. Such service credits can be applied against the subsequent Subscription Fee.

D. Incident (application issue) definitions and support process

Aurigo commits to responding to support requests in a timely manner. If the issue is because of a bug, a fix may take longer depending on the nature of the bug. The time to restore will be bug-specific, and an estimate will be provided to the customer. In such cases, Aurigo will provide a workaround or advisory instructions (such as when the fix would be released in production), which will stop the SLA clock for that specific issue.

Severity Level	Name	Description	Time to Response	Time to Restore
1	**Urgent**	Service outage has halted the normal functioning of the business. The Service is entirely inaccessible to users, or the Service is unusable because of severe performance degradation.	45 Minutes	3 Hours
2	**High**	Major functionality in the Service is not working as designed, and there is a high impact on portions of the Customer's business that impacts most users. If a reasonable workaround is found for an "Urgent" issue, it can be downgraded to "High" with the Customer's consent.	3 Business Hours	2 Business Days
3	**Medium**	The Service is experiencing a partial, non-critical loss of use with a medium-to-low impact on business. However, the business can continue to function. If a reasonable workaround is found for a "High" issue, it can be downgraded to "Medium" with the Customer's consent.	6 Business Hours	7 Business Days
4	**Low**	Users are experiencing minor inconveniences that do not prevent them from using the Services. Such inconveniences are categorized as "Low" severity. If a reasonable workaround is found for a "Medium" issue, it can be downgraded to "Low" with the Customer's consent.	1 Business Day	45 Business Days

The service level time will be measured from the first communication to Aurigo via email or the support line during standard business hours.

To calculate "Time to Restore" accurately, the clock will pause if Aurigo is waiting for Customer approval, clarification, or confirmation for corrective change. This applies to all severity levels.

E. Exclusions

1. Unplanned Downtime does not include:

   a. The period when the Service is not available because of Planned Downtime or

   b. The following performance or availability issues may affect the Service:

      i. Due to factors outside Aurigo's reasonable control

      ii. That resulted from the Customer's or third party's use of any third-party hardware, software, or services (including Third-Party Software or Third-Party Services, as defined in this Agreement)

      iii. That resulted from actions or inactions of the Customer or third parties

iv. That resulted from actions or inactions by the Customer or the Customer's employees, agents, contractors, or vendors, or anyone gaining access to Aurigo's network by means of the Customer's passwords or equipment

v. That was caused by the Customer's use of the Service after Aurigo advised the Customer (through an email to a Customer representative) to modify its use of the Service, and the Customer did not modify its use as advised

2. SLAs apply to production systems only

3. Software defects - For issues not classified as Severity 1 that require a code fix, Aurigo will provide a committed time to fix the defect within the Time to Repair window. If Aurigo delivers the fix within the committed time, Aurigo will be deemed compliant with the Time to Repair service level.

4. Change requests require a separate statement of work, including scope, list of deliverables, and cost of deliverables.

5. Service requests for configuration change

Schedule 2.1 Gold Support Plan

The Gold Support Plan adds solution support to Aurigo's standard Silver Support Plan. The Plan includes extensive support for the base product functionality and provides the Customer with peace of mind while using the Aurigo Service. The Gold Support Plan gives the Customer everything committed to in Aurigo's Silver Support Plan plus greater service levels such as 45 days of product warranty after the solution goes live.

Support Hours	8 AM – 5:30 PM PST (Monday through Friday, excluding US federal and state holidays)
Support Channel	Phone, Email, Web
Product Support - Included	Platform – Updates and Break-Fix Patches Purchased Products – Updates and Break-Fix Patches
Hyper-Care Warranty	45 Days after production go-live
Solution Support - Post Warranty	Provided on Time and Materials Basis
Concierge Desk	Not included
Application Uptime	99.9% (excluding planned downtime)

Notes:

1. Discounted rate for each hour of Solution Support is $185
2. The Concierge Desk is available with the Platinum Support Plan only.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement the day and year first above written.

City of Redmond

_____
Signature

_____
Printed Name

_____
Printed Title

AURIGO SOFTWARE TECHNOLOGIES

_____
Signature

Kevin Koenig
Chief Revenue Officer

Memorandum

Date: 9/17/2024
Meeting of: City Council

File No. AM No. 24-135
Type: Consent Item

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Police	Chief Darrell Lowe	425-556-2521

DEPARTMENT STAFF:

Police	Brian Coats	Deputy Police Chief

TITLE:
Acceptance of the Washington Auto Theft Prevention Authority Grant, in the Amount of $44,100, and Direct the Finance Department to Recognize the Revenue to Fund Fixed Automated License Plate Readers

OVERVIEW STATEMENT:
The police department is seeking Council's approval to accept funding in the amount of $44,100.00 from the Washington Auto Theft Prevention Authority (WATPA) to address auto theft in local communities.

Adding to the Commerce grant approved by Council at the August 5, 2024 Business Meeting, the department intends to enhance its capabilities by installing automated license plate readers (ALPRs) in strategic locations throughout the city. Flock Safety has been identified as the vendor for this project and will be responsible for the installation, maintenance, and support of the cameras with the goal being to reduce crime in the community. Flock Safety has provided a quote specific to this award amount.

☐ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information** ☐ **Provide Direction** ☒ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
  N/A
- **Required:**
  Council approval is required for grant acceptance.
- **Council Request:**
  Approve grant funding
- **Other Key Facts:**
  N/A

OUTCOMES:
Strategically located intersections were identified within the City to place the Flock cameras to capture the most license plates entering and leaving the City limits. The concept of this approach is for officers and dispatchers to be alerted whenever a "Wanted" or "Hot List" vehicle or vehicle used in the commission of a crime is captured on a Flock camera. Officers will respond to the area and look for the vehicle based on the last known location. Vehicles typically placed on "Hot Lists" include stolen vehicles, wanted persons connected to vehicles, and missing persons.

Whether responding to a crime in-progress or investigating a past crime, Flock camera technology can locate vehicles based on a description of the vehicle without needing the license plate number. For example, a vehicle involved in a crime described as a red sports car with a spoiler can be entered into the search parameters. Using just that information, the Flock cameras will locate all vehicles matching that description and provide information concerning location, direction of travel, and license plate number.

The police department intends to partner with local homeowner's associations and retail stores who already have or have plans to install Flock ALPR cameras. Through a data-sharing agreement between the police department and private entities, officers and investigators will have access to a tremendous amount of data used to solve and reduce crimes, while holding violators accountable for their actions.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
  The use of ALPR technology was approved by Council on August 5, 2024 as a pilot program.
- **Outreach Methods and Results:**
  N/A
- **Feedback Summary:**
  N/A

BUDGET IMPACT:

Total Cost:
No budget impact

Approved in current biennial budget: ☐ **Yes** ☐ **No** ☒ **N/A**

Budget Offer Number:
228 Criminal Justice

Budget Priority:
Safe and Resilient

Other budget impacts or additional costs: ☐ **Yes** ☐ **No** ☒ **N/A**
If yes, explain:
N/A

Funding source(s):
General Fund

Budget/Funding Constraints:
N/A

☐ **Additional budget details attached**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
9/10/2024	Committee of the Whole - Finance, Administration, and Communications	Provide Direction

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:
The grant award is effective June 1, 2024, and expires on June 30, 2025.

ANTICIPATED RESULT IF NOT APPROVED:
The police department will not accept the grant award and will research other funding options.

ATTACHMENTS:
Attachment A: Agenda Memo
Attachment B: Agreement Between Redmond Police Department and the Washington Auto Theft Prevention Authority

Memorandum

Date: 9/10/2024
Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 24-383
Type: Committee Memo

TO: Committee of the Whole - Finance, Administration, and Communications
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Police	Chief Darrell Lowe	425-556-2521

DEPARTMENT STAFF:

Police	Brian Coats	Deputy Police Chief

TITLE:
Acceptance of the Washington Auto Theft Prevention Authority Grant, in the Amount of $44,100, and Direct the Finance Department to Recognize the Revenue to Fund Fixed Automated License Plate Readers

OVERVIEW STATEMENT:
The police department is seeking Council's approval to accept funding in the amount of $44,100.00 from the Washington Auto Theft Prevention Authority (WATPA) to address auto theft in local communities.

Adding to the Commerce grant approved by Council at the August 5, 2024 Business Meeting, the department intends to enhance its capabilities by installing automated license plate readers (ALPRs) in strategic locations throughout the city. Flock Safety has been identified as the vendor for this project and will be responsible for the installation, maintenance, and support of the cameras with the goal being to reduce crime in the community. Flock Safety has provided a quote specific to this award amount.

☐ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information** ☒ **Provide Direction** ☒ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
  N/A
- **Required:**
  Council approval is required for grant acceptance.
- **Council Request:**
  Approve grant funding
- **Other Key Facts:**
  N/A

OUTCOMES:
Strategically located intersections were identified within the City to place the Flock cameras to capture the most license plates entering and leaving the City limits. The concept of this approach is for officers and dispatchers to be alerted whenever a "Wanted" or "Hot List" vehicle or vehicle used in the commission of a crime is captured on a Flock camera. Officers will respond to the area and look for the vehicle based on the last known location. Vehicles typically placed on "Hot Lists" include stolen vehicles, wanted persons connected to vehicles, and missing persons.

Whether responding to a crime in-progress or investigating a past crime, Flock camera technology can locate vehicles based on a description of the vehicle without needing the license plate number. For example, a vehicle involved in a crime described as a red sports car with a spoiler can be entered into the search parameters. Using just that information, the Flock cameras will locate all vehicles matching that description and provide information concerning location, direction of travel, and license plate number.

The police department intends to partner with local homeowner's associations and retail stores who already have or have plans to install Flock ALPR cameras. Through a data-sharing agreement between the police department and private entities, officers and investigators will have access to a tremendous amount of data used to solve and reduce crimes, while holding violators accountable for their actions.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
  The use of ALPR technology was approved by Council on August 5, 2024 as a pilot program.
- **Outreach Methods and Results:**
  N/A
- **Feedback Summary:**
  N/A

BUDGET IMPACT:

Total Cost:
No budget impact

Approved in current biennial budget: ☐ **Yes** ☐ **No** ☒ **N/A**

Budget Offer Number:
228 Criminal Justice

Budget Priority:
Safe and Resilient

Other budget impacts or additional costs: ☐ **Yes** ☐ **No** ☒ **N/A**
If yes, explain:
N/A

Funding source(s):
General Fund

Budget/Funding Constraints:
N/A

☐ **Additional budget details attached**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
N/A	Item has not been presented to Council	N/A

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
9/17/2024	Business Meeting	Approve

Time Constraints:
The grant award is effective June 1, 2024, and expires on June 30, 2025.

ANTICIPATED RESULT IF NOT APPROVED:
The police department will not accept the grant award and will research other funding options.

ATTACHMENTS:
Attachment A: Agreement Between Redmond Police Department and the Washington Auto Theft Prevention Authority

AGREEMENT BETWEEN REDMOND POLICE DEPARTMENT AND THE WASHINGTON AUTO THEFT PREVENTION AUTHORITY

AUTO THEFT PREVENTION GRANT PROGRAM AWARD AGREEMENT

Award Recipient Name and Address:
Redmond Police Department
8701 160th Ave NE
Redmond, WA 98052

Award Period:
06/1/2024 - 06/30/25

Amount Approved
$44,100.00

Funding Authority:
WASHINGTON AUTO THEFT PREVENTION AUTHORITY

Requests for reimbursement under this agreement are subject to the following Budget:

EQUIPMENT & TECHNOLOGY
$44,100.00

IN WITNESS WHEREOF, the WATPA and RECIPIENT acknowledge and accept the terms of this AGREEMENT and attachments hereto, and in witness whereof have executed this AGREEMENT as of the date and year last written below. The rights and obligations of both parties to this AGREEMENT are governed by the information on this Award Sheet and other document incorporated herein by reference: Non-Supplanting Declaration.

WATPA

Name / *Title:* Bryan Jeter, WATPA, Executive Director

Date: 7/24/24

RECIPIENT

Name / *Title:* BRIAN COATS, Deputy Chief

Date: 7/23/24

WATPA

Non-supplanting Declaration

Supplanting

WATPA funds must be used to supplement existing funds for program activities and must not replace those funds that have been appropriated for the same purpose (RCW 46.66.080 (5). Supplanting shall be the subject of application review, as well as pre-award review, post-award monitoring, reimbursement and audit. If there is a potential presence of supplanting, the applicant or grantee will be required to supply documentation demonstrating that the reduction in non-WATPA resources occurred for reasons other than the receipt or expected receipt of WATPA funds.

The Redmond Police Department (Applicant Agency) certifies that any funds awarded through **WATPA** shall be used to supplement existing funds for program activities and will not replace (supplant) non-WATPA funds that have been appropriated for the purposes and goals of the grant.

The Deputy Chief Brian Coats (Applicant Agency Chief or designee) understands that supplanting violations may result in a range of penalties, including but not limited to suspension of future funds under this program, suspension or debarment from **WATPA** grants, recoupment of monies provided under this grant, and civil and/or criminal penalties.

Printed Name and Title: Brian Coats, Deputy Chief

Signature: B. Coats Date: 7/23/24

Memorandum

Date: 9/17/2024
Meeting of: City Council

File No. AM No. 24-136
Type: Consent Item

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Planning and Community Development	Carol Helland	425-556-2107

DEPARTMENT STAFF:

Planning and Community Development	Seraphie Allen	Deputy Director
Planning and Community Development	Jeff Churchill, AICP	Planning Manager
Planning and Community Development	Ian Lefcourte, AICP	Senior Planner

TITLE:
Adoption of a Resolution to Reallocate A Regional Coalition for Housing (ARCH) Funds to Redmond Supportive Housing Project

a. Resolution No. 1588: A Resolution of the City Council of the City of Redmond, Washington, Authorizing the Duly-Appointed Administering Agency for A Regional Coalition for Housing (ARCH) to Execute All Documents Necessary to Enter Into Agreements for the Reallocation of Funding from Kenmore Supportive Housing Project to Redmond Supportive Housing Project as Recommended by the ARCH Executive Board, Utilizing Funds from the City's Housing Trust Fund

OVERVIEW STATEMENT:
Staff recommends that the City Council adopt a Resolution approving the reallocation of A Regional Coalition for Housing (ARCH) funding from Kenmore Supportive Housing project to Redmond Supportive Housing project, for the development of affordable housing.

This recommendation reallocates $3,279,700 previously approved by member councils for the Kenmore Supportive Housing project developed by Plymouth Housing. The reallocation of funds is needed to accommodate the project's change in the location and updated funding conditions.

The need to move the Capital Fund Earmarks from Kenmore to Redmond was identified as a necessary project re-location step during the February 13 Special Meeting where the City Council authorized Mayor Birney to pursue and execute a transfer of city-owned property to Plymouth Housing. The Council was updated on the transfer of funding commitments to the Redmond Plymouth Housing project during the Quarterly Permanent Supportive Housing Briefing at the April 16 Public Safety and Human Services Committee of the Whole Meeting. The action requested of Council this evening is the last re-location step needed to maintain the ARCH funding commitment to the Plymouth Housing

project in Redmond.

☒ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information** ☐ **Provide Direction** ☒ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
  The Comprehensive Plan Housing Element provides a framework for housing goals, policies, and actions to address housing needs that advance the City's vision. Policy HO-4 calls for cooperation with ARCH and others in the funding of affordable housing.
- **Required:**
  Per the interlocal agreement between ARCH and the City, Council approval is needed to authorize the allocation (and reallocation) of funds to ARCH for affordable housing.
- **Council Request:**
  N/A
- **Other Key Facts:**
  N/A

OUTCOMES:

After careful deliberation, the ARCH Executive Board concurred with the recommendation of the ARCH Community Advisory Board (CAB) regarding funding for the Redmond Supportive Housing Project. This recommendation reallocates $3,279,700 previously approved by member councils for the Kenmore Supportive Housing project developed by Plymouth Housing. The initial funding was approved by Redmond City Council on March 21, 2023, with Resolution 1570.

The reallocation of funds is needed to accommodate the project's change in the location and updated funding conditions. The project will continue to provide 100 new units of housing affordable at 30% AMI and meet several key priorities, as outlined in this memo.

The Redmond Supportive Housing Project will create 100 housing units affordable at 30% Area Median Income (85 studio units, 15 1-bedroom units).

Detailed descriptions of the project, funding requests, rationale, and development costs, proposed conditions, and further information are included in Attachment B.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
  2022-2024
- **Outreach Methods and Results:**
  ARCH staff met with member cities' Planning and Human Services staff to conduct a preliminary review of

applications before forwarding applications to the Community Advisory Board (CAB). The CAB is recruited using public notices, website announcements, and email communications with the help of member cities. The CAB is appointed by the Executive Board.

- **Feedback Summary:**
  N/A

BUDGET IMPACT:

Total Cost:
$0 (this action reallocates previously awarded funds). Staff working on the Redmond Supportive Housing project are funded through the adopted budget.

Approved in current biennial budget: ☒ **Yes** ☐ **No** ☐ **N/A**

Budget Offer Number:
CIP Budget - Citywide Investments

Budget Priority:
Vibrant and Connected

Other budget impacts or additional costs: ☐ **Yes** ☒ **No** ☐ **N/A**
If yes, explain:
N/A

Funding source(s):
Capital Investment Program (CIP)
Functional Area: General Government: $0

Budget/Funding Constraints:
Funds dedicated to providing increased affordable housing choices for a diverse population through contributions to ARCH (A Regional Coalition for Housing)

☐ **Additional budget details attached**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
2/13/2024	Special Meeting	Approve
4/16/2024	Committee of the Whole - Public Safety and Human Services	Receive Information
9/3/2024	Committee of the Whole - Planning and Public Works	Provide Direction

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action

N/A	None proposed at this time	N/A

Time Constraints:
Approval of this request will allow for the timely allocation of funds for affordable housing in East King County.

ANTICIPATED RESULT IF NOT APPROVED:
If not approved, ARCH will not have Redmond funds to contribute to the regional efforts to advance affordable housing projects that meet urgent local priorities.

ATTACHMENTS:
Attachment A: Resolution
Exhibit A: Member City Council Plymouth Redmond Recommendation Memo 2024

CITY OF REDMOND
RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, AUTHORIZING THE DULY-APPOINTED ADMINISTERING AGENCY FOR A REGIONAL COALITION FOR HOUSING (ARCH) TO EXECUTE ALL DOCUMENTS NECESSARY TO ENTER INTO AGREEMENTS FOR THE REALLOCATION OF FUNDING FROM KENMORE SUPPORTIVE HOUSING PROJECT TO REDMOND SUPPORTIVE HOUSING PROJECT AS RECOMMENDED BY THE ARCH EXECUTIVE BOARD, UTILIZING FUNDS FROM THE CITY'S HOUSING TRUST FUND

WHEREAS, A Regional Coalition for Housing (ARCH) was created by interlocal agreement to help coordinate the efforts of Eastside cities to provide affordable housing; and

WHEREAS, the City Council has approved Resolution 1327 approving the Amended and Restated Interlocal Agreement for ARCH; and

WHEREAS, in 2023, pursuant to Resolution 1570 the City Council previously approved funding for the Kenmore Supportive Housing Project with terms and conditions recommended by the ARCH Executive Board; and

WHEREAS, the ARCH Executive Board has recommended that the City of Redmond reallocate previously approved funding for the Kenmore Supportive Housing project to the Redmond Supportive Housing project as described in the ARCH Executive Board's memorandum dated July 19, 2024, a copy of which is attached hereto as Exhibit A; and

WHEREAS, the ARCH Executive Board has developed a number of recommended conditions to ensure that the City's affordable housing funds are used for their intended purpose and that projects maintain their affordability over time; and

WHEREAS, the City Council desires to apply the City's Housing Trust Fund contribution in the amount of $857,400 to the Redmond Supportive Housing Project as recommended by the ARCH Executive Board;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. The City Council authorizes the Administering Agency of ARCH, duly appointed pursuant to the 2010 Amended and Restated Interlocal Agreement for ARCH, to execute all documents and take all necessary actions to enter into an Agreement on behalf of the City to fund the Redmond Supportive Housing Project in an amount not to exceed $857,400.

Section 2. The Agreements entered into pursuant to Section 1 of this resolution shall include terms and conditions to ensure that the City's funds are used for their intended purpose and that the project maintains affordability over time. In determining what conditions should be included in the Agreements, the duly-appointed administering agency of ARCH shall be guided by the recommendations set forth in the ARCH Executive Board's

memorandum of July 19, 2024, a copy of which is attached hereto as Exhibit A.

ADOPTED by the Redmond City Council this _____ day of _____, 2024, and signed in authentication of its passage this _____ day of _____, 2024.

APPROVED:

_____
ANGELA BIRNEY, MAYOR

Attest:

_____ (SEAL)
CHERYL XANTHOS, MMC, CITY CLERK

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
RESOLUTION NO:

A Regional Coalition for Housing

Over 30 years of bringing cities together to house East King County

Together Center Campus
16305 NE 87th St, Suite 119
Redmond, WA 98052
(425) 861-3677

MEMORANDUM

TO: City of Bellevue Council Members
City of Bothell Council Members
City of Clyde Hill Council Members
Town of Hunts Point Council Members
City of Issaquah Council Members
City of Kenmore Council Members
City of Kirkland Council Members
City of Medina Council Members
City of Mercer Island Council Members
City of Newcastle Council Members
City of Redmond Council Members
City of Sammamish Council Members
City of Woodinville Council Members
Town of Yarrow Point Council Members

FROM: Carol Helland, Chair, ARCH Executive Board

DATE: July 19, 2024

RE: Plymouth Redmond Supportive Housing- Housing Trust Fund (HTF) Recommendation

After careful deliberation, the ARCH Executive Board concurred with the recommendation of the ARCH Community Advisory Board (CAB) regarding funding for the Redmond Supportive Housing Project. This recommendation re-allocates $3,279,700 previously approved by member councils for the Kenmore Supportive Housing project developed by Plymouth Housing. The re-allocation of funds is needed to accommodate the project's change in the location and updated funding conditions. The project will continue to provide 100 new units of housing affordable at 30% AMI and meet several key priorities, as outlined in this memo.

A summary of the recommendation is shown in the table below:

Project ***Applicant***	**City**	**Units**	**Previous Award**	**Executive Board Recommendation**
Redmond Supportive Housing *Plymouth Housing*	Redmond	100	$3,279,700	Re-allocate $3,279,700 previously awarded to Plymouth Housing to the Redmond Supportive Housing Project with revised conditions

This memo provides an updated summary of the application, the Executive Board recommendation and rationale, recommended funding conditions and funding sources. Also enclosed is an updated economic summary of the project.

Attachments:

1. Proposed Funding Sources
2. Project Economic Summaries

Note that bolded text in proposed conditions shows unique conditions in otherwise standard text.

1. Plymouth Housing – Redmond PSH

Funding Request:	$3,279,700 (Deferred Loan)
Previously Recommended:	$3,279,700
	100 affordable rental units
Executive Board Recommendation:	$3,279,700 (Deferred Loan) See attached Proposed Funding Sources for distribution of City Funds

Project Summary:
Redmond Supportive Housing is a new construction 100-unit permanent supportive housing project that will serve individuals earning up to 30% AMI who are exiting homelessness. The project was previously awarded ARCH funding when it was proposed on a site offered by the City of Kenmore. Since the initial ARCH award for the development, Plymouth assembled significant funding from other sources for the development, which ultimately did not move forward in that location. The City of Redmond stepped in to make a city-owned surplus site available to Plymouth Housing for the purposes of continuing the development and preserving funding for the project.

Since identifying the site in Redmond, Plymouth has been working to adapt the previously proposed project to the new site. In April 2024, Plymouth Housing and the City of Redmond signed a land transfer option agreement. Plymouth has been working with funders to retain the previously awarded funds to ensure the new project quickly breaks ground. Plymouth is currently preparing new plans to submit for permitting and engaging with the community about the planned development.

Plymouth Housing plans to provide supportive and operational services to the residents of the building. The organization has a long track record of providing property management, maintenance, and supportive services to residents, and has built an organizational culture that focuses on the dignity of residents. All residents will have the opportunity to engage with onsite case managers employed by Plymouth on an ongoing basis. Plymouth anticipates collaborating to fill units through applicant referral agreements with local governments and service agencies that provide services to homeless households. The proposal anticipates providing high levels of services designed for individuals who require extensive ongoing support

Updates to the Project:

Following are updates to the project that have been made since ARCH's original award and are reflected in updated funding conditions:

1. Change to unit mix to provide substitute 10 studios for 10 1BR units.

2. The service staffing includes 24/7 front desk staffing and case management for residents.

3. Entitlements require adhering to the Redmond Supportive Housing Code requirements related to community engagement and commitments during operations, including a required Operations Agreement, Safety & Security Plan, Community Relations Plan, and Code of Conduct.

Overall, the Executive Board finds that the project is materially similar to the initial proposal awarded by ARCH and continues to align with several funding priorities, as described below.

Funding Rationale:
The Executive Board recommends funding with conditions listed below for the following reasons:

- Project provides 100 units of deeply affordable housing at 30% AMI for people exiting homelessness
- Project is located in a prime location in Redmond adjacent to a future light rail station with excellent access to services and amenities.
- The project serves special needs populations (people exiting homelessness including veterans and persons with disabilities).
- The project secured a highly competitive 9% LIHTC allocation, the most valuable source of investment available for affordable housing developments, and leverages significant local investments from the City of Redmond.
- Project will allow a dependable, long-standing non-profit service provider to expand services into Redmond, building on a first successful project in Bellevue and expanding the availability of supportive housing within east King County

Proposed Conditions:

Standard Conditions:

1. Agency shall provide revised development and operating budgets based upon actual funding commitments, which must be approved by ARCH staff. If the Agency is unable to adhere to the budgets, ARCH must be immediately notified and (a) new budget(s) shall be submitted by the Agency for ARCH's approval. ARCH shall not unreasonably withhold its approval to (a) revised budget(s), so long as such new budget(s) does not materially adversely change the Project. This shall be a continuing obligation of the Agency. Failure to adhere to the budgets, either original or as amended may result in withdrawal of ARCH's commitment of funds.

2. Agency shall submit evidence of funding commitments from all proposed sources. In the event commitment of funds identified in the application cannot be secured in the timeframe identified in the application, the Agency shall immediately notify ARCH, and describe the actions it will undertake to secure alternative funding and the timing of those actions subject to ARCH review and approval.

3. In the event federal funds are used, and to the extent applicable, federal guidelines must be met, including but not limited to the following: contractor solicitation, bidding, and selection; wage rates; and Endangered Species Act (ESA) requirements. CDBG funds may not be used to refinance acquisition costs.

4. Agency shall maintain documentation of any necessary land use approvals and permits required by the city in which the project is located.

5. Agency shall submit quarterly monitoring reports through completion of the project, and annually thereafter, and shall submit a final budget upon project completion. If applicable, Agency shall submit initial tenant information as required by ARCH.

6. Agency shall maintain the project in good and habitable condition for the duration of the period of affordability.

7. ARCH, through its Administering Agency, may negotiate, approve, execute, and record amendments or releases of any ARCH loan documents as may be needed for the project; provided the project still provides the anticipated affordable housing and there is sufficient collateral to secure the members' financial investment, all as determined by ARCH staff.

8. The net developer fee shall be established at the time of finalizing the Contract Budget and will follow the ARCH Net Developer Fee Schedule. Net developer fee is defined as that portion of the developer fee paid out of capital funding sources and does not include the deferred portion which is paid out of cash flow from operations after being placed in service.

9. Agency must submit for ARCH staff approval a management, affirmative marketing, and services plan.

Special Conditions:

1. The funding commitment shall continue for **eighteen (18) months** from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to ARCH staff no later than sixty (60) days prior to the expiration date. At that time, the Agency will provide a status report on progress to date and expected schedule for start of construction and project completion. ARCH staff will consider a twelve-month extension only based on documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the Agency will demonstrate that all capital funding has been secured or is likely to be secured within a reasonable timeframe.

2. Funds shall be used by Agency toward **reserves, soft costs, design, permits and construction**. Funds may not be used for any other purpose unless ARCH staff has given written authorization for the alternate use. If after the completion of the project there are budget line items with unexpended balances, ARCH and other public funders shall approve adjustments to the project capital sources, including potentially reductions in public fund loan balances.

3. Funds will be in the form of a **deferred loan,** so long as affordability and target population is maintained, and the service funds necessary to provide services to this population are available.

4. A covenant is recorded ensuring affordability for at least 55 years, with size and affordability distribution per the following table. Changes may be considered based on reasonable justification as approved by ARCH (e.g., accommodating income averaging across the units within the project).

Affordability	studio	1-bedroom	Total
30%	85	15	100
Total	**85**	**15**	**100**

5. Based on the availability of adequate support services, the project will contain 100 units for formerly homeless residents, unless otherwise approved by ARCH. Plymouth will work with service providers, municipal homeless services engagement staff, and other agencies working in East King County to establish referral mechanisms, or other referral method as approved by ARCH.

6. ARCH shall review and approve the services budget and services plan for consistency with application.

7. **The Agency will establish a services reserve account in the amount of no less than $500,000 to be used in the event of shortfalls in project income to pay for necessary services expenses. A services reserve budget must be approved by ARCH at the close of permanent financing and will be monitored for consistency with the services plan ARCH will review.**

8. **If service funding decreases at any point during the term of the contract, Agency shall submit for review and approval a service plan which provides continuity of services within the project.**

9. **The Agency shall at all times keep the project compliant with the City of Redmond requirements for Supportive Housing properties for the duration of the period of affordability, so long as the property operates as a Supportive Housing property. This includes operating and maintaining the property according to the Operations Agreement, Safety & Security Plan, Community Relations Plan, and Code of Conduct necessary to achieve initial Certificate of Occupancy.**

Attachment 1: Proposed Funding Sources

	Original Award	2024 Recommended Funds
Bellevue	1,112,800	1,112,800
Bothell	66,100	66,100
Clyde Hill	17,800	17,800
Hunts Point	3,700	3,700
Issaquah	153,000	153,000
Kenmore	54,900	54,900
Kirkland	904,600	904,600
Medina	17,300	17,300
Mercer Island	59,100	59,100
Newcastle	84,300	84,300
Redmond	611,800	611,800
Sammamish	115,900	115,900
Woodinville	71,700	71,700
Yarrow Point	6,700	6,700
Local Funds	**3,279,700**	**3,279,700**
CDBG		
Award Totals	**3,279,700**	**3,279,700**

Attachment 2: Project Economic Summaries

Applicant: Plymouth Housing
Project Name: Redmond Supportive Housing
Location: 16725 Clevland Street, Redmond, WA
Project Description: New construction of 100 affordable housing units for formerly homeless individuals at 30% area median income.

Source Name	Amount	Originally Committed	Proposed Status
Tax Credit Equity	$28,747,728	$0	Committed
State	$7,178,000	$0	Committed
Plymouth Sponsor Loan	$1,410,699	$0	Committed
Commercial (sponsor loan)	$1,500,000	$0	Committed
City of Redmond	$8,900,000	$5,090,000	Committed
ARCH	$3,279,700	$3,279,700	Proposed
FHLB	$3,000,000	$0	Proposed
CHIP	$1,200,000	$0	Proposed
Total Sources	**$55,216,127**	**$8,369,700**	

Development Cost	Amount	per unit	per SF
Acquisition Costs	$ 5,730,000	$57,300	$90
Construction	$34,016,413	$355,164	$560
Soft Costs:	$5,787,912	$57,879	$91
Construction Financing	$3,613,448	$36,134	$57
Permanent Financing	$525,000	$5,250	$8
Capitalized Reserves	$1,577,000	$15,770	$25
Other Development Costs	$2,466,354	$24,664	$39
Commercial/Nonresidential Space	$1,500,000	$15,000	$24
Total Dev. Costs	**$55,216,127**	**$552,161**	**$870**

Memorandum

Date: 9/17/2024
Meeting of: City Council

File No. AM No. 24-137
Type: Consent Item

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Human Resources	Cathryn Laird	425-556-2125

DEPARTMENT STAFF:

Human Resources	Nicole Bruce	Benefits Program Manager

TITLE:
Adoption of a Resolution for the RedMed Plan Changes for 2025

a. Resolution No. 1589: A Resolution of the City Council of the City of Redmond, Washington, Adopting a Revised Summary Plan Description for the City of Redmond Self-Insured Medical Plan

OVERVIEW STATEMENT:
The Red-Med Plan is the self-insured medical plan that is provided by the City for employees, spouses, state registered domestic partners, and eligible dependents. Periodically, the City's third-party administrator and broker recommend plan changes. In addition to ensuring that the Plan is legally compliant, these recommendations address evolving treatment options and protocols, as well as other issues and benefit clarifications that these parties deem necessary. Proposed changes in benefits are reviewed and discussed with the Employee Benefits Advisory Committee (EBAC) and any recommendations will be brought forward to Council for their approval. The changes that are being considered for 2025 are outlined in Exhibit 1 - 2025 Plan Change Summary.

☒ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information** ☐ **Provide Direction** ☒ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
  Any changes to Red-Med benefits are incorporated into a Summary Plan Description, which is the definitive description of the benefits that are covered by Red-Med. The Summary Plan Description for the Self-Insured Employee Health Benefits Plan, was adopted by Resolution No. 913 and last amended by Resolution No. 1575.
- **Required:**
  The City of Redmond Personnel Manual, Section 1.40, requires Council approval of changes in the medical plan that increase benefits to employees.

- **Council Request:**
  N/A
- **Other Key Facts:**
  These changes are negotiated with bargaining units before they are incorporated into the Summary Plan Description as plan amendments.

OUTCOMES:

The Red-Med changes being considered for 2025, 1) align our plan with benefits offered to dependents in the Kaiser plan and with industry best practice and 2) incorporate two new programs offered by Premera that address behavioral health which is a top category of claims for the RedMed plan.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
  EBAC meetings are held monthly and discussions regarding 2025 plan changes were discussed at the following meetings:
  - July 24, 2024
  - August 28, 2024 (Vote)
- **Outreach Methods and Results:**
  EBAC meetings are held on a monthly basis and discussion around plan changes occur annually with a vote regarding recommendations to Council occurring at the August meeting.
- **Feedback Summary:**
  Feedback from this outreach occurred though a vote on recommendations. This vote took place at the August 28, 2024 EBAC meeting and is included on Exhibit 1.

BUDGET IMPACT:

Total Cost:
N/A

Approved in current biennial budget: ☐ **Yes** ☐ **No** ☒ **N/A**

Budget Offer Number:
N/A

Budget Priority:
Responsible Government

Other budget impacts or additional costs: ☐ **Yes** ☒ **No** ☐ **N/A**
If yes, explain:
The plan changes are anticipated to have a cost neutral impact to the medical plan.

Funding source(s):
Medical Self-Insurance Fund (511)

Budget/Funding Constraints:
N/A

☐ **Additional budget details attached**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
9/10/2024	Committee of the Whole - Finance, Administration, and Communications	Provide Direction

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:
In order for Plan Changes to take effect at the beginning of a new plan year (January 1, 2025), the recommendations will need to be approved at the September 17, 2024, meeting to allow for appropriate lead time for the Benefits Plan Administrator to make adjustments for an effective date of January 1, 2025.

ANTICIPATED RESULT IF NOT APPROVED:
Our plan could be out of compliance with the latest law changes, and valuable programs offered by Premera would not be able to be utilized by members of the Red-Med Plan.

ATTACHMENTS:
Attachment A: Draft Resolution Amending the Red-Med Plan
Exhibit 1: 2025 Plan Change Summary

CITY OF REDMOND
RESOLUTION NO. XXXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, ADOPTING A REVISED SUMMARY PLAN DESCRIPTION FOR THE CITY OF REDMOND SELF-INSURED MEDICAL PLAN

WHEREAS, the City Council desires that the City of Redmond maintain a self-insured employee healthcare program that is fiscally sound and legally compliant; and

WHEREAS, since adoption of the City's self-insured employee healthcare program, the City has approved and adopted amendments that are reflected in the Summary Plan Description for the healthcare program; and

WHEREAS, the City Council desires to update the Summary Plan Description to incorporate changes deemed necessary by the third-party administrator, Premera, to clarify benefits and to address evolving treatment options, protocols and other issues; and

WHEREAS, City of Redmond Personnel Manual, Section 1.40, requires Council approval of changes in the medical plan that add or delete benefits to employees.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, DO RESOLVE AS FOLLOWS.

Section 1. Adoption of Changes. The Summary Plan Description for the Self-Insured Employee Health Benefits Plan,

adopted by Resolution No. 913 and amended by Resolution No. 1575 and referenced in Section 8.30 of the City of Redmond Personnel Manual, is hereby amended to include those benefit changes set forth in Exhibit 1 to this Resolution and incorporated herein by this reference as if set forth in full.

Section 2. Implementation. The Mayor is authorized and directed to implement the changes adopted in Section 1 and execute any contracts and/or agreements to do so.

Section 3. Effective Date of Benefit Changes. The effective date of the benefits adopted by this resolution shall be January 1, 2025.

Section 4. Conflicts -- Severability. If any provision of this resolution conflicts with any provision of the City of Redmond Personnel Manual or any other resolution or policy of the City of Redmond, the provisions of this resolution shall govern. If any section, sentence, clause or phrase of this resolution should be 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 section, sentence, clause or phrase of this resolution.

Section 5. Effective Date. This resolution shall take effect upon adoption of the Redmond City Council.

ADOPTED by the Redmond City Council this ____ day of _____, 2024.

CITY OF REDMOND

_____
Angela Birney, MAYOR

ATTEST/AUTHENTICATED:

_____
CITY CLERK, CHERYL XANTHOS (SEAL)

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
RESOLUTION NO._____

Summary of 2025 Benefit Recommendations/Modifications
Proposed for Redmond Medical Plan

Source	Type of Change	Effective Date	Description	Purpose	Cost Impact	EBAC Recommendation	HR Recommendation
Union Request	Benefit Enhancement - Medical Plan	January 1, 2025	Maternity Care for dependent children	The RedMed plan does not currently cover maternity care for dependent children, only complications of pregnancy. We allow dependent children to stay on our plan to age 26, this coverage would allow them to have this coverage. Currently our Kaiser plan covers this benefit, this would also allow us to align the coverage in both plan.	The cost impact of this change is negligible and is not anticipated to have an actuarial impact to claims costs.	YES	YES
Premera Recommendation	Benefit Enhancement - Medical Plan	January 1, 2025	Behavioral Health Navigator	Behavioral health clams are some of our top claims and finding providers is sometimes difficult and time consuming for members. The Behavioral Health Navigator program offered by Premera will provide members a customized list of providers would be given to members, providers would be in-network and the list would be delivered within 3-4 business days.	Each list is provided for a plan cost of $380. This will be a negligible cost and is not anticipated to have an actuarial impact on the claims costs.	YES	YES
Premera Recommendation	Benefit Enhancement - Medical Plan	January 1, 2025	Brightline	Behavioral health clams are some of our top claims and locating providers for children can be difficult. Also, some children are resistant to counseling. This behavioral health solution for children provides virtual therapy for children ages 3-18 and their families needing support and coaching. This solution delivers a behavioral health digital care platform as well as telehealth therapy.	$35 for digital platform; employer paid, $90 per coaching session; employer paid, therapy billed as an in-network claim; member cost shares apply. This change will not have an actuarial impact on the claims costs.	YES	YES

Memorandum

Date: 9/17/2024
Meeting of: City Council

File No. AM No. 24-138
Type: Public Hearing

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Finance	Kelley Cochran	425-556-2748

DEPARTMENT STAFF:

N/A	N/A	N/A

TITLE:
Conduct a Public Hearing and Adopt a Resolution Approving a Petition Filed by Microsoft to Amend Community Facilities District (CFD) 2014-01

a. Resolution No. 1590: A Resolution of the City Council of the City of Redmond, Washington, Approving a Petition by Microsoft Corporation to Amend Redmond Community Facilities District No. 2014-01; Modifying the Purpose of said Community Facilities District to include Financing the Construction of Pedestrian/Bicycle Bridge Connecting the East Side of 156th Avenue NE to Redmond Technology Station and to the West Side of SR 520, Canopy Coverage for Waiting Areas at Redmond Technology Station, Shell and Core Requirements for a Transit Office/Public Waiting Area Near the Parking Garage at Redmond Technology Station, Additional Paving for Buses and Vans to Wait and to Drop Off and Pick Up Passengers Moving Between the Light Rail System and the Bus System, Accessibility Features at Redmond Technology Station such as Timetable Displays with Text To Speech Functionality and Tactile Guidance Indicators to Assist Those with Visual Impairments to Navigate the Site; Making Findings in Support of the Amendment; and Incorporating Terms and Conditions Set Forth in the Petition

OVERVIEW STATEMENT:
Community Facilities District (CFD) 2014-01 was established on July 15, 2014, via Resolution No. 1411 as a partnership between the City of Redmond, Microsoft, and Sound Transit to fund and construct improvements at the Overlake Transit Center (OTC), including a pedestrian bridge over SR 520 and 156th Avenue NE. The Overlake Transit Center has since been renamed the Redmond Technology Station (RTS). A petition has been filed by Microsoft to amend CFD 2014-01 via resolution. A public hearing will be conducted to receive public comment, and Council will consider the adoption of a resolution to amend CFD 2014-01.

☒ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information** ☐ **Provide Direction** ☒ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
  N/A
- **Required:**
  Community Facilities Districts are governed under RCW 36.145.
- **Council Request:**
  N/A
- **Other Key Facts:**
  CFD 2014-01 was previously amended November 18, 2014, via Resolution 1417 to expand the purpose of CFD 2014-01 to finance the construction of shell and core requirements for a transit office/public waiting area and additional paving.

OUTCOMES:

If approved, the amendment via resolution would include the following scope to be financed by CFD 2014-01:

- Accessibility features at Redmond Technology Station such as timetable displays with text to speech functionality and tactile guidance indicators to assist those with visual impairments to navigate the site.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
  In accordance with RCW 36.145, King County Elections certified the petition from Microsoft and issued a certificate of sufficiency and a letter of sufficiency, both of which were received by the City of Redmond on August 14, 2024. Per RCW 36.145, a public hearing must be held by the City Council no sooner than 30 days and no later than 60 days from the certificate of sufficiency date of issue, which was August 13, 2024.
- **Outreach Methods and Results:**
  A public hearing is scheduled for September 17, 2024, during the Redmond City Council Business Meeting. A notice of public hearing has been posted in The Seattle Times on August 27, 2024, September 3, 2024, and September 10, 2024.

  A notice of public hearing was also posted at Redmond City Hall, the Redmond Library, the Redmond Community Center at Marymoor Village, and three locations at Microsoft on August 30, 2024.
- **Feedback Summary:**
  N/A

BUDGET IMPACT:

Total Cost:
To be confirmed. $7,888,590.55 is available in CFD 2014-01.

Approved in current biennial budget: ☐ **Yes** ☐ **No** ☒ **N/A**

Budget Offer Number:

N/A

Budget Priority:
N/A

Other budget impacts or additional costs: ☐ **Yes** ☐ **No** ☒ **N/A**
If yes, explain:
N/A

Funding source(s):
CFD 2014-01

Budget/Funding Constraints:
N/A

☐ **Additional budget details attached**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
9/10/2024	Committee of the Whole - Finance, Administration, and Communications	Provide Direction

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:
Per RCW 36.145, a public hearing must be held by the City Council no sooner than 30 days and no later than 60 days from the certificate of sufficiency date of issue, which was August 13, 2024.

ANTICIPATED RESULT IF NOT APPROVED:
If a public hearing is not held in accordance with required timelines per RCW 36.145, CFD 2014-01 cannot be amended at this time.

ATTACHMENTS:
Attachment A: Resolution for Second Amendment to CFD 2014-01
Attachment A - Exhibit 1: Sufficiency Letter - CFD 2014-01
Attachment A - Exhibit 2: Certificate of Sufficiency - CFD 2014-01
Attachment A - Exhibit 3: Second Amended and Restated Petition - CFD 2014-01
Attachment B: Public Hearing Notice - Second Amendment to CFD 2014-01

CITY OF REDMOND
RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, APPROVING A PETITION BY MICROSOFT CORPORATION TO AMEND REDMOND COMMUNITY FACILITIES DISTRICT NO. 2014-01; MODIFYING THE PURPOSE OF SAID COMMUNITY FACILITIES DISTRICT TO INCLUDE FINANCING THE CONSTRUCTION OF PEDESTRIAN/BICYCLE BRIDGE CONNECTING THE EAST SIDE OF 156TH AVENUE NE TO REDMOND TECHNOLOGY STATION AND TO THE WEST SIDE OF SR 520, CANOPY COVERAGE FOR WAITING AREAS AT REDMOND TECHNOLOGY STATION, SHELL AND CORE REQUIREMENTS FOR A TRANSIT OFFICE/PUBLIC WAITING AREA NEAR THE PARKING GARAGE AT REDMOND TECHNOLOGY STATION, ADDITIONAL PAVING FOR BUSES AND VANS TO WAIT AND TO DROP OFF AND PICK UP PASSENGERS MOVING BETWEEN THE LIGHT RAIL SYSTEM AND THE BUS SYSTEM, ACCESSIBILITY FEATURES AT REDMOND TECHNOLOGY STATION SUCH AS TIMETABLE DISPLAYS WITH TEXT TO SPEECH FUNCTIONALITY AND TACTILE GUIDANCE INDICATORS TO ASSIST THOSE WITH VISUAL IMPAIRMENTS TO NAVIGATE THE SITE; MAKING FINDINGS IN SUPPORT OF THE AMENDMENT; AND INCORPORATING TERMS AND CONDITIONS SET FORTH IN THE PETITION

WHEREAS, Resolution No. 1411 (AM) of the City of Redmond, passed by the City Council on July 15, 2014, formed Redmond Community Facilities District ("CFD") No. 2014-01 for the purpose of financing the construction of a pedestrian/bicycle bridge connection the east side of 156th Avenue NE to the Overlake Transit Center and to the West side of SR 520 and the construction of canopy coverage for waiting areas at the Overlake Transit Center; and

WHEREAS, pursuant to RCW 36.145.020, the CFD was formed based

upon the petition of Microsoft Corporation, the owner of one hundred percent (100%) of the land to be included within the district; and

WHEREAS, RCW 36.145.020(3) provides that petitions for the formation of a CFD may be amended when the amended petition is signed by the owners of one hundred percent (100%) of the land in the district; and

WHEREAS, Resolution No. 1417 of the City of Redmond, passed by the City Council on November 18, 2014, approved an amended petition from Microsoft Corporation for Redmond CFD No. 2014-01 which altered the purpose of the CFD to add construction of shell and core requirements for a transit office/public waiting area in the parking garage at Overlake Transit Center and the construction of additional paving for buses and vans to wait and to drop off and pick up passengers moving between the light rail system and the bus system; and

WHEREAS, on April 18, 2024, the Redmond Finance Director received an amended petition from Microsoft Corporation for Redmond CFD No. 2014-01 requesting that the purpose of the CFD be expanded to add the financing of the construction of a pedestrian/bicycle bridge connecting the east side of 156th Avenue NE to Redmond Technology Station and to the west side of SR 520, canopy coverage for waiting areas at Redmond Technology Station,

shell and core requirements for a transit office/public waiting area near the parking garage at Redmond Technology Station, additional paving for buses and vans to wait and to drop off and pick up passengers moving between the light rail system and the bus system, accessibility features at Redmond Technology Station such as timetable displays with text to speech functionality and tactile guidance indicators to assist those with visual impairments to navigate the site; and

WHEREAS, the Redmond City Council held a public hearing on the proposed amendments to Redmond CFD No. 2014-01 on September 17, 2024, and, after considering all public testimony received, determined to approve the amended petition and authorize amendment of the purpose of the CFD as provided herein.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. Findings. Pursuant to RCW 36.145.020 and RCW 36.145.060, the Redmond City Council makes the following findings:

(A) The amended petition received by the City on April 18, 2024, was signed by one hundred percent (100%) of the owners of land within Redmond CFD No. 2014-01. Microsoft Corporation owns all of the land within the boundaries of the CFD and is the sole signatory on the petition.

(B) The City Council previously found, in Resolution Nos. 1411 and 1417, that the land owned by Microsoft within the original boundaries of CFD No. 2014-01 will be specially benefited by the multimodal improvements identified described in those resolutions. Further, the improvements described herein will also specially benefit both the land owned by Microsoft within the boundaries of CFD No. 2014-01:

(1) The Pedestrian/Bicycle Bridge allows safe, expedient, and sheltered travel across SR-520 for pedestrians and cyclists whose work is located on the Redmond CFD No. 2014-01 Property. The bridge connects transit stops and a regional pedestrian/bicycle trail on the west side of SR-520 with the Redmond Technology Station and the public sidewalk on 156th Avenue NE. This will avoid the need for pedestrians and cyclists to cross SR-520 via the NE 40th Street overpass thereby eliminating significant potential for pedestrian and bicycle encounters with automobiles and buses.

(2) The canopy coverage for the waiting areas will provide a drier and more comfortable area for transit riders whose work is located on the Redmond CFD No. 2014-01 Property while waiting for the light rail trains and buses that serve the Redmond Technology Station.

(3) The transit office/public waiting area will

provide a comfortable place for transit riders whose work is located on the Redmond CFD 2014-01 Property to wait if there is a long wait for their train or bus.

(4) The additional paving provides increased bus system capacity and more efficient bus system operations in the transit loop at Redmond Technology Center resulting in improved access for bus system riders whose work is located on the Redmond CFD 2014-01 Property and facilitates connection between the light rail system and the bus system.

(5) The accessibility features, such as the timetable displays and tactile guidance indicators, will enable pedestrians with disabilities to more easily navigate in and through the Redmond Technology Station and will enable pedestrians and bicyclists who are unfamiliar with Microsoft's campus to avoid long and time-consuming mistakes by having the information to go in the correct direction the first time.

(C) Amending Redmond CFD No. 2014-01 will be in the best interest of the City of Redmond for the following reasons:

(1) The multimodal improvements will be available for use by all people who live, work and commute in Redmond and not just for those whose work is located on the property and included in the Community Facilities District.

(2) The multi modal improvements will increase public

safety on City of Redmond streets and public ways by reducing traffic congestion and improving access and safety for pedestrians and bicyclists.

(3) Storm water improvements will improve storm water quality in the NE 40th Street drainage basin with concomitant improvement to water quality in Lake Sammamish.

(4) Upon completion of construction, the improvements will be owned by and become an asset of the City of Redmond.

(D) Expanding the purpose of Redmond CFD No. 2014-01 is consistent with the requirements of the Washington Growth Management Act (GMA), RCW 36.70A, for the following reasons:

(1) Construction of the identified improvements fulfills the GMA's transportation goal set forth in RCW 36.70A.020(3), which provides for the encouragement of efficient multimodal transportation systems that are based on regional priorities and coordinated with the City's comprehensive plan.

Section 2. Approval of Amended Petition - Amendment of Resolution Nos. 1411 and 1417 as to the purpose of the CFD.

(A) The amended petition submitted by Microsoft Corporation seeking to add the financing of the construction of a pedestrian/bicycle bridge connecting the east side of 156th Avenue NE to Redmond Technology Station and to the west side of SR 520, canopy coverage for waiting areas at Redmond Technology Station,

shell and core requirements for a transit office/public waiting area near the parking garage at Redmond Technology Station, additional paving for buses and vans to wait and to drop off and pick up passengers moving between the light rail system and the bus system, accessibility features at Redmond Technology Station such as timetable displays with text to speech functionality and tactile guidance indicators to assist those with visual impairments to navigate the site and is hereby approved. The purpose of Redmond CFD No. 2014-01, formed by Section 1 of Resolution Nos. 1411 and No. 1417 of the City of Redmond, is hereby amended to be the construction of the improvements as follows:

(1) The Pedestrian/Bicycle Bridge allows safe, expedient, and sheltered travel across SR-520 for pedestrians and cyclists whose work is located on the Redmond CFD No. 2014-01 Property. The bridge connects transit stops and a regional pedestrian/bicycle trail on the west side of SR-520 with the Redmond Technology Station and the public sidewalk on 156th Avenue NE. This will avoid the need for pedestrians and cyclists to cross SR-520 via the NE 40th Street overpass thereby eliminating significant potential for pedestrian and bicycle encounters with automobiles and buses.

(2) The canopy coverage for the waiting areas will

provide a drier and more comfortable area for transit riders whose work is located on the Redmond CFD No. 2014-01 Property while waiting for the light rail trains and buses that serve the Redmond Technology Station.

(3) The transit office/public waiting area will provide a comfortable place for transit riders whose work is located on the Redmond CFD 2014-01 Property to wait if there is a long wait for their train or bus.

(4) The additional paving provides increased bus system capacity and more efficient bus system operations in the transit loop at Redmond Technology Center resulting in improved access for bus system riders whose work is located on the Redmond CFD 2014-01 Property and facilitates connection between the light rail system and the bus system.

(5) The accessibility features, such as the timetable displays and tactile guidance indicators, will enable pedestrians with disabilities to more easily navigate in and through the Redmond Technology Station and will enable pedestrians and bicyclists who are unfamiliar with Microsoft's campus to avoid long and time-consuming mistakes by having the information to go in the correct direction the first time.

Section 3. Costs to be Assessed. The total cost of the improvements to be paid for by Redmond CFD No. 2014-01 as a result

of this Amendment is estimated to be $7,888,590.55. All costs properly chargeable to Redmond CFD No. 2014-01 shall be assessed against the property legally described on Attachment 1 in the petition.

Section 4. Board of Supervisors. The Board of Supervisors for Redmond CFD No. 2014-01 shall remain as provided for in Section 4 of Resolution No. 1417 as that board may have been amended.

Section 5. Procedures and Requirements for Special Assessments. As provided in Resolution No. 1417, the Board of Supervisors shall impose the necessary assessments on the property in Redmond CFD 2014-01 according to the procedures and requirements of RCW 36.145.110. The special assessments shall continue to be collected by the district treasurer, who shall remain the Finance Director of the City of Redmond as appointed by the Board of Supervisors as provided in RCW 36.145.140. All special assessments shall be a lien upon the property within the boundaries of Redmond CFD No. 2014-01 and enforced as provided in Chapters 36.145 and 35.44 RCW.

Section 6. Terms of Petition Incorporated by Reference. The terms and conditions of the original petition for Redmond CFD No. 2014-01 and the First Amended Petition for Redmond CFD No. 2014-01 are hereby incorporated by this reference

as if set forth in full.

Section 7. Effective Date. This resolution shall become effective immediately upon passage by the Redmond City Council.

ADOPTED by the Redmond City Council this _____ day of September, 2024.

CITY OF REDMOND

_____
ANGELA BIRNEY, MAYOR

ATTEST:

_____
CHERYL XANTHOS, MMC, CITY CLERK

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
RESOLUTION NO.

King County
Department of Elections
Julie Wise, Director

August 13, 2024

Sent via email

Kelley Cochran, Finance Director
City of Redmond
Sent via email to: kcochran@redmond.gov

RE: Petition to Form Community Facilities District Pursuant to RCW 36.145.020
Certificate of Sufficiency

Dear Kelley Cochran:

King County examined the signatures contained on the petition 2014-1 to form a community facilities district in Redmond and confirmed that the petition has been validly executed by 100% of all owners of the property located within the proposed district. It is therefore determined that the petition is sufficient under RCW 36.145.020.

If you have questions, please feel free to contact Angela Kubota, Candidate and Jurisdiction Coordinator at 206-477-4201.

Sincerely,

Julie Wise
Director

cc: Janice Case, Deputy Director
Angela Kubota, Candidate and Jurisdiction Coordinator

Certificate of Sufficiency

This is to certify that the petition 2014-1, originally submitted on August 8, 2024, to King County Elections, seeking to form a community facilities district in Redmond, Washington, has been examined by the King County Assessor and the King County Elections Department, and as a result of such examination, found to be sufficient under the provisions of the Revised Code of Washington 36.145.020.

Dated this 13th day of August 2024.

Julie Wise

Julie Wise
Director of Elections

SECOND AMENDED AND RESTATED REDMOND CFD No. 2014-1
Community Facilities District ("CFD") Petition Pursuant to Chapter 36.145 RCW

Microsoft Corporation ("Petitioner") respectfully submits this Second Amended and Restated Redmond CFD 2014-1 Community Facilities District Petition (the "Second Amended Petition") to the City of Redmond pursuant to Chapter 36.145 RCW. This Second Amended Petition requests modification of the Amendment approved by the Redmond City Council on November 18, 2014 which amended the Petition for formation of Redmond CFD No. 2014-1 (the "District" or "CFD No. 2014-1"), which was approved by the Redmond City Council on July 15, 2014, 2014 and which includes the Redmond CFD No. 2014-1 Property, as defined below, that is both located within the Redmond Urban Growth Area ("UGA") and within the city limits of Redmond as required by RCW 36.145.020. The requirements for a community facilities district petition are set forth in RCW 36.145.020(1). Each of these requirements is addressed subsection-by-subsection below.

RCW 36.145.020(1)(a): See the township, range, and legal subdivision description of the boundaries of the District attached to this Petition as Attachment 1 (the "Redmond CFD No. 2014-1 Property").

RCW 36.145.020(1)(b): The undersigned property owner hereby requests that the Redmond CFD No. 2014-1 Property be subject to assessments up to the amount outlined in RCW 36.145.020(1)(i)(iv) as authorized by Chapter 36.145 RCW.

RCW 36.145.020(1)(c): See the certification attached to this Petition as Attachment 2.

RCW 36.145.020(1)(d): The District's objective is to finance all or part of six specific improvements that provide special benefits to the Redmond CFD No. 2014-1 Property through the application of assessments. The net amount to be assessed on each parcel within the District is proportional to the special benefit conferred on such parcel by the six improvements. The District anticipates financing the following six specific facilities (the "Improvements"):

- Pedestrian/Bicycle Bridge connecting the east side of 156th Avenue NE to Redmond Technology Station and to the west side of SR 520.
- Canopy Coverage for Waiting Areas at Redmond Technology Station.
- Shell and core requirements for a transit office/public waiting area near the parking garage at Redmond Technology Station.
- Additional paving for buses and vans to wait and to drop off and pick up passengers moving between the light rail system and the bus system.
- Accessibility features at Redmond Technology Station such as timetable displays with text to speech functionality and tactile guidance indicators to assist those with visual impairments to navigate the site.

RCW 36.145.020(1)(e): The undersigned property owner declares that CFD No. 2014-1 will be conducive to public health, safety, and welfare for the following reasons. The proposed District will finance the Improvements which will improve the public health, safety, and welfare by improving pedestrian and bicycle circulation and thereby improving pedestrian and bicycle safety. The Improvements also enhance the public transit experience which should reduce reliance on private automobiles for commuting. The Improvements are in the best interest of the City for these reasons. The Improvements have benefits for the City, its residents and those who visit or work in the City. The proposed District, through the application of assessments, provides a secure financing source for the Improvements which provide public health, safety, and welfare benefits to the Redmond CFD No. 2014-1 Property and the citizens of Redmond.

RCW 36.145.020(1)(f): The purpose of forming the District is to finance the Improvements. The Improvements will provide special benefit to the Redmond CFD No. 2014-1 Property and will increase the fair market value of the Redmond CFD No. 2014-1 Property on account of their proximity to the Redmond CFD No. 2014-1 Property. The Improvements provide special benefits to the Redmond CFD No. 2014-1 Property as summarized below:

- The Pedestrian/Bicycle Bridge allows safe, expedient, and sheltered travel across SR-520 for pedestrians and cyclists whose work is located on the Redmond CFD No. 2014-1 Property. The bridge connects transit stops and a regional pedestrian/bicycle trail on the west side of SR-520 with the Redmond Technology Station and the public sidewalk on 156th Avenue NE. This will avoid the need for pedestrians and cyclists to cross SR-520 via the NE 40th Street overpass thereby eliminating significant potential for pedestrian and bicycle encounters with automobiles and buses.

- The canopy coverage for the waiting areas will provide a drier and more comfortable area for transit riders whose work is located on the Redmond CFD No. 2014-1 Property while waiting for the light rail trains and buses that serve the Redmond Technology Station.

- The transit office/public waiting area will provide a comfortable place for transit riders whose work is located on the Redmond CFD 2014-1 Property to wait if there is a long wait for their train or bus.

- The additional paving provides increased bus system capacity and more efficient bus system operations in the transit loop at Redmond Technology Center resulting in improved access for bus system riders whose work is located on the Redmond CFD 2014-1 Property and facilitates connection between the light rail system and the bus system.

- The accessibility features, such as the timetable displays and tactile guidance indicators, will enable pedestrians with disabilities to more easily navigate in and through the Redmond Technology Station and will enable pedestrians and bicyclists who are unfamiliar with Microsoft's campus to avoid long and time-consuming mistakes by having the information to go in the correct direction the first time.

RCW 36.145.020(1)(g): See the "obligation" attached to this Petition as Attachment 3.

RCW 36.145.020(1)(h): Petitioner nominates the following two individuals as eligible supervisors for the District: (1) Mike Behn, Senior Real Estate and Land Use Manager of Microsoft Corporation, as a representative of the Petitioner; and (2) Donald Marcy, as a qualified professional. Both Mr. Behn and Mr. Marcy are willing and able to serve on the District's Board of Supervisors. Curriculum vitae for Mr. Behn and Mr. Marcy, as well as documentation of their consent to serve, are attached hereto as Attachment 4.

RCW 36.145.020(1)(i): Subsections (i)-(v) of this section are each addressed separately below.

(i) See the diagram showing each separate lot, tract, parcel of land, or other property in the District attached hereto as Attachment 5.

(ii) The acreage of the Redmond CFD No. 2014-1 Property is 3.60 acres.

(iii) The name and address of the owner of each lot, parcel as shown on the tax roll of the King County Assessor:

Lot/Parcel	**Property Owner**	**Property Owner Address**
232505-9120	Microsoft Corporation	Microsoft Real Estate & Facilities One Microsoft Way Redmond, WA 98052

(iv) *See* Preliminary Assessment Roll on the following page:

Community Facility District (CFD) No. 2014-1 Preliminary Assessment Roll		
Parcel		**Total $ per Parcel**
Number	**Acreage**	
1	2.96	$8,198,500
Total:	2.96	$8,198,500

(v) Because there is only one parcel of property and one property owner in the proposed district, the method of allocating the special benefit and assessments among the properties is not relevant to this petition as one hundred percent of the assessments will be assigned to the single parcel.

RCW 36.145.020(1)(j): The security to ensure the timely payment of assessments and the timely payment of bonds issued by the District will be the Redmond CFD No. 2014-1 Property.

[*see signature of property owner on the following page*]

PROPERTY OWNER:

MICROSOFT CORPORATION, a Washington corporation

By:

Steph Longstreth, General Manager, Microsoft Global Workplace Services

Mailing Address: Microsoft Real Estate & Facilities
One Microsoft Way
Redmond, WA 98502

Telephone No.: (425) 882-8080

Date: 04/04/24

WARNING

Every person who signs this petition with other than his or her true name, or who knowingly signs more than one of these petitions, or signs a petition seeking an election when he or she is not a legal voter, or signs a petition when he or she is otherwise not qualified to sign, or who makes any false statements, shall be guilty of a misdemeanor.

NOTARIAL CERTIFICATE

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this day personally appeared before me Steph Longstreth, to me known to be the General Manager, Microsoft Global Workplace Services of Microsoft Corporation, the corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

GIVEN under my hand and official seal this 4th day of April, 2024.

Notary Public
State of Washington
KAILEE AMANS
LICENSE # 21035692
MY COMMISSION EXPIRES
SEPTEMBER 9, 2025

Kailee Amans
(Print name of notary)
NOTARY PUBLIC in and for the State of Washington, residing at One Microsoft Way
My commission expires Sept 9, 2025

ATTACHMENT 1

REDMOND CFD NO. 2014-1

N 1/2 OF NE 1/4 OF SE 1/4 OF NW 23-25-5 LYING SELY OF THE SE MARGIN OF SR 520 CONV TO THE STATE PER REC #7104290555 LESS POR LYING E OF W MARGIN 156TH AVE NE PER SCC#84-2-12153-0 & LESS POR TO CITY OF REDMOND FOR NE 36TH ST PER REC #20020131000898 & LESS POR TO CPSRTA PER DEED REC #20171109001137

ATTACHMENT 2

CERTIFICATION

Microsoft Corporation, the undersigned petitioner, voluntarily submits the Redmond CFD No. 2014-1 Property, as defined in Attachment 1 of the attached Petition, to the authority of the District described in the Petition pursuant to Chapter 36.145 RCW to approve the Petitioner's request to submit the Property to the assessments, up to the amount included in Section 36.145.020(1)(i) of the Petition and authorized under Chapter 36.145 RCW.

The undersigned petitioner certifies under the penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

PETITIONER:

MICROSOFT CORPORATION, a Washington corporation

By: _____
Steph Longstreth, General Manager, Microsoft Global Workplace Services

Mailing Address: Microsoft Real Estate & Facilities
One Microsoft Way
Redmond, WA 98502
Telephone No.: (425) 882-8080
Date: 04/04/24

WARNING

Every person who signs this petition with other than his or her true name, or who knowingly signs more than one of these petitions, or signs a petition seeking an election when he or she is not a legal voter, or signs a petition when he or she is otherwise not qualified to sign, or who makes any false statements, shall be guilty of a misdemeanor.

NOTARIAL CERTIFICATE

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this day personally appeared before me Steph Longstreth, to me known to be the General Manager, Microsoft Global Workplace Services of Microsoft Corporation, the corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

GIVEN under my hand and official seal this 4th day of April, 2024.

Notary Public
State of Washington
KAILEE AMANS
LICENSE # 21035692
MY COMMISSION EXPIRES
SEPTEMBER 9, 2025

Kailee Amans
(Print name of notary)
NOTARY PUBLIC in and for the State of Washington, residing at One Microsoft Way
My commission expires Sept. 9, 2025

ATTACHMENT 3

OBLIGATION

Microsoft Corporation certifies that it is the sole Petitioner for the attached Petition and that it agrees to pay the costs of the formation of the Redmond CFD No. 2014-1 pursuant to the Petition.

The undersigned Petitioner certifies under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

PETITIONER:

MICROSOFT CORPORATION, a Washington corporation

By: _____

Steph Longstreth, General Manager, Microsoft Global Workplace Services

Mailing Address: Microsoft Real Estate & Facilities
One Microsoft Way
Redmond, WA 98502

Telephone No.: (425) 882-8080

Date: 04/04/24

WARNING

Every person who signs this petition with other than his or her true name, or who knowingly signs more than one of these petitions, or signs a petition seeking an election when he or she is not a legal voter, or signs a petition when he or she is otherwise not qualified to sign, or who makes any false statements, shall be guilty of a misdemeanor.

NOTARIAL CERTIFICATE

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this day personally appeared before me Steph Longstreth, to me known to be the General Manager, Microsoft Global Workplace Services of Microsoft Corporation, the corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

GIVEN under my hand and official seal this 4th day of April, 2024.

Notary Public
State of Washington
KAILEE AMANS
LICENSE # 21035692
MY COMMISSION EXPIRES
SEPTEMBER 9, 2025

Kailee Amans
(Print name of notary)
NOTARY PUBLIC in and for the State of Washington, residing at One Microsoft Way
My commission expires Sept. 9, 2025

ATTACHMENT 4

NOMINEES FOR BOARD OF SUPERVISORS

I, Mike Behn, hereby acknowledge that Petitioner, Microsoft Corporation, has nominated me to serve as a supervisor on Redmond CFD No. 2014-1's Board of Supervisors and hereby consent to serve on such board if I am appointed by the City of Redmond.

Mike Behn, Senior Real Estate and Land Use Manager of Microsoft Corporation

4/4/24
Date

WARNING

Every person who signs this petition with other than his or her true name, or who knowingly signs more than one of these petitions, or signs a petition seeking an election when he or she is not a legal voter, or signs a petition when he or she is otherwise not qualified to sign, or who makes any false statements, shall be guilty of a misdemeanor.

NOTARIAL CERTIFICATE

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this day personally appeared before me Mike Behn, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged to me that he/she signed the same as his/her free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 4th day of April, 2024.

Notary Public
State of Washington
KAILEE AMANS
LICENSE # 21035692
MY COMMISSION EXPIRES
SEPTEMBER 9, 2025

Kailee Amans
(Print name of notary)
NOTARY PUBLIC in and for the State of Washington, residing at One Microsoft Way
My commission expires Sept 9, 2025

Mike Behn
1 Microsoft Way, Redmond WA 98065
425-703-6420 mike.behn@microsoft.com

Mike is a land use professional with skills covering the spectrum of real estate processes including land acquisition, master planning, entitlement, development, and leasing. He has a life-long passion for the built environment and creating places that enhance everyday experience. At Microsoft, Mike applies his real estate and land use expertise to the company's 500+ acre Redmond, WA campus including their current 2050 master planning efforts, public/private partnerships, and execution on sustainability initiatives. Additionally, Mike oversees commercial acquisitions and dispositions in Puget Sound. Prior to joining Microsoft, Mike spent 15 years in residential development working for regional and national homebuilders. During his tenure, Mike oversaw the purchase, design, entitlement and development of numerous single-family and townhouse communities and the buildout of notable northwest master-planned communities. Mike has an honors Bachelor of Arts degree in Planning, Public Policy, and Management from the University of Oregon. He is a member of NAIOP and the Urban Land Institute.

Education

Bachelor of Arts – Planning, Public Policy, and Management

1991-1996 University of Oregon Eugene, OR

Robert D. Clark Honors College; Architecture minor

Experience

Senior Real Estate and Land Use Manager

2017 – Present Microsoft Redmond, WA

- Manage land use of the Redmond campus through master planning activities, lead acquisition efforts on new properties, and oversee infrastructure projects
- Collaborate on behalf of Microsoft stakeholders with the City of Redmond, Sound Transit, and other agencies to facilitate agreements
- Serve as a land use subject matter expert and share knowledge of the Redmond campus and best practices for land use planning to the company

Director of Land Planning and Entitlement, Senior Development Manager

2004 – 2017 Pulte Homes, Quadrant Homes Bellevue, WA

- Provided senior leadership for the entitlement of new subdivisions, meeting with elected officials and senior city staff to secure approvals
- Oversaw land development activities, including the installation of new innovative and sustainable low-impact development features (pervious pavement, modular wetland vault systems, bioswales, etc.)
- Served as President of multiple Commercial Owner's Associations and Residential Owner's Associations during the declarant period of control

Involvement

Member, Board of Directors and Government Affairs Committee

2017 – 2019 OneRedmond Redmond, WA

I, Donald E. Marcy, hereby acknowledge that Petitioner, Microsoft Corporation, has nominated me to serve as a supervisor on Redmond CFD No. 2014-1's Board of Supervisors and hereby consent to serve on such board if I am appointed by the City of Redmond.

Donald E. Marcy — 4-12-24

Donald E. Marcy — Date

WARNING

Every person who signs this petition with other than his or her true name, or who knowingly signs more than one of these petitions, or signs a petition seeking an election when he or she is not a legal voter, or signs a petition when he or she is otherwise not qualified to sign, or who makes any false statements, shall be guilty of a misdemeanor.

NOTARIAL CERTIFICATE

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this day personally appeared before me Donald E. Marcy, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged to me that he/she signed the same as his/her free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 12 day of April, 2024.

Sophie Johnson
(Print name of notary)
NOTARY PUBLIC in and for the State of Washington, residing at Seattle
My commission expires 11-07-26

SOPHIE JOHNSON NOTARY PUBLIC 22034095 COMMISSION EXPIRES 11-07-26 STATE OF WASHINGTON

CH&
CAIRNCROSS&HEMPELMANN
ATTORNEYS AT LAW

DONALD E. MARCY
Land Use Attorney

Email: dmarcy@cairncross.com
Direct: 206-254-4465

Introduction

Donald is one of the leading lawyers in land use and real estate development matters in Seattle. For over 40 years, he has guided many of the region's significant mixed-use, office, business park, retail, and multi-family projects to successful conclusion through creative application of the law. He has assisted real estate developers and owners of property in developing commercial and residential projects in the Pacific Northwest and other regions of the country. He has represented clients in all aspects of real estate development; buying property; negotiating ground leases; obtaining land use entitlements; negotiating design, construction, and financing documents; negotiating leases; and selling fully developed properties. The skills he has developed through this legal work are varied and include structuring real estate deals, drafting and negotiating agreements and contracts, negotiating with government agencies, analyzing regulatory programs and requirements, and making public presentations.

As a member and past Chairman of the Government Affairs Committee of NAIOP, the commercial real estate organization, Donald is active in the crafting of legislation that affects the commercial real estate industry.

Education

- Stanford University (A.B., with Honors in Economics)
- University of Southern California (J.D.)
    - Member and Executive Editor of Articles, Southern California Law Review

Admissions

- Washington
- US District Court, Western District of Washington
- US District Court, Eastern District of Washington

Honors & Recognition

- Top Ranked in Washington State by *Chambers USA* in the area of Real Estate: Zoning/Land Use since 2016

CH& CAIRNCROSS&HEMPELMANN ATTORNEYS AT LAW
524 2nd Ave., Suite 500
Seattle, WA 98104
www.cairncross.com
office 206.587.0700
fax 206.587.2308

- Named *The Best Lawyers in America*® Litigation – Land Use and Zoning "Lawyer of the Year" in Seattle (2022)
- Named *The Best Lawyers in America*® Litigation – Real Estate "Lawyer of the Year" in Seattle (2021)
- Named *The Best Lawyers in America*® Land Use & Zoning Law "Lawyer of the Year" in Seattle (2014)
- Listed in *The Best Lawyers in America*® in Land Use & Zoning Law since 2010
- Listed in *The Best Lawyers in America*® in Litigation – Land Use & Zoning since 2010
- Listed in *The Best Lawyers in America*® in Litigation – Real Estate since 2010
- Listed in *The Best Lawyers in America*® in Real Estate Law since 2010
- Named on the Washington Super Lawyers list by *Super Lawyers® Magazine* since 2000
- Named on the Top 100 Washington Super Lawyers list by *Super Lawyers® Magazine*
- NAIOP Washington State Chapter Board Member of the Year, 2008
- NAIOP Washington State Chapter Member of the Year, 1994
- Association of Washington Business Heavy Lifter Award Recipient, 2008
- Martindale-Hubbell AV® Preeminent 5.0 out of 5
- Avvo® rated 10.0 out of 10.0
- Top 100 Attorneys Award Recipient, *Washington CEO Magazine*
- Top Rated Lawyer in Land Use and Zoning, *The American Lawyer & Corporate Counsel Magazines*
- Top Ten Attorneys in Washington (in the Area of Real Estate Law) Award Recipient, *Washington CEO Magazine* in conjunction with Avvo, Inc.
- League of Justice – Environmental & Land Use Law Award Recipient, *Washington CEO Magazine*
- Top Lawyer Award Recipient, *Seattle Magazine*
- Top Business Lawyer Award Recipient, *Seattle Business*
- Top Lawyer – Real Estate Award Recipient, *Seattle Metropolitan Magazine*

Professional & Community Involvement

- National Association of Industrial and Office Properties (NAIOP) Washington (1989-present)
  - Board of Directors (1991-1995, 2005-2009)
  - Chairman of Government Affairs Committee (1996-1998, 2010-2015)
- King County Green River Flood Protection Task Force
- State Department of Ecology, State Wetland Integration Strategy Task Force
- Pacific Real Estate Institute
- Lewis County Economic Development Council
- Seattle Metropolitan Chamber of Commerce

CH& CAIRNCROSS&HEMPELMANN ATTORNEYS AT LAW
524 2nd Ave., Suite 500
Seattle, WA 98104
www.cairncross.com
office 206.587.0700
fax 206.587.2308

- Association of Washington Business, Environmental Affairs Council, Land Use Committee, and Regulatory Reform Committee
- King County Bar Association
- Seattle Mayor's Industrial Lands Task Force (2015-2018)
- Path with Art, Board of Directors (2021-present)

Publications & Speaking Engagements

- Moderator, "Seattle Forecast 2018!," Bisnow, Seattle, WA, January 25, 2018
- Speaker, "Commercial Real Estate Leases," Law Seminars International, December 11-12, 2017
- Moderator, "Seattle State of the Market," Bisnow, Seattle, WA, December 17, 2013
- Moderator, "Seattle Office 2020," Bisnow, Seattle, WA, April 23, 2013
- Moderator, "Seattle Construction & Development Summit," Bisnow, Seattle, WA, March 27, 2013

CH& CAIRNCROSS&HEMPELMANN ATTORNEYS AT LAW
524 2nd Ave., Suite 500
Seattle, WA 98104
www.cairncross.com
office 206.587.0700
fax 206.587.2308

ATTACHMENT 5

PARCEL DIAGRAM

CERTIFICATE OF DESIGNATION

Global Workplace Services Authorization

THIS CERTIFICATE OF DESIGNATION is made pursuant to and in accordance with that certain resolution of the Board of Directors of Microsoft Corporation (the "Company"), adopted on June 16, 2006, under which the undersigned are authorized to designate persons empowered to sign any and all documents as relates to real estate transactions on behalf of the Company and its subsidiary companies.

The following persons are so designated, in compliance with the objectives in the resolution:

Beth Schryer, Vice President, Global Workplace Services

Steph Longstreth, General Manager, Global Workplace Services

John Trujillo, Senior Director, International Real Estate Operations

This Certificate may be signed by electronic signature, which will be effective for all purposes.

IN WITNESS WHEREOF, the undersigned have caused this Certificate of Designation to be executed as of October 19, 2023.

Anita Mehra
Global Treasurer

Oystein Harsvik
Assistant Treasurer

NOTICE OF PUBLIC HEARING
CITY OF REDMOND

Second Amendment to Community Facilities District No. 2014-01

The City of Redmond City Council will hold a Public Hearing in the **Council Chambers, 15670 NE 85th Street, Redmond, Washington** on September 17, 2024 ***at 7 p.m.*** or as soon thereafter as possible, on:

SUBJECT: Petition filed by Microsoft Corporation to amend Community Facilities District No. 2014-01 per RCW 36.145 in Redmond, Washington. If approved, the amendment would add the following improvements to the list of those to be financed by the community facilities district:

- Accessibility features at Redmond Technology Station such as timetable displays with text to speech functionality and tactile guidance indicators to assist those with visual impairments to navigate the site.

REQUESTED ACTION: Amend the petition by resolution.

All persons are invited to comment in person at the hearing. Written comment can be sent to cityclerk@redmond.gov, or P.O. Box 97010, Redmond, Washington, 98073-9710. In the event of difficulty attending a meeting in person, or with any questions, please contact the City Clerk at cityclerk@redmond.gov.

Posted: August 30, 2024

Memorandum

Date: 9/17/2024
Meeting of: City Council

File No. AM No. 24-139
Type: Public Hearing

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Finance	Kelley Cochran	425-556-2748

DEPARTMENT STAFF:

N/A	N/A	N/A

TITLE:
Conduct a Public Hearing and Adopt a Resolution Approving a Petition Filed by Microsoft to Amend Community Facilities District (CFD) 2016-01

a. Resolution No. 1591: A Resolution of the City Council of the City of Redmond, Washington, Approving a Petition by Microsoft Corporation to Amend Redmond Community Facilities District No. 2016-01; Modifying the Purpose of said Community Facilities District to include Financing the Construction of the Extension of Shared Use Path on South Side of NE 40th Street from 163rd Avenue NE to 172nd Avenue NE and Related Improvements, Perform ADA Ramp Improvements and Push Button Activation for Crosswalks at Select Locations to be Determined, Install Adaptive Traffic Signal Controls at Multiple Intersections Along 148th Avenue NE, 156th Avenue NE, and NE 40th Street in the Overlake Neighborhood, Install Bike Lane Improvements on 150th Avenue NE, Work Includes Pavement Widening, New Curb and Gutter, and Associated Stormwater Improvements; Making Findings in Support of the Amendment; and Incorporating Terms and Conditions Set Forth in the Petition

OVERVIEW STATEMENT:
Community Facilities District (CFD) 2016-01 was established June 21, 2016, via Resolution No. 1453 as a partnership between the City of Redmond and Microsoft to finance multimodal improvements. A petition has been filed by Microsoft to amend CFD 2016-01 via resolution. A public hearing will be conducted to receive public comment, and Council will consider the adoption of a resolution to amend CFD 2016-01.

☒ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information** ☐ **Provide Direction** ☒ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
  Transportation Master Plan, ADA Transition Plan
- **Required:**
  Community Facilities Districts are governed under RCW 36.145.
- **Council Request:**
  N/A
- **Other Key Facts:**
  CFD 2016-01 was previously amended on July 25, 2017, via Resolution 1478 to fund additional multimodal and stormwater improvements.

OUTCOMES:

If approved, the amendment via resolution would add the following improvements to the list of those to be financed by CFD 2016-01:

- Extension of shared use path on south side of NE 40th Street from 163rd Ave NE to 172nd Ave NE and related improvements. This project will replace all sidewalk on the south side of the street, which is currently non-ADA-compliant.
- Perform ADA ramp improvement and push button activation for crosswalks at select locations to be determined.
- Install adaptive traffic signal controls at multiple intersections along 148th Ave NE, 156th Ave NE, and NE 40th Street in the Overlake neighborhood.
- Install bike lane improvements (improved curve design and completion of bike lane gaps) on 150th Ave NE. The project will complete missing bike lane connections near the Nintendo campus at the 4500 block and at the intersection with NE 51st Street. Work includes pavement widening, new curb and gutter, and associated stormwater improvements.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
  In accordance with RCW 36.145, King County Elections certified the petition from Microsoft and issued a certificate of sufficiency and a letter of sufficiency, both of which were received by the City of Redmond on August 14, 2024. Per RCW 36.145, a public hearing must be held by the City Council no sooner than 30 days and no later than 60 days from the certificate of sufficiency date of issue, which was August 13, 2024.
- **Outreach Methods and Results:**
  A public hearing is scheduled for September 17, 2024, during the Redmond City Council Business Meeting. A notice of public hearing has been posted in The Seattle Times on August 27, 2024, September 3, 2024, and September 10, 2024.

  A notice of public hearing was also posted at Redmond City Hall, the Redmond Library, the Redmond Community Center at Marymoor Village, and three locations at Microsoft on August 30, 2024.
- **Feedback Summary:**
  N/A

BUDGET IMPACT:

Total Cost:
$12,551,241

- $9,317,520 funded by CFD 2016-01
- $3,233,721 funded by Impact Fees

Approved in current biennial budget: ☒ **Yes** ☐ **No** ☐ **N/A**

Budget Offer Number:
CIP

Budget Priority:
Vibrant and Connected

Other budget impacts or additional costs: ☒ **Yes** ☐ **No** ☐ **N/A**
If yes, explain:
Ongoing costs:

- $1,000 - routine maintenance of expanded sidewalk (NE 40th Street Shared Use Path)
- $40,000 - Software license fee and equipment management and replacement (Adaptive Traffic Signal Control)

Funding source(s):

- CFD 2016-01 (all four projects)
- Impact Fees (NE 40th Street Shared Use Path only)

Budget/Funding Constraints:
N/A

☒ **Additional budget details attached**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
9/10/2024	Committee of the Whole - Finance, Administration, and Communications	Provide Direction

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:
Per RCW 36.145, a public hearing must be held by the City Council no sooner than 30 days and no later than 60 days from the certificate of sufficiency date of issue, which was August 13, 2024.

ANTICIPATED RESULT IF NOT APPROVED:
If a public hearing is not held in accordance with required timelines per RCW 36.145, CFD 2016-01 cannot be amended at this time.

ATTACHMENTS:

Attachment A: Resolution for Second Amendment to CFD 2016-01
Attachment A - Exhibit 1: Sufficiency Letter - CFD 2016-01
Attachment A - Exhibit 2: Certificate of Sufficiency - CFD 2016-01
Attachment A - Exhibit 3: Second Amended and Restated Petition - CFD 2016-01
Attachment B: Public Hearing Notice - Second Amendment to CFD 2016-01
Attachment C: Project Information Sheet - Pedestrian and Bike Improvements - NE 40th Shared Use Path
Attachment D: Project Information Sheet - Overlake Accessibility Improvements
Attachment E: Project Information Sheet - Adaptive Traffic Signal Control - Overlake
Attachment F: Project Information Sheet - 150th Ave Improvements

CITY OF REDMOND
RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, APPROVING A PETITION BY MICROSOFT CORPORATION TO AMEND REDMOND COMMUNITY FACILITIES DISTRICT NO. 2016-01; MODIFYING THE PURPOSE OF SAID COMMUNITY FACILITIES DISTRICT TO INCLUDE FINANCING THE CONSTRUCTION OF THE EXTENSION OF SHARED USE PATH ON SOUTH SIDE OF NE 40TH STREET FROM 163RD AVENUE NE TO 172ND AVENUE NE AND RELATED IMPROVEMENTS, PERFORM ADA RAMP IMPROVEMENTS AND PUSH BUTTON ACTIVATION FOR CROSSWALKS AT SELECT LOCATIONS TO BE DETERMINED, INSTALL ADAPTIVE TRAFFIC SIGNAL CONTROLS AT MULTIPLE INTERSECTIONS ALONG 148TH AVENUE NE, 156TH AVENUE NE, AND NE 40TH STREET IN THE OVERLAKE NEIGHBORHOOD, INSTALL BIKE LANE IMPROVEMENTS ON 150TH AVENUE NE, WORK INCLUDES PAVEMENT WIDENING, NEW CURB AND GUTTER, AND ASSOCIATED STORMWATER IMPROVEMENTS; MAKING FINDINGS IN SUPPORT OF THE AMENDMENT; AND INCORPORATING TERMS AND CONDITIONS SET FORTH IN THE PETITION

WHEREAS, Resolution No. 1453 of the City of Redmond, passed by the City Council on June 21, 2016, formed Redmond Community Facilities District ("CFD") No. 2016-01 for the purpose of financing the design and construction of multimodal improvements of eastbound and westbound left-turn lanes at the intersection of 154th Avenue NE and NE 51st Street along with bicycle lanes along NE 51st Street from 154th Avenue NE to the SR 520 eastbound on-ramp; and separately, multimodal improvements including bicycle lanes along NE 31st Street from the roundabout just east of SR 520 to 156th Avenue NE along with improvements to the

intersection of NE 31st Street and 156th Avenue NE; and

WHEREAS, pursuant to RCW 36.145.020, the CFD was formed based upon the petition of Microsoft Corporation, the owner of one hundred percent (100%) of the land to be included within the district; and

WHEREAS, RCW 36.145.020(3) provides that petitions for the formation of a CFD may be amended when the amended petition is signed by the owners of one hundred percent (100%) of the land in the district; and

WHEREAS, Resolution No. 1478 of the City of Redmond, passed by the City Council on July 25, 2017, approved an amended petition from Microsoft Corporation for Redmond CFD No. 2016-01 which altered the purpose of the CFD to add financing of the construction of multimodal improvements, including intersection improvements and eastbound and westbound left-turn lanes at the intersection of 156th Avenue NE and NE 51st Street; and extending storm water pipe from 172nd Avenue NE to Lake Sammamish along the NE 40th street right-of-way and related improvements required as part of project construction; flow splitter vault at the intersection of NE 40th Street and 172nd Avenue NE; energy dissipation vault at end of pipe extension; outfall at Lake Sammamish; water quality treatment facilities for a portion of the basin; and project mitigation; and

WHEREAS, on April 18, 2024, the Redmond Finance Director received an amended petition from Microsoft Corporation for Redmond

CFD No. 2016-01 requesting that the purpose of the CFD be expanded to add the construction of the extension of shared use path on south side of NE 40th Street from 163rd Avenue NE to 172nd Avenue NE and related improvements, perform ADA ramp improvements and push button activation for crosswalks at select locations to be determined, install adaptive traffic signal controls at multiple intersections along 148th Avenue NE, 156th Avenue NE, and NE 40th Street in the Overlake neighborhood, install bike lane improvements (improved curve design and completion of bike lane gaps) on 150th Avenue NE. Work includes pavement widening, new curb and gutter, and associated stormwater improvements; and

WHEREAS, the Redmond City Council held a public hearing on the proposed amendments to Redmond CFD No. 2016-01 on September 17, 2024, and, after considering all public testimony received, determined to approve the amended petition and authorize amendment of the purpose of the CFD as provided herein.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. Findings. Pursuant to RCW 36.145.020 and RCW 36.145.060, the Redmond City Council makes the following findings:

(A) The amended petition received by the City on April 18, 2024, was signed by one hundred percent (100%) of the owners of

land within Redmond CFD No. 2016-01. Microsoft Corporation owns all of the land within the boundaries of the CFD and is the sole signatory on the petition.

(B) The City Council previously found, in Resolution No. 1453 and 1478, that the land owned by Microsoft within the original boundaries of CFD No. 2016-01 will be specially benefited by the multimodal improvements identified described in those resolutions. Further, the improvements described herein will also specially benefit the land owned by Microsoft within the boundaries of CFD No. 2016-01:

(1) The eastbound and westbound left-turn lanes on NE 51st Street will reduce the potential for automobile and automobile/bicycle collisions by enabling left turns to occur at 154th Avenue NE without impeding eastbound and westbound through traffic and will also reduce congestion on NE 51st Street.

(2) The bike lanes on NE 31st Street and NE 51st Street will improve non-motorized mobility and access to transit in the Overlake neighborhood and increase the potential for reduction of carbon dioxide emissions from motor vehicles.

(3) The signal modification at the intersection of NE 51st Street and 156th Avenue NE will reduce congestion on NE 51st Street.

(4) The NE 40th Street drainage basin improvements will

improve storm water quality and result in water quality improvement in Lake Sammamish which will provide recreational benefits as well as improved habitat for salmonids and other aquatic life.

(5) The grade separated pedestrian/bicycle path on the west side of SR 520 will reduce the potential for automobile collisions with pedestrians/bicycles on NE 40th Street. The path will also improve non-motorized mobility in the Overlake neighborhood and increase the potential for reduction of carbon dioxide emissions from motor vehicles.

(6) The extension of the shared use path on NE 40th Street will improve non-motorized mobility and access to transit in the Overlake neighborhood and increase the potential for reduction of carbon dioxide emissions from motor vehicles.

(7) The ADA ramp improvements and push button activation for crosswalks will improve pedestrian safety, especially for disabled persons.

(8) The adaptive signal controls on 148th Avenue NE, 156th Avenue NE, NE 40th Street will improve traffic flow on these streets reducing congestion and the production of carbon dioxide.

(9) The bike lane improvements on 150th Avenue NE will improve non-motorized mobility in the Overlake neighborhood and increase the potential for reduction of carbon dioxide emissions from motor vehicles.

(C) Amending Redmond CFD No. 2016-01 will be in the best interest of the City of Redmond for the following reasons:

(1) The multimodal improvements will be available for use by all people who live, work and commute in Redmond and not just for those whose work is located on the property and included in the Community Facilities District.

(2) The multi modal improvements will increase public safety on City of Redmond streets and public ways by reducing traffic congestion and improving access and safety for pedestrians and bicyclists.

(3) Storm water improvements will improve storm water quality in the NE 40th Street drainage basin with concomitant improvement to water quality in Lake Sammamish.

(4) Upon completion of construction, the improvements will be owned by and become an asset of the City of Redmond.

(D) Expanding the purpose of Redmond CFD No. 2016-01 is consistent with the requirements of the Washington Growth Management Act (GMA), RCW 36.70A, for the following reasons:

(1) Construction of the identified improvements fulfills the GMA's transportation goal set forth in RCW 36.70A.020(3), which provides for the encouragement of efficient multimodal transportation systems that are based on regional priorities and coordinated with the City's comprehensive plan.

Section 2. Approval of Amended Petition - Amendment of Resolution Nos. 1453 and 1478 as to the purpose of the CFD.

(A) The amended petition submitted by Microsoft Corporation seeking to add the construction of the extension of shared use path on south side of NE 40th Street from 163rd Avenue NE to 172nd Avenue NE and related improvements, perform ADA ramp improvements and push button activation for crosswalks at select locations to be determined, install adaptive traffic signal controls at multiple intersections along 148th Avenue NE, 156th Avenue NE, and NE 40th Street in the Overlake neighborhood, install bike lane improvements (improved curve design and completion of bike lane gaps) on 150th Avenue NE. The work included in this resolution includes pavement widening, new curb and gutter, and associated stormwater improvements and is hereby approved. The purpose of Redmond CFD No. 2016-01, formed by Section 1 of Resolution No. 1453 and No. 1478 of the City of Redmond, is hereby amended to be the construction of the improvements as follows:

(1) The eastbound and westbound left-turn lanes on NE 51st Street will reduce the potential for automobile and automobile/bicycle collisions by enabling left turns to occur at 154th Avenue NE without impeding eastbound and westbound through traffic and will also reduce congestion on NE 51st Street.

(2) The bike lanes on NE 31st Street and NE 51st Street

will improve non-motorized mobility and access to transit in the Overlake neighborhood and increase the potential for reduction of carbon dioxide emissions from motor vehicles.

(3) The signal modification at the intersection of NE 51st Street and 156th Avenue NE will reduce congestion on NE 51st Street.

(4) The NE 40th Street drainage basin improvements will improve storm water quality and result in water quality improvement in Lake Sammamish which will provide recreational benefits as well as improved habitat for salmonids and other aquatic life.

(5) The grade separated pedestrian/bicycle path on the west side of SR 520 will reduce the potential for automobile collisions with pedestrians/bicycles on NE 40th Street. The path will also improve non-motorized mobility in the Overlake neighborhood and increase the potential for reduction of carbon dioxide emissions from motor vehicles.

(6) The extension of the shared use path on NE 40th Street will improve non-motorized mobility and access to transit in the Overlake neighborhood and increase the potential for reduction of carbon dioxide emissions from motor vehicles.

(7) The ADA ramp improvements and push button activation for crosswalks will improve pedestrian safety, especially for disabled persons.

(8) The adaptive signal controls on 148th Avenue NE, 156th Avenue NE, NE 40th Street will improve traffic flow on these streets reducing congestion and the production of carbon dioxide.

(9) The bike lane improvements on 150th Avenue NE will improve non-motorized mobility in the Overlake neighborhood and increase the potential for reduction of carbon dioxide emissions from motor vehicles.

Section 3. Costs to be Assessed. The total cost of the improvements to be paid for by Redmond CFD No. 2016-01 as a result of this Amendment is estimated to be $27,953,900.00. All costs properly chargeable to Redmond CFD No. 2016-01 shall be assessed against the property legally described on Attachment 1 in the petition.

Section 4. Board of Supervisors. The Board of Supervisors for Redmond CFD No. 2016-01 shall remain as provided for in Section 4 of Resolution No. 1453 as that board may have been amended.

Section 5. Procedures and Requirements for Special Assessments. As provided in Resolution No. 1453, the Board of Supervisors shall impose the necessary assessments on the property in Redmond CFD 2016-01 according to the procedures and requirements of RCW 36.145.110. The special assessments shall continue to be collected by the district treasurer, who shall remain the Finance

Director of the City of Redmond as appointed by the Board of Supervisors as provided in RCW 36.145.140. All special assessments shall be a lien upon the property within the boundaries of Redmond CFD No. 2016-01 and enforced as provided in Chapters 36.145 and 35.44 RCW.

Section 6. Terms of Petition Incorporated by Reference. The terms and conditions of the original petition for Redmond CFD No. 2016-01 and the First Amended Petition for Redmond CFD No. 2016-01 are hereby incorporated by this reference as if set forth in full.

Section 7. Effective Date. This resolution shall become effective immediately upon passage by the Redmond City Council.

ADOPTED by the Redmond City Council this _____ day of September, 2024.

CITY OF REDMOND

_____
ANGELA BIRNEY, MAYOR

ATTEST:

_____
CHERYL XANTHOS, MMC, CITY CLERK

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
RESOLUTION NO.

King County
Department of Elections
Julie Wise, Director

August 13, 2024

Sent via email

Kelley Cochran, Finance Director
City of Redmond
Sent via email to: kcochran@redmond.gov

RE: Petition to Form Community Facilities District Pursuant to RCW 36.145.020
Certificate of Sufficiency

Dear Kelley Cochran:

King County examined the signatures contained on the petition 2016-1 to form a community facilities district in Redmond and confirmed that the petition has been validly executed by 100% of all owners of the property located within the proposed district. It is therefore determined that the petition is sufficient under RCW 36.145.020.

If you have questions, please feel free to contact Angela Kubota, Candidate and Jurisdiction Coordinator at 206-477-4201.

Sincerely,

Julie Wise
Director

cc: Janice Case, Deputy Director
Angela Kubota, Candidate and Jurisdiction Coordinator

Certificate of Sufficiency

This is to certify that the petition 2016-1, originally submitted on August 8, 2024, to King County Elections, seeking to form a community facilities district in Redmond, Washington, has been examined by the King County Assessor and the King County Elections Department, and as a result of such examination, found to be sufficient under the provisions of the Revised Code of Washington 36.145.020.

Dated this 13th day of August 2024.

Julie Wise
Director of Elections

SECOND AMENDED AND RESTATED
REDMOND CFD No. 2016-1
Community Facilities District ("CFD") Petition Pursuant to Chapter 36.145 RCW

Microsoft Corporation ("Petitioner") respectfully submits this Second Amended and Restated Community Facilities District Petition (the "Petition") to the City of Redmond pursuant to Chapter 36.145 RCW. This Petition requests the amendment of Redmond CFD No. 2016-1 (the "District" or "CFD No. 2016-1"), which shall include the Redmond CFD No. 2016-1 Property, as defined below, that is both located within the Redmond Urban Growth Area ("UGA") and within the city limits of Redmond as required by RCW 36.145.020. The requirements for a community facilities district petition are set forth in RCW 36.145.020(1). Each of these requirements is addressed subsection-by-subsection below.

RCW 36.145.020(1)(a): See the township, range, and legal subdivision description of the boundaries of the District attached to this Petition as Attachment 1 (the "Redmond CFD No. 2016-1 Property").

RCW 36.145.020(1)(b): The undersigned property owner hereby requests that the Redmond CFD No. 2016-1 Property be subject to assessments up to the amount outlined in RCW 36.145.020(1)(i)(iv) as authorized by Chapter 36.145 RCW.

RCW 36.145.020(1)(c): See the certification attached to this Petition as Attachment 2.

RCW 36.145.020(1)(d): The District's objective is to finance eight specific improvements that provide special benefits to the Redmond CFD No. 2016-1 Property through the application of assessments. The net amount to be assessed on each parcel within the District is proportional to the special benefit conferred on such parcel by the eight improvements. The District anticipates financing the following eight specific facilities (the "Improvements"):

- Multimodal improvements, including eastbound and westbound left-turn lanes at the intersection of 154th Avenue NE and NE 51st Street and at the intersection of 156th Avenue NE and NE 51st Street along with signal modification to the intersection of 156th Avenue NE and NE 51st Street and bicycle lanes along NE 51st Street from 154th Avenue NE to the SR 520 eastbound on-ramp.

- Multimodal improvements, including bicycle lanes along NE 31st Street from the roundabout just east of SR 520 to 156th Avenue NE along with improvements to the intersection of NE 31st Street and 156th Avenue NE.

- Extension of storm water pipe from 172nd Avenue NE to Lake Sammamish along the NE 40th street right-of-way and related improvements required as part of project construction; flow splitter vault at the intersection of NE 40th Street and 172nd Avenue NE; energy dissipation vault at end of pipe extension; outfall at Lake Sammamish that mitigates for wetland and lake impacts; water quality treatment facilities for a portion of the basin to improve water quality in Lake Sammamish and/or Villa Marina Creek; potential Salmon Safe certification; and project mitigation.

- Grade separated path for pedestrians/bicycles on the west side of SR 520 to reduce potential pedestrian/bicycle conflicts with motor vehicles on NE 40th Street. The extent of the funding for the grade separated pedestrian/bicycle path is dependent on the actual cost of the other three Improvements. To the extent there are funds available from the assessment approved by the District after construction of the other three Improvements, those remaining funds will be applied to the construction cost of the grade separated pedestrian/bicycle path.

- Extension of shared use path on south side of NE 40th Street from 163rd Avenue NE to 172nd Avenue NE and related improvements. This project will replace all sidewalk on the south side of the street which is currently non ADA-compliant.

- Perform ADA ramp improvements and push button activation for crosswalks at select locations to be determined.

- Install adaptive traffic signal controls at multiple intersections along 148th Avenue NE, 156th Avenue NE, and NE 40th Street in the Overlake neighborhood.

- Install bike lane improvements (improved curve design and completion of bike lane gaps) on 150th Avenue NE. The project will complete missing bike lane connections near the Nintendo campus at the 4500 block and at the intersection with NE 51st Street. Work includes pavement widening, new curb and gutter, and associated stormwater improvements.

RCW 36.145.020(1)(e): The undersigned property owner declares that CFD No. 2016-1 will be conducive to public health, safety, and welfare for the following reasons. The proposed District will finance the Improvements which will improve the public health, safety, and welfare by reducing the incidence of automobile collisions, reducing the incidence of automobile/bicycle/pedestrian collisions, and reducing traffic congestion. The Improvements also create a more connected network of bicycle facilities, which helps facilitate travel and commuting by bicycle resulting in reduced production of carbon dioxide. The Improvements will also improve traffic flow on 156th Avenue NE reducing congestion and the production of carbon dioxide. The Improvements also increase pedestrian safety, especially for disabled persons. The Improvements also improve storm water quality in the NE 40th Street drainage basin with concomitant improvement to water quality in Lake Sammamish. The Improvements are in the best interest of the City for these reasons. The Improvements have benefits for the City, its residents and those who visit or work in the City. The proposed District, through the application of assessments, provides a secure financing source for the Improvements which provide public health, safety, and welfare benefits to the Redmond CFD No. 2016-1 Property and the citizens of Redmond.

RCW 36.145.020(1)(f): The purpose of forming the District is to finance the Improvements. The Improvements will provide special benefit to the Redmond CFD No. 2016-1 Property and will increase the fair market value of the Redmond CFD No. 2016-1 Property on account of their

proximity to the Redmond CFD No. 2016-1 Property. The Improvements provide special benefits to the Redmond CFD No. 2016-1 Property as summarized below:

- The eastbound and westbound left-turn lanes on NE 51st Street will reduce the potential for automobile and automobile/bicycle collisions by enabling left turns to occur at 154th Avenue NE without impeding eastbound and westbound through traffic, and will also reduce congestion on NE 51st Street.

- The bike lanes on NE 31st Street and NE 51st Street will improve non-motorized mobility and access to transit in the Overlake neighborhood and increase the potential for reduction of carbon dioxide emissions from motor vehicles.

- The signal modification at the intersection of NE 51st Street and 156th Avenue NE will reduce congestion on NE 51st Street.

- The NE 40th Street drainage basin improvements will improve storm water quality and result in water quality improvement in Lake Sammamish which will provide recreational benefits as well as improved habitat for salmonids and other aquatic life.

- The grade separated pedestrian/bicycle path on the west side of SR 520 will reduce the potential for automobile collisions with pedestrians/bicycles on NE 40th Street. The path will also improve non-motorized mobility in the Overlake neighborhood and increase the potential for reduction of carbon dioxide emissions from motor vehicles.

- The extension of the shared use path on NE 40th Street will improve non-motorized mobility and access to transit in the Overlake neighborhood and increase the potential for reduction of carbon dioxide emissions from motor vehicles.

- The ADA ramp improvements and push button activation for crosswalks will improve pedestrian safety, especially for disabled persons.

- The adaptive signal controls on 148th Avenue NE, 156th Avenue NE, NE 40th Street will improve traffic flow on these streets reducing congestion and the production of carbon dioxide.

- The bike lane improvements on 150th Avenue NE will improve non-motorized mobility in the Overlake neighborhood and increase the potential for reduction of carbon dioxide emissions from motor vehicles.

RCW 36.145.020(1)(g): See the "obligation" attached to this Petition as Attachment 3.

RCW 36.145.020(1)(h): Petitioner nominates the following two individuals as eligible supervisors for the District: (1) Mike Behn, as a representative of the Petitioner; and (2) Donald Marcy, as a qualified professional. Both Mr. Behn and Mr. Marcy are willing and able to serve on the District's

Board of Supervisors. Curriculum vitae for Mr. Behn and Mr. Marcy, as well as documentation of their consent to serve, are attached hereto as Attachment 4.

RCW 36.145.020(1)(i): Subsections (i)-(v) of this section are each addressed separately below.

(i) See the diagram showing each separate lot, tract, parcel of land, or other property in the District attached hereto as Attachment 5.

(ii) The acreage of the Redmond CFD No. 2016-1 Property is 7.23 acres.

(iii) The name and address of the owner of each lot, parcel as shown on the tax roll of the King County Assessor:

Lot/Parcel	**Property Owner**	**Property Owner Address**
142505-9141	Microsoft Corporation	Microsoft Real Estate & Facilities One Microsoft Way Redmond, WA 98052
550300-0110	Microsoft Corporation	Microsoft Real Estate & Facilities One Microsoft Way Redmond, WA 98052

(iv) *See* Preliminary Assessment Roll on the following page:

Community Facility District (CFD) No. 2016-1 Preliminary Assessment Roll		
Parcel		**Total $ per Parcel**
Number	**Acreage**	
1	4.18	$12,756,400
2	3.05	$15,197,500
Total:	7.23	$27,953,900

(v) Because there are only two parcels of property and one property owner in the proposed district, the method of allocating the special benefit and assessments among the properties is not relevant to this petition as one hundred percent of the assessments will be assigned to the two parcels.

RCW 36.145.020(1)(j): The security to ensure the timely payment of assessments and the timely payment of bonds issued by the District will be the Redmond CFD No. 2016-1 Property.

[*see signature of property owner on the following page*]

PROPERTY OWNER:

MICROSOFT CORPORATION, a Washington corporation

By:

Steph Longstreth, General Manager, Microsoft Global Workplace Services

Mailing Address: Microsoft Real Estate & Facilities
One Microsoft Way
Redmond, WA 98502

Telephone No.: (425) 882-8080

Date: 04/04/24

WARNING

Every person who signs this petition with other than his or her true name, or who knowingly signs more than one of these petitions, or signs a petition seeking an election when he or she is not a legal voter, or signs a petition when he or she is otherwise not qualified to sign, or who makes any false statements, shall be guilty of a misdemeanor.

NOTARIAL CERTIFICATE

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this day personally appeared before me Steph Longstreth, to me known to be the General Manager of Microsoft Global Workplace Services of Microsoft Corporation, the corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

GIVEN under my hand and official seal this 4th day of April, 2024.

Notary Public
State of Washington
KAILEE AMANS
LICENSE # 21035692
MY COMMISSION EXPIRES
SEPTEMBER 9, 2025

Kailee Amans
(Print name of notary)
NOTARY PUBLIC in and for the State of Washington, residing at One Microsoft Way
My commission expires Sept. 9, 2025

ATTACHMENT 1

REDMOND CFD NO. 2016-1

PARCEL 1

PARCEL A OF KING COUNTY BOUNDARY LINE ADJUSTMENT NO. L010069, RECORDED UNDER RECORDING NO. 20020110900002, IN KING COUNTY, WASHINGTON.

LOCATED IN SW QUARTER OF SECTION 14, TOWNSHIP 25, RANGE 5 E, W.M.

PARCEL 2

LOT 11 OF MICROSOFT MAIN CAMPUS BINDING SITE PLAN RECORDED ON OCTOBER 22, 2008 UNDER RECORDING NO. 20081022000945 IN KING COUNTY, WASHINGTON.

LOCATED IN NE QUARTER OF SECTION 23, TOWNSHIP 25, RANGE 5 E, W.M.

ATTACHMENT 2

CERTIFICATION

Microsoft Corporation, the undersigned petitioner, voluntarily submits the Redmond CFD No. 2016-1 Property, as defined in Attachment 1 of the attached Petition, to the authority of the District described in the Petition pursuant to Chapter 36.145 RCW to approve the Petitioner's request to submit the Property to the assessments, up to the amount included in Section 36.145.020(1)(i) of the Petition and authorized under Chapter 36.145 RCW.

The undersigned petitioner certifies under the penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

PETITIONER:

MICROSOFT CORPORATION, a Washington corporation

By: _____

Steph Longstreth, General Manager, Microsoft Global Workplace Services

Mailing Address: Microsoft Real Estate & Facilities
One Microsoft Way
Redmond, WA 98502

Telephone No.: (425) 882-8080

Date: 04/04/24

WARNING

Every person who signs this petition with other than his or her true name, or who knowingly signs more than one of these petitions, or signs a petition seeking an election when he or she is not a legal voter, or signs a petition when he or she is otherwise not qualified to sign, or who makes any false statements, shall be guilty of a misdemeanor.

NOTARIAL CERTIFICATE

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this day personally appeared before me Steph Longstreth, to me known to be the General Manager of Microsoft Global Workplace Services of Microsoft Corporation, the corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

GIVEN under my hand and official seal this 4th day of April, 2024.

Notary Public
State of Washington
KAILEE AMANS
LICENSE # 21035692
MY COMMISSION EXPIRES
SEPTEMBER 9, 2025

Kailee Amans
(Print name of notary)
NOTARY PUBLIC in and for the State of Washington, residing at One Microsoft Way
My commission expires Sept. 9, 2025

ATTACHMENT 3

OBLIGATION

Microsoft Corporation certifies that it is the sole Petitioner for the attached Petition and that it agrees to pay the costs of the formation of the Redmond CFD No. 2016-1 pursuant to the Petition.

The undersigned Petitioner certifies under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

PETITIONER:

MICROSOFT CORPORATION, a Washington corporation

By: _____
Steph Longstreth, General Manager, Microsoft Global Workplace Services

Mailing Address: Microsoft Real Estate & Facilities
One Microsoft Way
Redmond, WA 98502
Telephone No.: (425) 882-8080
Date: 04/09/24

WARNING

Every person who signs this petition with other than his or her true name, or who knowingly signs more than one of these petitions, or signs a petition seeking an election when he or she is not a legal voter, or signs a petition when he or she is otherwise not qualified to sign, or who makes any false statements, shall be guilty of a misdemeanor.

NOTARIAL CERTIFICATE

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this day personally appeared before me Steph Longstreth, to me known to be the General Manager of Microsoft Global Workplace Services of Microsoft Corporation, the corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

GIVEN under my hand and official seal this 4th day of April, 2024.

Notary Public
State of Washington
KAILEE AMANS
LICENSE # 21035692
MY COMMISSION EXPIRES
SEPTEMBER 9, 2025

Kailee Amans
(Print name of notary)
NOTARY PUBLIC in and for the State of Washington, residing at One Microsoft Way
My commission expires Sept. 9, 2025

ATTACHMENT 4

NOMINEES FOR BOARD OF SUPERVISORS

I, Mike Behn, hereby acknowledge that Property Owner, Microsoft Corporation, has nominated me to serve as a supervisor on Redmond CFD No. 2016-1's Board of Supervisors and hereby consent to serve on such board if I am appointed by the City of Redmond.

Mike Behn, Senior Real Estate and Land Use Manager of Microsoft Corporation

4/4/24
Date

WARNING

Every person who signs this petition with other than his or her true name, or who knowingly signs more than one of these petitions, or signs a petition seeking an election when he or she is not a legal voter, or signs a petition when he or she is otherwise not qualified to sign, or who makes any false statements, shall be guilty of a misdemeanor.

NOTARIAL CERTIFICATE

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this day personally appeared before me Mike Behn, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged to me that he/she signed the same as his/her free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 4th day of April, 2024.

Notary Public
State of Washington
KAILEE AMANS
LICENSE # 21035692
MY COMMISSION EXPIRES
SEPTEMBER 9, 2025

Kailee Amans
(Print name of notary)
NOTARY PUBLIC in and for the State of Washington, residing at One Microsoft Way
My commission expires Sept. 9, 2025

Mike Behn
1 Microsoft Way, Redmond WA 98065
425-703-6420 mike.behn@microsoft.com

Mike is a land use professional with skills covering the spectrum of real estate processes including land acquisition, master planning, entitlement, development, and leasing. He has a life-long passion for the built environment and creating places that enhance everyday experience. At Microsoft, Mike applies his real estate and land use expertise to the company's 500+ acre Redmond, WA campus including their current 2050 master planning efforts, public/private partnerships, and execution on sustainability initiatives. Additionally, Mike oversees commercial acquisitions and dispositions in Puget Sound. Prior to joining Microsoft, Mike spent 15 years in residential development working for regional and national homebuilders. During his tenure, Mike oversaw the purchase, design, entitlement and development of numerous single-family and townhouse communities and the buildout of notable northwest master-planned communities. Mike has an honors Bachelor of Arts degree in Planning, Public Policy, and Management from the University of Oregon. He is a member of NAIOP and the Urban Land Institute.

Education

Bachelor of Arts – Planning, Public Policy, and Management

1991-1996 University of Oregon Eugene, OR

Robert D. Clark Honors College; Architecture minor

Experience

Senior Real Estate and Land Use Manager

2017 – Present Microsoft Redmond, WA

- Manage land use of the Redmond campus through master planning activities, lead acquisition efforts on new properties, and oversee infrastructure projects
- Collaborate on behalf of Microsoft stakeholders with the City of Redmond, Sound Transit, and other agencies to facilitate agreements
- Serve as a land use subject matter expert and share knowledge of the Redmond campus and best practices for land use planning to the company

Director of Land Planning and Entitlement, Senior Development Manager

2004 – 2017 Pulte Homes, Quadrant Homes Bellevue, WA

- Provided senior leadership for the entitlement of new subdivisions, meeting with elected officials and senior city staff to secure approvals
- Oversaw land development activities, including the installation of new innovative and sustainable low-impact development features (pervious pavement, modular wetland vault systems, bioswales, etc.)
- Served as President of multiple Commercial Owner's Associations and Residential Owner's Associations during the declarant period of control

Involvement

Member, Board of Directors and Government Affairs Committee

2017 – 2019 OneRedmond Redmond, WA

I, Donald Marcy, hereby acknowledge that Property Owner, Microsoft Corporation, has nominated me to serve as a supervisor on Redmond CFD No. 2016-1's Board of Supervisors and hereby consent to serve on such board if I am appointed by the City of Redmond.

Donald E. Marcy
Donald Marcy

4-12-24
Date

WARNING

Every person who signs this petition with other than his or her true name, or who knowingly signs more than one of these petitions, or signs a petition seeking an election when he or she is not a legal voter, or signs a petition when he or she is otherwise not qualified to sign, or who makes any false statements, shall be guilty of a misdemeanor.

NOTARIAL CERTIFICATE

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this day personally appeared before me Donald Marcy, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged to me that he/she signed the same as his/her free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 12 day of April, 2024.

Sophie Johnson
(Print name of notary)
NOTARY PUBLIC in and for the State of Washington, residing at Seattle
My commission expires 11-07-26

SOPHIE JOHNSON NOTARY PUBLIC 22034095 COMMISSION EXPIRES 11-07-26 STATE OF WASHINGTON

CH&
CAIRNCROSS&HEMPELMANN
ATTORNEYS AT LAW

DONALD E. MARCY
Land Use Attorney

Email: dmarcy@cairncross.com
Direct: 206-254-4465

Introduction

Donald is one of the leading lawyers in land use and real estate development matters in Seattle. For over 40 years, he has guided many of the region's significant mixed-use, office, business park, retail, and multi-family projects to successful conclusion through creative application of the law. He has assisted real estate developers and owners of property in developing commercial and residential projects in the Pacific Northwest and other regions of the country. He has represented clients in all aspects of real estate development; buying property; negotiating ground leases; obtaining land use entitlements; negotiating design, construction, and financing documents; negotiating leases; and selling fully developed properties. The skills he has developed through this legal work are varied and include structuring real estate deals, drafting and negotiating agreements and contracts, negotiating with government agencies, analyzing regulatory programs and requirements, and making public presentations.

As a member and past Chairman of the Government Affairs Committee of NAIOP, the commercial real estate organization, Donald is active in the crafting of legislation that affects the commercial real estate industry.

Education

- Stanford University (A.B., with Honors in Economics)
- University of Southern California (J.D.)
    - Member and Executive Editor of Articles, Southern California Law Review

Admissions

- Washington
- US District Court, Western District of Washington
- US District Court, Eastern District of Washington

Honors & Recognition

- Top Ranked in Washington State by *Chambers USA* in the area of Real Estate: Zoning/Land Use since 2016

CH& CAIRNCROSS&HEMPELMANN ATTORNEYS AT LAW
524 2nd Ave., Suite 500
Seattle, WA 98104
www.cairncross.com
office 206.587.0700
fax 206.587.2308

- Named *The Best Lawyers in America*® Litigation – Land Use and Zoning "Lawyer of the Year" in Seattle (2022)
- Named *The Best Lawyers in America*® Litigation – Real Estate "Lawyer of the Year" in Seattle (2021)
- Named *The Best Lawyers in America*® Land Use & Zoning Law "Lawyer of the Year" in Seattle (2014)
- Listed in *The Best Lawyers in America*® in Land Use & Zoning Law since 2010
- Listed in *The Best Lawyers in America*® in Litigation – Land Use & Zoning since 2010
- Listed in *The Best Lawyers in America*® in Litigation – Real Estate since 2010
- Listed in *The Best Lawyers in America*® in Real Estate Law since 2010
- Named on the Washington Super Lawyers list by *Super Lawyers® Magazine* since 2000
- Named on the Top 100 Washington Super Lawyers list by *Super Lawyers® Magazine*
- NAIOP Washington State Chapter Board Member of the Year, 2008
- NAIOP Washington State Chapter Member of the Year, 1994
- Association of Washington Business Heavy Lifter Award Recipient, 2008
- Martindale-Hubbell AV® Preeminent 5.0 out of 5
- Avvo® rated 10.0 out of 10.0
- Top 100 Attorneys Award Recipient, *Washington CEO Magazine*
- Top Rated Lawyer in Land Use and Zoning, *The American Lawyer & Corporate Counsel Magazines*
- Top Ten Attorneys in Washington (in the Area of Real Estate Law) Award Recipient, *Washington CEO Magazine* in conjunction with Avvo, Inc.
- League of Justice – Environmental & Land Use Law Award Recipient, *Washington CEO Magazine*
- Top Lawyer Award Recipient, *Seattle Magazine*
- Top Business Lawyer Award Recipient, *Seattle Business*
- Top Lawyer – Real Estate Award Recipient, *Seattle Metropolitan Magazine*

Professional & Community Involvement

- National Association of Industrial and Office Properties (NAIOP) Washington (1989-present)
  - Board of Directors (1991-1995, 2005-2009)
  - Chairman of Government Affairs Committee (1996-1998, 2010-2015)
- King County Green River Flood Protection Task Force
- State Department of Ecology, State Wetland Integration Strategy Task Force
- Pacific Real Estate Institute
- Lewis County Economic Development Council
- Seattle Metropolitan Chamber of Commerce
- Association of Washington Business, Environmental Affairs Council, Land Use Committee, and Regulatory Reform Committee

CH& CAIRNCROSS&HEMPELMANN ATTORNEYS AT LAW
524 2nd Ave., Suite 500
Seattle, WA 98104
www.cairncross.com
office 206.587.0700
fax 206.587.2308

- King County Bar Association
- Seattle Mayor's Industrial Lands Task Force (2015-2018)
- Path with Art, Board of Directors (2021-present)

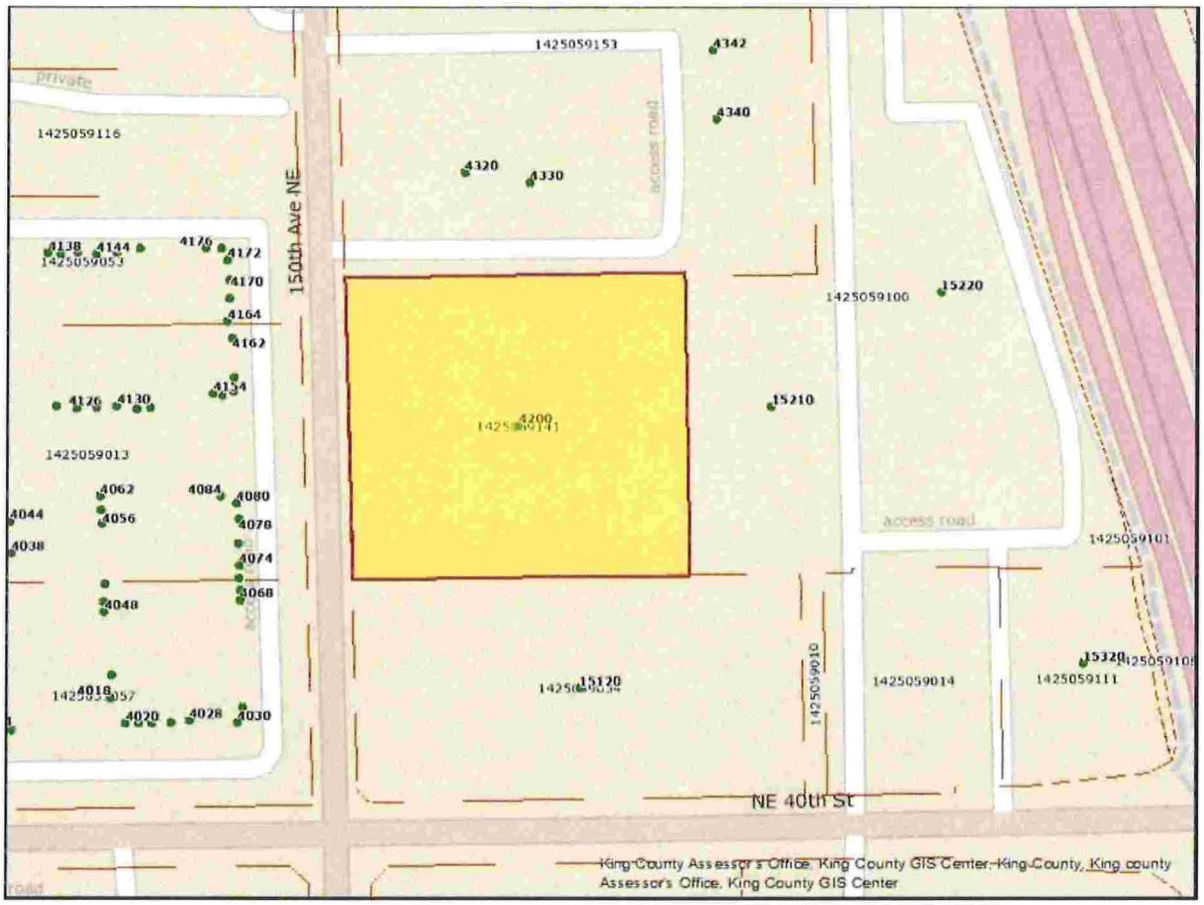
Publications & Speaking Engagements

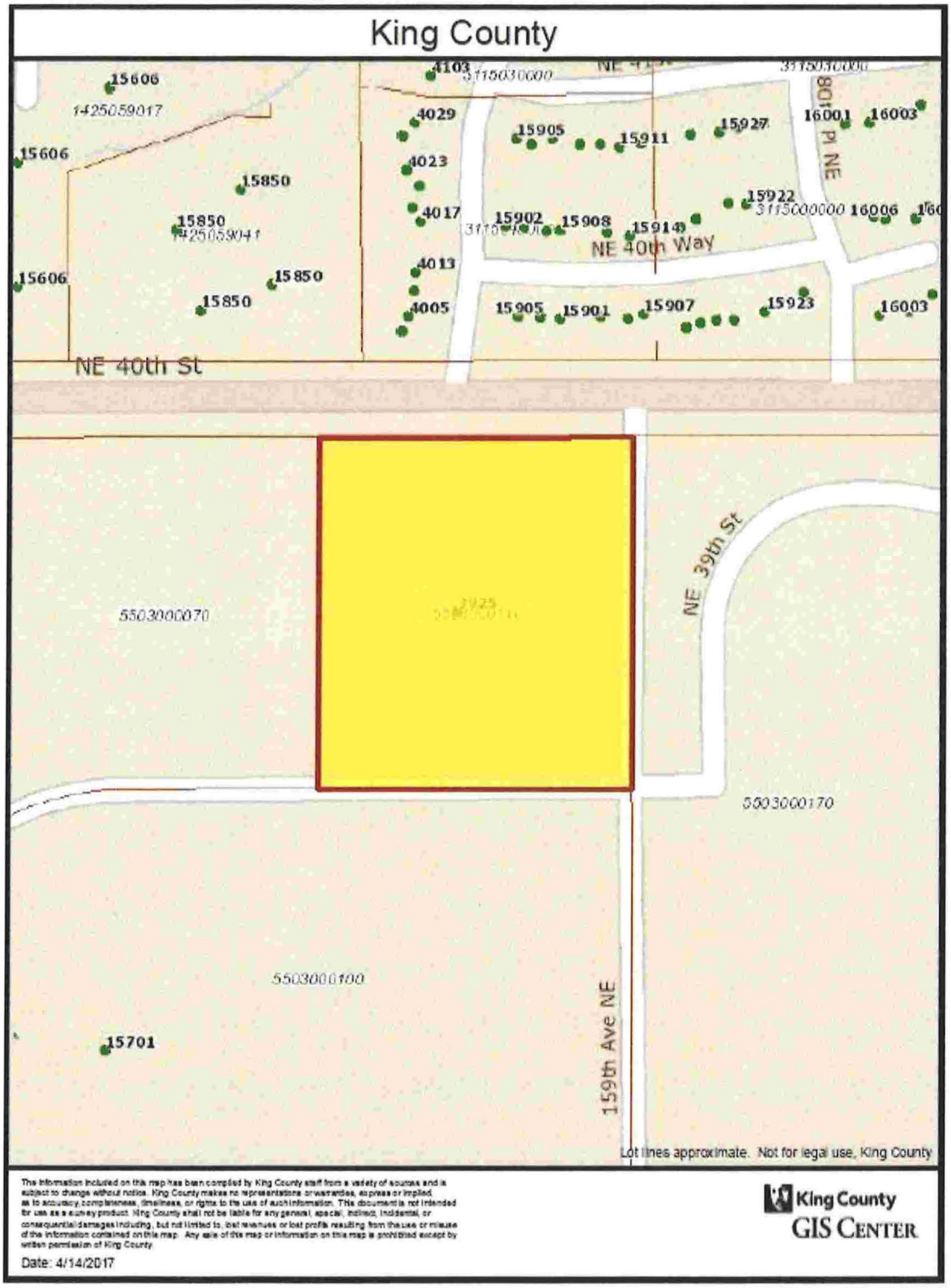
- Moderator, "Seattle Forecast 2018!," Bisnow, Seattle, WA, January 25, 2018
- Speaker, "Commercial Real Estate Leases," Law Seminars International, December 11-12, 2017
- Moderator, "Seattle State of the Market," Bisnow, Seattle, WA, December 17, 2013
- Moderator, "Seattle Office 2020," Bisnow, Seattle, WA, April 23, 2013
- Moderator, "Seattle Construction & Development Summit," Bisnow, Seattle, WA, March 27, 2013

CH& CAIRNCROSS&HEMPELMANN ATTORNEYS AT LAW
524 2nd Ave., Suite 500
Seattle, WA 98104
www.cairncross.com
office 206.587.0700
fax 206.587.2308

ATTACHMENT 5

PARCEL DIAGRAM




King County
15606
1425059017
4103
3115030000
4029
15905
15911
15927
16001
16003
15606
4023
15850
80th Pl NE
15922
3115000000
16006
15850
1425059041
4017
15902
15908
15914
NE 40th Way
15606
4013
15850
15850
4005
15905
15901
15907
15923
16003
NE 40th St
5503000070
NE 39th St
5503000170
5503000100
15701
159th Ave NE
Lot lines approximate. Not for legal use, King County
This information included on this map has been compiled by King County staff from a variety of sources and is subject to change without notice. King County makes no representations or warranties, express or implied, as to accuracy, completeness, timeliness, or rights to the use of such information. This document is not intended for use as a survey product. King County shall not be liable for any general, special, indirect, incidental, or consequential damages including, but not limited to, lost revenues or lost profits resulting from the use or misuse of the information contained on this map. Any sale of this map or information on this map is prohibited except by written permission of King County.
Date: 4/14/2017
King County
GIS Center

CERTIFICATE OF DESIGNATION

Global Workplace Services Authorization

THIS CERTIFICATE OF DESIGNATION is made pursuant to and in accordance with that certain resolution of the Board of Directors of Microsoft Corporation (the "Company"), adopted on June 16, 2006, under which the undersigned are authorized to designate persons empowered to sign any and all documents as relates to real estate transactions on behalf of the Company and its subsidiary companies.

The following persons are so designated, in compliance with the objectives in the resolution:

Beth Schryer, Vice President, Global Workplace Services

Steph Longstreth, General Manager, Global Workplace Services

John Trujillo, Senior Director, International Real Estate Operations

This Certificate may be signed by electronic signature, which will be effective for all purposes.

IN WITNESS WHEREOF, the undersigned have caused this Certificate of Designation to be executed as of October 19, 2023.

Anita Mehra
Global Treasurer

Oystein Harsvik
Assistant Treasurer

NOTICE OF PUBLIC HEARING
CITY OF REDMOND

Second Amendment to Community Facilities District No. 2016-01

The City of Redmond City Council will hold a Public Hearing in the **Council Chambers, 15670 NE 85th Street, Redmond, Washington** on September 17, 2024 ***at 7 p.m.*** or as soon thereafter as possible, on:

SUBJECT: Petition filed by Microsoft Corporation to amend Community Facilities District No. 2016-01 per RCW 36.145 in Redmond, Washington. If approved, the amendment would add the following improvements to the list of those to be financed by the community facilities district:

- Extension of shared use path on south side of NE 40th Street from 163rd Avenue NE to l72nd Avenue NE and related improvements. This project will replace all sidewalk on the south side of the street which is currently non ADA-compliant.
- Perform ADA ramp improvements and push button activation for crosswalks at select locations to be determined.
- Install adaptive traffic signal controls at multiple intersections along 148th Avenue NE, 156th Avenue NE, and NE 40th Street in the Overlake neighborhood.
- Install bike lane improvements (improved curve design and completion of bike lane gaps) on 150th Avenue NE. The project will complete missing bike lane connections near the Nintendo campus at the 4500 block and at the intersection with NE 51st Street. Work includes pavement widening, new curb and gutter, and associated stormwater improvements.

REQUESTED ACTION: Amend the petition by resolution.

All persons are invited to comment in person at the hearing. Written comment can be sent to cityclerk@redmond.gov, or P.O. Box 97010, Redmond, Washington, 98073-9710. In the event of difficulty attending a meeting in person, or with any questions, please contact the City Clerk at cityclerk@redmond.gov.

Posted: August 30, 2024

CIP Project Information Sheet

Project Name: Pedestrian and Bicycle Improvement - NE 40th Street Shared Use Path (163rd Avenue NE to 172nd)

Project Status: Existing - Revised
Functional Area(s): Transportation
Relevant Plan(s): Transportation Master Plan, ADA Transition Plan
Neighborhood: Overlake

Time Frame: 2023-2026
Budget Priority: Vibrant and Connected
Citywide Rank: 33
Functional Area Priority: High

Location: NE 40th Street from 163rd Avenue NE to 172nd Avenue NE

Description:
Replace sidewalk with shared path on the south side of NE 40th Street.

Anticipated Outcomes: ***Primary:*** Upgrade/Enhancement ***Secondary:***
Improved pedestrian and bicycle access to Redmond Technology Light Rail Station meeting ADA requirements.

Request: ***Primary Reason(s):***
Project approved in the 2023-2028 CIP budget process.

Budget:	Prior	2025	2026	2027	2028	2029	2030	Future	Total
Original Budget	$2,410,094	$2,703,102	$1,993,726						$7,106,922
Approved Changes	-$2,410,094	-$2,313,668	-$130,318	$4,854,080					
Current Approved Budget		$389,434	$1,863,408	$4,854,080					$7,106,922
Proposed New Budget		$389,434	$1,863,409	$4,854,080					$7,106,923

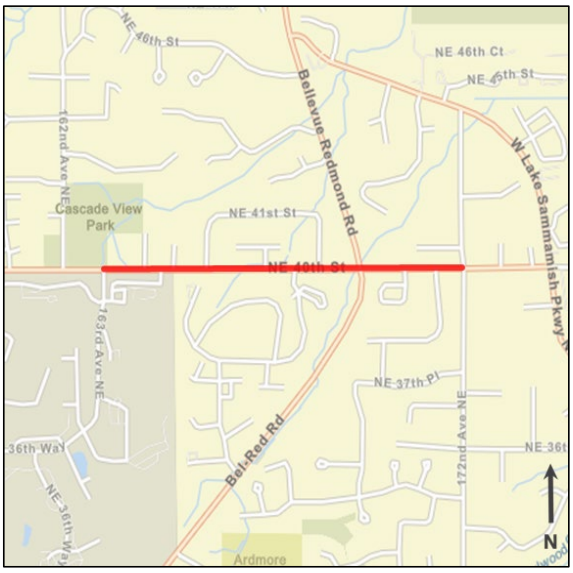
Proposed changes due to ___ Scope Change X Schedule Change ___ Budget Change

Project Phasing:	Prior	2025	2026	2027	2028	2029	2030	Future	Total
Preliminary Design (0-30%)		$192,252	$57,675						$249,927
Right of Way			$64,080						$64,080
Design (31-100%)			$817,947	$181,766					$999,713
Construction				$3,204,207					$3,204,207
Contingency		$197,182	$923,707	$1,468,107					$2,588,996
Total		$389,434	$1,863,409	$4,854,080					$7,106,923

Estimated M&O Impacts:	Prior	2025	2026	2027	2028	2029	2030	Future	Total
Cost						$500	$500	ongoing	$1,000

Explanation: Routine maintenance of the expanded sidewalk.

Proposed Funding Sources:	Prior	2025-2030	Future	Total
Impact Fees		$3,233,721		$3,233,721
Community Facilities District (CFD		$3,873,202		$3,873,202
Total		$7,106,923		$7,106,923



CIP Project Information Sheet

Project Name: Overlake Accessibility Improvements

Project Status: Existing
Functional Area(s): Transportation
Relevant Plan(s): Transportation Master Plan, ADA Transition Plan
Neighborhood: Overlake

Time Frame: 2023-2025
Budget Priority: Vibrant and Connected
Citywide Rank: 62
Functional Area Priority: High

Location: Multiple locations in Overlake

Description:
Enhance accessibility for people with disabilities with ADA ramp and pedestrian push button upgrades.

Anticipated Outcomes: ***Primary:*** Code Requirement ***Secondary:*** Upgrade/Enhancement

Updated curb ramps to current standards which improves comfort and safety for people crossing in the Overlake area and within the Microsoft campus.

Request: ***Primary Reason(s):***

Project approved in the 2023-2028 CIP budget process.

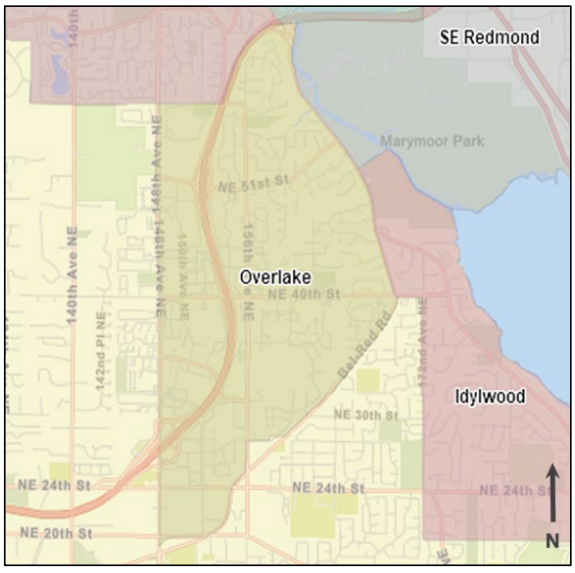
Budget:	Prior	2025	2026	2027	2028	2029	2030	Future	Total
Original Budget	$1,000,000	$500,000							$1,500,000
Approved Changes									
Current Approved Budget	$1,000,000	$500,000							$1,500,000
Proposed New Budget		$500,000	$500,000	$500,000					$1,500,000
Proposed changes due to	__ Scope Change	X Schedule Change	__ Budget Change						

Project Phasing:	Prior	2025	2026	2027	2028	2029	2030	Future	Total
Preliminary Design (0-30%)									
Right of Way									
Design (31-100%)									
Construction		$500,000	$500,000	$500,000					$1,500,000
Contingency									
Total		$500,000	$500,000	$500,000					$1,500,000

Estimated M&O Impacts:	Prior	2025	2026	2027	2028	2029	2030	Future	Total
Cost									

Explanation: No M&O costs expected.

Proposed Funding Sources:	Prior	2025-2030	Future	Total
Community Facilities District (CFD		$1,500,000		$1,500,000
Total		$1,500,000		$1,500,000



CIP Project Information Sheet

Project Name: Adaptive Traffic Signal Control - Overlake

Project Status: Existing
Functional Area(s): Transportation
Relevant Plan(s): Transportation Master Plan
Neighborhood: Overlake

Time Frame: 2025-2027
Budget Priority: Vibrant and Connected
Citywide Rank: 75
Functional Area Priority: Medium

Location: Multiple intersections (20-32) in Overlake along the 148th Avenue NE, 156th Avenue NE, and NE 40th Street corridors

Description:
Install adaptive traffic signal control system capable of adjusting signal timings and operations in real-time.

Anticipated Outcomes: ***Primary:*** Upgrade/Enhancement ***Secondary:***
Reduce or maintain travel times on key corridors by responding to real-time traffic demands instead of relying on historic traffic volume. Make traffic data available for performance measures and improved traffic management.

Request: ***Primary Reason(s):***
Project approved in the 2023-2028 CIP budget process.

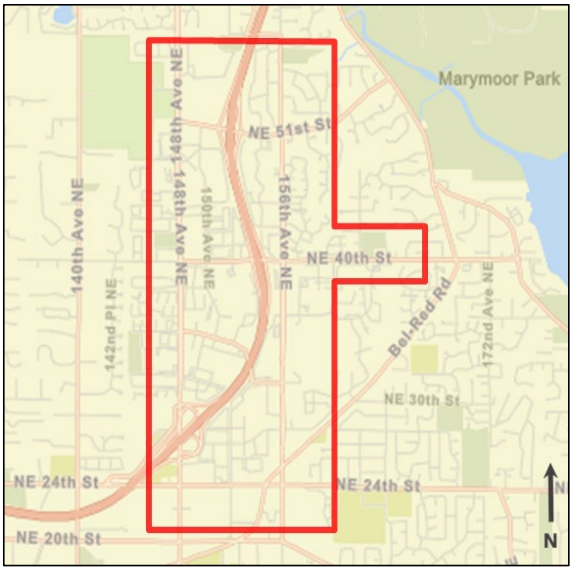
Budget:	Prior	2025	2026	2027	2028	2029	2030	Future	Total
Original Budget	$972,405								$972,405
Approved Changes									
Current Approved Budget	$972,405								$972,405
Proposed New Budget		$50,000	$825,000	$97,405					$972,405
Proposed changes due to	__ Scope Change	X Schedule Change	__ Budget Change						

Project Phasing:	Prior	2025	2026	2027	2028	2029	2030	Future	Total
Preliminary Design (0-30%)									
Right of Way									
Design (31-100%)									
Construction		$50,000	$825,000	$97,405					$972,405
Contingency									
Total		$50,000	$825,000	$97,405					$972,405

Estimated M&O Impacts:	Prior	2025	2026	2027	2028	2029	2030	Future	Total
Cost							$40,000	ongoing	$40,000

Explanation: Software license fee and equipment management and replacement.

Proposed Funding Sources:	Prior	2025-2030	Future	Total
Community Facilities District (CFD		$972,405		$972,405
Total		$972,405		$972,405



CIP Project Information Sheet

Project Name: 150th Avenue Improvements (4500 Block to NE 51st Street)

Project Status: Existing - Revised
Functional Area(s): Transportation
Relevant Plan(s): Transportation Master Plan
Neighborhood: Overlake

Time Frame: 2025-2031
Budget Priority: Vibrant and Connected
Citywide Rank: 69
Functional Area Priority: Medium

Location: 150th Avenue NE, from 4500 block to NE 51st Street

Description:
Project will complete missing bike lane connections on 150th Avenue NE. Work includes pavement widening, new curb, gutter, and associated stormwater improvements.

Anticipated Outcomes: ***Primary:*** Upgrade/Enhancement ***Secondary:*** Safety
Improve curve design and complete bicycle lane gaps on 150th Avenue NE.

Request: ***Primary Reason(s):***
Project approved in the 2023-2028 CIP budget process.

Budget:	Prior	2025	2026	2027	2028	2029	2030	Future	Total
Original Budget		$112,197	$257,887	$263,846	$263,846	$228,092	$1,252,068	$593,977	$2,971,913
Approved Changes									
Current Approved Budget		**$112,197**	**$257,887**	**$263,846**	**$263,846**	**$228,092**	**$1,252,068**	**$593,977**	**$2,971,913**
Proposed New Budget		**$112,197**	**$257,887**	**$263,846**	**$263,846**	**$228,092**	**$1,252,068**	**$593,977**	**$2,971,913**

Proposed changes due to ___ Scope Change ___ Schedule Change ___ Budget Change

Project Phasing:	Prior	2025	2026	2027	2028	2029	2030	Future	Total
Preliminary Design (0-30%)		$63,411	$9,058						**$72,469**
Right of Way			$50,358	$54,936	$54,936	$27,458			**$187,688**
Design (31-100%)			$99,648	$108,707	$108,707	$108,707	$36,235		**$462,004**
Construction							$913,629	$456,815	**$1,370,444**
Contingency		$48,786	$98,823	$100,203	$100,203	$91,927	$302,204	$137,162	**$879,308**
Total		**$112,197**	**$257,887**	**$263,846**	**$263,846**	**$228,092**	**$1,252,068**	**$593,977**	**$2,971,913**

Estimated M&O Impacts:	Prior	2025	2026	2027	2028	2029	2030	Future	Total
Cost									

Explanation: Minimal increases to M&O from additional bike lane markings. M&O costs to be determined.

Proposed Funding Sources:	Prior	2025-2030	Future	Total
Community Facilities District (CFD)		$2,377,936	$593,977	$2,971,913
Total		**$2,377,936**	**$593,977**	**$2,971,913**

Memorandum

Date: 9/17/2024
Meeting of: City Council

File No. AM No. 24-140
Type: New Business

Role of the Ombudsperson

Council Ombudsperson Process

Every month, one Councilmember is assigned to serve as Ombudsperson, responding on behalf of the Council to inquiries directed to the Council via email. The Ombuds schedule is set biannually at the year's first Regular Business meeting in odd years.

Within the Council Rules of Procedure, the following definitions and boundaries are provided around the Ombuds process and Council communications:

Definition: An Ombudsperson is an official appointed to investigate individuals' complaints about City services and administration, especially that of public authorities.

Communications: No Councilmember shall send correspondence from a City email account that purports to represent the views of the Council, unless the Council has, by majority vote, established the same as the Council's position. Councilmembers may use City email accounts to state the position of the individual Councilmember as long as it is made clear that the position is that of the individual Councilmember and that the Councilmember is not speaking on behalf of the entire Council.

The document below outlines the Council's expectations for how the duties of the Ombudsperson shall be administered and how responses shall be coordinated with the Mayor's Office when messages are addressed to both the Mayor and Council.

Legislative Coordinator Support

General Practice

The Ombudsperson should contact the Legislative Coordinator at the beginning of their month of duty to coordinate assistance with answering messages.

The Legislative Coordinator can:

- Monitor Council@redmond.gov and MayorCouncil@redmond.gov and route to the appropriate staff, when needed, to gather answers to constituent questions.
- Provide the Ombudsperson with a drafted response when requested.

Council@redmond.gov

The month's Ombudsperson manages messages sent to this inbox.

General Practice

1. The Ombudsperson will reply to address the constituent concerns received and cc Council@redmond.gov.
    a. Event invitations and solicitations do not require an Ombuds response.
    b. If **all** the Councilmembers are individually addressed on a single email thread, the Ombudsperson should respond.

2. The Ombudsperson will send, at minimum, an acknowledgment of receipt to the constituent within four days (96 hours) using one of the standardized response suggestions at the bottom of this document and cc Council@redmond.gov.

Emails Addressing a Specific Councilmember

1. The Ombudsperson will coordinate with the Councilmember on who should respond and cc the Legislative Coordinator.
2. The person who responds should copy Council@redmond.gov

Replies Continuing Beyond the Assigned Ombuds Month

1. To avoid OPMA violations, the Councilmember should remain the point of contact for as long as reasonably manageable.
2. If necessary, the Councilmember can email the Legislative Coordinator to request a formal pass-off to the Mayor's Office.

Individual Communications and Opinions by Councilmembers

1. It is the duty of the Ombudsperson to respond on behalf of the Council with information that reflects the Council's position, not personal views.
2. Should the Ombuds or any councilmember wish to share a personal view with a constituent, they may email that constituent directly, provided they clearly state it is a personal opinion.

MayorCouncil@redmond.gov

The Mayor's Office manages messages sent to this inbox.

General Practice

1. The Mayor's Office will email a response to the constituent on behalf of the Mayor and Council and will cc MayorCouncil@redmond.gov after appropriate research time.
    a. If the Mayor and **all** the Councilmembers are individually addressed on a single email thread, the Mayor's Office will respond.
    b. Should the Ombudsperson choose to reply directly to a constituent email that is ambiguously addressed or addressed to both @Mayor **and** @Council, the Councilmember should cc MayorCouncil@redmond.gov on the reply.

Emails Addressing Only Council

1. The Ombudsperson should reply and cc MayorCouncil@redmond.gov.

Emails Addressing a Specific Councilmember and copying MayorCouncil

1. The Ombudsperson will coordinate with the Councilmember on who should respond and cc the Legislative Coordinator.
2. The responsible party should cc MayorCouncil@redmond.gov on their response to the inquiry.

Standardized Response Suggestion Guide:

Situation	Suggested Response
There is not a question to answer in the email.	Thank you for emailing the Redmond City Council. I am responding as Council Ombudsperson for the month of <<Month>> to let you know your message has been received. We appreciate your feedback, which helps us in our ongoing efforts to improve our service to the community.
Research time is needed to provide an answer.	Thank you for emailing the Redmond City Council. I am responding as Council Ombudsperson for the month of <<Month>> to let you know your message has been received. We appreciate your patience as we dedicate the appropriate time to research and respond to your concerns. We will get back to you as soon as possible with an answer to your inquiry.

Docusign Envelope ID: F4735139-3C04-4F22-8B49-4EB2DC8C5581

City of Redmond
Payroll Check Approval Register
Pay period: 8/16 - 8/31/2024
Check Date: 9/10/2024

Check Total:	$	64,237.63
Direct Deposit Total:	$	2,753,702.56
Wires & Electronic Funds Transfers:	$	1,704,219.94
Grand Total:	$	4,522,160.13

We, the undersigned Council members, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the City of Redmond, and that we are authorized to authenticate and certify to said claim.

All Checks numbered **188430** through **188448** ,
Direct deposits numbered **172316** through **173121** , and
Electronic Fund transfers **1750** through **1754**
are approved for payment in the amount of **$4,522,160.13**
on this **17 day of September 2024.**

Note:

City of Redmond
Payroll Final Check List
Pay period: 8/16 - 8/31/2024
Check Date: 9/10/2024

Total Checks and Direct deposit:	$	4,042,017.16
Wire Wilmington Trust RICS (MEBT):	$	480,142.97
Grand Total:	$	4,522,160.13

I, the Human Resources Director, do hereby certify to the City Council, that the checks and direct deposits presented are true and correct to the best of my knowledge.

DocuSigned by:
Cathryn Laird
7C0092BCC9C549B...

Human Resources Director, City of Redmond
Redmond, Washington