



City Council Regular Meeting Agenda

January 6, 2026 at 6:30 PM

City Hall Council Chambers - 210 W 6th Ave and Virtual

Meetings are broadcast live at <https://www.go2kennewick.com/CouncilMeetingBroadcasts>.

Public comment registration and instructions are available at <https://www.go2kennewick.com/PublicComments>.

1. CALL TO ORDER

Roll Call/Pledge of Allegiance/Welcome/Invocation

OATH OF OFFICE & ELECTIONS

- Councilmember McShane, Position 1; Councilmember Anderson, Position 2; Councilmember Trumbo, Position 3; Councilmember Klippert, Position 4
- Selection of Mayor for the 2026 & 2027 Term
- Selection of Mayor Pro Tem for the 2026 & 2027 Term

HONORS & RECOGNITIONS

- Proclamation: National Mentoring Month - January 2026

2. VISITORS

A total of thirty minutes is allocated for visitor comments, with each person permitted to speak once for a maximum of three minutes. Visitors are welcome to address any topic, except for election matters. Comments can be submitted in person, remotely via Zoom, or in writing. Written comments will be distributed to each Councilmember but not read into the record. If you want to provide feedback through Zoom or written format, please reach out to the City Clerk or our website for guidance. www.go2kennewick.com

3. APPROVAL OF AGENDA

4. CONSENT AGENDA

All items included in the Consent Agenda have been provided to each member of the Kennewick City Council for review and consideration. These items are deemed routine and will be approved with a single motion from the Council, without any separate discussion. A Councilmember may remove an item for further consideration.

- Meeting Minutes: December 16, 2025, City Council Regular Meeting**
Motion to approve the minutes as presented.
- Claims Roster: Columbia Park Golf Course Account**
Motion to approve the Claims Roster for the Columbia Park Golf Course Account for November 2025 in the amount of \$46,924.94 consisting of check numbers 2981-2989 and 3019-3028 in the amount of \$19,461.70 and electronic transfers in the amount of \$27,463.24.
- Payroll Roster: For the Pay Period Ending 12/15/2025**
Motion to approve the payroll roster for the pay period ending 12/15/2025.

- d. **Final Plat: Harmony Estates located at 8045 W. 10th Ave; SUB-2025-0009**
Motion to authorize the Mayor (or in his absence the Mayor Pro Tem) to sign the Final Plat of Harmony Estates, contingent upon payment of fees and required easements.
- e. **Final Plat: Apple Valley Phase 8, 7124 W 31st Place, SUB-2025-0010**
Motion to authorize the Mayor (or in his absence the Mayor Pro Tem) to sign the Final Plat of Apple Valley Phase 8, contingent upon payment of fees and bonding or incomplete sidewalk and landscape work.
- f. **Contract: Authorize Award of Toyota Center Marquee Sign Replacement to Daktronics Inc through KCDA Cooperative Contract**
Motion to authorize the City Manager to award and execute an agreement with Daktronics, Inc. for the replacement of the Toyota Center marquee sign as presented.
- g. **Contract: Acceptance of Drinking Water State Revolving Fund (DWSRF) Loan for the Ranney Collector No. 5 PFAS Treatment System Improvements Project (P2508)**
Motion to authorize the City Manager to execute the contract as presented.
- h. **Contract: Authorize Award of Clean Building Performance Standards Consultant Agreement Contract to Ameresco, Inc. (RFP 25-019)**
Motion to authorize staff to execute a professional services agreement with Ameresco, Inc. for an amount not to exceed \$173,822 for RFP-25-019.

5. COUNCIL COMMENTS & DISCUSSION

6. CONCLUSION



Proclamation



WHEREAS, January 2026 marks the annual observance of National Mentoring Month, a nationwide campaign to celebrate and promote the power of mentoring relationships; and

WHEREAS, mentoring provides meaningful connections that positively impact the lives of both mentors and mentees, fostering personal growth, educational success, and social-emotional development; and

WHEREAS, mentors serve as role models, guiding young people through challenges and encouraging them to reach their full potential, helping to build a brighter future for our communities; and

WHEREAS, organizations like MENTOR Washington and other local mentoring programs such as the Big Bro Joe Foundation play a vital role in training mentors, supporting mentees, and strengthening communities by fostering these invaluable relationships; and

WHEREAS, National Mentoring Month calls upon individuals, businesses, schools, faith communities, and civic organizations to become engaged in mentoring, ensuring every young person has access to caring and supportive guidance; and

WHEREAS, the City of Kennewick recognizes the importance of mentoring as a proven strategy to increase school engagement, reduce risky behaviors, improve mental health outcomes and inspire young people to achieve success;

NOW, THEREFORE, the Kennewick City Council does hereby proclaim January 2026 as

NATIONAL MENTORING MONTH

in the City of Kennewick and we encourage all residents to celebrate the dedicated mentors who make a difference in the lives of others, to consider becoming a mentor, and to support local mentoring programs that strengthen our community and future.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the official seal of the City of Kennewick to be hereunto affixed this 6th day of January 2026.

SIGNED

Mayor

ATTEST



KRYSTAL JOHNSTON,
City Clerk

FOR CONSIDERATION JANUARY 6, 2026

**CITY OF KENNEWICK
CITY COUNCIL REGULAR MEETING
DECEMBER 16, 2025**

CITY COUNCIL PRESENT:

Gretl Crawford, Mayor
Chuck Torelli, Mayor Pro Tem
Loren Anderson, Councilmember
Brad Beauchamp, Councilmember

Brad Klippert, Councilmember
Jim Millbauer, Councilmember
John Trumbo, Councilmember

CITY STAFF PRESENT:

Erin Erdman, City Manager
Lisa Beaton, Deputy City Manager
Cary Roe, Deputy City Manager
Laurencio Sanguino, City Attorney
Chris Guerrero, Police Chief
Michael Heffner, Fire Chief
John Cowling, Public Works Director

Jessica Platt, Finance Director
Chad Crouch, Executive Services Director
Anthony Muai, Planning Director
Krystal Johnston, City Clerk
Trever Davis, Police Commander

1. CALL TO ORDER

Mayor Crawford called the meeting to order at 6:31 p.m.

Ms. Johnston stated all councilmembers were in attendance and that a quorum was established.

Ms. Beaton led the Pledge of Allegiance.

Joshua Gatherer provided the invocation.

Service Recognition: Mayor Gret Crawford

Mayor Pro Tem Torelli and the full City Council presented Mayor Crawford with a plaque and read it into the record.

Mayor Crawford spoke to her time on the Council and expressed appreciation to individuals who've had a positive impact on the City during her time on the Council.

At 6:42 p.m. Mayor Crawford announced a 10-minute recess; the meeting was called back to order at 6:52 p.m.

2. VISITORS:

Three visitors shared their thoughts on the proposed zoning changes on South Vancouver Street:

One visitor acknowledged the swift repairs made to a damaged traffic signal and expressed gratitude for Mayor Crawford's dedication.

Another visitor spoke about the need for an aquatic facility.

A different visitor addressed item 4.k.

Lastly, a visitor conveyed their concerns about how today's decisions will affect future generations.

3. APPROVAL OF AGENDA

MOTION:	Mayor Pro Tem Torelli moved to approve the agenda as presented.
SECOND:	Councilmember Millbauer.
DISCUSSION:	None.
VOTE:	The motion passed unanimously (7-X)

4. CONSENT AGENDA

MOTION:	Councilmember Trumbo moved to approve the consent agenda as presented.
SECOND:	Mayor Pro Tem Torelli.
VOTE:	The motion passed unanimously (7-X)

- a. **Meeting Minutes: December 2, 2025, City Council Regular Meeting**
Motion to approve the minutes as presented.
- b. **Meeting Minutes: December 9, 2025, City Council Workshop**
Motion to approve the minutes as presented.
- c. **Meeting Cancellation: December 23, 2025, City Council Workshop**
Motion to cancel the December 23, 2025, City Council Workshop.
- d. **Proclamations: Approval of 2026 List of Ceremonial Proclamations**
Motion to approve the 2026 proclamation list as presented.
- e. **Claims Roster: November 2025**
Motion to approve the Claims Roster for November 2025 in the amount of \$9,441,409.98 comprised of electronic payments and check numbers 321771-322144.
- f. **Payroll Roster: For the Pay Period Ending 11/30/2025**
Motion to approve the payroll roster for the pay period ending 11/30/2025.
- g. **Northwest High Intensity Drug Trafficking Area (HIDTA) 2026 Contracts**
Motion to approve the 2026 Northwest HIDTA contracts as presented.
- h. **Final Plat: Sherman Heights Phase 5, SUB-2025-0011**
Motion to authorize the Mayor (or in their absence the Mayor Pro Tem) to sign the Final Plat of Sherman Heights Phase 5, contingent on payment of fees and bonding for incomplete sidewalks and landscaping.
- i. **Project Acceptance: Light Industrial Area (LIA) Utility Extensions Project P2211**
Motion to accept the work of Culbert Construction, Inc. for contract P2211-24 Light Industrial Area (LIA) Utilities Extensions, in the amount of \$2,790,941.64.
- j. **Resolution: Ratifying the 2025-2027 Interlocal Agreement for Solid Waste and Hazardous Waste Management in Benton County**
Motion to adopt the resolution as presented.
- k. **Contract Award: 2025 Miscellaneous Water/Storm Project P2507-25 2025**
Motion to approve Contract P2507-25 2025 Miscellaneous Water/Storm Project to Ellison Earthworks LLC as presented.
- l. **Contract: Amendment to Interlocal Agreement with Northwest Open Access Networks (NoaNet) to Provide Fiber Optics to 17 Traffic Signals (Term Extension)**
Motion to amend the Interlocal Agreement with NoaNet as presented.

FOR CONSIDERATION JANUARY 6, 2026

5. COUNCIL COMMENTS/DISCUSSION:

Councilmembers reported on their respective activities, upcoming events, and items of concern.

6. CONCLUSION: Mayor Crawford concluded the meeting at 7:36 p.m.

DRAFT

Name

Title

At the time of publishing these minutes, the City Council meeting recording is available at:

<https://kennewickwa.new.swagit.com/videos/364806>

**COLUMBIA PARK GOLF COURSE FUND
CHECK REGISTER
NOVEMBER 2025**

<u>Check Number</u>	<u>Vendor Check Name</u>	<u>Check Date</u>	<u>Amount</u>	<u>Type</u>
2981	CINTAS CORP	11/4/2025	\$173.50	Check
2982	COLEMAN OIL COMPANY	11/4/2025	\$722.66	Check
2983	EASY PICKER GOLF PRODUCTS, INC	11/4/2025	\$1,045.05	Check
2984	KENNEWICK GOLF CORPORATION	11/4/2025	\$5,417.33	Check
2985	PEPSI-COLA BOTTLING OF PASCO	11/4/2025	\$158.75	Check
2986	TOTAL E INTEGRATED INC.	11/4/2025	\$438.00	Check
2987	TRACER GOLF ACCESSORIES	11/4/2025	\$564.11	Check
2988	WESTERN EQUIPMENT	11/4/2025	\$467.79	Check
2989	YELP	11/4/2025	\$40.00	Check
A00003019	AUDUBON INTERNATIONAL, INC	11/18/2025	\$941.05	Check
A00003020	CASTLE ROCK SOLUTIONS, INC.	11/18/2025	\$122.90	Check
A00003021	CITY OF KENNEWICK	11/18/2025	796.54	Check
A00003022	CLICGEAR USA - PROACTIVE SPORT	11/18/2025	3,898.00	Check
A00003023	COLUMBIA POINT GOLF COURSE	11/18/2025	384.60	Check
A00003024	DUNLOP SPORTS AMERICAS	11/18/2025	879.84	Check
A00003025	FAZIO BROS. INC.	11/18/2025	2,068.78	Check
A00003026	PEPSI-COLA BOTTLING OF PASCO	11/18/2025	58.95	Check
A00003027	POINTE PEST CONTROL	11/18/2025	179.52	Check
A00003028	Pride MFG CO, LLC (formerly GO	11/18/2025	\$1,104.33	Check
NATIONWIDE 1125	NATIONWIDE	11/3/2025	\$515.58	EFT
WA DOR 0049551748	DEPARTMENT OF REVENUE	11/15/2025	\$85.00	EFT
WADOR 0049757720	DEPARTMENT OF REVENUE	11/21/2025	\$5,847.19	EFT
50008762	ADP TOTAL SOURCE (AUTOPAY)	11/2/2025	\$2,258.07	EFT
Paid by ACH	ADP TOTAL SOURCE (AUTOPAY)	11/14/2025	7,143.32	EFT
Paid by ACH	ADP TOTAL SOURCE (AUTOPAY)	11/28/2025	5,267.28	EFT
Paid by ACH	ELAN (MONTHLY CREDIT CARD CHGS)	11/30/2025	5,242.23	EFT
Bank Deduction	MERCHANT SERVICES	11/1/2025	1,068.07	EFT
Bank Deduction	US Bank	11/17/2025	36.50	EFT
			\$46,924.94	

I, Jessica Platt, Finance Director, do hereby certify that the merchandise or services hereinbefore specified have been received, 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 vouchers listed above are approved for payment this day.



Jessica Platt, Finance Director

The payments on this claims roster are comprised of the following:

Check numbers: 2981-2989 and 3019-3028	\$	19,461.70
Electronic transfers	\$	27,463.24
Total	\$	46,924.94

Exceptions:

<u>Check Number</u>	<u>Vendor Check Name</u>	<u>Check Dated</u>	<u>Amount</u>	<u>Debit</u>	<u>Credit</u>
2981	CINTAS PAY PURCH PURCH	11/4/2025 20005-000-244-00 51900-060-244-00 51900-080-244-00	ACCOUNTS PAYABLE - GP CONTRACT SERVICES CONTRACT SERVICES	\$173.50 \$74.13 \$99.37	\$173.50
2982	COLEMAN OIL COMPANY PAY PURCH	11/4/2025 20005-000-244-00 58300-060-244-00	ACCOUNTS PAYABLE - GP FUEL & OIL MAINTENANCE	\$722.66 \$722.66	\$722.66
2983	EASY PICKER GOLF PRODUCTS, INC. PAY PURCH	11/4/2025 20005-000-244-00 55300-050-244-00	ACCOUNTS PAYABLE - GP RANGE SUPPLIES	\$1,045.05 \$1,045.05	\$1,045.05
2984	KENNEWICK GOLF CORPORATION PAY PURCH PURCH	11/4/2025 20005-000-244-00 59600-080-244-00 59610-080-244-00	ACCOUNTS PAYABLE - GP ACCOUNTING FEES MANAGEMENT FEE	\$5,417.33 \$1,355.00 \$4,062.33	\$5,417.33
2985	PEPSI-COLA BOTTLING OF PASCO PAY PURCH PURCH PURCH	11/4/2025 20005-000-244-00 49200-070-244-00 49150-070-244-00 51900-060-244-00	ACCOUNTS PAYABLE - GP COGS - SOFT BEVERAGE COGS - PACKAGED FOOD CONTRACT SERVICES	\$158.75 \$83.75 \$64.50 \$10.50	\$158.75
2986	TOTAL E INTEGRATED INC. PAY PURCH	11/4/2025 20005-000-244-00 51900-050-244-00	ACCOUNTS PAYABLE - GP CONTRACT SERVICES	\$438.00 \$438.00	\$438.00
2987	TRACER GOLF ACCESSORIES PAY PURCH	11/4/2025 20005-000-244-00 47150-050-244-00	ACCOUNTS PAYABLE - GP COGS MERCHANDISE	\$564.11 \$564.11	\$564.11
2988	WESTERN EQUIPMENT PAY PURCH	11/4/2025 20005-000-244-00 58100-060-244-00	ACCOUNTS PAYABLE - GP EQUIPMENT PARTS	\$467.79 \$467.79	\$467.79
2989	YELP PAY PURCH	11/4/2025 20005-000-244-00 53100-080-244-00	ACCOUNTS PAYABLE - GP ADVERTISING & MARKETING	\$40.00 \$40.00	\$40.00
A00003019	AUDUBON INTERNATIONAL, INC. PAY PURCH	11/18/2025 20005-000-244-00 51400-060-244-00	ACCOUNTS PAYABLE - GP PROFESSIONAL DUES & FEES	\$941.05 \$941.05	\$941.05
A00003020	CASTLE ROCK PAY PURCH	11/18/2025 20005-000-244-00 51900-080-244-00	ACCOUNTS PAYABLE - GP CONTRACT SERVICES	\$122.90 \$122.90	\$122.90
A00003021	CITY OF KENNEWICK PAY PURCH PURCH	11/18/2025 20005-000-244-00 52210-060-244-00 52200-060-244-00	ACCOUNTS PAYABLE - GP IRRIGATION ELECTRICITY UTILITIES - GAS & ELECTRIC	\$796.54 \$679.10 \$117.44	\$796.54
A00003022	CLICGEAR USA - PROACTIVE SPORT PAY PURCH	11/15/2025 20005-000-244-00 47150-050-244-00	ACCOUNTS PAYABLE - GP COGS MERCHANDISE	\$3,898.00 \$3,898.00	\$3,898.00
A00003023	COLUMBIA POINT GOLF COURSE PAY PURCH PURCH	11/18/2025 20005-000-244-00 50100-080-244-00 50100-060-244-00	ACCOUNTS PAYABLE - GP SALARIES SALARIES	\$384.60 \$192.30 \$192.30	\$384.60
A00003024	DUNLOP SPORTS AMERICA PAY PURCH	11/18/2025 20005-000-244-00 47150-050-244-00	ACCOUNTS PAYABLE - GP COGS MERCHANDISE	\$879.84 \$879.84	\$879.84
A00003025	FAZIO BROS. INC. PAY PURCH	11/18/2025 20005-000-244-00 56200-060-244-00	ACCOUNTS PAYABLE - GP MATERIALS - SAND (TD GREENS)	\$2,068.78 \$2,068.78	\$2,068.78
A00003026	PEPSI-COLA BOTTLING OF PASCO PAY PURCH PURCH	11/18/2025 20005-000-244-00 49200-070-244-00 49150-070-244-00	ACCOUNTS PAYABLE - GP COGS - SOFT BEVERAGE COGS - PACKAGED FOOD	\$58.95 \$14.50 \$44.45	\$58.95
A00003027	POINTE PEST CONTROL PAY	11/18/2025 20005-000-244-00	ACCOUNTS PAYABLE - GP	\$179.52	\$179.52

	PURCH	51900-080-244-00	CONTRACT SERVICES		\$179.52	
A00003028	PRIDE MFG CO, LLC	11/18/2025		\$1,104.33		
	PAY	20005-000-244-00	ACCOUNTS PAYABLE - GP			\$1,104.33
	PURCH	52900-050-244-00	PRINTING		\$1,104.33	
NATIONWIDE 1125	NATIONWIDE	11/1/2025		\$515.58		
	PAY	20005-000-244-00	ACCOUNTS PAYABLE - GP			\$515.58
	PURCH	18400-000-244-00	PREPAID GEN LIAB INS		\$515.58	
WA DOR 0049551748	WASHINGTON STATE DEPARTMENT OF REVENUE	11/15/2025		\$85.00		
	PAY	20005-000-244-00	ACCOUNTS PAYABLE - GP			\$85.00
	PURCH	20300-000-244-00	SALES TAX PAYABLE		\$85.00	
WA DOR 0049757720	WASHINGTON STATE DEPARTMENT OF REVENUE	11/21/2025		\$5,847.19		
	PAY	20005-000-244-00	ACCOUNTS PAYABLE - GP			\$5,847.19
	PURCH	20300-000-244-00	SALES TAX PAYABLE		\$3,775.35	
	PURCH	91101-000-244-00	OTHER STATE TAX		\$2,071.84	
50008762	ADP TOTAL SOURCE (AUTOPAY)	11/2/2025		\$2,258.07		
	PAY	20005-000-244-00	ACCOUNTS PAYABLE - GP			\$2,258.07
	PURCH	50800-050-244-00	HEALTH BENEFITS		\$685.57	
	PURCH	50800-060-244-00	HEALTH BENEFITS		\$1,572.50	
Paid by ACH	ADP TOTAL SOURCE (AUTOPAY)	11/14/2025		\$7,143.32		
	PAY	50000-000-244-00	TEMPORARY ACCT			\$7,143.32
	PURCH	48100-050-244-00	INSTRUCTION		\$100.49	
	PURCH	50200-050-244-00	HOURLY WAGES		\$3,628.56	
	PURCH	50200-060-244-00	HOURLY WAGES		\$2,621.93	
	PURCH	50400-050-244-00	SALES COMMISSIONS		\$80.00	
	PURCH	50800-050-244-00	HEALTH BENEFITS			\$64.94
	PURCH	50800-060-244-00	HEALTH BENEFITS			\$302.44
	PURCH	50950-050-244-00	COMBINED ADMIN, TAXES, W/C		\$639.34	
	PURCH	50950-060-244-00	COMBINED ADMIN, TAXES, W/C		\$387.86	
	PURCH	50950-080-244-00	COMBINED ADMIN, TAXES, W/C		\$24.83	
	PURCH	52100-050-244-00	CELL PHONE		\$27.69	
Paid by ACH	ADP TOTAL SOURCE (AUTOPAY)	11/28/2025		\$5,267.28		
	PAY	50000-000-244-00	TEMPORARY ACCT			\$5,267.28
	PURCH	48100-050-244-00	INSTRUCTION		\$96.33	
	PURCH	50200-050-244-00	HOURLY WAGES		\$2,741.65	
	PURCH	50200-060-244-00	HOURLY WAGES		\$1,927.32	
	PURCH	50400-050-244-00	SALES COMMISSIONS		\$50.00	
	PURCH	50800-050-244-00	HEALTH BENEFITS			\$64.94
	PURCH	50800-060-244-00	HEALTH BENEFITS			\$302.44
	PURCH	50950-050-244-00	COMBINED ADMIN, TAXES, W/C		\$495.31	
	PURCH	50950-060-244-00	COMBINED ADMIN, TAXES, W/C		\$274.25	
	PURCH	50950-080-244-00	COMBINED ADMIN, TAXES, W/C		\$22.11	
	PURCH	52100-050-244-00	CELL PHONE		\$27.69	
Paid by ACH	ELAN (MONTHLY CREDIT CARD CHARGES)	11/30/2025		\$5,242.23		
	PAY	50000-000-244-00	TEMPORARY ACCT			\$5,242.23
	PURCH	47150-050-244-00	COGS MERCHANDISE		\$51.20	
	PURCH	49150-070-244-00	COGS - PACKAGED FOOD		\$48.79	
	PURCH	49200-070-244-00	COGS - SOFT BEVERAGE		\$81.46	
	PURCH	51300-060-244-00	EDUCATION & TRAINING		\$133.47	
	PURCH	51300-080-244-00	EDUCATION & TRAINING		\$87.12	
	PURCH	51600-050-244-00	MEALS		\$36.53	
	PURCH	51900-050-244-00	CONTRACT SERVICES		\$237.50	
	PURCH	52100-060-244-00	TELECOMMUNICATIONS		\$65.08	
	PURCH	52150-080-244-00	INTERNET/CABLE		\$61.60	
	PURCH	52300-060-244-00	GARBAGE & DEBRIS REMOVAL		\$142.00	
	PURCH	52400-080-244-00	JANITORIAL SUPPLIES		\$27.33	
	PURCH	52500-080-244-00	OFFICE SUPPLIES		\$98.17	
	PURCH	52800-080-244-00	SUBSCRIPTIONS & PUBLICATIONS		\$9.34	
	PURCH	53100-080-244-00	ADVERTISING & MARKETING		\$375.56	
	PURCH	53300-050-244-00	DECORATIONS		\$123.77	
	PURCH	53500-080-244-00	LICENSES & FEES		\$70.00	
	PURCH	54700-060-244-00	EQUIPMENT RENTAL		\$293.11	
	PURCH	55000-050-244-00	GOLF CART PARTS		\$164.46	
	PURCH	55300-050-244-00	RANGE SUPPLIES		\$620.22	
	PURCH	55850-050-244-00	COURSE ACCESSORIES MAINTENANCE		\$2,280.31	
	PURCH	58100-060-244-00	EQUIPMENT PARTS		\$89.97	
	PURCH	58200-060-244-00	EQUIPMENT TOOLS		\$87.92	
	PURCH	58500-060-244-00	EQUIPMENT SHOP SUPPLIES		\$57.32	
Bank Deduction	MERCHANT SERVICES	11/1/2025		\$1,068.07		
	PAY	10420-000-244-00	OPERATING CHECKING ACCT - US Bank			\$1,068.07
	PURCH	54000-080-244-00	BANK CHARGES		\$1,068.07	

Bank Deduction	US Bank	10/15/2025		\$36.50	
	PAY	10420-000-244-00	OPERATING CHECKING ACCT - US Bank		\$36.50
	PURCH	54000-080-244-00	BANK CHARGES	\$36.50	

Payroll Roster for Pay Period Ending 12/15/2025

All Departments:

	99,318.21
Building Safety	7,296.50
City Attorney	30,793.87
City Council	5,319.25
City Manager	13,429.39
Community Planning	20,339.51
Engineering	63,954.64
Finance	61,576.83
Fire	118,660.39
Management Services	78,133.87
Non-Departmental	2,919.36
Parks, Recreation & Facilities	78,718.64
Police	576,730.41
	<hr/>
Subtotal - General Fund	1,157,190.87
	3,691.23
BI-PIN	21,198.58
Building Safety	56,090.15
Criminal Justice	98,441.81
Equipment Rental	16,486.09
Management Services	4,020.50
Medical Services	469,086.34
Stormwater	28,202.43
Street	48,136.83
Water & Sewer	181,667.02
	<hr/>
Subtotal - Other Funds	927,020.98
Total Salaries and Wages	2,084,211.85

Benefits

Dental Insurance	26,116.90
DRS Retirement	112,251.72
Employee Assistance Program	28.84
Life Insurance	5,578.82
Long-Term Disability Insurance	6,879.30
Medical Expense Reimbursement Plan	3,450.00
Medical Insurance	379,360.89
Medicare	29,606.51
MissionSquare Deferred Compensation	91,791.13
Social Security (OASDI)	80,451.62
Vision Insurance	3,658.40
WA Paid Family & Medical Leave	4,616.24
Worker's Compensation Insurance	67,070.71
	<hr/>
Total Benefits	810,861.08
Grand Total	\$2,895,072.93

I, Jessica Platt, Finance Director, at the direction of the Council, do hereby certify that the Payroll hereinabove specified is approved for payment in the amount of \$2,895,072.93 comprised of check numbers 78386 through 78388 and direct deposit numbers 242262 through 242717.

Approved for payment:



 Jessica Platt, Finance Director

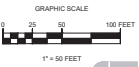
HARMONY ESTATES

A PORTION OF THE N 1/2 OF THE NE 1/4 OF SECTION 7, TOWNSHIP 8 NORTH, RANGE 29 EAST, W.M., CITY OF KENNEWICK, BENTON COUNTY, WASHINGTON.



LEGEND

- SET BRASS CAP IN MONUMENT CASE STAMPED "LS 3840"
- FOUND REBAR AND WOPLEY CAP UNLESS OTHERWISE NOTED
- SET 5/8" REBAR WITH YELLOW PLASTIC CAP "48LS LS 3840"



DWN. BY DATE
 SIM/ADM 11/5/25
 CHKD. BY JOB NO.
 JWB 2220658

TACOMA • SEATTLE • SPOKANE • TRICITIES

5804 Road 90, Suite H, Pasco, WA 99301
 509.201.5503 TEL. 509.201.2572 FAX. www.ahbl.com WEB



FINAL PLAT OF APPLE VALLEY PHASE 8

LOCATED IN THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 17, TOWNSHIP 8 NORTH, RANGE 29 EAST OF THE WILLAMETTE MERIDIAN, CITY OF KENNEWICK, BENTON COUNTY, WASHINGTON



Scale 1" = 80'

BASIS OF BEARINGS
 NAD 83 WASHINGTON STATE PLANE SOUTH ZONE, TO REPRODUCE, H&D A GRID BEARING OF N00°41'22"W ALONG THE WEST LINE OF THE NORTHWEST QUARTER OF SECTION 17, 18N, R29E, W4E, BETWEEN FOUND MONUMENTS. DISTANCES SHOWN ARE TRUE GROUND LENGTHS IN U.S. SURVEY FEET USING A CORRECTION TO GROUND SCALE FACTOR OF 1.000109015054

- LEGEND & ABBREVIATIONS**
- ◆ FOUND SURVEY MONUMENT AS NOTED
 - ◆ FOUND 3" BRASS CAP IN MONUMENT CASE AND COVER STAMPED: "PBS LS 46318" OR "MATAZZO 46318" PER (R1-R4)
 - FOUND 5/8" IRON REBAR WITH YELLOW PLASTIC CAP STAMPED: "MATAZZO 46318" PER (R1-R4)
 - × FOUND SCREW WITH 1" BRASS WASHER STAMPED: "MATAZZO 46318" PER (R1-R4), NOT AT ACTUAL PROPERTY CORNER LOCATION. SEE FRONTAGE PROPERTY PIN NOTE ON THIS SHEET
 - SURVEY MONUMENT WAS NOT SET AS IT FELL WITHIN THE CDSM DRAIN MANHOLE 1/2 AREA. FOUND IN-LINE NOTCHES MADE ON THE MANHOLE LID COLLAR IN THE NORTH-SOUTH AND EAST-WEST DIRECTIONS TO SHOW THE POSITION OF THE RIGHT-OF-WAY CENTERLINE INTERSECTION
 - ◆ SET 3" BRASS CAP IN MONUMENT CASE AND COVER STAMPED: "APEX LS 46622 2025" WITH THIS PLAT
 - SET 5/8" X 30" IRON REBAR WITH BLUE PLASTIC CAP STAMPED: "APEX 46622 D'ORAZO" WITH THIS PLAT
 - × SET SCREW WITH 1" BRASS WASHER STAMPED: "D'ORAZO 46622" WITH THIS PLAT. NOT AT ACTUAL PROPERTY CORNER LOCATION. SEE FRONTAGE PROPERTY PIN NOTE ON THIS SHEET
 - CALCULATED POSITION ONLY. NOT SET ON FIELD
 - DENOTES SURVEY REFERENCE. SEE LIST ON THIS SHEET, ALSO DENOTES MEASURED DIMENSION MATCHES RECORD DIMENSION UNLESS NOTED OTHERWISE
 - Ⓜ DENOTES EXISTING EASEMENT REFERENCE. SEE LIST ON THIS SHEET
 - Ⓜ DENOTES FILE NUMBER
 - Ⓜ DENOTES CURVE DATA. SEE TABLE ON THIS SHEET
 - ESMT EASEMENT
 - IRR IRRIGATION
 - LS / PLS LAND SURVEYOR / PROFESSIONAL LAND SURVEYOR
 - R/W RIGHT-OF-WAY HEREBY DEDICATED
 - SEVA EXISTING RIGHT-OF-WAY
 - SEVA SECONDARY EMERGENCY VEHICLE ACCESS
 - S.F. / AC. SQUARE FEET / ACRES
 - TRC TRC DEVELOPMENT COMPANY, LLC
 - TEMP TEMPORARY
 - UTIL UTILITY
 - - - SECTION OR SUBDIVISION LINE
 - PLAT BOUNDARY
 - NEW RIGHT-OF-WAY BOUNDARY HEREBY DEDICATED
 - NEW RIGHT-OF-WAY CENTERLINE HEREBY DEDICATED
 - NEW LOT LINE
 - NEW EASEMENT HEREBY GRANTED
 - NEW EASEMENT CENTERLINE
 - EXISTING RIGHT-OF-WAY BOUNDARY
 - EXISTING RIGHT-OF-WAY CENTERLINE
 - EXISTING LOT LINE
 - EXISTING EASEMENT

TRACT NOTES

- 1) TRACT XX IS RESERVED FOR SIDEWALK AND LANDSCAPING. THIS TRACT IS COMPLETELY ENCOMPASSED BY A SIDEWALK, UTILITY, AND IRRIGATION EASEMENT. THIS TRACT WILL BE GRANTED TO THE HOMEOWNERS ASSOCIATION IN THE FUTURE BY SEPARATE INSTRUMENT.
- 2) TRACT YY IS RESERVED FOR A PEDESTRIAN PATH. THIS TRACT WILL BE GRANTED TO THE HOMEOWNERS ASSOCIATION IN THE FUTURE BY SEPARATE INSTRUMENT.
- 3) TRACT ZZ MAY BE USED FOR FUTURE DEVELOPMENT AND IS TO BE RETAINED BY THE OWNER OF RECORD.

EXISTING EASEMENT REFERENCES

- ① EXISTING 18' WIDE SIDEWALK, UTIL, AND IRR ESMT PER (R1)
- ② EXISTING VARIABLE WIDTH TEMP VARIABLE WIDTH SLOPE ESMT PER (R1)
- ③ EXISTING 18' WIDE SIDEWALK, UTIL, AND IRR ESMT PER (R3)
- ④ EXISTING 76' WIDE TEMP TURNAROUND AND UTIL ESMT PER (R1), ESMT TO AUTOMATICALLY TERMINATE UPON FUTURE R/W DEDICATION PER (R1)
- ⑤ EXISTING 76' WIDE TEMP UTIL ESMT PER (R3), ESMT TO AUTOMATICALLY TERMINATE UPON FUTURE R/W DEDICATION PER (R3)
- ⑥ EXISTING 110' WIDE TEMP TURNAROUND AND UTIL ESMT PER (R3), ESMT TO AUTOMATICALLY TERMINATE UPON FUTURE R/W DEDICATION PER (R3)
- ⑦ EXISTING 24' WIDE WATERLINE ESMT PER AFN 2004-002594
- ⑧ EXISTING 28' WIDE SEWER ESMT PER AFN 2024-022347
- ⑨ EXISTING 18' WIDE SIDEWALK, UTIL, AND IRR ESMT PER (R4)
- ⑩ EXISTING 15' WIDE SIDEWALK, UTIL, AND IRR ESMT PER (R4)

FRONTAGE PROPERTY PIN NOTE

DUE TO DISTURBANCE BY FUTURE CONSTRUCTION OF SIDEWALK, THE FRONT LOT CORNERS WERE NOT SET. THE SIDE LOT LINES WERE PROJECTED TO THE CENTER OF CURB AND ARE REFERENCED WITH A SCREW AND 1" WASHER. SCREWS SET ARE GOOD FOR LINE BUT NOT FOR DISTANCE. FOUND SCREW AND WASHERS PER (R1-R4) ARE STAMPED: "MATAZZO 46318", SET SCREW AND WASHERS WITH THIS PLAT ARE STAMPED: "D'ORAZO 46622".

SURVEY REFERENCES

- (R1) AMENDED FINAL PLAT OF APPLE VALLEY PHASE 3 RECORDED IN VOLUME 15 OF PLATS AT PAGE 647 UNDER BENTON COUNTY AUDITOR'S FILE NUMBER 2019-02102 BY MATAZZO
- (R2) FINAL PLAT OF APPLE VALLEY PHASE 4A RECORDED IN VOLUME 15 OF PLATS AT PAGE 655 UNDER BENTON COUNTY AUDITOR'S FILE NUMBER 2019-030120 BY MATAZZO
- (R3) FINAL PLAT OF APPLE VALLEY PHASE 6B RECORDED IN VOLUME 15 OF PLATS AT PAGE 767 UNDER BENTON COUNTY AUDITOR'S FILE NUMBER 2024-000766 BY MATAZZO
- (R4) FINAL PLAT OF APPLE VALLEY PHASE 7B RECORDED IN VOLUME 15 OF PLATS AT PAGE 790 UNDER BENTON COUNTY AUDITOR'S FILE NUMBER 2023-018305 BY MATAZZO
- (R5) RECORD OF SURVEY FOR BOUNDARY LINE ADJUSTMENT RECORDED IN VOLUME 1 OF SURVEYS AT PAGE 470 UNDER BENTON COUNTY AUDITOR'S FILE NUMBER 2011-00184 BY RUSSELL
- (R6) FINAL PLAT OF THE VILLAGE AT SOUTHERN PHASE 1 RECORDED IN VOLUME 15 OF PLATS AT PAGE 570 UNDER BENTON COUNTY AUDITOR'S FILE NUMBER 2017-029283 BY MATAZZO

SURVEYOR'S CERTIFICATE

THIS MAP CORRECTLY REPRESENTS A SURVEY MADE BY ME OR UNDER MY DIRECT IN CONFORMANCE WITH THE REQUIREMENTS OF THE SURVEY RECORDING ACT IN THE REQUEST OF TRC CITIES DEVELOPMENT, LLC IN 2025.

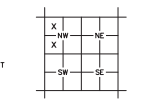
CHRISTOPHER J. D'ORAZO, PLS 46622 DATE _____

AUDITOR'S CERTIFICATE

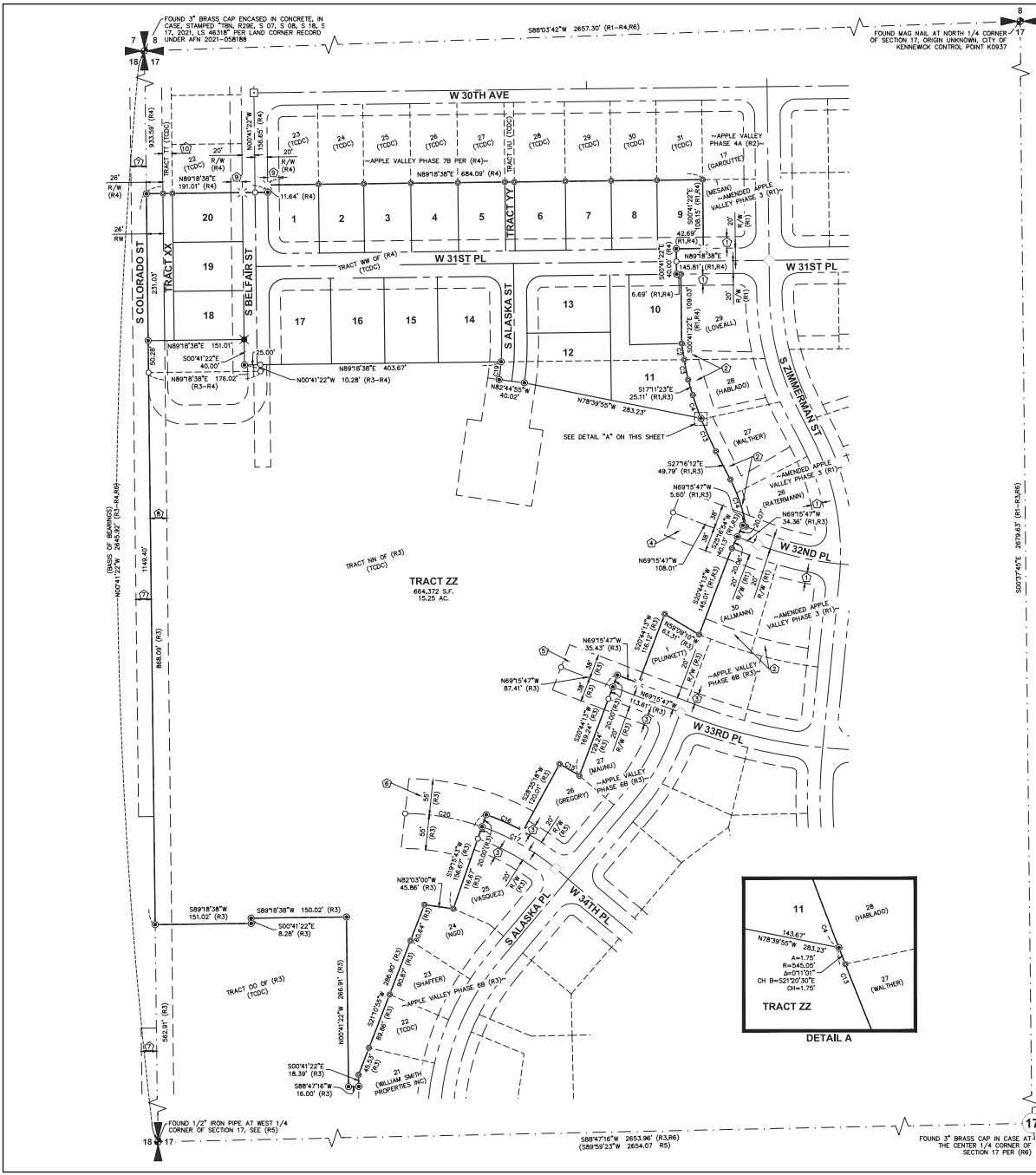
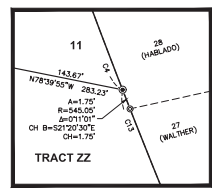
FILED FOR RECORD THIS _____ DAY OF _____, 2025 AT _____ M. IN VOLUME _____ OF PLATS AT PAGE _____ AT THE REQUEST OF APEX COMPANIES, LLC.

COUNTY AUDITOR

SECTION DIAGRAM



CURVE TABLE						
CURVE	RADIUS	ARC LENGTH	CHORD LENGTH	CHORD BEARING	DELTA ANGLE	RECORD ARC L
C01	653.59'	25.79'	25.79'	S04°12'25"E	90°00'00"	00700'00"
C02	653.59'	25.79'	25.79'	N08°40'07"W	147°29'	(R1,R4)
C03	653.59'	32.30'	32.30'	N03°01'04"W	274°49'	(R1,R3)
C04	545.05'	38.83'	38.82'	N19°13'11"W	470°33'	
C05	520.04'	45.96'	45.95'	N03°04'16"W	378°52'	
C06	520.04'	39.27'	39.30'	S44°18'38"W	00700'00"	
C07	25.00'	39.27'	39.30'	S44°44'22"E	00700'00"	
C08	25.00'	39.27'	39.30'	S44°18'38"W	00700'00"	
C09	40.00'	62.84'	64.57'	S44°18'38"W	00700'00"	
C10	40.00'	62.84'	64.57'	S44°18'38"W	00700'00"	
C11	400.04'	63.19'	63.13'	N03°01'04"W	070°02'	
C12	400.04'	1.11'	1.11'	S08°26'20"W	070°30'	
C13	345.05'	51.27'	51.24'	S24°32'36"W	071°24'	
C14	255.03'	78.29'	77.99'	N18°28'30"W	173°52'25"	(R1,R3)
C15	315.05'	58.17'	58.16'	N03°04'16"W	470°48'	(R1,R3)
C16	390.04'	63.49'	63.42'	S66°04'29"E	079°35'	(R3)
C17	370.04'	134.13'	133.42'	N02°21'12"W	204°09'59"	(R3)
C18	380.04'	132.29'	132.29'	S01°44'51"W	471°47'	(R3)
C19	380.04'	28.16'	28.16'	S06°17'47"W	474°45'	(R3)
C20	370.04'	123.33'	122.70'	N07°12'09"W	190°54'	(R3)



DAKTRONICS ORDER AGREEMENT # 865867-2-1

City of Kennewick
 Jon Correio
 PO Box 6108
 Kennewick, WA USA 99336
 Phone: (509)585-4308
 Fax:
 Email: jon.correio@ci.kennewick.wa.us

15/Dec/2025
 Valid for: 90 days
 Terms: 30% with the order, 60% Payment before shipment, 10% Net 30 days from shipment
 Subject to Credit Review
 FCA: DESTINATION
 Delivery: Call for Production Time

Reference: Marquee Replacement - All pricing in accordance with King County Directors' Association Contract #AEPA IFB #024-F

Item No.	Model	Description	Qty	Price
1	GT6x-360X684-10-RGB-2V	Galaxy® Outdoor Electronic Message Center - GT6x Series - 10mm RGB; 2V Interconnect Cable Length Is 26 Feet; Includes Spare Parts Kit Matrix: 360 lines by 684 columns Line Spacing: 10mm LED Color: RGB- 281 Trillion Colors Face Configuration: 2V - two one sided displays - same content View Angle: 140 degrees Horizontal x 70 degrees Vertical Cabinet Dimensions: 12' 6" H X 23' 4" W X 0' 11" D (Approx. Dimensions) Max Power: 17705 watts/display Weight: Unpackaged 3185 lbs per display; Packaged 3485 lbs per display	1	\$236,568.00
	Daktronics Verizon Modem, 4G, Ethernet	Daktronics Verizon 4G Cellular Modem Only - Requires Daktronics Verizon Cellular Data Plan	1	
	System Startup	Final Commissioning of Equipment	1	
	Physical Installation	See attachment A.	1	
2	FREIGHT	Shipping to site via Independent Carrier (flatbed trailer). Crane or telehandler required for unloading. Customer is responsible for receiving & unloading truck upon delivery.	1	\$4,895.00
3	Bonds	Bonds apply only to the first year of warranty.	1	\$1,150.00
4	Taxes	8.80% - Subject to change	1	\$21,349.94
Services				
5	G5G5-Five Years of Parts Warranty	Five (5) Year Parts Only - Includes Customer Care Level 3	1	
	Venus® Control Suite Basic 10-Year Subscription	Secure, web-based software that enables display management anytime, anywhere via internet connection.	1	
	Venus® Control Suite Training Onboarding	Venus® self guided training videos. (English only.)	1	
	Venus® Control Suite - One-on-One Webinar	Customized Venus® training in a live, web-based, conference call format using the customer's phone & computer. (English only.)	1	

DAKTRONICS ORDER AGREEMENT # 865867-2-1

FrameWrx Creator Package, 1 year subscription	Cloud-based content tool subscription renewed/billed annually. Access for 2 Content Administrators and 160 Annual AI Credits. ADMINISTRATORS OF ACCOUNT REQUIRED.	1
FrameWrx additional add-on, 1 year subscription		1
Daktronics Verizon Lifetime 4G Cellular Data Plan for VCS, 100K-300K Pixels	Daktronics Verizon Lifetime 4G Cellular Data Plan Per Modem, for Venus Control Suite on Displays 100K-300K pixels. Excludes streaming data feeds and diagnostics.	1

Total Price Including Applicable Tax:	\$263,962.94
--	---------------------

Please reference listed sales literature: DD3512730 for Daktronics Verizon Modem, 4G, Ethernet, DD4008961 for GT6x-360X684-10-RGB-2V

DAKTRONICS ORDER AGREEMENT # 865867-2-1

Notes: Due to the current uncertainty regarding the status of tariffs, prices exclude tariffs imposed after May 29, 2025. In the event Daktronics' total cost for equipment, materials, or components required to perform the work increases due, directly or indirectly, to tariffs that are implemented after May 29, 2025, Daktronics reserves the right to an equitable adjustment to the purchase price.

Exclusions:

- Structure
- Power
- Engineering Certification
- Labor to Pull Signal Cable
- Electrical Switch Gear or Distribution Equipment
- Foundation
- Hoist
- Signal Conduit
- Applicable Permits
- Front End Equipment

Unless expressly stated otherwise in this Order Agreement # 865867-2 Rev 1 or the attachments, if Daktronics performs installation of the Equipment, the price quoted does not include the following services pertaining to physical installations: digging of footings (including dirt removal), any materials fabrication, installation of steel cages, rebar, or bolt attachments, or pouring and finishing of concrete footings. Those service may be provided for an additional cost beyond the quoted price. Purchaser shall be fully responsible for any and all additional costs plus overhead in the event anything unexpected of any nature whatsoever is found while digging the footings including but are not limited to rock, water, utility lines, pipes or any other unforeseen circumstance. The Purchaser acknowledges and agrees that it is fully responsible for all site conditions.

Prices and charges are subject to change by Daktronics at any time before the final agreement between the parties is effective. Ship Date will be determined after customer purchase order is received or agreement is signed or otherwise effective, shop drawings are approved (if required) and down payment is received (if required).

Installation Responsibilities:

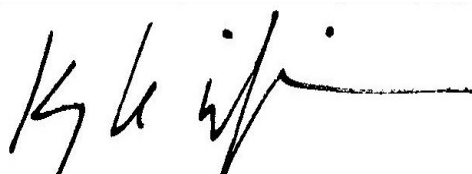
If applicable please reference Attachment A for Installation Responsibilities.

Ad/ID Copy Approval Process

Customer shall provide digital artwork for advertising and identification panels, conforming to [Daktronics' graphic file standards](#), at the time of order. Daktronics will create a proof of provided artwork and require approval of that proof three weeks prior to the initial anticipated ship date. Advertising and identification panels not approved in time, will be shipped without copy in Daktronics' standard finish.



Brady Jacobsen
PHONE: 605-695-8079
FAX: 605-697-4746
EMAIL: Brady.Jacobsen@daktronics.com



Kyle Williams
PHONE: 206-612-8384
FAX: 605-697-4746
EMAIL: Kyle.Williams@daktronics.com

Terms And Conditions:

The Terms and Conditions which apply to this order available on request.

- Limited Warranty and Extended Service Terms and Conditions (www.daktronics.com/DD5459759)
- SL-02375 Standard Terms and Conditions of Sale (www.daktronics.com/terms_conditions/SL-02375.pdf)
- SL-07862 Software License Agreement (www.daktronics.com/terms_conditions/SL-07862.pdf)
- Additional Links:
- Customer Care Level 3, Parts Coverage, No Daktronics Labor Coverage (www.daktronics.com/DD5454486)
- Wireless Service Addendum (www.daktronics.com/TermsConditions/DD3956286)

Acceptance:

The parties acknowledge and agree that the agreement (the "Agreement") is comprised of the terms and conditions contained within this order agreement and any attachments thereto, along with the documents at the website addresses above. Purchaser hereby agrees to purchase the equipment as defined in the Agreement. Purchaser acknowledges having had the opportunity and means to review the Agreement. The Agreement represents the entire agreement of the parties and supersede any previous understanding or agreement. The Undersigned has actual authority to execute this document and Daktronics is relying on such authority. Purchaser acknowledges and agrees to the above, as evidenced by its attestation below.

Customer Signature

Date

Print Name/Title

PO number for invoicing purpose only

PROJECT SITE INFORMATION – REQUIRED TO PLACE YOUR ORDER

This document is for order processing purposes only and is not intended to be part of the Agreement

Daktronics Quote # _____

Purchase Order # _____ Purchase Order Date: _____
--

BILL TO: (receive and pay invoices) Customer#: _____ Company: _____ Street Address: _____ City, State, Zip: _____ Bill to Contact: _____ Telephone: _____ AP email for invoices: _____
--

SHIP TO: (delivery location) Company: _____ Street Address: _____ City, State, Zip: _____ Ship to Contact: _____ Telephone: _____ Emails for shipping notification/tracking info (3 max): 1. _____ 2. _____ 3. _____
--

Emails to receive order acknowledgement: 1. _____ 2. _____ Order Acknowledgement is emailed after the order is entered. Email will include order # & estimated ship date.

INSTALLATION LOCATION: Customer#: _____ Location Name: _____ Street Address: _____ City, State, Zip: _____
--

SITE / SYSTEM STARTUP CONTACT: Contact Name: _____ Email: _____
--

ADDITIONAL NOTES: _____

LOGO & AD COPY APPROVAL: Contact Name: _____ Email: _____ Vector files must be submitted with your order documents. Your order will not be placed until artwork is received. If artwork is not received, the panels will be painted the same as your scoreboard or display and shipped blank.
--

PROJECT SPECIFIC CONTACT INFORMATION REQUIRED AS INDICATED BELOW:

TRAINING: Contact Name: _____ Email: _____

DAK CLASSROOM: Contact Name: _____ Email: _____
--

FRAMEWRX: Contact Name: _____ Email: _____

VENUS SOFTWARE INFORMATION: Acct Name or Number: _____ Primary Contact / Account Administrator: Note: Administrators have access to add additional users. Contact Name: _____ Email: _____ Additional Contacts: Additional user issued a login prior to order shipped. Emails: _____	Display Name: _____ Secondary Contact - Account Administrator (optional): Contact Name: _____ Email: _____
---	--

DAKTRONICS ORDER AGREEMENT # 865867-2-1 MAIN

ATTACHMENT A

CUSTOMER RESPONSIBILITIES

General

- 1) Secure necessary sign permits, as required, for each respective Equipment location(s); Marquee
- 2) Secure necessary construction permits, as required, for each respective Equipment location(s); Marquee
- 3) Customer is responsible to ensure the existing structure/building is adequate, including any necessary modifications, for the installation of the Equipment, including but not limited to (i) obtaining certified engineer drawings to the extent required by law and (ii) providing Daktronics, upon reasonable request, documentation relating to the existing structure and modifications necessary for Daktronics perform its work for each respective Equipment location is; Marquee
- 4) Mark location of the new Equipment as delineated in the quote for each respective Equipment location(s); Marquee
- 5) All landscaping restoration, as required
- 6) Provide all landscaping, track, sidewalk and path protection along with site restoration, and/or sprinkler system repair work

Structures

- 1) Paint existing support structure(s) after existing Equipment has been removed for the following Equipment location(s); Marquee

Electrical & Data

- 1) Provide primary power to the demarcation point (reference clarifications below) per all applicable electrical codes and regulations. Actual primary power requirements, with over current protection, shall be based on available site power and all associated loads for the new Equipment for each respective Equipment location; Marquee
- 2) Provide electrical panel board with all associated breakers per all applicable electrical codes and regulations. Actual primary power requirements, with over current protection, shall be based on associated loads for the new Equipment for each respective Equipment location; Marquee

Product/Equipment

- 1) Provide storage of all Equipment and control equipment in a safe, dry, and secure location until installation for each respective Equipment location(s); Marquee

DAKTRONICS RESPONSIBILITIES

General

- 1) Removal and disposal of existing Equipment for each of these Equipment location(s); Marquee
- 2) Provide payment and performance bond
- 3) Only the existing message centers will be removed and disposed. All other existing signage will be reused in its current condition

Structures

- 1) Not applicable

Electrical & Data

- 1) Provide secondary power conduits, conductors and power hook-up from demarcation point (reference clarifications below) to all Daktronics supplied load centers/termination panel at/within the Equipment per all applicable electrical codes and regulations for each respective Equipment location; Marquee


Product/Equipment

- 1) Accept, lift, unload, and inspect all Equipment from carrier for each respective Equipment location(s); Marquee

- 2) Lift and mount Equipment listed in this quotation for each respective Equipment location(s); Marquee

QUALIFICATIONS/CLARIFICATIONS

- 1) **Electrical:** The maximum voltage is 120 volts line to neutral for all Equipment in this quotation for each respective Equipment location(s); Marquee
- 2) **Electrical Demarcation:** For all Equipment locations is five (5) feet off grade on structure
- 3) **Access:** Daktronics requires unobstructed access to Equipment and control room installation site until display is 100%. Installation equipment (cranes, lifts, trucks, concrete trucks, etc.) are expected to have access directly to the scoreboard/structure location. No concrete pumping, concrete buggies, or crane picks over 10' distance from scoreboard structure are included
- 4) **Existing Conduit:** Costs to repair or replace damaged or obstructed conduit have not been included in this quote
- 5) **Project Scope:** Installation pricing may not comply with all bid specifications, divisions, or drawings. Installation pricing is based on the tasks identified above. Any change or addition to the tasks or descriptions may result in additional costs
- 6) **Damages and Wages:** Liquidated damages, prevailing wages, certified payroll or union labor have not been included in the installation pricing
- 7) **Existing Structure:** Installation price is based on the existing columns and foundations being able to properly support a message center that is 2.33' taller than the current message centers. No other modifications/reinforcement is included. This option is subject to be revoked if the existing columns and foundations are not adequate for the larger displays.

Council Agenda Coversheet	Item Number: 4.g. Date: 1/6/2026	Category: Consent Agenda
	Item Type: General Business Item Subject: Contract: Acceptance of Drinking Water State Revolving Fund (DWSRF) Loan for the Ranney Collector No. 5 PFAS Treatment System Improvements Project (P2508) Department: Public Works Project #: P2508 Loan Contract #: DWL31535-0	

Recommendation

Staff recommends the City accept the Drinking Water State Revolving Fund (DWSRF) loan for the RC5 PFAS Treatment system improvements and authorize the City Manager to execute the funding contract.

Motion for Consideration

Motion to authorize the City Manager to execute the contract as presented.

Summary

Low levels of per- and poly-flouroalkyl substances (PFAS) were identified in the water supply of Ranney Collector No. 5 (RC 5) in the City's water system. In late 2024, the City's Water System Plan (WSP) was amended to include a capital project related to the treatment of PFAS at RC5, a requirement to qualify for a Drinking Water State Revolving Fund (DWSRF) low interest loan. On November 19, 2024, City Council authorized staff to apply for a DWSRF loan. In early 2025, the City was awarded a \$15 million (the maximum award per jurisdiction) DWSRF loan.

The total project cost for the RC5 PFAS Treatment system is estimated to be approximately \$33 million. Of the \$33 million total project cost, \$15 million would come from the DWSRF loan. The remaining funding needed for the project is anticipated to come from other debt financing. The City will continue to pursue grants and low-interest financing to fund the project. Debt service for the project will be paid through water rates and was included in the water rate model presented and approved by the City Council in November 2024.

See attached memo for additional PFAS background.

The contract has been reviewed and approved by the City Attorney.

Alternatives

None recommended.

Fiscal Impact

The City is eligible for a \$15 million DWRSF loan at 1.75% interest rate with no loan administration fees and a 24-year loan term. The loan includes a 35% principal loan forgiveness which is \$5.25 million, thus reducing the principal balance from \$15 million to \$9.75 million. The DWRSF loan program reduces the long-term repayment obligation and lowers the overall project financing costs. The annual loan principal and interest payment is anticipated to be approximately \$550K. The debt service has been included in the water utility rate model.

Attachments:

1. Memo
2. Contract



Leading the Way

MEMORANDUM

Public Works Department

Date: December 30, 2025
To: Kennewick City Council
From: Jeremy J. Lustig, PE, Deputy Public Works Director
Subject: ***Per-and Poly-Fluoroalkyl Substances (aka PFAS or “forever chemicals”)***

The purpose of this memo is to provide background information on:

- PFAS regulatory requirements for drinking water
- PFAS detections in Kennewick’s Ranney Collector 5 (RC5) drinking water source
- RC5 Improvements planned and underway to remove PFAS
- RC5 PFAS Treatment - project funding

PFAS Regulatory Requirements for Drinking Water

The PFAS National Primary Drinking Water Regulation was finalized in 2024. As summarized in Table 1-1, the regulation establishes enforceable Maximum Contaminant Levels (MCLs) for five individual PFAS compounds. It also introduces a Hazard Index (HI) calculation, which evaluates the combined risk of four additional PFAS compounds. The HI is calculated by summing the ratios of each compound’s concentration to its respective Health-Based Water Concentration (HBWC), as illustrated in the formula presented in Figure 1-1. Routine compliance monitoring is scheduled to begin in the second quarter of 2027. Compliance will be assessed using a running annual average (RAA) of quarterly samples. Water systems will have five years (April 2029) to implement any necessary changes to meet all MCL requirements.

In May 2025, the EPA announced its intention to remove the HI compounds, their associated MCLs, and the HI calculation from the regulation. The agency also proposed extending the compliance deadline by two years, moving it from April 2029 to April 2031. These proposed modifications to the regulation have not yet been finalized.

Prior to the finalization of the 2024 EPA regulation, the Washington State Department of Health (WA DOH) had already taken proactive steps to address PFAS contamination. The state established its own PFAS State Action Levels (SALs), which serve as health-based guidance values for individual PFAS compounds in drinking water. Under these state-level requirements, water systems were mandated to sample their source water for PFAS by December 2025.

PUBLIC WORKS

1010 E. Chemical Drive • PO Box 6108 • Kennewick, WA 99336-0108
(509) 585-4413 • Fax (509) 585-4451 • Jeremy.Lustig@ci.kennewick.wa.us

Table 1-1. PFAS National Drinking Water Regulation

Chemical	2024 EPA MCL (ng/L)	Updated MCL (ng/L)	EPA Practical Quantitation Level (PQL) (ng/L)	WA DOH State Action Level (ng/L)
PFOA	4.0	4.0	4.0	10
PFOS	4.0	4.0	4.0	15
PFNA	10	TBD	4.0	9
PFHxS	10	TBD	3.0	65
HFPO-DA (GenX chemicals)	10	TBD	5.0	N/A
PFBS	N/A	TBD	3.0	345
Mixture of two or more: PFNA, PFHxS, HFPO-DA, PFBS	HI = 1 (unitless)	TBD	N/A	N/A

Hazard Index calculation $HI\ MCL\ (unitless) = \left(\frac{[HFPO-DA_{water\ ng/L}]}{[10\ ng/L]} \right) + \left(\frac{[PFBS_{water\ ng/L}]}{[2000\ ng/L]} \right) + \left(\frac{[PFNA_{water\ ng/L}]}{[10\ ng/L]} \right) + \left(\frac{[PFHxS_{water\ ng/L}]}{[10\ ng/L]} \right)$

Figure 1-1. Hazard Index Calculation

PFAS Detections in Kennewick’s RC5 (drinking water source)

The City’s overall potable water supply is diversified between two supply sources; Ranney Collector 5 (RC5) and the Water Treatment Plant (WTP). The RC5 water supply is utilized year-round and provides approximately ~60% of the City’s total annual water needs. The WTP is typically brought online in late February to early March and is then taken offline during the winter months around November/ December. The WTP provides the remainder of the City’s total annual water supply at ~40%.

RC5’s water source is classified as “ground water under the influence of surface water” and is the source of all PFAS detections. The WTP draws water directly from the Columbia River and is classified as “surface water”. To-date, all water samples collected and analyzed for PFAS at the WTP have been non-detect or negative for PFAS.

Low level concentrations of PFAS were first detected at RC5 in July of 2022. Previous water samples taken at RC5 did not show the presence of PFAS primarily due to the laboratories ability to detect or analyze down to parts-per-trillion (ppt or ng/l). Prior to 2022, laboratories quantitative abilities were limited to parts-per-billion (ppb or ug/l). It’s important to note that one (1) part-per-trillion is equivalent to a single drop of water in twenty (20) olympic-sized swimming pools.

As part of the City’s Water Quality Monitoring Schedule, samples are taken from RC5 quarterly and tested for PFAS. The primary PFAS compound that is consistently above the EPA’s future MCL is PFOS. Although still very low, PFOS concentrations fluctuate and appear to trend higher in the early spring exceeding the WA DOH state action level threshold set at 15 ppt or ug/l.

See link below for current RC5 PFAS trending (available on the City’s website):

<https://www.go2kennewick.com/DocumentCenter/View/15575/Ranney-Collector-5-PFAS-Sample-Results?bidId>

RC5 Improvements planned and underway to remove PFAS

In 2024, the City completed a water supply analyses to determine best options for eliminating PFAS from our water supply. The analyses indicated that keeping the Ranney Collector and adding treatment provides for the lowest life cycle cost.

In 2025, the City contracted with Hazen and Sawyer (Hazen), an engineering firm that specializes in water treatment. Hazen recently completed a Preliminary Engineering Report (PER) which includes the results of rapid small-scale column tests (RRSCT) performed using RC5's water to evaluate PFAS media treatment options (ion exchange vessels vs. granular activated carbon vessels). Hazen is working to complete the 30% level design drawings for a granular activated carbon water treatment facility. The 30% level Engineer's cost estimate is \$33 million.

The treatment facility will be located immediately adjacent to the existing RC5 facility and is planned to tap into the downstream of the existing ultraviolet (UV) system and convey the water through 7 paired (14 total) GAC pressure vessels.

Final design (taking the design from 30% to 100%) will require a supplemental scope of work and council approval. Hazen is currently working on compiling that additional supplement scope and staff anticipate bringing it before council for approval in the coming months.

Hazen and staff anticipate bidding this project in the late fall of 2026 with construction of the additional GAC treatment facility to immediately follow. PFAS treatment is anticipated to be in place no later than summer of 2028, almost 3 years before the EPA's regulatory deadline.

RC5 PFAS Treatment – project funding

In late 2024, the City formally amended the Water System Plan to officially include the RC5 PFAS project and allow for Kennewick to apply for Drinking Water State Revolving Funds (DWSRF). In early 2025, the City was notified that \$15 million was awarded to Kennewick's RC5 PFAS treatment project.

The total project cost for the RC5 PFAS Treatment system is estimated to be approximately \$33 million. Of the \$33 million total project cost, \$15 million would come from the DWSRF loan. The remaining funding needed for the project is anticipated to come from other debt financing. The City will continue to pursue grants and low interest financing to fund the project. Debt service for the project will be paid through water rates and was included in the water rate model presented and approved by the City Council in November 2024.

12/10/2025

City of Kennewick
210 W 6th Ave PO BOX 6108
Kennewick, WA 99336
Erin.Erdman@ci.kennewick.wa.us



RE: Loan Contract Number: DWL31535-0

Dear Ms. Erdman;

Enclosed is the Drinking Water State Revolving Fund Loan Contract Number identified above for your signature. The Loan Contract details the terms and conditions that will govern the agreement between us, which includes the project's Scope of Work as a formal attachment. Failure to return the contracts within 60 calendar days of the date of this letter may result in your loan offer being withdrawn.

Review, print, and sign the document. Once signatures are obtained, please scan and return by email to your DOH contracts representative or print and sign a hard copy, and return the originals to us for full execution.

Please note that the U.S. Environmental Protection Agency is the funding source for this program and the Catalog of Federal Domestic Assistance (CFDA) number is 66.468. Consequently, the loan funds are federal and subject to both state and federal requirements.

A non-refundable one-percent loan administration fee will be collected at contract execution (If applicable), including any subsequent amendments where funds are added. The loan amount may be modified to include an amount sufficient to cover the one-percent loan administration fee. In most cases, the fee will be collected in full at contract execution. Please review the terms and conditions of the Loan Contract and all attachments carefully for details.

A requirement of the DWSRF program is that you must maintain updated project records and yearly renewal of your registration in the System for Award Management at www.sam.gov.

Another requirement of the DWSRF program is that all entities are required to verify that the federal government has not suspended or debarred them from receiving federal funds. This includes, but is not limited to, project contractors, subcontractors, engineers, architects, consultants, and equipment vendors. The Exclusion Report can be accessed at www.sam.gov. Failure to provide this required certification may result in termination of your loan contract.

After the Loan Contracts have been signed by the Department or its designee, one fully executed original will be returned to you for your files. Instructions for drawing the loan funds will be returned to you with the executed Loan Contract, as well as the necessary forms. The Loan Contract specifies that draws may be made for costs that have been incurred within the contract period of performance, and which have supporting documentation such as receipts or bills.

We are looking forward to working with you over the course of this project. If you have any questions about this Loan Contract, please contact me.

Sincerely,

Brittany Cody-Pinkney
DOH Contract Manager
(360) 236-3047
Brittany.Cody-Pinkney@DOH.WA.GOV

Enclosures:

- ATTACHMENT I: SCOPE OF WORK (PROJECT)
- ATTACHMENT II: ATTORNEY'S CERTIFICATION
- ATTACHMENT III: FEDERAL AND STATE REQUIREMENTS
- ATTACHMENT IV: DISADVANTAGED BUSINESS ENTERPRISE REQUIREMENTS
- ATTACHMENT V: CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS
- ATTACHMENT VI: DWSRF ELIGIBLE PROJECT COSTS
- ATTACHMENT VII: LABOR STANDARD PROVISIONS FOR SUBRECIPIENTS THAT ARE GOVERNMENTAL ENTITIES

Washington State Department of Health

DWSRF Municipal Loan Boilerplate

September 2025

Version History		
Date	Revision(s)	Version
05-15-2018	Original - developed via a team of the DWSRF Grant and Loan Unit Supervisor, the DOH Office of Drinking Water Finance Director, the DOH Office of Contracts and Procurement Technical and Policy Advisor, and DOH's Financial Services Assistant Attorney General.	1
09-15-2025	DOH's Office of Drinking Water worked with AHD Assistant Attorney General to modify template and incorporate up-to-date provisions for public works projects performed in the State of Washington.	2

1. CONTRACT FACE SHEET

#2024-4326 **Loan Number: DWL31535-0**
Washington State Department of Health (DOH)
Drinking Water State Revolving Fund (DWSRF)
Municipal

1. Borrower City of Kennewick 210 W 6th Ave PO BOX 6108 Kennewick, WA 99336		2. Borrower Doing Business As (optional)	
3. Borrower Type Construction Loan		4. Borrower's Statutory Authority	
5. Borrower Contract Manager Information Ms. Erin Erdman, City Manager		6. DOH Contract Manager Brittany Cody-Pinkney P.O. Box 47822 Olympia, WA 98504-7822	
509-585-4200 Erin.Erdman@ci.kennewick.wa.us		(360) 236 3047 Brittany.Cody-Pinkney@doh.wa.gov	
7. Project Name: PFAS Contamination Improvements			
8. Loan Amount: \$15,000,000 Loan Fee: \$0.00 Interest Rate: 1.75%	9. Funding Source Federal: <input checked="" type="checkbox"/> State: <input type="checkbox"/> Other: <input type="checkbox"/>	10. Start Date Date of Last Signature	11. End Date 10/01/2049
12. Federal Funding Agency Environmental Protection Agency Catalogue of Federal Assistance (CFDA) Number 66.468			
13. Borrower Tax ID # 91-6001253	14. SWV # 0000311-03	15. Borrower UBI # 034-001-675	16. Borrower UEI# HY79QSTNGQB5
17. Contract Purpose DOH and the party identified above as Borrower (BORROWER), have entered into this loan agreement (CONTRACT) to fund the project identified above and further described in Attachment I (Scope of Work) (PROJECT) that furthers the goals and objectives of the DOH DWSRF Program (PROGRAM). The Project will be done by the BORROWER as described in the Attachment I (Scope of Work) and this Contract. The rights and obligations of the parties are governed by this Contract and the following documents are incorporated by reference: (1) General Terms and Conditions including Declarations; (2) Attachment I–Scope of Work; (3) Attachment II–Attorney's Certification; (4) Attachment III–Federal and State Requirements; (5) Attachment IV–Disadvantaged Business Enterprise Requirements; (6) Attachment V–Certification Regarding Debarment, Suspension, and Other Responsibility Matters; (7) Attachment VI–DWSRF Eligible Project Costs; and (8) Attachment VII–Labor Standard Provisions for Subrecipients that are Governmental Entities. By signing below, the parties acknowledge and accept the terms of this Contract.			
AUTHORIZED REPRESENTATIVE OF BORROWER		AUTHORIZED REPRESENTATIVE OF DOH	
_____ Signature		_____ Signature	
_____ Print Name		_____ Print Name	
_____ Title		_____ Title	
_____ Date		_____ Date	

TEMPLATE APPROVED AS TO FORM ONLY

Lisa Koperski, AAG Signature on File

Sept. 16, 2025

Date

2. TABLE OF CONTENTS

1.	CONTRACT FACE SHEET
2.	TABLE OF CONTENTS
3.	DECLARATIONS
3.1.	BORROWER INFORMATION
3.2.	PROJECT INFORMATION (PROJECT)
3.3.	CONTRACT COMMUNICATION
3.4.	LOAN INFORMATION
3.5.	FUNDING INFORMATION
3.6.	SPECIAL TERMS AND CONDITIONS
4.	GENERAL TERMS AND CONDITIONS
4.1.	AUTHORITY
4.2.	FULL AGREEMENT
4.3.	ORDER OF PRECEDENCE
4.4.	LOAN AMOUNT
4.5.	LOAN FEE
4.6.	LOAN TERM
4.7.	INTEREST RATE
4.8.	LOAN FORGIVENESS
4.9.	RELEASE OF LOAN FUNDS AND REQUIRED DOCUMENTATION
4.10.	TIME OF PERFORMANCE
4.11.	PROJECT COMPLETION AMENDMENT AND THE PROJECT COMPLETION REPORT
4.12.	LOAN PAYMENTS
4.13.	DEDICATED ACCOUNT FOR LOAN PAYMENTS
4.14.	LOAN DEFAULT
4.15.	LOAN SECURITY
4.16.	AMENDMENTS, MODIFICATIONS, ASSIGNMENTS AND WAIVERS
4.17.	BUILD AMERICA BUY AMERICA
4.18.	ATTORNEY'S FEES
4.19.	PROHIBITION AGAINST PAYMENT OF BONUS AND COMMISSIONS
4.20.	COMPLIANCE
4.21.	CONFIDENTIALITY/SAFEGUARDING OF INFORMATION
4.22.	DISPUTES
4.23.	ELIGIBLE PROJECT COSTS
4.24.	FALSE, INCORRECT, OR INCOMPLETE INFORMATION OR CLAIM
4.25.	FINANCIAL AUDIT
4.26.	FRAUD AND OTHER LOSS REPORTING

4.27.	GOVERNING LAW AND VENUE
4.28.	HISTORICAL AND CULTURAL REQUIREMENTS
4.29.	INDEMNIFICATION
4.30.	INDEPENDENT CAPACITY OF THE BORROWER
4.31.	INTERNAL CONTROLS
4.32.	INSURANCE COVERAGE REQUIREMENTS
4.33.	INDUSTRIAL INSURANCE COVERAGE
4.34.	LAWS
4.35.	LICENSING, ACCREDITATION, AND REGISTRATION
4.36.	LITIGATION
4.37.	NONCOMPLIANCE with NONDISCRIMINATION laws
4.38.	PAY EQUITY
4.39.	POLITICAL ACTIVITES
4.40.	PREVAILING WAGE
4.41.	PROCUREMENT
4.42.	PROHIBITION STATEMENT
4.43.	PROJECT SIGNS
4.44.	PUBLIC RECORDS ACT
4.45.	PUBLICITY
4.46.	RATES AND RESERVES
4.47.	RECAPTURE
4.48.	RECORDKEEPING AND ACCESS TO RECORDS
4.49.	REDUCTION IN FUNDS
4.50.	REGISTRATION
4.51.	RIGHT OF INSPECTION
4.52.	SEVERABILITY
4.53.	SITE SECURTITY
4.54.	STATE PUBLIC WORKS
4.55.	SUBCONTRACTING
4.56.	SURVIVAL
4.57.	TAXES
4.58.	TERMINATION FOR CAUSE
4.59.	TERMINATION FOR FRAUD
4.60.	TERMINATION OR SUSPENSION FOR CONVENIENCE
4.61.	TERMINATION PROCEDURES
4.62.	WORK HOURS AND SAFETY STANDARDS
4.63.	ACCESS TO DATA
4.64.	ADVANCE PAYMENTS PROHIBITED

4.65.	ALLOWABLE COSTS
4.66.	AMERICANS WITH DISABILITIES ACT (ADA) OF 1990, PUBLIC LAW 101-336, ALSO REFERRED TO AS THE "ADA" 28 CFR PART 35 ALLOWABLE COSTS
4.67.	BREACHES OF OTHER STATE CONTRACTS
4.68.	CODE REQUIREMENTS
4.69.	CONFLICT OF INTEREST
4.70.	DUPLICATE PAYMENT

ATTACHMENT I	SCOPE OF WORK (PROJECT)
ATTACHMENT II	ATTORNEY'S CERTIFICATION
ATTACHMENT III	FEDERAL AND STATE REQUIREMENTS
ATTACHMENT IV	DISADVANTAGED BUSINESS ENTERPRISE REQUIREMENTS
ATTACHMENT V	CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS
ATTACHMENT VI	DWSRF ELIGIBLE PROJECT COSTS
ATTACHMENT VII	LABOR STANDARD PROVISIONS FOR SUBRECIPIENTS THAT ARE GOVERNMENTAL ENTITIES

3. DECLARATIONS

3.1. BORROWER INFORMATION

Legal Name: City of Kennewick
Loan Number: DWL31535-0
Application number: 2024-4326
Award Year: 2024
State Wide Vendor Number: 000311-03

3.2. PROJECT INFORMATION (PROJECT)

Project Title: PFAS Contamination Improvements
Project Location (City or County): Benton County
Project State: Washington
Project Zip Code: 99336-0108

Project Scope of Work (PROJECT): Attachment I, attached hereto and incorporated by reference.

3.3. CONTRACT COMMUNICATION

Communications regarding CONTRACT performance is delegated by each party to its Contract Manager. Either party may change its Contract Manager by express notice to the other party. Either party may identify on an as needed basis an alternate Contract Manager to serve during the stated temporary absence of its primary Contract Manager. Notices between the parties regarding Contract performance must be provided by written communication to the other party's Contract Manager. Written communication includes email but not voice mail. Notices are presumed received by the other party's Contract Manager upon evidence of delivery between the hours of 8:00 am to 5:00 pm except for state holidays and weekends.

3.4. LOAN INFORMATION

Loan Amount:	\$15,000,000 (REPAYMENT/BASE SUBSIDY)
Loan Fee (Included in loan amount if applicable):	\$0.00
Principal Loan Forgiveness %:	35%
Loan Term:	24 Years
Interest Rate:	1.75%
Payment Month(s):	October 1 st Annually
Earliest Date for Construction Reimbursement:	One year prior to contract execution
Time of Performance:	48 months from Contract start date (date of last signature) to Project Completion date.
Notice to Proceed:	18 months from Contract start date (date of last signature)

3.5. FUNDING INFORMATION

Total Funds from BORROWER:	To be determined
Source(s) of Funds from Borrower, with assigned amounts per	source: To be determined
Total State Funds:	To be determined
Total Amount of Federal Award (as applicable):	\$15,000,000
Total Amount of Loan:	\$15,000,000
Federal Award Date:	To be determined
Federal Award ID # (FAIN):	To be determined
Amount of Federal Funds Obligated by this Action:	To be determined

3.6. SPECIAL TERMS AND CONDITIONS

N/A

4. GENERAL TERMS AND CONDITIONS

DRINKING WATER STATE REVOLVING FUND (MUNICIPAL)

4.1. AUTHORITY

Acting under the authority of Section 1452 of the Safe Drinking Water Act (**SDWA**) Section 130, RCW 39.34, RCW 43.70.040, and RCW 70.119A.170 the Washington State Department of Health (**DOH**) has awarded BORROWER identified on the Face Sheet of this CONTRACT a Drinking Water State Revolving Fund Loan (**LOAN**) for the PROJECT defined on the Face Sheet of this CONTRACT. Under this CONTRACT, BORROWER is a sub-recipient of funds provided by the United States Environmental Protection Agency (**EPA**), CFDA Number 66.468, Safe Drinking Water State Revolving Fund.

In some CONTRACT attachments, DOH is referred to as “Lender” and BORROWER is referred to as “Contractor.” DOH and BORROWER are individually a “**party**” and, collectively, the “**parties.**”

4.2. FULL AGREEMENT

This CONTRACT contains all the terms and conditions agreed upon by the parties and is the full agreement of the parties. No other understandings, oral or otherwise, regarding the subject matter of this CONTRACT will be deemed to exist or to bind any of the parties hereto.

4.3. ORDER OF PRECEDENCE

In the event of an inconsistency in this CONTRACT, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order: The order of precedence for terms and conditions under categories B and C is subject to the proviso that when a contract term or condition appears in more than one contract document, the more specific contract term or condition shall control if the different contract provisions cannot be harmonized.

- A. Applicable , state and federal statutes
- B. Applicable local, state, and federal regulations
- C. CONTRACT amendments (if any)
- D. The Declarations Page of the CONTRACT
- E. The General Terms and Conditions of the CONTRACT
- F. Attachment I of the CONTRACT
- G. Attachment II of the CONTRACT
- H. Attachment III of the CONTRACT
- I. Attachment IV of the CONTRACT
- J. Attachment V of the CONTRACT
- K. Attachment VI of the CONTRACT
- L. Attachment VII of the CONTRACT

4.4. LOAN AMOUNT

DOH, using funds from the Drinking Water Assistance Account, will loan BORROWER a sum not to exceed the amount shown as “Loan Amount” in the Declarations (**LOAN AMOUNT**). The LOAN AMOUNT will not exceed 100% of the actual eligible PROJECT costs (**ELIGIBLE PROJECT COSTS**). The parties understand and agree that the LOAN AMOUNT does not include the LOAN FEE which will be charged in accordance with Section 4.5 (Loan Fee) below.

4.5. LOAN FEE

If DOH assessed a “Loan Fee” in the Declarations (**LOAN FEE**), then: (a) the LOAN FEE will be the LOAN FEE shown in the Declarations; (b) the LOAN FEE will be 1% of the loan request; and (c) the LOAN FEE will not be reduced, regardless of the final LOAN AMOUNT at PROJECT completion. If the LOAN FEE applies and the total LOAN AMOUNT is increased through CONTRACT amendment, then DOH will assess an additional LOAN FEE equal to 1% of the additional LOAN AMOUNT. LOAN FEES are non-refundable.

4.6. LOAN TERM

Unless changed through a CONTRACT amendment, the LOAN TERM will not exceed the period of time shown in the Declarations. The repayment period for DOH subsidized loans is 24 years from this CONTRACT's start date. The repayment period for non-DOH subsidized loans is 20 years from this CONTRACT's start date.

4.7. INTEREST RATE

The interest rate is stated in the Declarations. Interest is per annum on the outstanding principal balance and starts to accrue from the date DOH releases any or all of the Loan Amount (**LOAN FUNDS**) to BORROWER in accordance with applicable law and PROGRAM AND DOH policies.

4.8. LOAN FORGIVENESS

If the LOAN qualifies for LOAN Forgiveness, then the percent of the LOAN balance that DOH will forgive at PROJECT completion is stated in the Declarations. DOH calculates the amount forgiven when DOH approves the BORROWER's Project Completion Report. The amount forgiven will be based on either the LOAN AMOUNT or BORROWER's ELIGIBLE PROJECT COSTS, whichever is less, and accrued interest.

4.9. RELEASE OF LOAN FUNDS AND REQUIRED DOCUMENTATION

DOH will release LOAN FUNDS to BORROWER to reimburse BORROWER for ELIGIBLE PROJECT COSTS. To request reimbursement, BORROWER must submit a signed and completed invoice using a form provided by DOH. The invoice must reference the PROJECT activity performed, and include supporting documentation such as bills, invoices, receipts, and documentation of compliance with CONTRACT requirements as requested by DOH. The invoice must be signed by an official of BORROWER with authority to bind BORROWER.

Invoices must also include a report of the progress of the PROJECT made since the last invoice, and the PROJECT status to date. DOH will not release funds until the PROJECT status report and documentation are approved by DOH. Approval will not be unreasonably withheld or delayed. After approving the invoice, documentation, and PROJECT status report, DOH will release funds to BORROWER within 30 days, if BORROWER is not in alleged or actual breach of any CONTRACT with a Washington state agency.

DOH will withhold 10% of LOAN FUNDS until DOH confirms that BORROWER has successfully completed all steps for PROJECT COMPLETION. The 10% holdback will be available to BORROWER as part of the last LOAN disbursement.

4.10. TIME OF PERFORMANCE

BORROWER will begin the activities in the PROJECT within 30 calendar days of the CONTRACT start date. BORROWER will issue a 'Notice to Proceed', after the formal award of a construction contract, within 18 months of the CONTRACT start date.

BORROWER must reach PROJECT COMPLETION within the Time of Performance set forth in the Declarations (**TIME OF PERFORMANCE**). If there are extenuating circumstances, BORROWER may request, in writing, at least 90 calendar days prior to the PROJECT COMPLETION that DOH extend the deadline for PROJECT COMPLETION. At its discretion, DOH may issue an extension. DOH's decision is final and not subject to the dispute clause.

If BORROWER does not meet the requirements of this Section, it is a material breach of CONTRACT, and DOH may terminate or suspend this CONTRACT immediately and for cause if DOH so desires.

4.11. PROJECT COMPLETION AMENDMENT AND THE PROJECT COMPLETION REPORT

The PROJECT Completion Amendment determines the final LOAN AMOUNT and LOAN TERM. When activities in the PROJECT are complete, BORROWER will start the process for the PROJECT Completion Amendment by sending DOH the PROJECT Completion Report. In the PROJECT Completion Report, BORROWER will provide

the following information to DOH:

- A. A statement of the actual dollar amount spent, from all fund sources, to complete the PROJECT.
- B. A statement that all ELIGIBLE PROJECT COSTS have been incurred. Costs are incurred when goods and services are received and/or contracted work is performed.
- C. Evidence showing BORROWER'S compliance with financial the audit requirements of this CONTRACT.
- D. An invoice for the remaining ELIGIBLE PROJECT COSTS.
- E. Documentation of BORROWER's compliance with National Historic Preservation Act of 1966, 54 U.S.C. Subtitle III, Public Law 89-665, as amended (including, without limitation, by Public Law 96-515) (*NHPA* or *National Historic Preservation Act*).

4.12. LOAN PAYMENTS

BORROWER must begin repaying the LOAN no later than 1 year after the CONTRACT start date. Payments are due on the first day of the month(s) shown as the PAYMENT MONTH(S) in the Declarations. Payments are principal and interest accrued up to the PAYMENT MONTH(S).

BORROWER can repay in full the LOAN balance, including fees and repayment of LOAN FUNDS for ineligible project costs (if any), at any time or make accelerated payments without penalty. The final payment must be on or before the end of the LOAN TERM. Additionally, BORROWER must either have a dedicated general ledger account for the LOAN AMOUNT or a dedicated bank account for the LOAN AMOUNT to ensure that there is no co-mingling of the LOAN AMOUNT with other municipality resources.

4.13. DEDICATED ACCOUNT FOR LOAN PAYMENTS

Within 30 calendar days of the CONTRACT start date, BORROWER must provide DOH with documentation that BORROWER has an account at an FDIC-insured institution dedicated for repaying the LOAN. The funds and interest accrued in the account must be used solely to make LOAN payments.

During the LOAN TERM, BORROWER will ensure that by September 30th of repayment years, the dedicated account's balance is equal to one years' payment of principal, fees, and interest on the LOAN.

4.14. LOAN DEFAULT

DOH must receive BORROWER'S payment within 30 calendar days of the due date. Late payments are delinquent and assessed a monthly penalty on the 1st day past the due date. The penalty will be at the rate set forth by DOH that accords with applicable law but which the parties agree and understand may be 1% of the late payment amount per month. Penalty and fees accrue interest at the rate stated as LOAN INTEREST in the Declarations.

DOH may notify any other entity, creditors, or potential creditors of BORROWER's delinquency. BORROWER is responsible for all attorney fees and costs incurred by DOH in any action taken to enforce its rights under this Section, including in any alternative dispute resolution proceeding.

4.15. LOAN SECURITY

"Loan Security" (*LOAN SECURITY*) is only required if identified in the Declarations. If LOAN SECURITY is required under the CONTRACT, then:

- (a) BORROWER will assist DOH in completing and filing all financing statements or other collateral documentation reasonably required by DOH; and
- (b) BORROWER will execute all assignments, security agreements, and financing statements necessary to establish, perfect, and maintain the security interests of DOH.

Nothing in this Section releases BORROWER from the obligation to make LOAN PAYMENTS when due, and to adjust rates, fees, or surcharges as necessary to meet its obligations under this CONTRACT.

Notwithstanding this, in its sole discretion and if allowed under the EPA regulations relevant to this Contract, DOH may subordinate its LOAN security to BORROWER's obligations under existing or future bonds and notes.

4.16. AMENDMENTS, MODIFICATIONS, ASSIGNMENTS, AND WAIVERS

Any amendments, modifications, assignments, and/or waivers to any of the terms and conditions of this CONTRACT supersede those terms as found in the original CONTRACT and will not be binding on the parties unless they are in writing and signed by representatives authorized to bind each of the parties. Only the authorized representative or their designee (where delegation is made prior to action) has the express, implied, or apparent authority to enter into, alter, amend, assign, modify, or waive any terms, clauses, or conditions of this CONTRACT. Additionally, neither this CONTRACT nor any Claim arising under this CONTRACT, will be transferred or assigned by the BORROWER without prior written consent of DOH.

Neither this CONTRACT nor any Claim arising under it may be transferred or assigned by BORROWER without DOH's prior written consent. During the LOAN TERM, DOH must approve in advance, any change in ownership of the water system(s) improved with LOAN FUNDS. DOH may require the LOAN, including LOAN FEES and/or ineligible project costs (if any) be paid in full as a condition of approval.

Nothing in this CONTRACT (including, without limitation, terms, conditions, assurances, and certifications) may be waived and/or modified unless approved in writing and signed by an authorized representative of DOH. No waiver of any default or breach is implied from any failure to take action upon such default or breach if the default or breach persists or repeats. Waiver of any default or breach will not be deemed to be a waiver of any subsequent default or breach.

4.17. BUILD AMERICA, BUY AMERICA (IF APPLICABLE)

None of the LOAN FUNDS under this CONTRACT will be used for the construction, alteration, maintenance, or repair of a public water system or treatment works unless all of the iron and steel, manufactured products, and construction materials used in the project are produced in the United States including, without limitation, iron and steel, manufactured products, and construction materials in accordance with the Build America, Buy America, Pub. L. No. 117-58, §§ 70901-52 (**BABA**) Requirements and/or any successor legislation. BORROWER hereby represents and warrants to and for the benefit of DOH and any other funding authority and/or source that BORROWER understands this obligation and the requirements of BABA and will use the LOAN FUNDS in accordance with the requirements set forth in this Section.

Notwithstanding this, an authorized representative of DOH may waive this requirement in writing if:

- A. Compliance would be inconsistent with the public interest; or
- B. The particular products are not produced in the United States in sufficient and reasonably available quantities and are not of a satisfactory quality; or
- C. Inclusion of products produced in the United States will increase the cost of the overall project by more than 25%; or
- D. A waiver is approved by the Environmental Protection Agency (**EPA**).

BORROWER must submit any such waiver request to DOH, which will then submit the waiver request to EPA. The full text of the Build America, Buy America provision can be found under The Infrastructure Investment and Jobs Act (**IJA**), Pub. L. No. 117-58, which includes BABA,.

4.18. ATTORNEYS' FEES

Unless expressly permitted under another Section of the CONTRACT, each party agrees to bear its own attorneys' fees and costs for litigation or other action brought to enforce the CONTRACT terms and conditions.

4.19. PROHIBITION AGAINST PAYMENT OF BONUS AND COMMISSION

LOAN FUNDS provided under this CONTRACT will not be used in payment of any bonus or commission for the purpose of obtaining approval of the loan application or any other approval under this CONTRACT. This Section does not prohibit paying reasonable fees for *bona fide* technical consultants, managerial, or other such services, if payment is for ELIGIBLE PROJECT COSTS. For the avoidance of doubt, no actual solicitation costs can be paid for LOAN FUNDS received under this CONTRACT.

4.20. COMPLIANCE

BORROWER will comply with all applicable federal, state, and local laws, requirements, codes, regulations, policies, and ordinances of local and state and federal governments, as now or hereafter amended (including, without limitation, for the design, implementation, and administration) of the PROJECT and this CONTRACT, including, without limitation, those stated in the CONTRACT attachments. BORROWER will provide DOH with documentation of compliance as soon as practicable if requested by DOH or its agents.

In the event of BORROWER's alleged or actual noncompliance with any part of this CONTRACT, DOH may suspend all or part of the CONTRACT, withhold payments, and/or prohibit BORROWER from incurring additional obligations of LOAN FUNDS during the investigation and pending corrective action by BORROWER, or a decision by DOH to terminate or suspend the CONTRACT.

4.21. CONFIDENTIALITY/SAFEGUARDING OF INFORMATION

- A. "Confidential Information" as used in this Section includes:
- i. All material provided to the BORROWER by DOH that is designated as "confidential" by DOH; and
 - ii. All material produced by the BORROWER that is designated as "confidential" by DOH; and
 - iii. All Personal Information in the possession of the BORROWER that may not be disclosed under state or federal law.
- B. The BORROWER will comply with all state and federal laws related to the use, sharing, transfer, sale, or disclosure of Confidential Information. The BORROWER will use Confidential Information solely for the purposes of this CONTRACT and will not use, share, transfer, sell, or disclose any Confidential Information to any third party except with the prior written consent of DOH or as may be required by law. The BORROWER will take all necessary steps to assure that Confidential Information is safeguarded to prevent unauthorized use, sharing, transfer, sale, or disclosure of Confidential Information or violation of any related state or federal laws. Upon request, the BORROWER will provide DOH with its policies and procedures on confidentiality. DOH may require changes to such policies and procedures as they apply to this CONTRACT whenever DOH reasonably determines that changes are necessary to prevent unauthorized disclosures. The BORROWER will make the changes within the time period specified by DOH. Upon request, the BORROWER will immediately return to DOH any Confidential Information that DOH reasonably determines has not been adequately protected by the BORROWER against unauthorized disclosure.
- C. Unauthorized Use or Disclosure. The BORROWER will notify DOH within 5 working days of BORROWER's discovery of any unauthorized use or disclosure of any confidential information and will take necessary steps to mitigate the harmful effects of such use or disclosure.

4.22. DISPUTES

Except as otherwise provided in this CONTRACT, when a dispute arises between the parties that cannot be solved by direct negotiation (**Dispute**), either party may request a Dispute hearing with the Director of the Office of Drinking Water (**Director**), who may designate a neutral person to decide the Dispute. The parties will be equally responsible for any reasonable costs and fees incurred by the neutral person.

The request for a Dispute hearing must:

- A. Be in writing;
- B. State the disputed issues;
- C. State the relative positions of the parties;
- D. State BORROWER's name, address, and CONTRACT number involved in or related to the Dispute;
- E. Provide contact information for the requester's representative; and
- F. Be mailed to the Director and the other party's (**Respondent's**) Contract Manager within 3 working days after the parties agree that they cannot resolve the Dispute.

The Respondent will send a written answer to the requestor's statement to both the Director or the Director's designee and the requestor within 5 working days.

In the alternative, the parties can agree to submit a mutual request to the Director, which should include each party's response to the other party's characterization of the Dispute.

The Director or Director's designee will review the written statements and reply in writing to both parties within 10 working days. The Director or Director's designee may extend this period if necessary by notifying the parties. The

decision on the dispute is non-binding and will not be admissible in any succeeding judicial or quasi-judicial proceeding.

This non-binding Dispute process must precede any action in a judicial or quasi-judicial tribunal. Nothing in this CONTRACT limits the parties from using any mutually acceptable alternate dispute resolution (**ADR**) method in addition to or instead of the Dispute hearing procedure outlined above.

4.23. ELIGIBLE PROJECT COSTS

BORROWER will comply with all obligations set forth under this CONTRACT including, without limitation, Attachment VI-DWSRF Eligible Project Costs and is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its contractors and/or subcontractors.

The purchase of any land necessary for the PROJECT must be included in the PROJECT and be documented with an appraisal or equivalent market evaluation, if approved by DOH, and a valid purchase and sale agreement.

Construction expenses incurred after the date shown as earliest date for construction reimbursement in the Declarations are eligible for reimbursement. Requests for reimbursements for costs related to construction activities will not be accepted until BORROWER has met the following conditions:

- A.** Completed the State Environmental Review Process (SEPA Review under RCW 43.21C);
- B.** Complied with all provisions of the National Historic Preservation Act;
- C.** Complied with Prevailing Wage requirements;
- D.** Received approval from DOH of the PROJECT report and related construction documents for all applicable activities described in the PROJECT; and
- E.** Complied with any other LOAN conditions required by DOH.

For the avoidance of doubt, BORROWER cannot use LOAN FUNDS for any expenses charged by BORROWER against any other contract, subcontract, or source of funds.

If DOH reimburses BORROWER for costs that are later determined by DOH to be ineligible, BORROWER must repay these funds to DOH no later than when the BORROWER returns the PROJECT Completion Amendment to DOH. Prior to final completion, DOH may withhold payment for such costs as allowed under Section 4.36 (Recapture). Any such repayment may be subject to interest on any remaining balance, at the rate determined by state regulations and as allowed under state and federal law.

4.24. FALSE, INCORRECT, OR INCOMPLETE INFORMATION OR CLAIM

BORROWER warrants that BORROWER has not and will not submit to DOH any information that is false, incorrect, or incomplete. BORROWER understands and agrees that providing false, fictitious, or misleading information to a state agency or otherwise receiving and attesting to PROGRAM benefits that you are not entitled to is a violation of applicable state law. Such violations may be a criminal violation under state law, including, without limitation, RCW 9A.56.020 (Theft defined), RCW 9A.56.030 (Theft in the 1st degree), RCW 9A.56.040 (Theft in the 2nd degree), or other applicable statutes. Such violations for the receipt and disbursements of LOAN FUNDS may also result in civil penalties or administrative fines. The parties understand and agree that DOH may pursue all applicable remedies for violations by BORROWER under this Section.

4.25. FINANCIAL AUDIT

DOH may require BORROWER to obtain an audit of this PROJECT conforming to Generally Accepted Accounting Principles (**GAAP**) promulgated by the Financial Accounting Standards Board (**FASB**). BORROWER will maintain its records and accounts in accordance with GAAP and other applicable FASB requirements to facilitate any audit under this CONTRACT. BORROWER is responsible for correcting any audit findings. BORROWER is responsible for any audit findings incurred by its own organization and/or its contractors and/or subcontractors. DOH reserves the right to recover from BORROWER all disallowed costs and INELEGIBLE PROJECT COSTS resulting from an audit.

Audits must include a report on compliance, including an opinion (or disclaimer of opinion) about whether the BORROWER is in compliance with applicable law, regulations, and requirements of this CONTRACT. Any such audit report will also highlight any issues that could have a direct and material effect on DOH.

BORROWER will send a copy of any required audit per 2 CFR §200.512 to the DOH Contract Manager, no later than 9 months after the end of BORROWER's fiscal year. BORROWER must send any audit corrective action plan for audit findings and a copy of the management letter, within 3 months of the audit report.

4.26. FRAUD AND OTHER LOSS REPORTING

BORROWER will report in writing all known or suspected fraud or other loss of any funds or other property furnished under this CONTRACT immediately or as soon as practicable to the DOH Representative identified on the Face Sheet.

4.27. GOVERNING LAW AND VENUE

This CONTRACT will be construed and interpreted according to the laws of the State of Washington, and the venue of any action brought under the CONTRACT will be in the Superior Court for Thurston County. If any provision of this CONTRACT violates any statute or rule of law of the State of Washington, it will be considered modified to conform to that statute or rule of law.

4.28. HISTORICAL AND CULTURAL REQUIREMENTS

BORROWER will not conduct or authorize destructive PROJECT planning activities before completing the requirements under Section 106 of the National Historic Preservation Act. BORROWER will not begin construction activities, ground disturbance, or excavation of any sort, until BORROWER has complied with all requirements of the NHPA.

If historical or cultural artifacts are discovered during the PROJECT, BORROWER will immediately stop construction and implement reasonable measures to protect the discovery site from further disturbance, take reasonable steps to ensure confidentiality of the discovery site, restrict access to the site, and notify the concerned tribe's cultural staff or committee, Tribal Historical Preservation Officer (**THPO**), DOH Contract Manager, and the State's Historical Preservation Officer (**SHPO**) at the Washington State Department of Archaeology and Historic Preservation (**DAHP**). If human remains are uncovered, BORROWER will report the presence and location of the remains to the local coroner and law enforcement immediately, then contact the concerned tribe's cultural staff or committee, DOH Contract Manager, and DAHP.

BORROWER is legally and financially responsible for compliance with all laws, regulations, and agreements related to the preservation of historical or cultural sites and artifacts and will hold harmless the State of Washington and DOH in relation to any claim related to historical or cultural sites discovered, disturbed, or damaged as a result of BORROWER'S and BORROWER's contractors' and/or subcontractors' activities.

BORROWER will include the requirements of this Section in all contracts for work or services related to the PROJECT. BORROWER will require that bid documents include an inadvertent discovery plan that meets the requirements of this Section.

4.29. INDEMNIFICATION

To the fullest extent permitted by law, BORROWER will indemnify, defend, and hold harmless DOH, the State of Washington, agencies of the State, and all officials, agents, employees, and representatives of the State, from and against all Claims arising out of or incident to BORROWER'S or any BORROWER'S contractors' and/or subcontractors' performance or failure to perform the CONTRACT (including, without limitation, injury or death).

BORROWER'S obligation to indemnify, defend, and hold harmless includes any Claim by any and all of BORROWER's agents, employees, representatives, and/or subcontractor(s) (and their agents, employees, and representatives, to the extent that BORROWER is using any contractor and/or subcontractor for the Project). For the avoidance of doubt, BORROWER's obligations under this Section will not be eliminated or reduced by any actual or alleged concurrent negligence of DOH, the State of Washington, agencies of the State, or any of their officials, agents, employees, and/or representatives.

BORROWER'S obligation to indemnify, defend, and hold harmless DOH and the State of Washington includes any Claim by BORROWER'S agents, employees, officers, contractors, subcontractors, and/or contractor or subcontractor employees. Notwithstanding this, the BORROWER's obligations will not include such Claims that may be caused by the sole negligence of the State and its agencies, officers, officials, agents, and/or employees.

BORROWER waives immunity under RCW 51 to the extent it is required to indemnify, defend, and hold harmless the State of Washington and its agencies, officers, officials agents, and/or employees.

4.30. INDEPENDENT CAPACITY OF THE BORROWER

The parties intend that an independent contractor relationship will be created by this CONTRACT. The BORROWER and its employees, officers, representatives, and/or agents performing under this CONTRACT are not employees or agents of the State of Washington or DOH. The BORROWER will not hold itself out as or claim to be an officer or employee of DOH or of the State of Washington by reason hereof nor will the BORROWER make any claim of right, privilege, or benefit which would accrue to such officer or employee under law. Conduct and control of the work associated with the PROJECT will be solely with the BORROWER.

4.31. INTERNAL CONTROLS

BORROWER must designate one person as fiscal coordinator of the LOAN. BORROWER must maintain effective internal controls and comply with standards adopted by FASB.

4.32. INSURANCE COVERAGE REQUIREMENTS

A. Insurance Requirements for Reimbursable Activities

The BORROWER will have insurance coverage that is substantially similar to the coverage described in Section 4.28(B) below for all periods in which BORROWER performed work for which it will seek reimbursement. The intent of the required insurance is to protect the State of Washington should there be any Claims, suits, actions, costs, damages, or expenses arising from any loss or negligent or intentional act or omission of the BORROWER or contractor and/or subcontractor, or agents of any of them, while performing under the terms of this CONTRACT.

B. Additional Insurance Requirements During the Term of the CONTRACT

i. The BORROWER shall provide proof to DOH of insurance coverage that shall be maintained in full force and effect, as indicated below, and shall submit renewal certificates not less than 30 calendar days prior to expiration of each policy required under this Section:

a. **Commercial General Liability Insurance Policy.** Provide a Commercial General Liability Insurance Policy, including contractual liability, written on an occurrence basis, in adequate quantity to protect against legal liability arising out of or related to this CONTRACT but in no less than \$1,000,000 per occurrence. Additionally, the BORROWER is responsible for ensuring that any subcontractor provide adequate insurance coverage for the activities arising out of or related to subcontracts (if any). Commercial General Liability Insurance coverage shall be maintained in full force and effect during the term of this CONTRACT and throughout the Commitment Period.

b. **Property Insurance.** The BORROWER shall keep the property insured in an amount sufficient to permit such insurance to be written at all times on a replacement cost basis. Such insurance shall cover the following hazards, as applicable:

1. Loss or damage by fire and such other risks;
2. Loss or damage from leakage or sprinkler systems now or hereafter installed in any building on the premises;
3. Loss or damage by explosion of steam boilers, pressure vessels, oil or gasoline storage tanks, or similar apparatus now or hereafter installed in a building or building on the premises.

This property insurance coverage must be maintained in full force and effect throughout the term of this CONTRACT and the Commitment Period.

c. **Professional Liability, Errors, and Omissions Insurance.** If BORROWER will be providing any professional services to be reimbursed under this CONTRACT, the BORROWER shall maintain Professional Liability or Errors and Omissions Insurance with minimum limits of no less than \$1,000,000 per occurrence to cover all activities by the BORROWER and licensed staff employed or under contract to the BORROWER. The State of Washington, the Department of Health, its agents, officers, and employees need not be named as

additional insureds under this policy. This insurance must be maintained throughout the term of the CONTRACT and Commitment Period. BORROWER will require that any subcontractors providing professional services that are reimbursable under this CONTRACT maintain Professional Liability or Errors and Omissions Insurance at the coverage levels set forth in this subsection.

d. Fidelity Insurance. Every officer, director, employee, or agent who is authorized to act on behalf of the BORROWER for the purpose of receiving or depositing funds into program accounts or issuing financial documents, checks, or other instruments of payment for program costs shall be insured to provide protection against loss where:

1. The amount of fidelity coverage secured pursuant to this CONTRACT shall be \$2,000,000 or the highest of planned reimbursement for the CONTRACT period, whichever is lower. Fidelity insurance secured pursuant to this paragraph shall name the State of Washington, the Department of Health, its agents, officers, and employees as beneficiary.

2. Subcontractors that receive \$10,000 or more per year in funding through this CONTRACT shall secure fidelity insurance as noted above. Fidelity insurance secured by subcontractors pursuant to this paragraph shall name the BORROWER and the BORROWER's fiscal agent (if any) as beneficiary.

3. Fidelity Insurance coverage shall be maintained in full force and effect from the start date of this CONTRACT until BORROWER has submitted a Closeout Certification Form, subject to the following: Fidelity Insurance must be issued on either (a) a "loss sustained" basis; or (b) if issued on a "loss-discovered" basis, provide coverage for at least 6 months following the date of BORROWER's receipt of the Closeout Certification Form.

4. Fidelity Insurance for Organizations with No Employees.

The requirement for fidelity insurance described in that term is hereby waived as long as the BORROWER does not have any employees (including, but not limited to, volunteers, work-study placements, and interns).

- ii. The insurance required shall be issued by an insurance company authorized to do business within the State of Washington. Except as otherwise set forth in this Section, each insurance policy shall name "the State of Washington, the Department of Health, and their agents, officers, and employees" as additional insureds on all policies. All policies shall be primary to any other valid and collectable insurance. The BORROWER shall instruct the insurers to give DOH 30 calendar days' advance notice of any insurance cancellation or modification.
- iii. The BORROWER shall submit to DOH within 15 calendar days of the CONTRACT start date, a certificate of insurance which outlines the coverage and limits defined in this Section including, without limitation, the type of insurance coverage under the policy, the designated beneficiary, who is covered, the amounts, the period of coverage, and that DOH will be provided 30 days' advance written notice of cancellation. During the term of the CONTRACT, the BORROWER shall submit renewal certificates not less than 30 calendar days prior to expiration of each policy required under this Section. Additionally, BORROWER shall provide copies of insurance instruments or certifications, at DOH's request and until 6 months after DOH has received a Closeout Certification Form from BORROWER. Copies of such insurance instruments and certifications will be provided within 15 calendar days of DOH's request unless otherwise agreed to by the parties.

iv. BORROWER and Local Governments that Participate in a Self-Insurance Program.

Self-Insured/Liability Pool or Self-Insured Risk Management Program – With prior approval from DOH, the BORROWER may provide the coverage above under a self-insured/liability pool or self-insured risk management program. In order to obtain permission from DOH, the BORROWER will provide: (1) a description of its self-insurance program and (2) a certificate and/or letter of coverage that outlines coverage limits and deductibles. All self-insured risk management programs or self-insured/liability pool financial reports must comply with GAAP and adhere to accounting standards promulgated by: 1) Governmental Accounting Standards Board (GASB), 2) FASB, and 3) the Washington State Auditor's annual instructions for financial reporting. BORROWER's participating in joint risk pools will maintain sufficient documentation to support the aggregate claim liability information reported on the balance sheet. The State of Washington, the Department of Health, and their agents, officers, and employees need not be named as additional insured under a self-insured property/liability pool, if the pool is prohibited from naming third parties as additional insured.

BORROWER will provide annually to DOH a summary of coverages and a letter of self-insurance, evidencing continued coverage under BORROWER's self-insured/liability pool or self-insured risk management program. Such

annual summary of coverage and letter of self-insurance will be provided on the anniversary of the start date of this CONTRACT.

4.33. INDUSTRIAL INSURANCE COVERAGE

In addition to the requirements set forth in Section 4.[31] (Insurance Coverage Requirements) above, BORROWER understands and agrees that BORROWER and its contractors and/or subcontractors (if any) will comply with the applicable parts of RCW 51 RCW (Industrial Insurance). If BORROWER and/or any of its contractors and/or subcontractors (if any) fail to provide industrial insurance coverage or fail to pay premiums or penalties on behalf of its employees as required by law, DOH may collect from BORROWER the full amount payable to the Industrial Insurance Accident Fund. DOH may deduct the amount owed by BORROWER and/or any of its contractors (if any) to the accident fund from the amount payable to BORROWER by DOH under this CONTRACT and transmit the deducted amount to the Washington State Department of Labor and Industries (**L&I**) Division of Insurance Services. This provision does not waive any of L&I's rights to collect from the BORROWER and/or any of its contractors (if any).

4.34. LAWS

The BORROWER will comply with all applicable laws, ordinances, codes, regulations, and policies of local, state, and federal governments, as now or hereafter amended.

4.35. LICENSING, ACCREDITATION, AND REGISTRATION

The BORROWER will comply with all applicable local, state, and federal licensing, accreditation, and registration requirements or standards necessary for the performance of this CONTRACT.

4.36. LITIGATION

BORROWER warrants that there is no threatened or pending litigation, investigation, or legal action before any court, arbitrator, or administrative agency that, if adversely determined against BORROWER, would have a materially adverse effect on BORROWER's ability to repay the LOAN AMOUNT. BORROWER agrees to promptly notify DOH if any above-referenced actions become known to BORROWER during the pendency of the CONTRACT.

4.37. NONCOMPLIANCE WITH NONDISCRIMINATION LAWS

A. During the performance of this CONTRACT, the BORROWER, including any contractor and/or subcontractor, will comply with all federal, state, and local nondiscrimination laws, regulations, and policies including, without limitation, not discriminate on the bases enumerated at RCW 49.60.530(3). In addition, BORROWER, including any contractor and/or subcontractor, will give written notice of this nondiscrimination requirement to any labor organizations with which BORROWER, or contractor and/or subcontractor, has a collective bargaining or other agreement. The LOAN FUNDS will not be used to fund religious worship, exercise, or instruction. No person will be required to participate in any religious worship, exercise, or instruction in order to have access to the facilities funded by this CONTRACT.

B. **Obligation to Cooperate.** BORROWER, including any contractor and/or subcontractor, shall cooperate and comply with any Washington state agency investigation regarding any allegation that BORROWER, including any contractor and/or subcontractor, has engaged in discrimination prohibited by this CONTRACT pursuant to RCW 49.60.530(3).

C. **Default.** Notwithstanding any provision to the contrary, DOH may suspend BORROWER, including any contractor and/or 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 DOH receives notification that BORROWER, including any contractor and/or subcontractor, is cooperating with the investigating state agency. In the event BORROWER, or contractor and/or subcontractor, is determined to have engaged in discrimination identified at RCW 49.60.530(3), DOH may terminate this CONTRACT in whole or in part, and BORROWER, contractor, subcontractor, or any or all, may be referred for debarment as provided in RCW 39.26.200. BORROWER or 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. Failure by BORROWER to carry out these requirements is a material breach of this CONTRACT and subject to termination for cause.

4.38. PAY EQUITY

The BORROWER will ensure that “similarly employed” individuals in its workforce are compensated as equals, consistent with the following:

- A. Employees are “similarly employed” if the individuals work for the same employer, the performance of the job requires comparable skill, effort, and responsibility, and the jobs are performed under similar working conditions. Job titles alone are not determinative of whether employees are similarly employed;
- B. BORROWER may allow differentials in compensation for its workers if the differentials are based in good faith and on any of the following:
 - i. A seniority system; a merit system; a system that measures earnings by quantity or quality of production; a bona fide job-related factor or factors; or a bona fide regional difference in compensation levels; and/or
 - ii. A bona fide job-related factor or factors may include, but not be limited to, education, training, or experience that is: (a) consistent with business necessity; (b) not based on or derived from a gender-based differential; and (c) accounts for the entire differential; and/or
 - iii. A bona fide regional difference in compensation level must be: (a) Consistent with business necessity; (b) not based on or derived from a gender-based differential; and (c) account for the entire differential.

This CONTRACT may be terminated by DOH, if DOH or the Department of Enterprise Services determines that the BORROWER is not in compliance with this Section.

4.39. POLITICAL ACTIVITIES

Political activity of BORROWER employees and officers are limited by the Campaign Disclosure and Contribution provisions of RCW 42.17a and the Federal Hatch Act, 5 USC 1501 - 1508.

No funds may be used for working for or against ballot measures or for or against the candidacy of any person for public office.

4.40. PREVAILING WAGE

BORROWER will assure that all contractors and subcontractors performing work funded through this CONTRACT comply with prevailing wage laws by paying the higher of state or federal prevailing wages. BORROWER is legally and financially responsible for compliance with the prevailing wage requirements. The BORROWER certifies that all contractors and subcontractors performing work on the Project shall comply with State Prevailing Wages on Public Works, RCW 39.12, as applicable to the Project funded by this CONTRACT, including, but not limited to, the filing of the “Statement of Intent to Pay Prevailing Wages” and “Affidavit of Wages Paid” as required by RCW 39.12.040. The BORROWER shall maintain records sufficient to evidence compliance with RCW 39.12 and shall make such records available for DOH’s review upon request. BORROWER is advised to consult the United States Department of Labor and/or the Industrial Statistician at the Washington State Department of Labor and Industries to determine whether and what federal and state prevailing wages must be paid. DOH is not responsible for determining whether or what prevailing wage applies to this Project and/or for any prevailing wage payments that may be required by law.

4.41. PROCUREMENT

BORROWER will comply with all procurement policies, procedures, and requirements for contracting and/or subcontracting for the PROJECT and for obtaining PROJECT-related goods and services funded through this CONTRACT. BORROWER and its contractors and/or subcontractors must receive approval from DOH before entering into any sole source contract or contract where only one bid or proposal was received if the value of the contract is likely to exceed \$5,000. BORROWER’S request for DOH approval must include a copy of the proposed contract(s), all related procurement documents, and justification for non-competitive procurement.

BORROWER will ensure that all contractors, subcontractors, engineers, vendors, and any other entity for work or services listed in the PROJECT will insert in full, in any contract, the labor standards provisions in Attachment VIII- Labor Standard Provisions for Subrecipients That Are Governmental Entities.

BORROWER will maintain records to verify compliance with procurement requirements, including, without limitation, identifying the procurement method used, the reason for selecting the contractor, the rationale used for selecting the contract type, the reason(s) for selecting and rejecting bidders or qualified firms, and the basis for the contract cost or price.

4.42. PROHIBITION STATEMENT

Per Section 106 of the federal Trafficking Victims Protection Act, BORROWER `s contractors, subcontractors, engineers, vendors, and any other entity performing work funded by this CONTRACT must comply with and include the following terms and conditions in all contracts for work or services for the PROJECT.

“All forms of trafficking in persons, illegal sex trade, or forced labor practices are prohibited in the performance of this award or subawards under the award, or in any manner during the period of time that the award is in effect. This prohibition applies to you as the recipient, your employees, subrecipients under this award, and subrecipients’ employees.”

4.43. PROJECT SIGNS

If BORROWER displays, during the TIME OF PERFORMANCE, any signs or markers identifying parties that are providing funds for the PROJECT, BORROWER must include the Washington State Department of Health Drinking Water State Revolving Fund and the Washington State Department of Health as participants in the PROJECT.

4.44. PUBLIC RECORDS ACT

Notwithstanding General Terms and Conditions Section [4.20] (Confidentiality/Safeguarding of Information), DOH is a public agency subject to the Public Records Act, RCW 42.56 (PRA). Under the PRA, all materials relating to the conduct of government or the performance of any governmental or proprietary function prepared, owned, used, or retained by DOH or its functional equivalents are considered public records. The PRA requires that public records responsive to a public records request be promptly produced unless the PRA or an “other statute” exempts such records from production. This CONTRACT is not intended to alter DOH’s obligations under the PRA. The parties agree that if DOH receives a public records request for files that may include confidential information under Section [4.20] (Confidentiality/Safeguarding of Information), DOH may notify the other party of the request and of the date that the records will be released to the requester unless BORROWER obtains a court order enjoining disclosure. If the BORROWER fails to obtain the court order enjoining disclosure, DOH may release the requested information on the date specified. If the BORROWER obtains a court order from a court of competent jurisdiction enjoining disclosure pursuant to the PRA, DOH will maintain the confidentiality of the information per the court order.

4.45. PUBLICITY

BORROWER agrees not to publish or use any advertising or publicity materials in which the State of Washington or DOH’s name is mentioned, or language used from which the connection with the State of Washington’s or DOH’s name may reasonably be inferred or implied, without the prior written consent of DOH.

4.46. RATES AND RESERVES

BORROWER will maintain reserves at a minimum as required by the Water System Plan or Small Water System Management Plan. BORROWER will timely adopt rate increases and/or capital assessments for the system’s services to provide sufficient funds, along with other revenues of the system, to pay all operating expenses and debt repayments during the LOAN TERM.

4.47. RECAPTURE

In the event that the BORROWER fails to perform this CONTRACT in accordance with state or federal laws, and/or the provisions of this CONTRACT, DOH reserves the right to recapture LOAN FUNDS from BORROWER in an amount to compensate DOH for BORROWER’s noncompliance with any part of this CONTRACT, in addition to any other remedies available under the CONTRACT, at law, or in equity. DOH may withhold LOAN FUNDS from BORROWER to recapture such funds. DOH’s ability to recapture or seek remedies shall survive any receipt of a Closeout Certification Form or termination of this CONTRACT.

4.48. RECORDKEEPING AND ACCESS TO RECORDS

The BORROWER will maintain books, records, documents, data, and other evidence relating to this CONTRACT and performance of the services described herein, including, but not limited to, accounting procedures and practices that sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this CONTRACT.

DOH, the Office of the State Auditor, and federal and state officials so authorized by law, regulation, or agreement (and any of their agents) will have full access and the right to examine, copy, excerpt, or transcribe, at no additional

cost and at all reasonable times, any pertinent documents, papers, records, and books (including, without limitation, materials generated under the CONTRACT) of BORROWER and of persons, firms, or organizations with which BORROWER may contract, involving transactions related to this CONTRACT. BORROWER agrees to keep complete records of its compliance with this CONTRACT for a period of 6 years from the date that the debt to DOH is paid in full. This includes, but is not limited to, financial reports.

If any litigation, Claim, or audit is started before the expiration of the 6 year period, BORROWER must keep the records until all litigation, Claims, or audit findings involving the records have been resolved. These records retention requirements are in addition to the local government records retention schedules applicable to the BORROWER.

4.49. REDUCTION IN FUNDS

In the event that funds appropriated for the Project contemplated under this CONTRACT are withdrawn, reduced, or limited in any way by any funding source (including, without limitation, the federal government) during the CONTRACT period, the parties understand and agree that DOH may suspend, amend, or terminate the CONTRACT to abide by the revised funding limitations. The parties understand and agree that BORROWER will be bound by any such revised funding limitations as implemented at the discretion of DOH and, if and as requested by DOH, will meet and renegotiate the CONTRACT accordingly.

4.50. REGISTRATION WITH THE SYSTEM FOR AWARD MANAGEMENT (SAM)

BORROWER must comply with 48 CFR 52.204-7 to register with the System for Awards Management (SAM.gov). BORROWER is responsible for the accuracy and completeness of its data in the SAM database and any liability resulting from the federal government or DOH reliance on inaccurate or incomplete data in it. BORROWER must remain registered in the SAM database. BORROWER should annually review its information in SAM to ensure it is accurate and complete.

4.51. RIGHT OF INSPECTION

At no additional cost, the BORROWER will provide right of access to its facilities to DOH, or any of its officers, or to any other authorized agent or official of the State of Washington or the federal government, at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance under this CONTRACT. At no additional cost, the BORROWER will also provide any documents related to this CONTRACT to DOH upon request to assist DOH in the periodic monitoring of this CONTRACT.

4.52. SEVERABILITY

The provisions of this CONTRACT are intended to be severable. If any part of this CONTRACT or part of any document incorporated by reference is found to be illegal or invalid for any reason whatsoever, it will not affect the legality or validity of the remainder of the CONTRACT. For the avoidance of doubt, other parts of this CONTRACT that can be given effect without the illegal or invalid part will remain in full force and effect.

4.53. SITE SECURITY

While on DOH premises, BORROWER, its agents, employees, and/or subcontractors will conform in all respects with physical, fire, and other security policies or regulations.

4.54. STATE PUBLIC WORKS

For work done at the cost of the State, BORROWER must comply with public works statutes RCW 39.04 and RCW 39.10, apprenticeship requirements, and the State and local building codes, as applicable. If BORROWER has questions about compliance, BORROWER will need to visit the Washington State Department of Labor & Industries Public Works Projects website for more information.

4.55. SUBCONTRACTING

A. Prior to awarding contracts and/or subcontracts, BORROWER must verify that the complete names of both the selected contractor and the owner or president are not in the Federal Excluded Parties List System for Ineligible Professionals and Debarred Contractors (www.SAM.gov). BORROWER must provide the DOH Contract Manager with a screen printout documenting that neither the firm, the owner or the president are excluded.

- B. BORROWER will execute binding written agreements with all contractors and subcontractors that will perform work under this CONTRACT.
- C. BORROWER will ensure that every contract and subcontract awarded for the PROJECT after the CONTRACT start date will bind the parties to follow all applicable terms of this CONTRACT.
- D. BORROWER will ensure that any and all contractors and subcontractors that perform work related to this Project are duly authorized and licensed in Washington State to perform the work contemplated by this CONTRACT.
- E. Neither the BORROWER nor any contractor or subcontractor shall enter into contracts or subcontracts for any of the work associated with the Project contemplated under this CONTRACT without obtaining prior written approval of DOH. In no event will the existence of the contract or subcontract operate to release or reduce the liability of the BORROWER to DOH for any breach in the performance of the BORROWER's duties. This clause does not include grants of employment between the BORROWER and personnel assigned to perform work associated with the Project under this CONTRACT.
- F. BORROWER is responsible for ensuring that all terms, conditions, assurances, and certifications set forth in this CONTRACT are carried forward to any contracts and/or subcontracts and that BORROWER is responsible for any noncompliance by its contractors and/or subcontractors for work performed on the Project. Every contract and/or subcontract will include a term that DOH and the State of Washington are not liable for Claims or damages arising from a contractor's and/or subcontractor's performance of such contract or subcontract. BORROWER and its contractors and/or subcontractors agree not to release, divulge, publish, transfer, sell, or otherwise make known to unauthorized persons personal information without the express written consent of DOH or as provided by applicable law. For the avoidance of doubt, BORROWER's contracts or subcontracts will not release or reduce the BORROWER's liability to DOH for any breach in the performance of BORROWER's duties. Also for the avoidance of doubt, BORROWER's contracts and subcontracts will include a term that the State of Washington and DOH are not liable for claims or damages arising from a contractor and/or subcontractor's performance or lack thereof.
- G. Data Collection - BORROWER will submit reports, in a form and format to be provided by DOH and at intervals as agreed by the parties, regarding work under this CONTRACT performed by contractors and/or subcontractors and the portion of LOAN FUNDS expended for work performed by contractors and/or subcontractors.
- H. The BORROWER will maintain written procedures related to contractors and/or subcontractors as well as copies of all contracts and/or subcontracts and associated records. For cause, DOH in writing may: (a) require that the BORROWER amend its procedures for contracts and/or subcontractors as they relate to this CONTRACT; (b) prohibit the BORROWER from hiring contractors and/or subcontractors with a particular person or entity; or (c) require that the BORROWER rescind or amend a contract or subcontract.
- I. The BORROWER is responsible to DOH if the contractor and/or subcontractor fails to comply with any applicable term or condition of this CONTRACT. The BORROWER will appropriately monitor the activities of the contractor and/or subcontractor to assure fiscal conditions of this CONTRACT. In no event will the existence of a contract and/or subcontract operate to release or reduce the liability of the BORROWER to DOH for any breach in the performance of the BORROWER's duties.

4.56. SURVIVAL

The terms, conditions, and warranties contained in this CONTRACT that by their sense and context are intended to survive the completion of the performance, cancellation, or termination of this CONTRACT shall so survive including, without limitation, any Recapture provision in this CONTRACT.

4.57. TAXES

All payments accrued on account of payroll taxes, unemployment contributions, the BORROWER's income or gross receipts, and/or any other taxes, insurance, or expenses for the BORROWER or its staff shall be the sole responsibility of the BORROWER.

4.58. TERMINATION FOR CAUSE

If DOH determines that BORROWER has failed to comply with the terms and conditions of this CONTRACT in a timely manner, DOH may, at its sole discretion, upon notice to BORROWER, terminate or suspend the CONTRACT in whole or in part.

The notice will be in writing and state the reason(s) for termination or suspension, and the effective date. The effective date will be determined by DOH. The notice will allow BORROWER at least 30 business days to cure the breach, if curable. If the breach is not cured or cannot be cured within 30 business days, the outstanding balance of the LOAN, with any interest accrued and other costs as authorized by the CONTRACT shall be due and payable to DOH.

If DOH terminates or suspends this CONTRACT under this Section, DOH is only liable for payment required under the terms and conditions of this CONTRACT for ELIGIBLE PROJECT COSTS incurred prior to the effective date of termination. If DOH terminates or suspends this CONTRACT under this Section, the BORROWER will be liable for damages as authorized by law including, without limitation, any cost difference between the original CONTRACT and the replacement or cover CONTRACT and all administrative costs directly related to the replacement CONTRACT (e.g., cost of the competitive bidding, mailing, advertising and staff time). Notwithstanding this, DOH reserves the right to suspend all or part of the CONTRACT, withhold further payments, or prohibit the BORROWER from incurring additional obligations of funds during investigation of the alleged compliance breach and pending corrective action by the BORROWER or a decision by DOH to terminate the CONTRACT.

At DOH's sole discretion, the termination for cause may be deemed a "Termination or Suspension for Convenience" under Section [4.53] if DOH determines that the BORROWER was not in default or if any default or failure to perform under this CONTRACT was outside BORROWER's control, fault, or negligence. The rights and remedies of DOH provided in this CONTRACT are not exclusive and are in addition to any other rights and remedies provided under applicable law. Nothing in this Section affects BORROWER's obligations to immediately repay the unpaid balance of the LOAN AMOUNT as prescribed in the Washington Administrative Code (**WAC**) 246-296-150.

4.59. TERMINATION FOR FRAUD

In the event that the BORROWER commits fraud or makes any misrepresentation in connection with the loan application or during the performance of this CONTRACT, DOH reserves the right to terminate or amend this CONTRACT accordingly, including the right to recapture all funds disbursed to the BORROWER under the CONTRACT.

4.60. TERMINATION OR SUSPENSION FOR CONVENIENCE

If funding or appropriation from state, federal, or other sources is withdrawn, reduced, or limited in any way during the TIME OF PERFORMANCE, DOH may:

- A.** Delay or suspend releasing LOAN FUNDS until funding or appropriation are available to DOH; or
- B.** Amend the CONTRACT to reflect the new funding limitations and conditions; or
- C.** Terminate the CONTRACT and/or its attached agreements, in whole or in part; or
- D.** Suspend the CONTRACT and/or its attached agreements, in whole or in part.

If DOH terminates the CONTRACT under this Section, DOH will notify BORROWER's representative in writing of the reason(s) for termination, and the effective date. Termination of the CONTRACT will be effective as of the date determined by DOH.

DOH may choose to suspend this CONTRACT, in whole or in part, if DOH determines that the funding insufficiency will likely be resolved in time for BORROWER to resume activities prior to the end of the TIME OF PERFORMANCE. DOH will notify BORROWER's representative by email of the reason(s) for suspension, and the effective date. DOH will determine the effective date. BORROWER must suspend performance on the effective date of the suspension. During the period of suspension, each party must notify the other party's representative of any conditions that may reasonably affect its ability to resume performance.

During the suspension, when DOH determines that the funding insufficiency is resolved, DOH may notify BORROWER's representative of the proposed date to resume performance. BORROWER must respond to DOH's representative in writing, within 5 business days of DOH sending notice, as to whether it can resume performance on that date or offer an alternative date to resume performance. If BORROWER cannot resume performance or the

alternative date is not acceptable to DOH, the parties agree the CONTRACT will be deemed terminated for convenience, retroactive to the original date of suspension.

If DOH terminates or suspends this CONTRACT, DOH will be liable only for payment required under the terms of this CONTRACT for ELIGIBLE PROJECT COSTS for services rendered or goods received that were incurred prior to the effective date of suspension or termination, and payment for any work done on the CONTRACT prior to the loss of funding will be done in accordance with the requirements of the funding source. Nothing in this Section shall affect BORROWER's obligations to repay the unpaid balance of the LOAN. Nothing in this Section affects BORROWER's obligation to repay the LOAN, including fees and other expenses as allowed by the CONTRACT. For the avoidance of doubt, should funding from any funding source (including, without limitation, federal funding) that supports this CONTRACT be withdrawn, reduced, or limited in any way after the effective date of this CONTRACT and prior to normal completion of the Project, DOH (at its sole discretion) may terminate the CONTRACT without any notice requirement and/or may amend the CONTRACT to reflect the new funding limitations and conditions. Also, for the avoidance of doubt, should funding from any funding source (including, without limitation, federal funding) that supports this CONTRACT be terminated, this CONTRACT and all obligations, including payment for work done under this CONTRACT, will be terminated without the 10-calendar day notice requirement and instead as of the date of the termination of the funding source.

4.61. TERMINATION PROCEDURES

When BORROWER receives Notice of Termination or on the date a suspension is converted to a termination, except as otherwise directed by DOH, BORROWER will:

- A.** Stop work under the CONTRACT on the date, and to the extent specified, in the notice;
- B.** Place no further orders or subcontracts for materials, services, or facilities related to the CONTRACT except as may be necessary for completion of such portion of the work under the CONTRACT that is not terminated;
- C.** Assign to DOH, in the manner, at the times, and to the extent directed by the Authorized Representative, any or all of the rights, title, and interest of BORROWER under the orders and subcontracts so terminated, in which case DOH has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts. Any attempt by BORROWER to settle such claims must have the prior written approval of DOH;
- D.** Settle all outstanding liabilities and all Claims arising out of such termination of orders and subcontracts, with the approval or ratification of the DOH Authorized Representative to the extent the DOH Authorized Representative may require, which approval or ratification shall be final for all the purposes of this clause;
- E.** Complete performance of such part of the work associated with the Project as shall not have been terminated by the DOH Authorized Representative;
- F.** Take such action as may be necessary, or as the DOH Authorized Representative may direct, for the protection and preservation of the property related to this CONTRACT, which is in the possession of the BORROWER and in which DOH has or may acquire an interest; and
- G.** Preserve and transfer title to DOH and delivery in the manner, at the times, and to the extent directed by the DOH Authorized Representative of any property that if the CONTRACT had been completed would have been required to be furnished to DOH (including, without limitation, materials, CONTRACT deliverables, and/or DOH property in BORROWER's possession) as directed by DOH.

Upon termination of this CONTRACT, DOH will pay BORROWER for amounts due under the CONTRACT prior to the date of termination unless such payment is precluded under any other provision of this CONTRACT. DOH may withhold any amount due as DOH reasonably determines is necessary to protect DOH against potential loss or liability resulting from the termination. DOH will pay any withheld amount to BORROWER if DOH later determines that loss or liability will not occur. Notwithstanding this, the parties understand and agree that failure of BORROWER to agree with such determination shall be a dispute within the meaning of the "Disputes" clause of this CONTRACT. DOH may withhold from any amounts due the BORROWER for such sum as the DOH Authorized Representative determines to be necessary to protect DOH against potential loss or liability.

Upon termination of this CONTRACT, DOH, in addition to any other rights provided in this CONTRACT, may require the BORROWER to deliver to DOH any property specifically produced or acquired for the performance of such part of this CONTRACT as has been terminated. The rights and remedies of DOH provided in this Section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this CONTRACT.

4.62. WORK HOURS AND SAFETY STANDARDS

If this CONTRACT exceeds \$100,000, BORROWER must comply with the applicable Contract Work Hours and Safety Standards Act (40 USC Chapter 37). These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

4.63. ACCESS TO DATA

In compliance with RCW 39.26.180, the BORROWER will provide access to data generated under this CONTRACT to DOH, the Joint Legislative Audit and Review Committee, and the Office of the State Auditor at no additional cost. This includes access to all information that supports the findings, conclusions, and recommendations of the BORROWER's reports, including computer models and the methodology for those models.

4.64. ADVANCE PAYMENTS PROHIBITED

No payments in advance of or in anticipation of goods or services to be provided under this CONTRACT shall be made by DOH.

4.65. ALLOWABLE COSTS

Costs allowable under this CONTRACT are actual expenditures according to an approved budget up to the maximum amount stated on the CONTRACT Award or Amendment Face Sheet.

4.66. AMERICANS WITH DISABILITIES ACT (ADA) OF 1990, PUBLIC LAW 101-336, ALSO REFERRED TO AS THE "ADA" 28 CFR PART 35 ALLOWABLE COSTS

The BORROWER will comply with the ADA, which provides comprehensive civil rights protection to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications.

4.67. BREACHES OF OTHER STATE CONTRACTS

BORROWER will comply with all other contracts and grant agreements executed between BORROWER and the State of Washington. A breach of any other contract or grant agreement entered into between BORROWER and the State of Washington may, in DOH's sole discretion, be deemed a breach of this CONTRACT.

4.68. CODE REQUIREMENTS

All construction and rehabilitation projects must satisfy the requirements of applicable local, state, and federal building, mechanical, plumbing, fire, energy and barrier-free codes. Compliance with the Americans with Disabilities Act of 1990 28 C.F.R. Part 35 will be required, as specified by the local building department and/or DOH.

4.69. CONFLICT OF INTEREST

Notwithstanding any determination by the Executive Ethics Board or other tribunal, DOH may, in its sole discretion, by written notice to the BORROWER terminate this CONTRACT if it is found after due notice and examination by DOH that there is a violation of the Ethics in Public Service Act, RCW 42.52 and RCW 42.23, or any similar statute involving the BORROWER in the procurement of, or performance under, this CONTRACT.

Specific restrictions apply to contracting with current or former state employees pursuant to RCW 42.52. The BORROWER and all subcontractors (if any) will identify any person employed in any capacity by the State of Washington that worked on this CONTRACT, or any matter related to the Project funded under this CONTRACT or any other state funded project, including, but not limited to, formulating or drafting legislation, participating in grant procurement, planning

and execution, awarding grants, or monitoring grants, during the 24 month period preceding the start date of this CONTRACT. Any person identified by the BORROWER and their subcontractors (if any) must be identified individually by name, the agency previously or currently employed by, job title or position held, and separation date. If it is determined by DOH that a conflict of interest exists, the BORROWER may be disqualified from further consideration for the award of a grant.

In the event this CONTRACT is terminated as provided above, DOH will be entitled to pursue the same remedies against the BORROWER as it could pursue in the event of a breach of the CONTRACT by the BORROWER. The rights and remedies of DOH provided for in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law. The existence of facts upon which DOH makes any determination under this clause will be an issue and may be reviewed as provided in Section 4.21 (Disputes) of this CONTRACT.

4.70. DUPLICATE PAYMENT

DOH will not pay the BORROWER, if the BORROWER has charged or will charge the State of Washington or any other party under any other grant, subcontract, contract, or agreement, for the same services or expenses. The BORROWER certifies that work to be performed under this CONTRACT does not duplicate any work to be charged against any other grant, subcontract, contract, or agreement.

ATTACHMENT I: SCOPE OF WORK (PROJECT)

DWSRF PROGRAM CONSTRUCTION LOAN CONTRACT INFORMATION APPLICATION #2024-4326, CITY OF KENNEWICK, PFAS CONTAMINATION IMPROVEMENTS

DWSRF Scope of Work Form:

Scope of Work:

Project to include:

1. Submit project report, construction documents, and rapid small scale column testing (RSSCT) results to DOH EPH ODW Operations ODWOperations@doh.wa.gov for review and approval. Submit approval letter.
2. Submit bid documents to DOH EPH ODW Operations ODWOperations@doh.wa.gov and Contract Manager for review and approval. Submit approval letter.
3. Submit SEPA determination to DOH Cultural and Environmental Program Specialist.
4. Complete cultural and historical review process. Submit finalization letter.
5. Replace all 4 sodium hypochlorite chemical storage tanks.
6. Install the treatment system at RC5 Treatment Facility including a new treatment building, approximately 7 lead-lagged paired pressure vessels with filtration media, piping, controls, and electrical.
7. Upgrade 4 booster pumps and electrical system, if required.
8. Construct site improvements such as grading, storm drainage, and paving.
9. Submit completed Construction Completion Report DOH EPH ODW Operations ODWOperations@doh.wa.gov. Submit final approval acknowledgement letter or e-mail.

In addition to costs of construction, costs may include (but are not limited to): engineering, design, construction inspection, hydrogeologic assessment, permits, public involvement, preparation of bid documents, fees, taxes, legal, administrative and audit.

APPLICATION #2024-4326, CITY OF KENNEWICK, PFAS CONTAMINATION IMPROVEMENTS

Project Costs by Cost Category:

COST CATEGORY	CURRENT ESTIMATES
Engineering Report (Preliminary Engineering)	\$350,000
Environmental Review	\$250,000
Historical Review/Cultural Review	\$50,000
Land/ROW Acquisition	\$25,000
Permits	\$100,000
Public Involvement/Information	\$25,000
Bid Documents (Design Engineering)	\$3,000,000
Construction: Estimated Cost. Provide details on following pages.	\$9,000,000
Contingency: (10% min, 20% max)	\$1,000,000
DOH Review/Approval Fees:	\$15,000
Sales or Use Taxes	\$645,000
Construction Engineering/Inspection	\$525,000
Insurance:	\$0
Audit:	\$15,000
Legal:	\$0
Service Meters (Purchase and Installation)	\$0
Other:	\$0
TOTAL ESTIMATED PROJECT COSTS (before Loan Fee)	\$15,000,000
DWSRF Loan Origination Fee (1%)	<u>\$0</u>
DWSRF Loan Award	<u>\$15,000,000</u>

APPLICATION #2024-4326, CITY OF KENNEWICK, PFAS CONTAMINATION IMPROVEMENTS

Project Funding:

TYPE OF FUNDING	SOURCE	CURRENT STATUS
Grants and Other Non-Matching Funds		
Grant #1		\$
Grant #2		\$
Other Grants		\$
New Grants		\$
Total Grants and Other Non-Matching Funds		\$
Loans		
<i>This Loan Request</i>	DWSRF loan	\$15,000,000
Other Loan #1		\$
Other Loan #2		\$
Other Loans		\$
New Loans		\$
Total Loans		\$15,000,000
Local Revenue		
Source #1	Water Enterprise Fund	\$18,555,000
Source #2		\$
Other Local Revenue		\$
New Local Revenue		\$
Total Local Revenue		\$18,555,000
Other Funds		
Other Funds		\$
Other Funds		\$
Total Other Funds		\$
TOTAL PROJECT FUNDING		\$33,555,000

APPLICATION #2024-4326, CITY OF KENNEWICK, PFAS CONTAMINATION IMPROVEMENTS

Engineer's Certification:

The term of this loan will be based on an engineer's certification of the expected useful life of the improvements, as stated below, or 20 years, whichever is less. If the jurisdiction prefers the term of its loan to be less than either 20 years or the useful life of the improvements, the preferred loan term should be indicated here: __ years.

I, _____, licensed engineer, certify that the average expected useful life for the improvements described above is __ years.

Signed: _____

Name: _____

Date: _____

Telephone: _____

Professional Engineer License Number: _____

ATTACHMENT II: ATTORNEY'S CERTIFICATION

DRINKING WATER STATE REVOLVING FUND (MUNICIPAL)

I, _____, hereby certify:

I am an attorney at law admitted to practice in the State of Washington and the duly appointed attorney of BORROWER identified in the Declarations of the CONTRACT identified above; and

I have also examined any and all documents and records, which are pertinent to the CONTRACT, including, without limitation, the application requesting this LOAN.

Based on the foregoing, it is my opinion that:

1. BORROWER is a public body, properly constituted and operating under the laws of the State of Washington, in good standing with the Washington Secretary of State, empowered to receive and expend federal, state, and local funds, to contract with the State of Washington, and to receive and expend the LOAN AMOUNT to accomplish the objectives set forth in the CONTRACT and to complete the PROJECT.
2. BORROWER is empowered to accept the Drinking Water State Revolving Fund financial assistance and to provide for repayment of the LOAN as set forth in the CONTRACT.
3. There is currently no litigation in existence or foreseeable seeking to enjoin the commencement or completion of the PROJECT or to enjoin BORROWER from repaying the Drinking Water State Revolving Fund LOAN extended by DOH with respect to such PROJECT. BORROWER is not a party to litigation, which will materially affect its ability to repay such LOAN on the terms contained in the CONTRACT.
4. Assumption of this obligation would not exceed statutory and administrative rule debt limitations applicable to BORROWER.

Any terms not defined in this Attachment are set forth in the General Terms and Conditions or the Declarations Section of the Drinking Water State Revolving Fund (Municipal) loan agreement between DOH and BORROWER.

Signature of Attorney

Date

Name and BAR Number (WSBA No.)

Address Line 1

Address Line 2

ATTACHMENT III: FEDERAL AND STATE REQUIREMENTS (NOT ALL INCLUSIVE)

1) Federal Environmental and Cultural Authorities

- a) Archeological and Historic Preservation Act of 1974, Public Law 86-523, as amended
- b) Archaeological Resources Protection Act (ARPA), 16 U.S.C. §470 and Public Law 96-95, as amended
- c) Clean Air Act, Public Law 84-159 as amended
- d) Coastal Zone Management Act, Public Law 92-583 as amended
- e) Endangered Species Act, Public Law 93-205 as amended
- f) Environmental Justice, Executive Order 12898
- g) Floodplain Management, Executive Order 11988 as amended by Executive Order 12148
- h) Protection of Wetlands, Executive Order 11990
- i) Farmland Protection Policy Act, Public Law 97-98
- j) Fish and Wildlife Coordination Act, Public Law 85-624 as amended
- k) National Historic Preservation Act, paying particular attention to Section 106 requirements
- l) Safe Drinking Water Act, Public Law 93-523 as amended
- m) Wild and Scenic Rivers Act, Public Law 90-542 as amended
- n) Native American Graves Protection and Repatriation Act (**NAGPRA**) (25 USC 32) and associated regulations (43 CFR 10)
- o) Code of Federal Regulations 40 Part 141, Federal National Primary Drinking Water Regulations (Section Adopted by Reference)
- p) 43 C.F.R. §3, Preservation of American Antiquities
- q) 43 C.F.R. §7, Protection of Archaeological Resources

2) Buy America Build America Requirements

DWSRF construction projects chosen for FFATA/Equivalency reporting must comply with the Buy America Build America provisions. Projects started prior to May 14, 2022, may be exempt. Visit the EPA website for more information on the BABA requirements and the waiver process at <https://www.epa.gov/cwsrf/build-america-buy-america-baba>.

3) Federal Economic and Miscellaneous Authorities

- a) Demonstration Cities and Metropolitan Development Act of 1996, Public Law 89-754 as amended, Executive Order 12372
- b) Procurement Prohibitions under Section 306 of the Clean air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans
- c) Uniform Relocation and Real Property Policies Act, Public Law 91-646 as amended
- d) Debarment and Suspension Regulations, Executive Order 12549 and associated regulations (e.g., 71 F.R. 66431)
- e) H.R. 3547, Consolidated Appropriations Act, 2014, Public Law 113-76 as amended

4) Federal Social Policy Authorities

- a) Age Discrimination Act of 1975, Public Law 94-135
- b) Title VI of the Civil Rights Act of 1964, Public Law 88-352
- c) Section 13 of the Federal Water Pollution Control Act Amendments of 1972, Public Law 92-500 (the Clean Water Act)
- d) Section 504 of the Rehabilitation Act of 1973, Public Law 93-112 (including Executive Orders 11914 and 11250)
- e) Equal Employment Opportunity, Executive Order 11246
- f) Disadvantaged Business Enterprise, Public Law 101-549 (the Clean Air Act), and Public Law 102-389 (the Clean Water Act)
- g) Section 129 of the Small Business Administration Reauthorization and Amendment Act of 1988, Public Law 100-590
- h) 42 USC 12101 et seq. the Americans with Disabilities Act of 1990 and associated regulations (including, without limitation, 28 C.F.R. Part 35) (**ADA**)
- i) The Contract Work Hours and Safety Standards Act (40 USC 327-333), as applicable
- j) The Genetic Information Nondiscrimination Act of 2008 (**GINA**), 42 USC s. 2000ff et seq.
- k) Federal Hatch Act, 5 USC 1501-1508

5) State Laws

- a) RCW 27.44, Indian Graves and Records
- b) RCW 27.53, Archaeological Sites and Resources
- c) RCW 36.70A, Growth Management Act
- d) RCW 39.04, Public Works
- e) RCW 39.10, Alternative Public Works Contracting Procedures
- f) RCW 39.12, Prevailing Wages on Public Works
- g) RCW 39.80, Contracts for Architectural and Engineering Services
- h) RCW 39.26.180, Contract Management
- i) RCW 42.56, Public Records Act
- j) RCW 42.17a, Campaign Disclosure and Contributions provision
- k) RCW 42.23, Code of Ethics for Municipal Officers-Contract Interests
- l) RCW 42.52, Ethics in Public Service
- m) Chapter 43.20 RCW, State Board of Health
- n) RCW 43.21C, State Environmental Policy Act
- o) RCW 43.70, Department of Health
- p) RCW 43.155, Public Works Project
- q) RCW 49.60, Washington's Law against Discrimination, including, without limitation, RCW 49.60.530(3), Contractors and subcontractors with state for public works or for goods or services—Nondiscrimination requirements
- r) RCW 51, Industrial Insurance
- s) RCW 68.60, Abandoned and Historic Cemeteries and Historic Graves
- t) RCW 70.116, Public Water Systems Coordination Act of 1977
- u) RCW 70.119, Public Water Supply Systems Certification and Regulation of Operations
- v) RCW 70.119A, Public Water Systems, Penalties & Compliances
- w) WAC 25-48, Archaeological Excavation and Removal Permit
- x) WAC 246-290, Group A Public Water Systems
- y) WAC 246-291, Group B Public Water Systems
- z) WAC 246-292, Waterworks Operator Certification Regulations
- aa) WAC 246-293, Water Systems Coordination Act
- bb) WAC 246-294, Drinking Water Operating Permits
- cc) WAC 246-295, Satellite System Management Agencies
- dd) WAC 246-296, Drinking Water State Revolving Fund Loan Program
- ee) WAC 173-160, Minimum Standards for Construction & Maintenance of Wells
- ff) WAC 173, Department of Ecology Rules
- gg) Governor's Executive Order 21-02

ATTACHMENT IV: DISADVANTAGED BUSINESS ENTERPRISE REQUIREMENTS

GENERAL COMPLIANCE, 40 CFR, Part 33

BORROWER must comply with the requirements of Environmental Protection Agency's Program for Utilization of Small, Minority and Women's Business Enterprises (MBE/WBE) in procurement under this Contract, contained in 40 CFR, Part 33. BORROWER will use the directory of certified firms available through the Washington State Office of Minority and Women's Business Enterprises to meet the requirements.

FAIR SHARE OBJECTIVES, 40 CFR, Part 33, Subpart D

The following are exemptions from the fair share objective Requirements:

- Grant and loan recipients receiving a total of \$250K or less in EPA financial assistance in a given fiscal year.
- Tribal recipients of Performance Partnership Eligible grants under 40 CFR Part 35, Subpart B.
 - There is a 3-year phase in period for the requirement to negotiate fair share goals for Tribal and Insular Area recipients.
- Recipients of Technical Assistance Grants.

The Fair Share Objectives or goals for the utilization of disadvantaged businesses negotiated with EPA by the WA Office of Minority Women Business are stated below.

Construction	10% MBE	6% WBE
Supplies	8% MBE	4% WBE
Equipment	8% MBE	4% WBE
Purchased Services	10% MBE	4% WBE

BORROWER must accept the fair share objectives/goals stated above and purchase the same or similar construction, supplies, services and equipment, in the same or similar relevant geographic buying market as WA Office of Minority Women Business goals.

SIX GOOD FAITH EFFORTS, 40 CFR, Part 33, Subpart C

Pursuant to 40 CFR, Section 33.301, BORROWER will make the following good faith efforts whenever procuring construction, equipment, services and supplies under an EPA financial assistance agreement, and to ensure that sub-recipients, loan recipients, and prime contractors also comply.

Records documenting compliance with the six good faith efforts shall be retained. The six good faith efforts shall include:

- A. Ensure Disadvantaged Business Enterprises are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities. For Indian Tribal, State and Local Government recipients, this will include placing the Disadvantaged Business Enterprises on solicitation lists and soliciting them whenever they are potential sources.
- B. Make information on forthcoming opportunities available to Disadvantaged Business Enterprises and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by Disadvantaged Business Enterprises in the competitive process. This includes, whenever possible, posting solicitations for bids or proposals for a minimum of thirty (30) calendar days before the bid or proposal closing date.
- C. Consider in the contracting process whether firms competing for large contracts could subcontract with Disadvantaged Business Enterprises. For Indian Tribal, State and Local Government recipients, this will include dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by Disadvantaged Business Enterprises in the competitive process.
- D. Encourage contracting with a consortium of Disadvantaged Business Enterprises when a contract is too large for one of these firms to handle individually.
- E. Use the services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Health.
- F. If the prime contractor awards subcontracts, also require the prime contractor to take the five good faith efforts in paragraphs A through E above.

MBE/WBE REPORTING, 40 CFR, Part 33, Sections 33.502 and 33.503

BORROWER is required to submit MBE/WBE participation reports to DOH, on a quarterly basis, beginning with the Federal fiscal year reporting period BORROWER receives the award and continuing until the project is completed.

CONTRACT ADMINISTRATION PROVISIONS, 40 CFR, Section 33.302

BORROWER agrees to comply with the contract administration provisions of 40 CFR, Section 33.302.

Only procurements with certified MBE/WBEs are counted toward a Contractor's MBE/WBE accomplishments.

BIDDERS LIST, 40 CFR, Section 33.501(b) and (c)

BORROWER is also required to create and maintain a bidders list if BORROWER of the loan is subject to, or chooses to follow, competitive bidding requirements. Please see 40 CFR, Section 33.501 (b) and (c) for specific requirements and exemptions.

Section 33.501(b) of the rule is as follows:

A recipient of a Continuing Environmental Program Grant or other annual grant must create and maintain a bidders list. In addition, a recipient of an EPA financial assistance agreement to capitalize a revolving loan fund also must require entities receiving identified loans to create and maintain a bidders list if the recipient of the loan is subject to, or chooses to follow, competitive bidding requirements. The purpose of a bidders list is to provide the recipient and entities receiving identified loans who conduct competitive bidding with as accurate a database as possible about the universe of MBE/WBE and non-MBE/WBE prime and subcontractors. The list must include all firms that bid or quote on prime contracts or bid or quote on subcontracts under EPA assisted projects, including both MBE/WBEs.

The bidders list must be kept until the grant project period has expired and the recipient is no longer receiving EPA funding under the grant. For entities receiving identified loans, the bidders list must be kept until the project period for the identified loan has ended. The following information must be obtained from all prime and subcontractors:

- (1) Entity's name with point of contact;
- (2) Entity's mailing address, telephone number, and e-mail address;
- (3) The procurement on which the entity bid or quoted, and when; and
- (4) Entity's status as a MBE/WBE¹ or non-MBE/WBE.

The exemption found at § 33.501(c) is as follows:

A recipient of an EPA financial assistance agreement in the amount of \$250,000 or less for any single assistance agreement, or of more than one financial assistance agreement with a combined total of \$250,000 or less in any one fiscal year, is exempt from the paragraph (b) of this Section requirement to create and maintain a bidders list. Also, a recipient under the CWSRF, DWSRF, or BCRLF Program is not required to apply the paragraph (b) of this Section bidders list requirement of this subpart to an entity receiving an identified loan in an amount of \$250,000 or less, or to an entity receiving more than one identified loan with a combined total of \$250,000 or less in any one fiscal year. This exemption is limited to the paragraph (b) of this Section bidders list requirements of this subpart.

¹ Qualified Women and Minority business enterprises may be found on the Internet at www.omwbe.wa.gov or by contacting the Washington State Office of Minority and Women's Enterprises at 360-704-1181.

ATTACHMENT V: CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS



United States Environmental Protection Agency
Washington, DC 20460

The terms, "covered transaction, debarred, suspended, ineligible, lower tier covered transaction, person, primary covered transaction, principal, and voluntarily excluded", as used in this attachment, are defined in the rules implementing Executive Order 12549, including 13 CFR § 400.109. You may contact DOH for help getting a copy of these regulations.

BORROWER, defined as the primary participant and its principals, certifies by signing below that to the best of its knowledge and belief they:

- 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-year (3) period preceding this CONTRACT, been convicted of or had a civil judgment 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 antitrust statutes or embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or obstruction of justice;
- C. Are not presently indicted for or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses described in this attachment; and,
- D. Have not within a three-year period (3) preceding the signing of this CONTRACT had one or more public transactions (federal, state, or local) terminated for cause or default.

Prior to awarding contracts for the PROJECT, BORROWER must verify that neither the contractor's business name(s) nor the names of its principals are in the Federal Excluded Parties List System for Ineligible Professionals and Debarred Contractors (www.SAM.gov). BORROWER must keep documentation in the PROJECT files and provide a copy to the DOH Contract Manager.

BORROWER will include the language below without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions:

The lower tier contractor certifies, by signing this CONTRACT that neither it nor its principals are debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

I understand that a false statement on this certification may be ground for rejection of this proposal or termination of the award. In addition, under 18 USC Sec. 1001, a false statement may result in a fine or imprisonment for up to 5 years, or both.

Typed or Printed Name & Title of Authorized Representative

Signature of Authorized Representative

Date

I am unable to certify to the above statements. My explanation is attached.

ATTACHMENT VI: DWSRF ELIGIBLE PROJECT COSTS

Must be directly attributable to the project.

1. The costs for complying with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.
2. DWSRF loan fees.
3. The purchase of a portion of another system's capacity, if it is the most cost effective solution (limited to publicly owned (municipal) systems).
4. Construction of reservoirs (clear wells) that are part of the treatment process and are collocated with the treatment facility.
5. Construction of distribution reservoirs (finished water).
6. Cost associated with restructuring or consolidation of existing water systems by publicly owned water systems.
7. Main extensions to connect to safe and reliable sources of drinking water.
8. Cost associated with collecting and preparing environmental assessment documents to obtain local permits.
9. Direct labor including related employee benefits:
 - a. Salaries and wages (at actual or average rates) covering productive labor hours of employees of the borrower (excluding the administrative organization of the operating unit involved) for periods of time actively or incidentally engaged in pre-design engineering, design engineering, construction engineering, acquisition of rights of way, and the cleaning, sterilization or bacteriological testing of water system components prior to public use. The costs of services rendered by employees generally classified as administration/project management of the loan are considered a direct cost only when such employees are assigned the types of services described above and shall be limited to 3% or less of the project loan amount.
 - b. Employee benefits relating to labor are considered a direct cost of construction projects. The following items may be included as employee benefits:
 - F.I.C.A. (Social Security) –employer's share.
 - Retirement benefits.
 - Hospital, health, dental, and other welfare insurance.
 - Life insurance.
 - Industrial and medical insurance.
 - Vacation.
 - Holiday.
 - Sick leave.
 - Military leave and jury duty.Employee benefits must be calculated as a percentage of direct labor dollars. The

- computation of predetermined percentage rates to be applied to current labor costs must be based on the average of total employee benefits and total labor costs for the prior fiscal year and adjusted by known current year variations.
- c. Other than work identified in Number 9.a, no costs associated with labor performed by the borrower's employees, including force account work, are eligible for financing assistance.
10. Contract engineering, planning, design, legal, and financial planning services. The Department of Health reserves the right to declare ineligible legal costs that are unreasonable and disproportionate to the project.
 11. Contract construction work.
 12. Direct vehicle and equipment charges at the actual rental cost paid for the equipment or, in the case of city or county-owned equipment, at the rental rates established by the local government's "equipment rental and revolving fund" following the methods prescribed by the division of municipal corporations. However, such costs must be charged on a uniform basis to equipment used for all projects regardless of the source of funding. Cities with a population of eight thousand or less not using this type of fund are allowed the same rates as used by the State Department of Transportation.
 13. Direct materials and supplies.
 14. Other direct costs incurred for materials or services acquired for a specific project are eligible costs and may include, but are not limited to such items as:
 - a. Telephone charges.
 - b. Reproduction and photogrammetry costs.
 - c. Video and photography for project documentation.
 - d. Computer usage.
 - e. Printing and advertising.
 15. Other project related costs include:
 - Competitive Bidding.
 - Audit.
 - Insurance.
 - Prevailing wages.
 - Attorney fees.
 - Environmental Review.
 - Archaeological Survey.

Water system plan costs are not eligible for reimbursement. Small water system management program and plan amendments costs are eligible for reimbursement.

Projects may be designed to accommodate reasonable growth. This is generally the 20-year projection included in the system's water system plan or small water system management program.

ATTACHMENT VII: LABOR STANDARD PROVISIONS FOR SUBRECIPIENTS THAT ARE GOVERNMENTAL ENTITIES

Wage Rate Requirements Under the Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6)

Preamble

With respect to the Clean Water and Safe Drinking Water State Revolving Funds, EPA provides capitalization grants to each state which in turn provides subgrants or loans to eligible entities within the state. Typically, the subrecipients are municipal or other local governmental entities that manage the funds. For these types of recipients, the provisions set forth under Roman Numeral I, below, shall apply. Although EPA and the State remain responsible for ensuring subrecipients' compliance with the wage rate requirements set forth herein, those subrecipients shall have the primary responsibility to maintain payroll records as described in Section 3(ii)(A), below and for compliance as described in Section I-5.

Occasionally, the subrecipient may be a private for profit or not for profit entity. For these types of recipients, the provisions set forth in Roman Numeral II, below, shall apply. Although EPA and the State remain responsible for ensuring subrecipients' compliance with the wage rate requirements set forth herein, those subrecipients shall have the primary responsibility to maintain payroll records as described in Section II-3(ii)(A), below and for compliance as described in Section II-5.

I. Requirements Under The Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6)

For Subrecipients That Are Governmental Entities:

The following terms and conditions specify how recipients will assist EPA in meeting its Davis-Bacon (DB) responsibilities when DB applies to EPA awards of financial assistance under the FY 2013 Continuing Resolution with respect to State recipients and subrecipients that are governmental entities. If a subrecipient has questions regarding when DB applies, obtaining the correct DB wage determinations, DB provisions, or compliance monitoring, it may contact Department of Health. If a State recipient needs guidance, they may obtain additional guidance from DOL's web site at <http://www.dol.gov/whd/>.

1. Applicability of the Davis- Bacon (DB) prevailing wage requirements.

Under the FY 2013 Continuing Resolution, DB prevailing wage requirements apply to the construction, alteration, and repair of treatment works carried out in whole or in part with assistance made available by a State water pollution control revolving fund and to any construction project carried out in whole or in part by assistance made available by a drinking water treatment revolving loan fund. If a subrecipient encounters a unique situation at a site that presents uncertainties regarding DB applicability, the subrecipient must discuss the situation with the recipient State before authorizing work on that site.

2. Obtaining Wage Determinations.

(a) Subrecipients shall obtain the wage determination for the locality in which a covered activity subject to DB will take place prior to issuing requests for bids, proposals, quotes or other methods for soliciting contracts (solicitation) for activities subject to DB. These wage determinations shall be incorporated into solicitations and any subsequent contracts. Prime contracts must contain a provision requiring that subcontractors follow the wage determination incorporated into the prime contract.

- (i) While the solicitation remains open, the subrecipient shall monitor www.wdol.gov weekly to ensure that the wage determination contained in the solicitation remains current. The subrecipients shall amend the solicitation if DOL issues a modification more than 10 days prior to the closing date (i.e. bid opening) for the solicitation. If DOL modifies or supersedes the applicable wage determination less than 10 days prior to the closing date, the subrecipients may request a finding from the State recipient that there is not a reasonable time to notify interested contractors of the modification of the wage determination. The State recipient will provide a report of its findings to the subrecipient.
- (ii) If the subrecipient does not award the contract within 90 days of the closure of the solicitation, any modifications or supersedes DOL makes to the wage determination contained in the solicitation shall be effective unless the State recipient, at the request of the subrecipient, obtains an extension of the 90 day period from DOL pursuant to 29 CFR 1.6(c) (3) (iv). The subrecipient shall monitor www.wdol.gov on a weekly

basis if it does not award the contract within 90 days of closure of the solicitation to ensure that wage determinations contained in the solicitation remain current.

(b) If the subrecipient carries out activity subject to DB by issuing a task order, work assignment or similar instrument to an existing contractor (ordering instrument) rather than by publishing a solicitation, the subrecipient shall insert the appropriate DOL wage determination from www.wdol.gov into the ordering instrument.

(c) Subrecipients shall review all subcontracts subject to DB entered into by prime contractors to verify that the prime contractor has required its subcontractors to include the applicable wage determinations.

(d) As provided in 29 CFR 1.6(f), DOL may issue a revised wage determination applicable to a subrecipient's contract after the award of a contract or the issuance of an ordering instrument if DOL determines that the subrecipient has failed to incorporate a wage determination or has used a wage determination that clearly does not apply to the contract or ordering instrument. If this occurs, the subrecipient shall either terminate the contract or ordering instrument and issue a revised solicitation or ordering instrument or incorporate DOL's wage determination retroactive to the beginning of the contract or ordering instrument by change order. The subrecipient's contractor must be compensated for any increases in wages resulting from the use of DOL's revised wage determination.

3. Contract and Subcontract provisions.

(a) The Recipient shall insure that the subrecipient(s) shall insert in full in any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a treatment work under the CWSRF or a construction project under the DWSRF financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant or annual contribution (except where a different meaning is expressly indicated), and which is subject to the labor standards provisions of any of the acts listed in § 5.1 or the FY 2013 Continuing Resolution, the following clauses:

(1) Minimum wages.

(i) All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) of this Section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in § 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (a)(1)(ii) of this Section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the Borrower and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

Subrecipients may obtain wage determinations from the U.S. Department of Labor's web site, www.dol.gov.

(ii)(A) The subrecipient(s), on behalf of EPA, shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The State award official shall approve a request for an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the subrecipient(s) agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), documentation of the action taken and the request, including the local wage determination shall be sent by the subrecipient (s) to the State award official. The State award official will transmit the request, to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210 and to the EPA DB Regional Coordinator concurrently. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification request within 30 days of receipt and so advise the State award official or will notify the State award official within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the subrecipient(s) do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the award official shall refer the request and the local wage determination, including the views of all interested parties and the recommendation of the State award official, to the Administrator for determination. The request shall be sent to the EPA DB Regional Coordinator concurrently. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt of the request and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii)(B) or (C) of this Section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, provided, that the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

(2) Withholding. The subrecipient(s), shall upon written request of the EPA Award Official or an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the (Agency) may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(3) Payrolls and basic records.

(i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing

apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii)(A) The contractor shall submit weekly, for each week in which any contract work is performed, a copy of all payrolls to the subrecipient, that is, the entity that receives the sub-grant or loan from the State capitalization grant recipient. Such documentation shall be available on request of the State recipient or EPA. As to each payroll copy received, the subrecipient shall provide written confirmation in a form satisfactory to the State indicating whether or not the project is in compliance with the requirements of 29 CFR 5.5(a)(1) based on the most recent payroll copies for the specified week. The payrolls shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on the weekly payrolls. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/whd/forms/wh347instr.htm> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the subrecipient(s) for transmission to the State or EPA if requested by EPA, the State, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this Section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the subrecipient(s).

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under § 5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under § 5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (a)(3)(ii)(B) of this Section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this Section available for inspection, copying, or transcription by authorized representatives of the State, EPA or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency or State may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

(4) Apprentices and trainees--

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually

registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

(5) Compliance with Copeland Act requirements. The Borrower must comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

(6) Subcontracts. The Borrower and/or subcontractor must insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the EPA determines may be appropriate, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

(7) Contract termination; debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(8) Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

(9) Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes will be resolved according to the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and Subrecipient(s), State, EPA, the U.S. Department of Labor, or the employees or their representatives.

(10) Certification of eligibility.

(i) By entering into this contract, Borrower certifies that neither it (nor he or she) nor any person or firm who has an interest in the Borrower's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 USC 1001.

4. Contract Provision for Contracts in Excess of \$100,000.

(a) Contract Work Hours and Safety Standards Act. The subrecipient shall insert the following clauses set forth in paragraphs (a)(1), (2), (3), and (4) of this Section in full in any contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by Item 3, above or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

(1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (a)(1) of this Section the contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (a)(1) of this Section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (a)(1) of this Section.

(3) Withholding for unpaid wages and liquidated damages. The subrecipient, upon written request of the EPA Award Official or an authorized representative of the Department of Labor, shall withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this Section.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (a)(1) through (4) of this Section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (a)(1) through (4) of this Section.

(b) In addition to the clauses contained in Item 3, above, in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in 29 CFR 5.1, the Subrecipient shall insert a clause requiring that the contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the Subrecipient shall insert in any such contract a clause providing that the records to be maintained under this paragraph shall be made available by the

contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the (write the name of agency) and the Department of Labor, and the contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

5. Compliance Verification

(a) The subrecipient shall periodically interview a sufficient number of employees entitled to DB prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. As provided in 29 CFR 5.6(a)(6), all interviews must be conducted in confidence. The subrecipient must use Standard Form 1445 (SF 1445) or equivalent documentation to memorialize the interviews. Copies of the SF 1445 are available from EPA on request.

(b) The subrecipient shall establish and follow an interview schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. Subrecipients must conduct more frequent interviews if the initial interviews or other information indicated that there is a risk that the contractor or subcontractor is not complying with DB.

Subrecipients shall immediately conduct interviews in response to an alleged violation of the prevailing wage requirements. All interviews shall be conducted in confidence."

(c) The subrecipient shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates. The subrecipient shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, if practicable, the subrecipient should spot check payroll data within two weeks of each contractor or subcontractor's submission of its initial payroll data and two weeks prior to the completion date the contract or subcontract. Subrecipients must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB. In addition, during the examinations the subrecipient shall verify evidence of fringe benefit plans and payments thereunder by contractors and subcontractors who claim credit for fringe benefit contributions.

(d) The subrecipient shall periodically review contractors and subcontractors use of apprentices and trainees to verify registration and certification with respect to apprenticeship and training programs approved by either the U.S Department of Labor or a state, as appropriate, and that contractors and subcontractors are not using disproportionate numbers of, laborers, trainees and apprentices. These reviews shall be conducted in accordance with the schedules for spot checks and interviews described in Item 5(b) and (c) above.

(e) Subrecipients must immediately report potential violations of the DB prevailing wage requirements to the Department of Health and to the appropriate DOL Wage and Hour District Office listed at

https://www.dol.gov/whd/WHD_district_offices.pdf.

Council Agenda Coversheet 	Item Number: 4.h. Date: 1/6/2026	Category: Consent Agenda
	Item Type: Contract/Agreement/Lease Subject: Contract: Authorize Award of Clean Building Performance Standards Consultant Agreement Contract to Ameresco, Inc. (RFP 25-019) Department: Executive Services Project #: RFP 25-019	

Recommendation

Staff recommends authorizing staff to execute a contract with Ameresco, Inc. for their proposal in response to RFP 25-019 Clean Buildings Performance Standards Consultant in the amount of \$173,822.

Motion for Consideration

Motion to authorize staff to execute a professional services agreement with Ameresco, Inc. for an amount not to exceed \$173,822 for RFP-25-019.

Summary

In 2019, the Clean Buildings Act was signed into law and requires Tier I & II buildings to be benchmarked and meet energy use targets. Our Tier I buildings include the Toyota Center, Three Rivers Convention Center, and Dan Frost Campus. Tier II buildings included Toyota Arena, City Hall, Police, Keewaydin & Union Libraries, and Numerica Pavilion.

On November 18, 2025, the City received ten (10) responses to RFP 25-019 for Clean Buildings Performance Standards Consultant. Staff reviewed the proposals received and the Ameresco, Inc proposal provided the best value and approach for the work required. The consultant will assist with benchmarking, developing Operation and Maintenance plans, developing an Energy Management Plan, submitting all required documents to Washington state as a “Qualified Person”, assisting with obtaining any available grant funding assistance within deadlines, and conducting ASHRAE Level 2 energy audits as necessary.

PROPOSER	COMBINED PRICE
Ameresco, Inc.	\$173,822
McKinstry	\$221,416
Sazan Group	\$245,730
MacDonald-Miller Facility Solutions	\$273,000
RDH Building Science Inc.	\$157,530
FSI Engineers	\$265,047
Touchstone IQ (SAAS 3-yr Subscription)	\$153,000
Olympic Sustainability Group	\$250,736
Glumac	\$89,000*
Performance Validation	\$139,840*

*did not include ASHRAE 2 pricing

Upon Council's approval to award the work to Ameresco, Inc, the City's Purchasing Division will work with the City Attorney's office to draft and execute the appropriate professional services contract.

Alternatives

None recommended.

Fiscal Impact

The contract amount is \$173,822 for a consultant to assist the City in fulfilling our obligation to meet the Clean Buildings Act requirements. This project will be funded from the Deferred Maintenance budget. No other appropriations will be needed.

Attachments:

None