*** Per Governor's emergency Proclamation 20-28 issued March 24, 2020, agencies are required to meet completely remotely without providing for a physical location. Agencies are prohibited from taking "action," as defined in RCW 42.30.020, unless those matters are necessary and routine matters or are matters necessary to respond to the COVID-19 outbreak and the current public health emergency, until such time as regular public participation under the Open Public Meetings Act is possible.*

*** Per Section 3 of Anacortes Resolution 2082 Ratifying Proclamation of Emergency and Providing Temporary Procedures to Respond to the COVID-19 Epidemic, adopted by the Anacortes City Council on March 16, 2020:*

- *All in-person Committee meetings of the City Council are cancelled. Council and committee meetings may be held telephonically regardless of whether the City has the capability of video recording meetings.*
- *The public comment portion of Council meetings and any scheduled public hearings are temporarily suspended to discourage public in-person attendance of City Council meetings.*
- *Meetings may be viewed live or viewed after the fact on the City of Anacortes website or on Channel 10.*
- *The public may also listen to the meeting by phone: 312-757-3121, Access Code: 373-576-877*
- *The public is encouraged to comment via email or written comment addressed to: City Clerk, P.O. Box 547, Anacortes, WA 98221. Public comments received prior to 5:00 p.m. the day of the meeting will become part of the record for the meeting, just as if presented in person.*

Anacortes City Council

~~Municipal Building Council Chambers~~

~~904 6th Street~~

**** This meeting will be held electronically only ****

TUESDAY, May 26, 2020
6:00 p.m.

PRELIMINARY AGENDA

Packet Materials / Watch Meeting

1. **Call to Order**

2. **Announcements and Committee Reports**
   a. COVID-19 Update
   b. Traffic Safety Committee
   c. Finance Committee
   d. Fiber Committee
   e. Parks & Recreation Committee
   f. Planning Committee

3. **Consent Agenda (Action)**
   a. Minutes of May 18, 2020
   b. Approval of Claims in the amount of: $547,552.84
   c. Contract Award: Above Ground Waterline Painting #20-111-WTR-001
   d. Interlocal Agreement: Fiber Interconnection Agreement #20-135-FBR-001
   e. Contract Approval: Master Service Agreement with NoaNet for Communication Services #20-133-FBR-001

4. **Other Business**
   a. * Monthly Finance Update and COVID-19 Impacts (Discussion)
   b. * Resolution 2091: Updating the Unified Fee Schedule for Fiber Service Suspension (Action)
   c. Contract Award: Slurry Seal Type II #20-002-TRN-002 (Action)
   d. * Lodging Tax Advisory Committee Appointments (Action)
   e. Contract Award: Municipal Broadband Network - Library to MSTs Aerial Areas 2, 3, 4 & 6 (Action)

5. **Adjournment**

Anacortes City Council

Proposed Agenda Items for the Next Eight Weeks Beginning June 1, 2020

Subjects listed below have been tentatively suggested for consideration by the Anacortes City Council on the dates indicated. Items may be added to, removed from or rearranged on this list. Routine business such as approval of minutes and vouchers are not included. The complete Preliminary Agenda for each meeting is published at 3:00 on the Wednesday prior to the meeting. Published Agendas are subject to change and may be updated following the posting period. For additional information on agenda topics, please contact the City Clerk's office at 360-299-1960 to be directed to the sponsoring staff member.

June 1, 2020

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June 8, 2020

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June 15, 2020

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June 22, 2020

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July 6, 2020

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July 13, 2020

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July 20, 2020

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July 27, 2020

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Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.

•Planning, Tuesday, May 26, 2020, 5:00 PM, Teleconference
•Finance, Wednesday, May 27, 2020, 5:00 PM, Teleconference
•Museum, Thursday, May 28, 2020, 12:30 PM, Teleconference
•Community Center / Pool, Thursday, May 28, 2020, 3:30 PM, TBD
•Public Works, Monday, Jun 1, 2020, 5:00 PM, Teleconference
•Port/City Liaison, Tuesday, Jun 2, 2020, 8:30 AM, TBD
•Public Safety, Tuesday, Jun 2, 2020, 10:00 AM, Teleconference
•Fiber, Thursday, Jun 4, 2020, 2:30 PM, Teleconference
•Housing Affordability & Community Services, Monday, Jun 8, 2020, 4:00 PM, Teleconference
•Planning, Monday, Jun 8, 2020, 5:00 PM, Teleconference
•Finance, Wednesday, Jun 10, 2020, 5:00 PM, Teleconference
•Community Center / Pool, Thursday, Jun 11, 2020, 3:30 PM, TBD
•Public Works, Monday, Jun 15, 2020, 5:00 PM, Teleconference

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Anacortes City Council Minutes – May 18, 2020

Mayor Laurie Gere called to order the Anacortes City Council meeting of May 18, 2020 at 6:00 p.m. Councilmembers Jeremy Carter, Ryan Walters, Carolyn Moulton, Bruce McDougall and Matt Miller all participated in the meeting in absentia via video conference. Councilmembers Anthony Young and Christine Cleland-McGrath were absent.

Ms. Moulton moved, seconded by Mr. Walters, to excuse the absence of Ms. Cleland-McGrath. The motion carried unanimously by voice vote.

Mr. McDougall moved, seconded by Ms. Moulton, to excuse the absence of Mr. Young. The motion carried unanimously by voice vote.

Announcements and Committee Reports

COVID-19 Update: Mayor Gere reported on preliminary financial indicators after the first two months of the COVID-19 pandemic, cancellations of summer events and festivals, applications for the city's small business stabilization grants, alternative graduation ceremonies and celebrations for the Anacortes High School, and planning for phased reopening of local businesses and Island Hospital. The mayor shared current to date statistics for COVID-19 cases and deaths in Anacortes and in Skagit County.

Public Works Committee: Ms. Moulton reported from the committee meeting earlier in evening. She shared staff updates on the Oakes Avenue roundabout, the 2020 slurry seal project, fiber infrastructure entry into the GIS mapping system, a grant application for an electric vehicle charging station, the raw water line and clearwell project, and the sewer plant outfall project which would come back to Council for a review of options. Mr. Walters added that the city website would soon have additional pages about the A Avenue dump site and the wet fiber technology used for the fiber telemetry project.

Public Comment

Per Section 3 of Resolution 2082 Ratifying Proclamation of Emergency and Providing Temporary Procedures to Respond to the COVID-19 Epidemic, adopted by the Anacortes City Council on March 16, 2020, the public comment portion of Council meetings and any scheduled public hearings were temporarily suspended to discourage public in-person attendance of City Council meetings. The public was encouraged to comment via email or written comment addressed to: City Clerk, P.O. Box 547, Anacortes, WA 98221. Public comments received prior to the meeting become part of the record for the meeting, just as if presented in person.

Consent Agenda

Mr. Miller moved, seconded by Ms. Moulton, to approve the following Consent Agenda items. The motion carried unanimously by voice vote.

a. Minutes of May 11, 2020
b. Approval of Claims in the amount of: $754,896.80
c. Contract Award: March Point Area Cape Seal Repairs #20-112-TRN-001

The following vouchers/checks were approved for payment:
EFT numbers: 97109 through 97159, total $706,371.05
Check numbers: 97160 through 97174, total $32,059.61
Wire transfer numbers: 268377 through 268584, total $16,466.14

OTHER BUSINESS

Access - Anacortes Fiber Internet Update

Administrative Services Director Emily Schuh provided the regular monthly update on Access Anacortes Fiber Internet. Her slides were added to the packet materials for the meeting. Ms. Schuh shared current statistics on installed customers, revenue, and orders for future service. She outlined the protocols in place for installations to comply with COVID-19 distancing guidelines and updated Council on the status of non-GPON customers. Ms. Schuh shared a proposal for a service suspension policy for fiber customers who may be out of area for several months at a time and advised that the proposal would be presented to Council for action at the May 26, 2020 regular meeting. Mr. Walters suggested that the Fiber Committee draft a resolution expressing affirmative direction for the project to proceed beyond the originally adopted pilot zones subject to specified financial targets. Mr. Miller and Mr. McDougall agreed.

Resolution 2086: Authorizing Execution of Bargaining Agreement by and between the City of Anacortes and the International Brotherhood of Teamsters Local 231

Human Resources Director Vanessa Bronsema presented the collective bargaining agreement and recommended its approval. Ms. Bronsema briefly summarized the negotiation history and the financial implications of the agreement as outlined in the packet materials for the meeting. Mr. Miller said that he did not support wage increases for any staff in light of the current declared emergency and hiring freeze. Mr. Carter asked if the 3% COLA in the agreement could go into effect at some future date while the rest of the agreement would take effect immediately. Ms. Bronsema explained the agreement had already been ratified by the union membership and would have to be renegotiated if any changes were made to it by Council. She added that all other city employees had received normal wage increases on January 1 but that the Teamsters had not, pending execution of the present agreement.

Ms. Bronsema responded to Mr. Miller's questions about Article 3.02, advising that the language reflected the MOU that had already been signed with the Teamsters following the Janus v. AFSCME Supreme Court decision in 2018. Ms. Schuh advised that the MOU language had been reviewed by the Personnel Committee at that time.

Mr. McDougall, the only member of the Personnel Committee present, spoke in support of the agreement on behalf of the committee.

Mr. Walters moved, seconded by Mr. McDougall, to approve Resolution 2086 adopting the contract as presented. Vote: Ayes – Walters, Moulton and McDougall. Nays – Miller and Carter. Motion carried.

Resolution 2090: Authorizing the Adoption of the Skagit County Multi-Jurisdiction Hazard Mitigation Plan

Fire Chief David Oliveri reviewed his prior presentation of the draft plan to City Council in January 2020 and reported its subsequent review, revision and approval by state and federal emergency management agencies. Chief Oliveri said that each local jurisdiction then needed to adopt the final plan by resolution. Chief Oliveri responded to councilmember questions about the hazards addressed in the plan.

Mr. Walters moved, seconded by Mr. Miller, to approve Resolution 2090 as presented. Vote: Ayes – Moulton, McDougall, Miller, Carter and Walters. Motion carried.

There being no further business, at approximately 6:55 p.m. the Anacortes City Council meeting of May 18, 2020 was adjourned.

The following claims against the City of Anacortes have been preaudited and certified by the Clerk-Treasurer as ready for City Council approval at the May 26, 2020 City Council meeting:

Download this file in OpenDocument spreadsheet format.

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
268705	2/11/2020	2978	FIDALGO ISLAND ROTARY	LTAC SHIPWRECK DAY ROTARY REIMBURSEMENT	$ 686.98	plan
268708	3/17/2020	90130	WHITNEY EQUIPMENT CO INC	MAINTENANCE SUPPLIES	$ 18,669.26	dwwtp
268000	4/17/2020	220/55018438	UNIT PROCESS COMPANY	MAINTENANCE SUPPLIES	$ 1,131.83	dwwtp
268652	4/21/2020	793	SKAGIT COUNTY PUBLIC HEALTH	SKAGIT PUBLIC HEALTH AVENUE A PROJECT	$ 2,730.00	parks1
268880	4/27/2020	PSW00135757	N C POWER SYSTEMS CO	WWTP GENERATOR 7-912 PANEL REBUILD	$ 37,089.36	pw1
268896	4/27/2020	PSW00135758	N C POWER SYSTEMS CO	WWTP GENERATOR 7-912 PANEL REBUILD	$ 11,880.58	pw1
268659	4/30/2020	0082567-IN	LIBERTY PROCESS EQUIPMENT INC	MAINTENANCE SUPPLIES	$ 2,647.17	dwwtp
268654	4/30/2020	0173	SKAGIT COUNTY SOLID WASTE FUND	APRIL TONNAGE HAULED	$ 67,758.29	dshop
268879	4/30/2020	1469	SKAGIT CONSERVATION DISTRICT	NPDES II OUTREACH & EDUCATION - APRIL 2020	$ 776.47	pw1
268706	4/30/2020	170976	INFOSEND, INC.	APRIL 2020 PROCESSING	$ 3,363.13	finance
268658	4/30/2020	3092597200	LEXISNEXIS	ON-LINE LEGAL RESEARCH APRIL 2020	$ 322.84	legal
268448	4/30/2020	386000156	US BANK NA - CUSTODY TREAS DIV	INVESTMENT FEES 4/1/2020-4/30/2020	$ 56.00	finance
268765	5/1/2020	200012505505	PUGET SOUND ENERGY INC	WTP 4/1-4/30/20	$ 66,061.39	dwtp
268644	5/1/2020	1391958-0043-8	WASTE MANAGEMENT	APRIL 2020 CONTRACTED SERVICES	$ 113,642.03	finance
268763	5/6/2020	228754	USA BLUE BOOK	CALCIUM STANDARD SOLUTION	$ 30.00	dwtp
268878	5/6/2020	5383078	SOFTCHOICE CORPORATION	OFFICE 365 EXCHANGE ONLINE MIGRATION CONSULTANT	$ 2,162.50	infosys
268869	5/6/2020	001-464544	PISTON SERVICE OF ANACORTES	A/C CONDENSOR VEH #035	$ 182.66	dshop
268710	5/6/2020	14724893	WASTEQUIP, LLC	WINCHES FOR DUMPSTER REPAIRS	$ 755.21	dshop
268599	5/6/2020	5979-2	SEMRAU ENGINEERING & SURVEYING	DEPOT PLAZA RESTROOM - ENGINEERING - THROUGH 4/30/20	$ 1,059.00	parks1
268895	5/6/2020	April 2020	KING, TREVA	ACTIVE TRANSPORTATION COORDINATOR - APRIL 2020	$ 250.00	pw1
268893	5/6/2020	March 2020	KING, TREVA	ACTIVE TRANSPORTATION COORDINATOR - MARCH 2020	$ 110.00	pw1
268714	5/7/2020	230156	USA BLUE BOOK	CA610 FLUORIDE ANALYZER X 3, PUMP TUBE ASSEMBLY X 6, ROLLER ASSEMBLY	$ 1,361.96	dwtp
268641	5/7/2020	S3759529.001	BUILDERS' HARDWARE & SUPPLY	PAD LOCKS FOR WATER DEPT	$ 347.97	pwfac
268887	5/8/2020	0164934	GEOENGINEERS, INC.	FIDALGO AVENUE CULVERT REPAIR - DESIGN - 1/25/20-4/24/20	$ 26,210.37	pw1
268885	5/8/2020	1200267246	HDR ENGINEERING, INC	SANITARY SEWER STORAGE STUDY - 3/29/20-4/25/20	$ 2,438.70	pw1
268884	5/8/2020	1200267297	HDR ENGINEERING, INC	WWTP OUTFALL PRE-DESIGN - PHASE 2 - 3/29/20-4/25/20	$ 92,087.80	pw1
268796	5/8/2020	799	SKAGIT COUNTY PUBLIC HEALTH	1ST QTR CITY SHARE OF LIQUOR TAX	$ 5,870.18	finance

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
268703	5/9/2020	122427	LAKESIDE INDUSTRIES, INC.	LAKESIDE WA PARK UTILITY	$ 107.66	parks1
268698	5/9/2020	122437	LAKESIDE INDUSTRIES, INC.	ROCK SALES 5/8 & 3/4 -	$ 170.94	dshop
268650	5/10/2020	8498 30 030 0111230	COMCAST	WTP 14489 RIVER BEND RD. - 5/19-6/18/20	$ 230.87	finance
268766	5/11/2020	200024889996	PUGET SOUND ENERGY INC	WTP INTAKE ELECTRICITY 4/10-5/8/20	$ 343.66	dwtp
268711	5/11/2020	232639	USA BLUE BOOK	HYDROCHLORIC ACID, ACCUVAC SNAPPER, HARDNESS SOLUTION	$ 195.20	dwtp
268709	5/11/2020	232681	USA BLUE BOOK	RESPIRATOR FILTERS X 5	$ 163.56	dwtp
268767	5/11/2020	300000290027	PUGET SOUND ENERGY INC	WTP RESERVOIR & PUMP STATION 4/7-5/5/20	$ 3,058.81	dwtp
268660	5/11/2020	0252968-IN	REISNER DISTRIBUTOR INC	MAINTENANCE SUPPLIES	$ 253.63	dwwtp
268642	5/11/2020	300000000343	PUGET SOUND ENERGY INC	PARKS/CEM/WASH. PARK/FAC/DEPOT 4/6-5/5 2020	$ 3,035.90	parks1
268802	5/11/2020	300000290019	PUGET SOUND ENERGY INC	ALL STATIONS: 4/6 - 5/5	$ 792.92	medic
268653	5/11/2020	300000290035	PUGET SOUND ENERGY INC	MUSEUM 4/7-5/5/20	$ 149.19	museum
268645	5/11/2020	300000300008	PUGET SOUND ENERGY INC	WWTP AND PS 4/7-5/5/20	$ 14,359.66	dwwtp
268643	5/11/2020	300000305007	PUGET SOUND ENERGY INC	STREET LIGHTS & WATER METER VAULTS 04/02-04/30/20	$ 407.52	dshop
268794	5/11/2020	8498 30 017 0464628	COMCAST	WA PARK INTERNET 5/21-6/20/20	$ 106.15	finance
268814	5/11/2020	9315866723	GRAYBAR ELECTRIC COMPANY, INC	TESTING EQUIPMENT	$ 4,816.83	fiber
268611	5/11/2020	RefundAhrenholz	AHRENHOLZ, BRIEANNA	WA PARK CAMPGROUND REFUND AHRENHOLZ	$ 108.00	parks1
268625	5/11/2020	RefundDoelman	DOELMAN, ROBYN	WA PARK CAMPGROUND REFUND DOELMAN	$ 108.00	parks1
268618	5/11/2020	RefundO'Brien	O'BRIEN, NIKKI	WA PARK CAMPGROUND REFUND OBRIEN	$ 54.00	parks1
268612	5/11/2020	RefundPalmer	PALMER, SUZAN	WA PARK CAMPGROUND REFUND PALMER	$ 351.00	parks1
268615	5/11/2020	RefundPfeifer	PFEIFER, ELLEN	WA PARK CAMPGROUND REFUND PFEIFER	$ 42.00	parks1
268610	5/11/2020	RefundVarela	VARELA, JOHN	WA PARK CAMPGROUND REFUND VARELA	$ 162.00	parks1
268800	5/12/2020	1001534	LIFE ASSIST, INC	EXAM GLOVES	$ 119.57	medic
268801	5/12/2020	165252	ELECTRONIC BUSINESS MACHINES	COPIES/COPIER MAINTENANCE 2/12 - 5/11	$ 133.76	medic
268873	5/12/2020	2020-0625	THE WATERSHED COMPANY	PERIODIC REVIEW OF SHORELINE MASTER PROGRAM - THROUGH 4/30/20	$ 432.00	plan
268865	5/12/2020	331 0518348	UNIFIRST CORPORATION	WATER CREW LAUNDRY	$ 45.48	wdist
268804	5/12/2020	978 800 0000 1	CASCADE NATURAL GAS CORP.	STA 3: 4/14 - 5/11/20	$ 29.31	medic
268805	5/12/2020	AN 72742	CENTRAL WELDING SUPPLY CO, INC	O2 FOR AMBULANCE	$ 110.14	medic
268629	5/12/2020	RefundDomine	DOMINE, KIMBERLY	WA PARK CAMPGROUND REFUND DOMINE	$ 108.00	parks1
268627	5/12/2020	RefundDorn	DORN, RONALD	WA PARK CAMPGROUND REFUND DORN	$ 324.00	parks1
268628	5/12/2020	RefundHerdon	HERNDON, DONALD	WA PARK CAMPGROUND REFUND HERNDON	$ 108.00	parks1
268622	5/12/2020	RefundKidder	KIDDER, PAULA	WA PARK SHELTER REFUND KIDDER	$ 67.00	parks1
268621	5/12/2020	RefundKolb	KOLB, BRENTON	WA PARK CAMPGROUND REFUND KOLB	$ 42.00	parks1
268646	5/12/2020	RefundMuljat	MULJAT, DIANNE	WA PARK CAMPGROUND REFUND MULJAT	$ 162.00	parks1

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
268647	5/12/2020	RefundThomas	THOMAS, LAURA	WA PARK CAMPGROUND REFUND THOMAS	$ 15.00	parks1
268648	5/12/2020	RefundWalsh	WALSH, JON	WA PARK CAMPGROUND REFUND WALSH	$ 81.00	parks1
268620	5/12/2020	RefunOwyen	OWYEN, FRED	WA PARK CAMPGROUND REFUND OWYEN	$ 81.00	parks1
268764	5/13/2020	331 0518510	UNIFIRST CORPORATION	WTP LAUNDRY SERVICE	$ 93.86	dwtp
268713	5/13/2020	05/13/2020	NORTHWEST PARKING EQUIPMENT	WA PARK REPAIR	$ 547.16	parks1
268806	5/13/2020	1002067	LIFE ASSIST, INC	EXHALATION FILTERS	$ 102.61	medic
268657	5/13/2020	143-5730-02	MAXWELL, GREGORY & COLLEEN	UB Refund Cst #061709	$ 195.17	finance
268877	5/13/2020	1655886	STANTEC CONSULTING SERVICES	PASS LAKE 10" WATERLINE DESIGN - THROUGH 5/1/20	$ 692.75	pw1
268812	5/13/2020	9315896069	GRAYBAR ELECTRIC COMPANY, INC	ONTS AND GPON SFPS	$ 25,141.79	fiber
268651	5/13/2020	RefundAngus	ANGUS, JAWN	WA PARK PICNIC SHELTER REFUND ANGUS	$ 67.00	parks1
268655	5/13/2020	RefundGray	GRAY, PAMELA	WA PARK CAMPGROUND REFUND GRAY	$ 81.00	parks1
268700	5/13/2020	RefundHarr	HARR, SHAWNA	WA PARK REFUND CAMPGROUND HARR	$ 81.00	parks1
268656	5/13/2020	RefundMahon	MAHON, LAURA	WA PARK CAMPGROUND REFUND MAHON	$ 162.00	parks1
268649	5/13/2020	RefundRogers	ROGERS, MICHELLE	WA PARK CAMPGROUND REFUND ROGERS	$ 54.00	parks1
268701	5/13/2020	RefundTousley	TOUSLEY, LOUIS	WA PARK CAMPGROUND REFUND TOUSLEY	$ 42.00	parks1
268797	5/14/2020	112223	WALTON BEVERAGE COMPANY, INC	AFD BREAKROOM SUPPLIES	$ 87.50	medic
268697	5/14/2020	112224	WALTON BEVERAGE COMPANY, INC	OPS BREAK ROOM SUPPLIES	$ 105.00	dshop
268795	5/14/2020	11433-3133	TOTAL TECH INTERNATIONAL, INC	SOPHOS LICENSES FOR ADDITIOANL USERS 4/14/20-9/2/21	$ 11,865.94	infosys
268809	5/14/2020	1991750868	ARAMARK	APD NYLON MATS CLEANED	$ 16.31	apd
268807	5/14/2020	1991750875	ARAMARK	OPS & PARKS LAUNDRY SVC FOR	$ 77.76	finance
268808	5/14/2020	1991750876	ARAMARK	OPS: MAT CLEANING	$ 41.63	dshop
268894	5/14/2020	282307	BAY CITY SUPPLY	FACILITY SUPPLIES	$ 75.14	pwfac
268707	5/14/2020	340457	INTERNATIONAL BELT & RUBBER	MAINTENANCE SUPPLIES	$ 340.07	dwwtp
268799	5/14/2020	5365887	CARDINAL HEALTH 110, INC.	PHARMACEUTICALS	$ 493.28	medic
268702	5/14/2020	RefundSmith	SMITH, PAT	WA PARK CAMPGROUND REFUND SMITH	$ 18.00	parks1
268704	5/14/2020	RotaryRefund	FIDALGO ISLAND ROTARY	REFUND FOR SHIPWRECK DUMPSTERS	$ 920.31	finance
268712	5/14/2020	U201620609	HB JAEGER	4 GALV COUPLINGS	$ 93.41	wdist
268388	5/15/2020	48589256	UNIVAR USA INC	OPERATING SUPPLIES	$ 1,815.59	dwwtp
268888	5/15/2020	8221076	FERGUSON ENTERPRISES, INC	REPLACEMENT WATER FILTERS FOR VARIOUS LOCATIONS	$ 1,038.71	pwfac
268813	5/15/2020	9315935101	GRAYBAR ELECTRIC COMPANY, INC	TOOLS	$ 404.58	fiber
268886	5/15/2020	GIS-12093	GEOGRAPHIC INFORMATION	2020 GIS SUPPORT - THROUGH 4/30/20	$ 739.28	pw1
268868	5/16/2020	2084759	WASHINGTON TRACTOR, INC	BLADE & CARBURETOR BOX COVER #712	$ 50.81	dshop
268933	5/17/2020	8498 30 017 0543538	COMCAST	DEPOT 611 R AVENUE - 5/22-6/21/20	$ 186.15	parks1
268917	5/18/2020	260 037 3822 1	CASCADE NATURAL GAS CORP.	611 R AVENUE 4/18-5/15/2020	$ 157.77	parks1
268918	5/18/2020	538 000 0000 1	CASCADE NATURAL GAS CORP.	411 HILLCREST DR. 4/18-5/15/2020	$ 35.27	parks1
268915	5/18/2020	638 000 0000 0	CASCADE NATURAL GAS CORP.	411 HILLCREST DR. #B, 4/18-5/15/2020	$ 20.71	parks1
268916	5/18/2020	917 600 0000 9	CASCADE NATURAL GAS CORP.	1915 13TH ST. 4/18-5/15/2020	$ 20.71	parks1

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
268900	5/18/2020	RefundFernandez	FERNANDEZ, MARITZA	WA PARK CAMPGROUND REFUND FERNANDEZ	$ 81.00	parks1
268875	5/18/2020	038 200 0000 2	CASCADE NATURAL GAS CORP.	APD 4/18-5/15/20	$ 501.06	apd
268912	5/18/2020	113399	SUMMIT LAW GROUP, PLLC	LEGAL SERVICES	$ 561.00	hr
268871	5/18/2020	199 800 0000 4	CASCADE NATURAL GAS CORP.	703 R AVENUE 4/18-5/15/20	$ 18.13	museum
268889	5/18/2020	340532	INTERNATIONAL BELT & RUBBER	MAINTENANCE SUPPLIES - PUMP STATIONS	$ 610.57	dwwtp
268872	5/18/2020	440 400 0000 0	CASCADE NATURAL GAS CORP.	FIDALGO CENTER 4/18-5/15/20	$ 93.09	parks1
268909	5/18/2020	710 300 0000 5	CASCADE NATURAL GAS CORP.	OPS 4/18-5/15/20	$ 225.34	dshop
268874	5/18/2020	795 700 0000 4	CASCADE NATURAL GAS CORP.	CITY HALL 4/18-5/13/20	$ 39.55	finance
268876	5/18/2020	912 800 0000 0	CASCADE NATURAL GAS CORP.	CARNEGIE 4/18-5/15/20	$ 74.86	museum
268882	5/18/2020	989 800 0000 8	CASCADE NATURAL GAS CORP.	WWTP 4/18-5/15/20	$ 13.00	dwwtp
268811	5/18/2020	RefundFarley	FARLEY, ALISSA	WA PARK CAMPGROUND REFUND FARLEY	$ 63.00	parks1
268881	5/19/2020	RefundHarkins	HARKINS, ERIN	DEPOT RENTAL REFUND HARKINS	$ 331.00	parks1
268897	5/19/2020	RefundHartman	HARTMAN, JANIS	WA PARK CAMPGROUND REFUND HARTMAN	$ 108.00	parks1
268899	5/19/2020	19-168-TRN-0011	LAKESIDE INDUSTRIES, INC.	RETAINAGE RELEASE	$ 5,477.33	pw1
268905	5/19/2020	20-067-FAC-0011	ISLAND SASH & DOOR, INC.	RETAINAGE RELEASE	$ 2,424.80	pw1
268907	5/19/2020	20-103-PRK-0011	SIGNATURE TREE SERVICE	RETAINAGE RELEASE	$ 120.00	pw1
268903	5/28/2020	20-061-FAC-0011	HANDY'S HEATING, INC	RETAINAGE RELEASE	$ 389.40	pw1

Total **$547,552.84**

City Council Contract Agenda Bill

Meeting Date: 5/26/2020 **Agenda Item**: 3c

Subject: Contract Award – Above Ground Waterline Painting #20-111-WTR-001

Staff Contact: Fred Buckenmeyer

Approved for Submittal to Council by: Darcy Swetnam, City Attorney	**Action Type:** Contract Award

Summary Statement: City staff seeks City Council consent to award a contract in the amount of $53,208.65 to Hunnicutt's Inc. to perform the Above Ground Waterline Painting. The work provided for this project will includes repainting approximately ~1,700' x 36" diameter above ground waterline pipe located by the Swinomish Golf Links, 12518 Christianson Rd, Anacortes, WA 98221. Work includes pressure washing w/ biodegradable cleaner, powertool prepping bare spots, and applying siloxane to all exposed surfaces of pipe.

Background:

1. History: The above ground pipe at the golf course was installed in the late 70s and is isolated from the cathodic protection system. In this case the only protection for this pipe is the coating. We typically paint this pipe every 10 years and is now due for a recoat. The contractor will pressure wash the pipe, grind and sand to prep any bare areas, prime then paint with a siloxane hybrid paint that will last 10 to 15 years.
2. Key Terms:
   - Contract is for a fixed price of $53,208.65.
   - All work shall be completed within sixty days of contract execution.
3. Competitive Bidding: In accordance with competitive bid requirements set forth under RCW 35.23.352 the project cost is under the competitive requirements and thus the Project Manager evaluated contractors and chose to contract with Hunnicutt's Inc.

Previous Council/Committee Action: N/A

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to sign contract 20-111-WTR-001 with Hunnicutt's Inc. in the amount of $53,208.65 to perform the Above Ground Waterline Painting.

Alternative Actions: Not award the contract

Attachments: Contract 20-111-WTR-001

Contractor	Hunnicutt's Inc.
Contract Amount	$53,208.65
Earmarked Funds	$80,000.00
BARS #	401.740.534.61.48
Budget Amendment Required?	No
Start Date	Notice to Proceed
End Date	60 days

CONTRACT 20-111-WTR-001

AGREEMENT WITH

HUNNICUTT'S INC.

This Contract is between the City of Anacortes, Washington, a Municipal Corporation (herein after referred to as "City") and Hunnicutt's Inc., a private contractor at 3910 Bakerview Spur., Bellingham, WA 98226 (herein after referred to as "Contractor").

PROJECT

Above Ground Waterline Painting

1. **Scope of Work:** Contractor shall furnish all materials, equipment and labor to repaint approximately ~1,700' x 36" diameter above ground waterline pipe located by the Swinomish Golf Links, 12518 Christianson Rd, Anacortes, WA 98221. Work includes pressure washing w/ biodegradable cleaner, powertool prepping bare spots, and applying siloxane to all exposed surfaces of pipe.

2. **Contract Price:** The Contractor will perform the scope of work above for a firm fixed price of **Fifty-Three Thousand Two Hundred Eight Dollars and Sixty-Five Cents ($53,208.65)**, which includes $4,258.65 in 8.7% sales tax. This includes all labor, materials, and standard freight for the project. Before any payment is made by the City of Anacortes of sums under this contract, the contractor must provide a copy of the statement of *Intent to Pay Prevailing Wage* approved by the Department of Labor and Industries. Pursuant to RCW Chapter 60.28, a sum of five percent (5%) of the monies earned by the contactor will be retained.

3. **Bonds:** Pursuant to RCW 39.08.010, the Contractor shall provide the City a performance bond and payment bond for the full contract amount to be in effect as detailed in the incorporated General Provisions. The City may at its option release the bonds once all the conditions of RCW 39.08.010-1a have been discharged.

4. **Time of Completion:** The Contractor shall complete the work within sixty days of contract execution.

5. **Job Safety:** Contractor shall comply with all Washington Dept. of Labor & Industries safety standards.

6. **Contract Requirements:** Contractor must have a contractor license number, insurance, and City of Anacortes business license. **Prevailing Wage Law Applies**. Forms Needed: 1) Proof of Insurance with Additional Insured Endorsement (see General Provisions); 2) Intent to Pay Prevailing Wage; 3) Affidavit of Wages Paid; 4) Performance Bond; 5) Payment Bond; 6) Certification of Compliance with Wage Payment Statutes.

7. **Contract Documents:** The attached General Provisions are included in this Contract Agreement.

The parties acknowledge that there has been an opportunity to negotiate the terms and conditions of this Agreement and agree to each bind itself, its partners, successors, assigns, and legal representatives to the other party hereto, in respect of all covenants, agreements, and obligations contained in the Contract Documents. Each of the persons signing below on behalf of any party hereby represents and warrants that s/he or it is signing with full and complete authority to bind the party on whose behalf of whom s/he or it is signing, to each and every term of this Agreement.

Owner:	**Contractor:**
City of Anacortes	Hunnicutt's Inc.
______________________	______________________
Mayor	
______________________	______________________
Date	Date
	______________________
	Contractor License #

1. WASHINGTON STATE PREVAILING WAGES

Washington State Prevailing Wages apply to all Work. The Contractor and any of its Subcontractors are required to pay their laborers and mechanics minimum wage in compliance with Washington State Prevailing Wage Laws. Before any payment is made by the City of Anacortes of any sums under this contract, the contractor and each subcontractor must provide the City with a copy of the statement of *Intent to Pay Prevailing Wages* approved by the Washington State Department of Labor and Industries (L&I). Following contract completion, the City will not release any funds retained, according to the provisions of RCW 60.28.010, until the contractor and each subcontractor has provided the City a copy of the *Affidavit of Wages Paid* approved by L&I. L&I provides the wage forms. Payment by the contractor or subcontractor of any fees are incidental to the project and all costs shall be included in other pay items of the project.

For contracts in excess of $10,000, the contractor must post in a conspicuous place at the job site, a copy of the statement of *Intent to Pay Prevailing Wages* approved by L&I and the address and phone number of the Industrial Statistician where complaints or inquires may be made. The City will refer any dispute regarding the prevailing rate of wage to L&I for arbitration.

The State of Washington prevailing wage rates applicable for this public works project, which is located in Skagit County, may be found at the following website address of the Department of Labor and Industries: https://fortress.wa.gov/lni/wagelookup/prvwagelookup.aspx. The prevailing wage schedule in effect for the work under the contract will be the one in effect upon the date of execution of the contract. A copy of the applicable prevailing wage rates are also available for viewing at the office of the Owner, located at 904 6th Street, Anacortes, WA. Upon request, the Owner will mail a hard copy of the applicable prevailing wages for this project.

At least once a month Contractor must file weekly certified payroll reports online with the Washington Department of Labor and Industries as required by RCW 39.12.120.

2. Delivery. Advance coordination of the work shall be made with the Project Manager Terry Nemeth, (360) 661-3519.

3. Subcontracts. The Contractor shall give notice reasonably in advance of placing any subcontract; preferably the Contractor shall identify subcontracts before subcontracted work begins. "Subcontract" means any contract entered into by a subcontractor to furnish supplies or services for performance of the prime Contractor or a subcontractor. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders. The following information shall be included (i) a description of the supplies or services to be subcontracted, (ii) identification of the type of subcontract to be used (iii) identification of the proposed subcontractor, (iv) proposed subcontract price. Unless consent or approval specifically provides otherwise, consent by the City shall not constitute a determination

(1) of the acceptability of any subcontract terms or conditions;
(2) of the allowability of any cost under this contract, or
(3) to relieve the Contractor of any responsibility for performing this Contract.

As required by RCW 39.06.020, the Contractor must verify responsibility criteria for each first tier subcontractor, and a subcontractor of any tier that hires other subcontractors must verify responsibility criteria for each of its subcontractors. Verification is to include that, at the time of subcontract execution, each subcontractor meets the responsibility criteria listed in RCW 39.04.350(1) and additionally - if applicable - possesses an electrical contractor license or an elevator contractor license. This verification requirement, as well as the responsibility criteria, must be included in every public works contract and subcontract of every tier. The Contractor shall give immediate written notice of any action or suit filed and prompt notice of any claim made against the Contractor by any subcontractor or vendor that, in the opinion of the Contractor, may result in litigation related in any way to this contract, with respect to which the Contractor may be entitled to reimbursement from the City.

4. Taxes. The City will pay sales and use taxes imposed on goods or services acquired hereunder as required by law. The Contractor must pay all other taxes including, but not limited to: Business and Occupation Tax, taxes based on the Contractor's gross or net income, or personal property to which the City does not hold title. The City is exempt from Federal Excise Tax. Where applicable the City shall furnish a Federal Excise Tax Exemption certificate.

5. Invoicing. All invoices shall include: Company Name, Invoice Date, Due Date (30 days), Invoice Number, Invoice Period, Contract Title, Agreement Number and Price, or Amended Price. The Contractor must invoice **MONTHLY** for quantities delivered during the invoice period. Invoices may be sent by US mail to City of Anacortes, Accounts Payable, PO Box 547, Anacortes, WA 98221, or by email to accountspayable@cityofanacortes.org. Contractors may complete a City furnished ACH/EFT form to receive electronic payments directly to their financial institution. The City shall notify the Contractor within fifteen (15) calendar days from receipt of invoice if there are any objections or disputes with the invoice. The Contractor shall then resubmit a new invoice less the disputed amount and payment shall be made within 30 calendar days. Any disputed amounts may be submitted under the Disputes clause contained herein.

6. Withholding Payment. In the event the City determines that the Contractor has failed to perform any obligation under this Contract within the times set forth in this Contract, then the City may withhold from amounts otherwise due and payable to Contractor the amount determined by the City as necessary to cure the default, until the Contracting Officer determines that such failure to perform has been cured. Withholding under this clause shall not be deemed a breach entitling Contractor to terminate or damages, provided that the City promptly gives notice in writing to the Contractor of the nature of the default or failure to perform, and in no case more than 8 days after it determines to withhold amounts otherwise due. A determination of the Public Works Director set forth in such notice to the Contractor of the action required and/or the amount required to cure any alleged failure to perform shall be deemed conclusive, except to the extent that the Contractor acts within the times and in strict accord with the provisions of the Disputes clause of this Contract. The City may act in accordance with any determination of the Public Works Director which has become conclusive under this clause, without prejudice to any other remedy under the Contract, to take all or any of the following actions: (1) cure any failure or default, (2) to pay any amount so required to be paid and to charge the same to the account of the Contractor, (3) to set off any amount so paid or incurred from amounts due to become due the Contractor. In the event the Contractor obtains relief upon a claim under the Disputes clause, no penalty or damages shall accrue to Contractor by reason of good faith withholding by the City under this clause.

7. Final Payment: Waiver Of Claim The contractor's acceptance of final payment (excluding withheld retainage) shall constitute a waiver of claims, except those previously and properly made and identified by the contractor as unsettled at the time request for final payment is made.

8. Inspection.

A. **Of the Work**

All materials furnished and work done shall be subject to inspection. The City Project Manager administering the Contract shall at all times have access to the work wherever it is in progress or being performed, and the Contractor shall provide proper facilities for such access and inspection. Such inspection shall not relieve the Contractor of the responsibility of performing the work correctly, utilizing the best labor and materials in strict accordance with the Specifications of the Contract. All material or work approved and later found to be defective shall be replaced without cost to the City.

B. **Project Manager's Authority**

The Project Manager shall have power to reject materials or workmanship which do not fulfill the requirements of these Specifications, but in case of dispute the Contractor may appeal to the City Attorney whose decision shall be final. The Contract shall be carried out under the general control of the representative of the City administering the Contract, who may exercise such control over the conduct of the work as may be necessary, in his or her opinion, to safeguard the interest of the City. The Contractor shall comply with any and all orders and instructions given by the representative of the particular Department administering the Contract in accordance with the terms of the Contract. Nothing herein contained, however, shall be taken to relieve the Contractor of his/her obligations or responsibilities under the Contract.

9. New and Unused. All units, equipment, parts and material shall be new, unused, manufacturer's current model year and in current production. All materials shall have physical and chemical properties to withstand the intended purpose. Equipment design shall have sufficient excess capacity for durability and safety.

10. Warranty. The Contractor shall return to the project and repair or replace all defects in workmanship and material discovered within one year after Final Acceptance of the Work, including any necessary labor and materials. The Contractor shall start work to remedy any such defects within 7 calendar days of receiving City's written notice of a defect, and shall complete such work within the time stated in the City's notice. In case of an emergency, where damage may result from delay or where loss of services may result, such corrections may be made by the City's own forces or another contractor, in which case the cost of corrections shall be paid by the Contractor. In the event the Contractor does not accomplish corrections within the time specified, the work will be otherwise accomplished and the cost of same shall be paid by the Contractor. When corrections of defects are made, the Contractor shall then be responsible for correcting all defects in workmanship and materials in the corrected work for one year after acceptance of the corrections by City. In addition, the Contractor shall obtain and submit to the City any necessary documentation to secure any extended manufacturer's warranty and warranty terms. This guarantee is supplemental to and does not limit or affect the requirements that the Contractor's work comply with the requirements of the Contract or any other legal rights or remedies of the City.

11. Defense and Indemnity Agreement. The Contractor shall defend, indemnify and hold the City, its appointed and elective officers, officials, employees and volunteers harmless from any and all claims, injuries, including death at any time resulting there from, damages, losses or suits including attorney fees, to the extent caused by negligent acts, errors or omissions of the Contractor in performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Contractor and the City, its officers, officials, employees, and volunteers, the Contractor's liability hereunder shall be only to the extent of the Contractor's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Contractor's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this Clause shall survive the expiration or termination of this Agreement.

12. Insurance.

A.**Insurance Term:** The Contractor shall procure and maintain insurance, as required in this Section, without interruption from commencement of the Contractor's work through the term of the contract and for thirty (30) days after the Physical Completion date, unless otherwise indicated herein.

B. **No Limitation:** The Contractor's maintenance of insurance, its scope of coverage and limits as required herein shall not be construed to limit the liability of the Contractor to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

C. **Minimum Scope of Insurance:** The Contactor's required insurance shall be of the types and coverage as stated below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be at least as broad as Insurance Services Office (ISO) form CA 00 01.
2. Commercial General Liability insurance shall be as least as broad as ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors, products-completed operations, stop gap liability, personal injury and advertising injury, and liability assumed under an insured contract. The Commercial General Liability insurance shall be endorsed to provide a per project general aggregate limit using ISO form CG 25 03 05 09 or an equivalent endorsement. There shall be no exclusion for liability arising from explosion, collapse or underground property damage. **The City of Anacortes and its officers, elected officials, employees, agents, and volunteers shall be named as an additional insured** under the Contractor's Commercial General Liability insurance policy with respect to the work performed for the City using ISO Additional Insured endorsement CG 20 10 10 01 and Additional Insured-Completed Operations endorsement CG 20 37 10 01 or substitute endorsements providing at least as broad coverage.
3. Worker's Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

D. **Minimum Amounts of Insurance:** The Contractor shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of $1,000,000 per accident.
2. Commercial General Liability insurance shall be written with limits no less than $2,000,000 each occurrence, $2,000,000 general aggregate and $2,000,000 products-completed operations aggregate limit.

E. **Public Entity Full Availability of Contractor Limits:** If the Contractor maintains higher insurance limits than the minimums shown above, the Public Entity shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Contractor, irrespective of whether such limits maintained by the Contractor are greater than those required by this contract or whether any certificate of insurance furnished to the Public Entity evidences limits of liability lower than those maintained by the Contractor.

F. **Other Insurance Provision:** The Contractor's Automobile Liability and Commercial General Liability insurance policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the City. Any insurance, self-insurance, or self-insured pool coverage maintained by the City shall be excess of the Contractor's insurance and shall not contribute with it.

G. **Acceptability of Insurers:** Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

H. **Verification of Coverage:** The Contractor shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsements, evidencing the insurance requirements of the Contractor before commencement of the work. Upon request by the City, the Contractor shall furnish certified copies of all required insurance policies, including endorsements, required in this contract and evidence of all subcontractors' coverage.

I. **Subcontractors' Insurance:** The Contractor shall cause each and every Subcontractor to provide insurance coverage that complies with all applicable requirements of the Contractor-provided insurance as set forth herein, except the Contractor shall have sole responsibility for determining the limits of coverage required to be obtained by Subcontractors. The Contractor shall ensure that the City is an additional insured on each and every Subcontractor's Commercial General liability insurance policy using an endorsement at least as broad as ISO CG 20 10 10 01 for ongoing operations and CG 20 37 10 01 for completed operations.

J. **Notice of Cancellation:** The Contractor shall provide the City and all Additional Insureds for this work with written notice of any policy cancellation within two (2) business days of their receipt of such notice.

K. **Failure to Maintain Insurance:** Failure on the part of the Contractor to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five business days notice to the Contractor to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Contractor from the City.

13. Acceptance. Contractor acknowledges and agrees that these General Provisions are incorporated in, and are a part of, each purchase order or other agreement relating to the provision of goods and/or related services by Contractor. These General Provisions supersede all conflicting or additional terms pre-printed on any purchase order, quote, invoice, or otherwise set forth on any release, acknowledgement, confirmation, requisition, work order, shipping instruction, specification and similar document or communication.

14. Registered or Licensed Contractor. The City is prohibited by RCW 39.06.010 from executing an Agreement with a Contractor who is not registered or licensed as required by the laws of the state. In addition, a City of Anacortes business license is required for any business working inside the city limits whose annual value of products, gross proceeds of sales, or gross income of the business in the city is more than $2,000. Business licenses can be obtained through the State of Washington Department of Revenue (DOR) Business Licensing Service (BLS) at bls.dor.wa.gov.

15. Discrimination Prohibited. During the performance of this Agreement, the Contractor and subcontractors shall not discriminate in violation of any applicable federal, state and/or local law or regulation on the basis of age, sex, race, creed, religion, color, national origin, marital status, disability, honorably discharged veteran or military status, pregnancy, sexual orientation, gender identity, or any other classification protected under federal, state, or local law. This provision shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, selection for training, and the provision of services under this Agreement. Contractor agrees to comply with the applicable provisions of State and Federal Equal Employment Opportunity and Nondiscrimination statutes and regulations.

16. Contractor is an Independent Contractor. The parties intend that an independent Contractor relationship will be created by this Agreement. No agent, employee or representative of the Contractor shall be deemed to be an agent, employee or representative of the City for any purpose. Contractor shall be solely responsible for all acts of its agents, employees, representatives and Sub-Contractors during the performance of this Agreement.

17. No Third Party Beneficiary Rights. This Agreement is not intended to and shall not be construed to give any Third Party any interest or rights (including, without limitation, any Third Party beneficiary rights) with respect to or in connection with any agreement or provision contained herein or contemplated hereby, except as otherwise expressly provided for in this Agreement.

18. The City's Right to Terminate Agreement.
A. **Termination for Default:** If the Contractor defaults by failing to perform any of the obligations of the Agreement or becomes insolvent or is declared bankrupt or commits any act of bankruptcy or insolvency or makes an assignment for the benefit of creditors, the City may, by depositing written notice to the Contractor in the U.S. mail, postage prepaid, terminate the Agreement, and at the City's option, obtain performance of the work elsewhere. If the Agreement is terminated for default, the Contractor shall not be entitled to receive any further payments under the Agreement until the Scope of Services under this Agreement has been fully performed. Any extra cost or damage to the City resulting from such default(s) shall be deducted from any money due or coming due to the Contractor. The Contractor shall bear any extra expenses incurred by the City in completing the work, including all increased costs for completing the work, and all damage sustained, or which may be sustained by the City by reason of such default. If a notice of termination for default has been issued and it is later determined for any reason that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to the Termination for Public Convenience paragraph hereof.

B. **Termination for Public Convenience:** The City may terminate the Agreement in whole or in part whenever the City determines, in its sole discretion that such termination is in the best interests of the City. Whenever the Agreement is terminated in accordance with this paragraph, the Contractor shall be entitled to payment for actual work performed at unit Agreement prices for completed items of work through the date of termination. An equitable adjustment in the Agreement price for partially completed items of work will be made, but such adjustment shall not include provision for loss of anticipated profit on deleted or uncompleted work. Termination of this Agreement by the City at any time during the term, whether for default or convenience, shall not constitute a breach of Agreement by the City.

19. Changes/Additional Work. The City may engage Contractor to perform services in addition to those listed in this Agreement, and Contractor will be entitled to additional compensation for authorized additional services or materials. The City shall not be liable for additional compensation until and unless any and all additional work and compensation is approved in advance in writing and signed by both parties to this Agreement. If conditions are encountered which are not anticipated in the Scope of Services, the City understands that a revision to the Scope of Services and fees may be required. Provided, however, that nothing in this paragraph shall be interpreted to obligate the Contractor to render or the City to pay for services rendered in excess of the Scope of Services unless or until a modification to this Agreement is approved in writing by both parties.

20. Non-waiver. Waiver by the City of any provision of this Agreement or any time limitation provided for in this Agreement shall not constitute a waiver of any other provision.

21. Covenant Against Contingent Fees. The Contractor warrants that he has not employed or retained any company or person, other than a bona fide employee working solely for the Contractor, to solicit or secure this Agreement, and that he has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the Contractor, any fee, commission, percentage, brokerage fee, gifts, or any other consideration contingent upon or resulting from the award of making of this Agreement. For breach or violation of this warranty, the City shall have the right to annul this Agreement without liability or, in its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

22. Disputes

A. **General:** Differences between the Contractor and the City, arising under and by virtue of this Agreement shall be brought to the attention of the City at the earliest possible time in order that such matters may be settled or other appropriate action promptly taken. The provisions of this Clause shall survive the expiration or termination of this Agreement.

B. **Notice of Potential Claims:** The Contractor shall not be entitled to additional compensation which otherwise may be payable, or to extension of time for (1) any act or failure to act by the City, or (2) the happening of any event or occurrence, unless the Contractor has given the City a written Notice of Potential Claim within 10 days of the commencement of the act, failure, or event giving rise to the claim, and before final payment by the City. The written Notice of Potential Claim shall set forth the reasons for which the Contractor believes additional compensation or extension of time is due, the nature of the cost involved, and insofar as possible, the amount of the potential claim. Contractor shall keep full and complete daily records of the Work performed, labor and all costs and additional time claimed to be additional.

C. **Detailed Claim:** The Contractor shall not be entitled to claim any such additional compensation, or extension of time, unless within 30 days of the accomplishment of the portion of the work from which the claim arose, and before final payment by the City, the Contractor has given the City a detailed written statement of each element of cost or other compensation requested and of all elements of additional time required, and copies of any supporting documents evidencing the amount or the extension of time claimed to be due.

D. **Dispute Resolution:** In the event of a dispute between the City and the Contractor arising out of this Agreement, or any obligation hereunder the dispute shall first be referred to the representatives designated by the City and the Contractor to have oversight over the administration of this Agreement. Said representatives shall meet within thirty (30) calendar days of receipt of detailed claim, and the parties shall make a good faith effort to achieve a resolution of the dispute. In the event the parties are unable to resolve the dispute under the procedure set forth above, then the parties hereby agree that the matter shall be referred to mediation. The parties shall mutually agree upon a mediator to assist them in resolving their differences. Any expenses incidental to mediation shall be borne equally by the parties. If either party is dissatisfied with the outcome of the mediation, that party may then pursue any available judicial remedies.

23. Force Majeure. Neither party shall be liable to the other or deemed in breach or default for any failure or delay in performance under this Agreement during the time and to the extent its performance is prevented by reasons of Force Majeure. For the purposes of this Agreement, Force Majeure means an occurrence that is beyond the reasonable control of and without fault or negligence of the party claiming force majeure and which, by exercise of due diligence of such party, could not have been prevented or overcome. Force Majeure shall include natural disasters, including fire, flood, earthquake, windstorm, avalanche, mudslide, and other similar events; acts of war or civil unrest when an emergency has been declared by appropriate governmental officials; acts of civil or military authority; freight embargoes; epidemics; quarantine restrictions; labor strikes; boycotts; terrorist acts; riots; insurrections; explosions; and nuclear accidents. A party claiming suspension or termination of its obligations due to force majeure shall give the other party prompt written notice, but no more than two (2) working days after the event, of the impediment and its effect on the ability to perform; failure to provide such notice shall preclude recovery under this provision. Such delay shall cease as soon as practicable and written notification of same shall be provided. The time of completion shall be extended by Agreement modification for a period of time equal to the time that the results or effects of such delay prevented the delayed party from performing in accordance with this Agreement. Rights Reserved: The City reserves the right to cancel the Agreement and/or purchase materials, equipment or services from the best available source during the time of force majeure, and Contractor shall have no recourse against the City.

24. Governing Law. This Agreement shall be governed by and construed under the laws of the State of Washington. Any action brought under the Agreement or relating to the Project shall be brought in the Superior Court of the State of Washington in Skagit County Washington.

25. Compliance with Laws. The Contractor in the performance of this Agreement shall comply with all applicable Federal, State or local laws and ordinances, including regulations for licensing, certification and operation of facilities, programs and accreditation, and licensing of individuals, and any other standards or criteria as described in the Agreement to assure quality of services. Contractor will follow all applicable laws and requirements for excavation and disposal of material.

26. Notices. Receipt of any notice shall be deemed effective three days after deposit of written notice in the U.S. mail, with proper postage and properly addressed. Notices shall be sent to the following addresses:

CITY:	CONTRACTOR:
City of Anacortes Tiffany Matson 904 6th Street PO Box 547 Anacortes, WA 98221	Hunnicutt's Inc. Daniel Jacobi 3910 Bakerview Spur. Bellingham, WA 98226

27. Severability. If any term or condition of this Agreement or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application. To this end, the terms and conditions of this Agreement are declared severable.

28. Survival of Contract Termination. The provisions of the following paragraphs, the provisions of the non collusion affidavit, and the liability of the Contractor for default during the term of the Contract shall survive, notwithstanding the termination or invalidity of this Contract for any reason: Taxes; Warranty; The City's Right to Terminate Contract; Governing Law; Defense & Indemnity Agreement; Disputes.

29. Performance and Payment Bonds. The City is required by RCW 39.08.010, with limited exceptions, to obtain both a Performance and a Payment bond for each public works project. The City requires separate Performance and Payment bonds for 100% of the contract amount furnished on bond forms standardized by the City Attorney's office. The bonds must meet the following provisions:

- Be for the full amount of the project, including tax.
- Name City of Anacortes as the obligee.
- List the correct Project Name and Project Number.
- Be signed by both the surety (the Attorney in Fact) and the Contractor.
- Be issued by a surety authorized to do business in the State of Washington (listed on the Insurance Commissioners website) and which meets the AM Best Rating required in the Contract Documents. If no requirement exists, a minimum of AM Best Rating A-7 or better will be required.

Release of Bonds
Bonds will not be released until the project has been completed and finally accepted.

Performance Bonds – Performance Bonds will be released at the end of the warranty period or six months after the date of final acceptance, whichever is later. The City may at its option release the bond once all the conditions of RCW 39.08.010-1a have been discharged.

Payment Bonds – Payment Bonds will be released either 45 days after final acceptance of the project or upon receipt of releases from the Department of Revenue, Department of Employment Security and the Department of Labor and Industries, whichever is later. Release is contingent on the fact that no claims against the bond have been filed prior to the 45 day mark. If claims have been filed against the bond, it will not be released until the claims have been resolved.
Exceptions – On projects $150,000 and under, the Contractor can, in lieu of providing a performance and payment bond, request to have the City withhold 10% of monies earned on the project for a period of 30 days after final acceptance of the completed work or until receipt of all necessary releases from the Department of Revenue and the Department of Labor and Industries and settlement of any liens filed under Chapter 60.28 RCW, whichever is later. This exception is dependent on pre-approval by the City Attorney, and the City reserves the right to reject requests to waive the bond requirements.

30. Retainage. Pursuant to RCW Chapter 60.28, a sum of five percent (5%) of the monies earned by the Contractor will be retained. The Contractor may elect to execute a Retainage Bond. The bond must be furnished on a bond form standardized by the City Attorney's office and issued by a surety currently authorized by the State Insurance Commissioner to do business in Washington State. Retainage will be released **45 days after final acceptance**, provided that the following has occurred:

1) All liens placed against the project have been released. For projects over $35,000, releases from the Department of Labor and Industries, Department of Employment Security and the Department of Revenue will also be required.
2) Affidavits of Wages paid for the final correct contract amount are approved and on file for the Contractor and any subcontractors.
3) Worker's Compensation Premiums for the Contractor and any subcontractors are current.

Note: If the City has approved the Contractor's request to waive the bond requirements, the City will withhold a total of 10% of the monies earned for a period of 30 days after final acceptance of the completed work or until receipt of all necessary releases from the Department of Revenue and the Department of Labor and Industries and settlement of any liens filed under Chapter 60.28 RCW, whichever is later.

City Council Contract Agenda Bill

Meeting Date: 5/26/2020   **Agenda Item**: 3d

Subject: Interlocal Agreement 20-135-FBR-001 for Fiber Interconnection with Skagit County and the City of Mount Vernon

Staff Contact: Emily Schuh

Approved for Submittal to Council by: Darcy Swetnam, City Attorney	**Action Type:** Interlocal Agreement

Summary Statement: City staff seek Council approval of a trilateral interlocal agreement between the City of Anacortes, the City of Mount Vernon and Skagit County for sharing the cost of constructing connectivity between the City of Anacortes' fiber optic network and the City of Mount Vernon's fiber optic network. This agreement is part of a shared interest in developing a countywide dark fiber optic backbone network in Skagit County. This agreement establishes a cooperative process of connecting the separate fiber optic networks owned by Mount Vernon and Anacortes. Interconnection will support governmental networking services and expand business opportunities.

Background: Washington State RCW 39.34 "permits local governmental units to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage". The City of Anacortes received several inquiries from governmental, educational and commercial parties wishing to connect sites in Mount Vernon (and in some cases, Burlington) with sites in Anacortes. Anacortes city staff contacted Mount Vernon city staff about interconnecting the cities' fiber optic networks. County staff subsequently indicated a willingness to contribute to the cost of interconnecting the cities' two fiber optic networks. Legal staffs from Anacortes, Mount Vernon and Skagit County Legal developed the interlocal agreement to provide a cost-sharing mechanism while addressing each party's unique interests.

Key Terms:

- The City of Anacortes will pay one third of the Project cost in a total amount not to exceed $6,666.67 to the City of Mount Vernon.
- The term of this Agreement shall commence upon mutual execution by all parties and continue through December 31, 2021.

Previous Council/Committee Action: N/A

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to sign the Interlocal Cooperation Agreement 20-135-FBR-001 between the City of Anacortes, Skagit County, and the City of Mount Vernon.

Alternative Actions: Not approve the interlocal

Attachments: 20-135-FBR-001

Contract Amount	NTE $6,666.67
BARS #	001.260.594.32.63
Budget Amendment Required?	No
Start Date	Full execution date
End Date	December 31, 2021

INTERLOCAL COOPERATIVE AGREEMENT

BETWEEN

SKAGIT COUNTY, THE CITY OF MOUNT VERNON, AND CITY OF ANACORTES

THIS AGREEMENT (“Agreement”) is made and entered into by the City of Mount Vernon ("Mount Vernon"), a Washington municipal corporation, the City of Anacortes (“Anacortes”) a Washington municipal corporation, and Skagit County (“County”), a political subdivision of the State of Washington ("County"), pursuant to the authority granted by Chapter 39.34 RCW, INTERLOCAL COOPERATION ACT. Mount Vernon, Anacortes, and the County may be individually referred to herein as a “Party”, and may be collectively referred to herein as the “Parties.”

1. PURPOSE: The purpose of this Agreement is to allow Anacortes, Mount Vernon, and the County to work cooperatively to connect the separate fiber optic networks owned by Mount Vernon and Anacortes, which interconnection may support governmental networking services, to be utilized by the County, Anacortes, and Mount Vernon. Mount Vernon, will manage the installation and connection of fiber optic cable along public right-of-way and on the premises of the Anacortes Water Treatment Plant (“Plant”) in accordance with the terms and conditions of the Telecommunications Franchise Agreement (the “Franchise Agreement’) by and between the County and Anacortes, dated October 19, 2019 (Skagit County Contract # C20190480; Auditor’s File No.: 201911040103), pursuant to this Agreement. The Project is more particularly described and depicted in Exhibit “A”, which is hereby attached to this Agreement and incorporated by reference. This Agreement is only for the design, engineering, permitting, and installation of the fiber optic cable work as described herein (the “Project”). Separate agreement(s) will be required for fiber connection services, and the County shall be provided such connection at the services upon request at mutually agreeable terms.

2. RESPONSIBILITIES:

2.1 Pursuant to the terms of this Agreement, Mount Vernon shall:

A. Provide administrative and technical support for the Project, including, but not limited to, Project permitting for those parts of the Project requiring permits within Mount Vernon city limits.

B. Perform Project work necessary to effect the interconnection as described above and in Exhibit “A.”

C. Provide all material necessary for the Project other than conduit required per Section 2.3.C below. Material may be provided as new purchases or from existing Mount Vernon inventory.

D. Invoice the County and Anacortes for their share of the Project Cost as provided in Section 4 (below).

E. Pay or contribute toward one third of the total Project cost, in a total documented amount of at least six thousand six hundred and sixty-six dollars and sixty seven hundredths ($6,666,67).

F. Provide data sheets to Anacortes and County for the cables and optical fibers used in the Project.

G. Request any necessary access to Anacortes's Water Treatment Plant no less than twenty-four (24) hours prior to such access.

Comply with the terms of any permits related to Mount Vernon's work on the Project.

2.2 Pursuant to the terms of this Agreement, the County shall:

A. Pay one third of the total Project cost, in a total amount not to exceed six thousand six hundred and sixty-six dollars and sixty seven hundredths ($6,666,67). Such payment shall be made by the County to Mount Vernon upon completion of all Project work, and then within thirty (30) days after receipt of an invoice from Mount Vernon.

B. Prior to the commencement of the Project, process any utility permit application(s), and other Project permitting applications timely submitted by Anacortes for all Project work within the County road right-of-way in accordance with the terms of the Franchise Agreement and applicable law. The County shall not be responsible or liable for the design, construction, maintenance, operation, and/or use of the Project in any way other than for the County's payment obligation for the Project pursuant to this Agreement.

C. Unless specifically stated to the contrary in this Agreement, the County is not otherwise obligated to provide any funds, or perform or provide any other services, duties, or responsibilities pursuant to the terms of this Agreement.

2.3 Pursuant to the terms of this Agreement, Anacortes shall:

A. Pay one third of the Project cost in a total amount not to exceed six thousand six hundred and sixty-six dollars and sixty seven hundredths ($6,666,67). Payments shall be made within thirty (30) days after receipt of an invoice from Mount Vernon per Section 4., below.

B. Design, engineer, obtain permits, provide materials, and install above ground and/or underground fiber conduit to contain and protect the fiber optic cable in accordance with the Project specifications from a Puget Sound Energy utility pole on or near Plant premises to the connection with the Anacortes fiber optic network (in accordance with the terms of the Franchise Agreement).

C. Provide reasonable access to Anacortes property to Mount Vernon's staff, contractors, engineers, or other companies or individuals to perform work needed to engineer, design, run, splice, and test the fiber optic cable, provided reasonable notice has been provided per Section 2.1., above, and in compliance with all security requirements for Anacortes property.

D. Comply with the Franchise Agreement for the placement of fiber lines and related Project equipment within County road rights of way located outside the City of Mount Vernon, and ensure compliance with the terms of the Franchise Agreement by Mount Vernon. In accordance with the terms of the Franchise Agreement, obtain and execute any necessary utility pole agreements that will locate overhead fiber lines on poles outside Mount Vernon city limits.

3. TERM OF AGREEMENT: The term of this Agreement shall commence upon mutual execution by all parties and continue through December 31, 2021, unless sooner terminated pursuant to the terms herein.

4. MANNER OF FINANCING:

4.1 Project cost in a total documented amount of at least six thousand six hundred and sixty-six dollars and sixty seven hundredths ($6,666,67) may be comprised of the following costs incurred by Mount Vernon:

A. Labor necessary to design and engineer the Project.
B. Labor necessary to apply for permits required to construct the Project, including pole attachment applications for portions of the Project located within City limits, for which Mount Vernon is responsible or assumes.
C. Labor necessary to install Project infrastructure.
D. Cost of Project material including but not limited to fiber optic cables and pole attachment hardware.
E. Labor necessary to perform OTDR tests per Exhibit A.
F. Labor necessary to perform any corrective measures required by Exhibit A.
G. Any other documented costs incurred by Mount Vernon directly related to the Project, including but not limited to necessary permitting fees, make ready costs (costs charged by PSE to prepare poles for attachment of cable for portions of the Project located within City limits), etc.

4.2 Total combined Project costs shall not exceed twenty thousand dollars ($20,000.00) without all Parties' duly executed subsequent written agreement. Anacortes shall otherwise be responsible for funding all other costs for the Project in excess of twenty thousand dollars ($20,000.00).

4.3. Upon completion of the Project work to be performed (as provided herein), the County shall reimburse the Mount Vernon for all labor, time, materials and permitting fees for the Project (including but not limited to design and engineering required to create bid specifications) in a total amount not to exceed six thousand six hundred and sixty-six dollars and sixty seven hundredths ($6,666,67). Upon completion of the Project work to be performed (as provided herein), Anacortes shall reimburse Mount Vernon in the amount not to exceed six thousand six hundred and sixty-six dollars and sixty seven hundredths ($6,666,67).

4.4 No Party shall be obligated to pay, provide, or expend any funds, provide, and/or perform any other services or other duties, unless otherwise specified herein including future repair or maintenance to any fiber lines, conduit, or related equipment owned by another Party. Upon request, Mount Vernon shall provide adequate supporting documentation for any and all amounts billed to the County and Anacortes by Mount Vernon pursuant to the terms of this Agreement. Mount Vernon's contribution of one third of the total costs may be provided through the provision of documented in kind services including the provisions of Mount Vernon staff time and labor costs.

5. ADMINISTRATION: The following individuals are designated as representatives of the respective Parties. The representatives shall be responsible for administration of this Agreement and for coordinating and monitoring performance under this Agreement. In the event such representatives are changed, the Party making the change shall notify the other Parties in writing.

5.1 The County's representative shall be the Manager, Information Services Department.

5.2 Mount Vernon's representative shall be the Director, Information Services.

5.3 Anacortes's representative shall be Anacortes's Broadband Manager.

6. TREATMENT OF ASSETS AND PROPERTY:

6.1 No fixed assets or personal or real property will be jointly or cooperatively, acquired, held, or used. All fiber optic lines, conduit or related Project equipment installed within the city limits of the Mount Vernon shall be owned by the Mount Vernon. All fiber optic lines, conduit, or related equipment installed outside Mount Vernon city limits shall be owned by of Anacortes, subject to the terms of the Franchise Agreement. Upon annexation by the Mount Vernon (if applicable), ownership of any fiber optic lines, conduit or related Project equipment installed as a result of the Project that would be located within the Mount Vernon city limits as a result of annexation shall be transferred to Mount Vernon, subject to the terms of the Franchise Agreement.

6.2. MAINTENANCE AND OPERATION. Upon Project completion, Mount Vernon shall be operationally and financially responsible to maintain those portions of the Project that it owns within the city limits of Mount Vernon. Upon Project completion, Anacortes shall be operationally and financially responsible to maintain those portions of the Project that it owns within property owned by Anacortes and as located within County road right-of-way (subject to the terms of the Franchise Agreement). At no time shall the County be operationally and financially responsible to maintain any portions of the Project.

7. NO AGREEMENT FOR FIBER NETWORK SERVICES: This Agreement shall not be interpreted nor construed as providing any license, lease, access or other rights to any Party's fiber optic network.. The provision of any services (e.g. dark fiber access, lit fiber services, connectivity through any Party's fiber optic network) shall require separate agreement(s).

8. INDEMNIFICATION: Except as provided to the contrary herein, each Party agrees to be responsible and assume liability for its own wrongful and/or negligent acts or omissions or those of their officials, officers, agents, or employees to the fullest extent required by law, and further agrees to save, indemnify, defend, and hold the other Parties harmless from any such liability. It is further provided that no liability shall attach to any Party by reason of entering into this Agreement except as expressly provided herein. All claims for damages Anacortes and/or Skagit County may have against Mount Vernon arising from this Agreement (except for any third party claims) including, but not limited to, with respect to the construction and installation of the Project, claims against Mount Vernon for violation of the Franchise Agreement or failure to obtain permits (which are contractual duties of Anacortes) set forth in this Agreement shall be limited to and shall not exceed Six Thousand Six Hundred Sixty Six Dollars and Sixty Seven Cents ($6,666.67) per party.

10. TERMINATION: Any Party hereto may terminate this Agreement upon thirty (30) days notice in writing either personally delivered or mailed postage-prepaid by certified mail, return

receipt requested, to the Party's last known address for the purposes of giving notice under this paragraph. If this Agreement is so terminated, the Parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

11. CHANGES, MODIFICATIONS, AMENDMENTS, AND WAIVERS: The Agreement may be changed, modified, amended or waived only by duly executed subsequent written agreement executed by the Parties hereto. Waiver or breach of any term or condition of this Agreement shall not be considered a waiver of any prior or subsequent breach.

12. SEVERABILITY: In the event any term or condition of this Agreement or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications of this Agreement which can be given effect without the invalid term, condition, or application. To this end the terms and conditions of this Agreement are declared severable.

13. NO THIRD PARTY BENEFICIARIES: This Agreement is not intended to nor does it create any third party beneficiary or other rights in any third person or party, including, but not limited to, the general public, property owners and residents at or in the vicinity of the Project work to be performed, or any other organization or entity, or any agent, contractor, subcontractor, consultant, employee, volunteer, or other representative of any party.

14. NO PARTNERSHIP OR JOINT VENTURE: No partnership and/or joint venture exists between the Parties, and no partnership and/or joint venture is created by and between the parties by virtue of this Agreement. No agent, employee, contractor, subcontractor, consultant, volunteer, and/or other representative of the Parties shall be deemed an agent, employee, contractor, subcontractor, consultant, volunteer, or other representative of the other Party.

15. USE OF DOCUMENTS AND MATERIALS PRODUCED: Unless privileged, or otherwise exempt from public disclosure pursuant to applicable law, all Parties shall have the right to use and distribute any and all documents, writings, programs, data, public records or other materials prepared by any Party (and/or any Party's contractors, consultants, and/or subcontractors), in connection with performance of this Agreement. The Parties recognize and agree that any documents and/or materials arising from and/or related to this Agreement may be subject to public disclosure pursuant to applicable law (including RCW 42.56).

16. COMPLIANCE WITH LAWS: The Parties to this Agreement shall comply with all applicable federal, state, and local laws, rules, and regulations in carrying out the terms and conditions of this Agreement. As necessary and as provided herein, Anacortes shall ensure compliance with the Franchise Agreement, and shall obtain and comply with all necessary permit(s) and approval(s) from all applicable jurisdictions prior to commencing any Project work arising from or related to this Agreement. Anacortes and/or Mount Vernon shall be solely and separately responsible and liable for compliance with all terms and conditions of any permit(s) and/or grant(s) obtained or procured in such Party's name.

17. VENUE AND CHOICE OF LAW: In the event that any litigation should arise concerning this Agreement, the venue of such action of litigation shall be in the Superior Court of the State of Washington in and for the County of Skagit. This Agreement shall be governed by the laws of the State of Washington.

18. SURVIVAL: The terms of Sections 6, 8., and 16., shall survive the termination or expiration of this Agreement.

19. STATUS OF AGREEMENT: This Agreement is in addition to, and is not intended to replace, substitute, modify, or otherwise amend any other agreements by and between the parties. Any other agreements by and between the parties shall continue in full force and effect.

20. ENTIRE AGREEMENT: This Agreement contains all the terms and conditions agreed upon by the Parties. All items incorporated herein by reference are attached. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the Parties hereto

CITY OF MOUNT VERNON:

By: ______________________________
Jill Boudreau, Mayor

Dated:______________________________, 2020

Attest: ______________________________
Doug Volesky, Finance Director

Approved as to form and legality:

____
Kevin Rogerson, Mount Vernon Attorney

CITY OF ANACORTES:

By: ________________________________
Laurie Gere, Mayor

Dated:____________________________, 2020

Attest: ________________________________
Steven D. Hoglund, Finance Director

Approved as to form and legality:

____
Darcy Swetnam, Anacortes Attorney

DATED this _____ day of _______________, 2020.

BOARD OF COUNTY COMMISSIONERS
SKAGIT COUNTY, WASHINGTON

____
Ron Wesen, Chair

____
Kenneth A. Dahlstedt, Commissioner

Attest:

____
Lisa Janicki, Commissioner

____
Clerk of the Board

For contracts under $5,000:
Authorization per Resolution R20030146

____
County Administrator

Recommended:

____
Department Head

Approved as to form:

____
Civil Deputy Prosecuting Attorney

Approved as to indemnification:

____
Risk Manager

Approved as to budget:

____
Budget & Finance Director

Exhibit “A”
Project Information
Page 1 of 2

Fiber optic lines will be installed and located between the following a splice connection points: a) the Mount Vernon fiber optic network line located at or near the 800 block of Freeway Drive (Point A) and b) the Plant premises located at 14549 River Bend Road (Point B). Fiber optic cable will run along a power poles pursuant to pole permits and agreements obtained by Anacortes to the pole owned by Puget Sound Energy at the south corner of the Plant’s premises and then through the Plant’s premises in conduit installed by Anacortes to a splice connection point into the Anacortes fiber optic network. The drawing included in this Exhibit A depicts the approximate location of the conduit and the Anacortes splice connection point.

Mount Vernon shall design, engineer, and install fiber optic lines and splice connections beginning at Point A to the Anacortes splice connection point ending at Point B. Should a contractor be required for this work, Mount Vernon shall prepare and manage bid documents and the resultant contract.

Anacortes shall be responsible for obtaining all needed permits and shall be named as the lessee, fiber optic cable owner or fiber optic cable attachment provider for utility pole agreements needed run the cable on power poles along the County right of way and for obtaining any necessary right of way permits and for complying with the terms of the Franchise Agreements.

If needed, Mount Vernon shall be responsible for obtaining and shall be named as the lessee, fiber optic cable owner or fiber optic cable attachment provider for any required utility pole agreements to run the cable on power poles within Mount Vernon city limits.

Mount Vernon will provide twenty-four [24] strands of fiber for Anacortes’s use.

The Project is not a County project. The County shall not be responsible or liable for the design, construction, maintenance, operation, and/or use of the Project in any way. For purposes of any Project work performed within the County’s road right-of-way, it is recognized and agreed by the Parties that such work performed shall be in compliance with and subject to the terms of the Franchise Agreement.

Once the fiber optic cable is installed and connected between Point A and Point B, Mount Vernon will conduct bi-directional Optical Time Domain Reflectometer (OTDR) tests at 1310 nm and 1550 nm on each strand terminated and spliced. One endpoint of the OTDR testing will be either unterminated optical fiber ends or a fiber optic patch panel, both of which are at Anacortes’ Water Treatment Plant. The other endpoint of the OTDR testing will be at the Mount Vernon 800-block splice point. These tests will verify that no point loss at any splice or other point along the optical path of any Project fiber exceeds 0.25 dB. These tests will also document end-to-end optical loss measured in dBs, reflectance at each splice point and end-to-end optical length of each optical fiber.

If the OTDR test indicates a point loss of greater than 0.25 dB along any Project fiber, Mount Vernon and Anacortes shall jointly agree whether or not to pursue any corrective measure; provided however, Mount Vernon shall not be under any obligation to incur greater expenses to pursue any corrective measures absent such further agreement

Exhibit “A”
Project Information
Page 2 of 2

City Council Contract Agenda Bill

Meeting Date: 5/26/2020 **Agenda Item**: 3e

Subject: Master Service Agreement 20-133-FBR-001 with NoaNet for Communication Services

Staff Contact: Emily Schuh

Approved for Submittal to Council by: Darcy Swetnam, City Attorney	**Action Type:** Contract

Summary Statement: City staff seeks City Council approval of a Master Service Agreement (MSA) with Northwest Open Access Network (NoaNet). The MSA provides the commercial terms that govern any specific orders for telecommunications services that the customer places with the City.

Background: The City Attorney prepared the Fiber Division's draft MSA which serves as the starting point from which discussions begin with parties wishing to place orders for telecommunications services other than residential Internet service and business-class Internet service. Using that draft MSA as a starting point, the City Attorney has negotiated and approved this specific MSA with NoaNet.

NoaNet has indicated that it will from time to time contemplate leasing various dark fibers and Ethernet circuits from the City's Fiber Division. NoaNet has to date requested price quotes for several such situations and is currently prepared to order one such Ethernet circuit. This MSA must be in place before the Fiber Division can entertain that initial order or any subsequent orders for telecommunications services.

Key Terms:

- This Agreement shall terminate one-hundred, eighty (180) days after all Service Schedules and Service Orders enter into under this Agreement terminate.

Previous Council/Committee Action: This is the first negotiated MSA being presented for Council approval. Council approved a similar MSA at its September 16, 2019 meeting. That MSA is used for customers ordering residential Internet service and business-class Internet service.

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to execute Master Service Agreement 20-133-FBR-001 between the City of Anacortes and the NoaNet.

Alternative Actions: Not approve the agreement

Attachments: 20-133-FBR-001

Master Service Agreement
#20-133-FBR-001

This Master Service Agreement ("Agreement") is made by and between **NOANET** ("Customer") and the **CITY OF ANACORTES** ("City") each referred to in this Agreement as a "Party" and severally as the "Parties." This Agreement provides the general terms and conditions applicable to Customer's purchase of communications services ("Service") from City.

1.0 SERVICE ORDERS

1.1 **Submission and Acceptance of Service Orders**. Customer may submit requests for Service in a form designated by City ("Service Order"). Customer acknowledges and agrees that Customer is solely responsible for the accuracy of all Service Orders and other information that it provides to City. Each Service Order shall incorporate by reference, and shall be subject to, the terms and conditions of this Agreement and shall clearly set forth the term, pricing, service type and location(s), monthly recurring charge ("MRC"), non-recurring charge ("NRC"), and any additional specific terms for the Services. Any purchase order submitted by the Customer to City shall be used only for invoice processing and order purposes. All Service Orders shall be subject to availability and acceptance by City. Service Orders shall contain the duration for which Service is ordered ("Service Term"). Unless indicated otherwise in the Service Order, Service will continue on a month to month basis at the expiration of the Service Term at City's then current rates. City will notify Customer of acceptance of the Service Order by delivering (in writing or electronically) the date by which City will install Service (the "Customer Commit Date") or by delivering the Service. Renewal Service Orders will be accepted by City's continuation of Service. If Customer submits Service Orders electronically, Customer shall assure that any passwords or access devices are available only to those having authority to submit Service Orders. Customer will pay City's then current charges for moves, adds or changes agreed to by City respecting any Service Order or Service.

1.2 **Credit Approval and Deposits**. Customer will provide City with credit information as requested. City may from time to time conduct a review of Customer's credit rating and payment history. City may require Customer to make a deposit as a condition of City's acceptance of any Service Order or continuation of Services where, Customer fails to timely pay City hereunder or City reasonably determines that Customer has had an adverse change in financial condition. Deposits will not exceed two months' estimated charges for Service and are due upon City's written request. When Service is discontinued, the deposit will be credited to Customer's account and the balance refunded.

1.3 **Equipment.** City: (a) is the owner of all right, title and interest in all Equipment supplied, built or otherwise provided by City, whether or not the Customer has paid any costs towards the purchase and supply of such Equipment (the "City Equipment"); or (b) has obtained the right to make the City Equipment available for use by the Customer from a third party. The Customer shall have no rights in the City Equipment and shall not create or permit any liens or encumbrances on the City Equipment.

The Customer shall not make any change or repair to City's Equipment, connect any of the Customer-provided Equipment to City's Equipment, or allow access to City's Equipment without City's prior written consent. Similarly, the Customer shall be responsible for the security of and any loss or damage to City Equipment located on the Customer's premises, reasonable wear and tear excepted.

City may access and make any routine or unscheduled maintenance, inspections, tests, repairs and adjustments ("Maintenance Activities") it deems reasonably necessary upon reasonable notice of any such Maintenance Activities that may impact Service, except in cases of emergency (in which case, City will notify the Customer as soon as reasonably possible thereafter).

City shall not be liable for any resulting Service problem in the event that the Customer does not provide such timely access.

Customer will bear the costs of any additional apparatus reasonably required to be installed because of the use of City's Equipment.

City will maintain City's Equipment at no additional charge to Customer, except where work or service calls result from failure or malfunction in, or improper operation of, Customer's Equipment and/or equipment. In such event, Customer will reimburse City for the cost of the required maintenance at City's standard time and

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material rate plus any taxes imposed upon City related to such maintenance, and Customer shall be responsible for the cost of repair or replacement of City equipment that is damaged by Customer's actions or equipment.

Upon the expiration or termination of this Agreement, the Customer shall provide City with access to the Customer-provided Equipment to enable the removal of City's Equipment.

1.4 **Scheduled Maintenance and Local Access**. Scheduled maintenance may result in Service interruption. If scheduled maintenance requires Service interruption, City will: (i) attempt to provide Customer thirty days' prior written notice, (ii) work with Customer to minimize such interruptions and (iii) use commercially reasonable efforts to perform such maintenance between midnight and 6:00 a.m. local time.

2.0 BILLING AND PAYMENT

2.1 **Commencement of Billing**. City will deliver written or electronic notice (a "Connection Notice") to Customer when Service is installed, at which time billing will commence ("Service Commencement Date"). If Customer notifies City within 3 days after delivery of the Connection Notice that Service is not functioning properly, City will correct any deficiencies and, upon Customer's request, credit Customer's account in a proportional amount per day of the monthly charge for each day Service did not function properly.

2.2 **Payment of Invoices and Disputes**. City will deliver an invoice each month to Customer, and payment will be due no later than the date stated on the face of the invoice (the "Due Date"). Past due amounts bear interest at 1.5% per month or the highest rate allowed by law (whichever is less). Customer is responsible for all charges respecting the Service, even if incurred as the result of unauthorized use except that Customer shall not be responsible for fraudulent or unauthorized use (A) by City or its employees, (B) by third parties to the extent that such use (i) is caused by City's negligence or willful misconduct, or (ii) originates on City's side of the demarcation point. If Customer reasonably disputes an invoice, Customer must pay the undisputed amount by the Due Date and submit written notice of the disputed amount (with details of the nature of the dispute and the Services and invoice(s) disputed). Disputes must be submitted in writing within 90 days from the date of the invoice. If the dispute is resolved against Customer, Customer shall pay such amounts plus interest from the date originally due. Any payments shall be applied as set forth in Anacortes Municipal Code Section 13.08.110.

2.3 **Taxes and Fees**. Excluding taxes based on City's net income, Customer is responsible for all taxes and fees arising in any jurisdiction imposed on or incident to the provision, sale or use of Service, including but not limited to value added, consumption, sales, use, gross receipts, foreign withholding (which will be grossed up), excise, access, bypass, ad valorem, franchise or other taxes, fees, duties or surcharges (including regulatory and 911 surcharges), whether imposed on City or a City affiliate, along with similar charges stated in a Service Order (collectively "Taxes and Fees"). Some Taxes and Fees are recovered through imposition of a percentage surcharge on the charges for Service. Charges for Service are exclusive of Taxes and Fees. Customer may present City with an exemption certificate eliminating City's liability to pay certain Taxes and Fees; City will give effect thereto prospectively.

2.4 **Regulatory and Legal Changes**. If changes in applicable law, regulation, rule or order materially affect delivery of Service, the Parties will negotiate appropriate changes to this Agreement. If the Parties cannot reach agreement within thirty days after City's notice requesting renegotiation: (a) City may, on a prospective basis after such thirty days period, pass any increased delivery costs on to Customer and (b) if City does so, Customer may terminate the affected Service on notice to City delivered within thirty days.

2.5 **Cancellation and Termination Charges**. Customer may cancel a Service Order (or portion thereof) prior to the delivery of a Connection Notice upon written notice to City identifying the affected Service Order and Service. If Customer does so, Customer shall pay City a cancellation charge equal to the sum of: (i) 1 month's monthly recurring charges for the cancelled Service; (ii) the non-recurring charges for the cancelled Service; and (iii) City's out of pocket costs (if any) incurred in constructing facilities necessary for Service delivery.

Customer may terminate specified Service(s) after the delivery of a Connection Notice upon thirty days' written notice to City. If Customer does so, or if Service is terminated by City hereunder as the result of Customer's default, Customer shall pay City a termination charge equal to the sum of: (i) all unpaid amounts for Service actually provided; (ii) 100% of the remaining monthly recurring charges for months 1-12 of the Service Term; (iii) 50% of the remaining monthly recurring charges for month 13 through the end of the Service Term; and (iv) if not recovered by the foregoing, any termination liability payable to third parties resulting from the

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termination. Customer acknowledges that the charges in this Section are a genuine estimate of City's actual damages and are not a penalty

3.0 DEFAULT; SUSPENSION OF SERVICE

3.1 **Customer Default.** Customer is in default of this AGREEMENT if Customer (a) fails to cure any monetary breach within thirty (30) days of receiving notice of the breach from City; (b) fails to cure any non-monetary breach of any terms of the agreement within thirty (30) days of receiving notice of the breach from City; or (c) files or initiates proceedings or has proceedings filed or initiated against it, seeking liquidation, reorganization or other relief (such as the appointment of a trustee, receiver, liquidator, custodian or such other official) under any bankruptcy, insolvency or other similar law (each such event shall be a " Customer Default ").

In the event of a Customer Default, City may suspend Services to Customer until Customer remedies the Customer Default, or City may terminate this AGREEMENT and/or any or all of the Services being provided hereunder. City may at its sole option, but without any obligation, cure a non-monetary breach at Customer's expense at any point and invoice Customer for the same. These remedies are in addition to and not a substitute for all other remedies contained in this AGREEMENT or available to City at law or in equity.

3.2 **City Default.** City is in default of this AGREEMENT if City fails to cure any non-monetary breach of any material term of this AGREEMENT within thirty (30) days of receiving written notice of the breach from Customer ("City Default"); provided, however, that Customer expressly acknowledges that Service related failure or degradation in performance is not subject to a claim of a City Default. Customer's sole and exclusive remedy for any failure of Service is limited to any SLA set forth in the applicable Service Schedule.

In the event of a City Default, Customer may terminate the Services and this Agreement upon written notice to City. Any termination shall not relieve Customer of its obligations to pay all charges incurred hereunder prior to such termination.

4.0 LIABILITIES AND SERVICE LEVELS

4.1 **General Limitations.** To the extent allowed by law, City shall not be liable for injury to or death of any person and for damage to or loss of any property arising out of or attributable to its operations and performance under this Agreement. City's total liability for any and all causes and claims whether based in contract, warranty, negligence or otherwise shall be limited to the lesser of:

A. The amount of actual and direct damages that are proven; or

B. The service charges incurred by Customer for the period of service during which such mistake, omission, interruption, delay, error, defect, or failure of service occurred.

4.2 **Statute of Limitations**

Excluding payments due under any Service Order that have not been paid, no cause of action under any theory which accrued more than one (1) year prior to the filing of a complaint alleging such cause of action may be asserted by either Party against the other Party.

4.3 **Special Damages**. EXCEPT FOR A PARTY'S INDEMNIFICATION OBLIGATIONS SET FORTH BELOW IN ARTICLE 5 AND EXCEPT FOR CLAIMS ARISING FROM A PARTY'S INTENTIONAL MISCONDUCT, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES WHATSOEVER, ARISING OUT OF, OR IN CONNECTION WITH, THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO, LOST PROFITS, LOST REVENUE, LOSS OF GOODWILL, LOSS OF ANTICIPATED SAVINGS, LOSS OF DATA, INCURRED OR SUFFERED BY EITHER PARTY, WHETHER IN AN ACTION IN CONTRACT OR TORT, EVEN IF THE OTHER PARTY OR ANY OTHER PERSON HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. EXCEPT AS EXPRESSLY SET FORTH IN THE AGREEMENT, CITY MAKES NO WARRANTY, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE AS TO THE DESCRIPTION, QUALITY, MERCHANTABILITY, COMPLETENESS OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE OF THE SERVICE, LOCAL ACCESS OR ANY OTHER MATTER, AND ANY SUCH WARRANTIES ARE HEREBY EXCLUDED AND DISCLAIMED.

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4.4 **No Liability for Certain Actions.** City is not responsible for the content of any information transmitted or received through the Services. Other than as expressly stated in a Service Schedule, Customer shall be solely responsible for all of the security and confidentiality of information it transmits using a Service. Customer shall be solely responsible for all Customer support, pricing and service plans, billing and collections with respect to its End User Customers, including obtaining all necessary legal or regulatory approvals to provide or terminate the provision of the services to its End User Customers. City exercises no control over, and accepts no responsibility for, the content of the information passing through its network, or Customer equipment, and use of any such Service is at Customer's own risk.

4.5 **Service Levels**. The “Service Level” commitments applicable to Services are contained in the Service Schedules for each Service. If City does not meet a Service Level, a credit will be issued to Customer if and as stated in the applicable Service Schedule on Customer’s written request. To request a credit, Customer must contact City Customer Service or deliver a written request per the provisions of Section 5.4 of this Agreement (with sufficient detail to identify the affected Service) within sixty days after the end of the month in which the event occurred. Total monthly credits will never exceed the charges for the affected Service for that month. Customer's sole remedies for any non-performance, outages, failures to deliver or defects in Service are contained in the Service Levels applicable to the affected Service.

4.6 **Right of Termination for Installation Delay**. In lieu of installation Service Level credits, if City’s installation of Service is delayed by more than thirty business days beyond the Customer Commit Date, Customer may terminate the affected Service without liability upon written notice to City, provided such written notice is delivered prior to City delivering a Connection Notice for the affected Service. This Section shall not apply where City is constructing facilities to a new location not previously served by City.

5.0 INDEMNIFICATION

5.1 **Indemnification.** The Customer agrees to make payment of all proper charges for labor and services required under this Agreement and Customer shall indemnify City and hold it harmless from and against any loss or damage, claim or cause of action, and any attorneys' fees and court costs, arising out of: any unpaid bills for labor, services or materials furnished pursuant to this Agreement; any failure of performance of Customer under this Agreement; or the negligence of the Customer in the performance of its duties under this Agreement, or any act or omission on the part of the Customer, his agents, employees, or servants. The City is not obligated to indemnify Customer, and Customer shall defend and indemnify City hereunder, for any claims by any third party, including End User Customers, arising from services provided by Customer that incorporate any of the Services including but not limited to (a) violation of any applicable law by End User Customers; (b) damage to property or personal injury (including death) arising out of the acts or omissions of End User Customers; (c) termination or suspension of Services of Customer or End User Customers, due to a Customer Default; or (d) claims by a third party, including without limitation End User Customers, arising out of or related to the use or misuse of any Service.

6.0 GENERAL TERMS

6.1 **“Terms of Service”** means the provisions set out in Articles 1 through 6 in this AGREEMENT.

6.2 **Force Majeure.** Neither Party shall be responsible for failure or delay of performance if caused by: an act of war, hostility, or sabotage; act of God; electrical, internet, or telecommunication outage that is not caused by the obligated Party; government restrictions; or other event outside the reasonable control of the obligated Party. Both Parties will use reasonable efforts to mitigate the effect of such an event. In the event City is unable to deliver Service as a result of a Force Majeure Event, Customer shall not be obligated to pay City for the affected Service for the duration of the event. Force Majeure Events and scheduled maintenance under Section 1.4 are considered “Excused Outages” and shall not, apart from City’s negligence or willful misconduct, make City a defaulting Party per Section 3.1 of this Agreement.

6.3 **No Sub-Licensing; Non-Compete.** Any Services provided to Customer pursuant to the Agreement are for the sole benefit of Customer. Customer shall not grant to any third party the right to use any of the Services, regardless of whether such grant were to take the form of a license, sublicense, lease, sublease, or any other form. Nor shall Customer use the Services for commercial purposes that are competitive with City’s business (e.g., use the Services to sell Internet access services, point-to-point data transport services, VoIP services, etc., to third parties within City’s service area).

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6.4 **Affiliates**. Customer's affiliates may purchase Service pursuant to this Agreement, and Customer shall be jointly and severally liable for all claims and liabilities related to Service ordered by any Customer affiliate.

6.5 **Notices**. Any notices provided by one Party to the other Party pursuant to this Agreement shall be in writing and deemed received if delivered personally, sent via facsimile, pre-paid overnight courier, electronic mail (if an e-mail address is provided) or sent by U.S. Postal Service or First Class International Post, addressed as follows:

IF TO CITY:

City of Anacortes
904 6th Street
PO Box 547
Anacortes, WA 98221
Attn: Municipal Fiber Mgr
Email: broadband@cityofanacortes.org

IF TO CUSTOMER:

Name: NoaNet
Street: 7195 Wagner Way, Suite 104
City/State: Gig Harbor, WA 98335
Attn: Paul Harding
Email: cpatterson@noanet.net

If no electronic or physical Customer address is indicated above, notices may be provided to any electronic or physical address identified on the Service Order. Either Party may change its notice address upon notice to the other Party. All notices shall be deemed given on (i) the date delivered if delivered personally, by e-mail (or the next business day if delivered on a weekend or legal holiday), (ii) the business day after dispatch if sent by overnight courier, or (iii) the third business day after dispatch if otherwise sent.

6.6 **Acceptable Use Policy; Data Protection**. Customer's use of Service shall comply with City's Acceptable Use Policy and Privacy Policy, as communicated in writing to Customer from time to time and which are also available through City's web site. Customer consents that City may use Customer data for the performance of City's obligations and the exercise of City's rights under this Agreement, including storing, processing or transferring data to or from the United States.

6.7 **Intellectual Property and Publicity**. Neither Party is granted a license or other right (express, implied or otherwise) to use any trademarks, copyrights, service marks, trade names, patents, trade secrets or other form of intellectual property of the other Party or its affiliates without the express prior written authorization of the other Party. Neither Party shall issue any press release or other public statement relating to this Agreement, except as may be required by law or agreed between the Parties in writing.

6.8 **Governing Law; Amendment**. This Agreement shall be governed and construed in accordance with the laws of the State of Washington, without regard to its choice of law rules and jurisdiction for any claim or cause of action shall lie only in Skagit County, Washington. This Agreement, including any Service Schedule(s) and Service Order(s) executed hereunder, constitutes the entire and final agreement and understanding between the Parties with respect to the Service and supersedes all prior agreements relating to the Service. This Agreement may only be modified or supplemented by an instrument executed by an authorized representative of each Party. No failure by either Party to enforce any right(s) hereunder shall constitute a waiver of such right(s).

6.9 **Relationship and Counterparts**. The relationship between the Parties is not that of partners, agents, or joint ventures. This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one instrument.

6.10 **Attorneys' Fees**. In the event litigation is required to enforce the terms of this Agreement, the prevailing Party shall, in addition to all other relief granted or awarded by the court, be entitled to judgment for reasonable attorney's fees, incurred by reason of such action and all costs of arbitration or suit and those incurred in preparation thereof at both the trial and appellate levels, and in bankruptcy proceedings.

6.11 **Order of Precedence**. In the event of any conflict between this Agreement and the terms and conditions of any Service Schedule and/or Service Order, the order of precedence is as follows: (1) any Service Order signed by Customer and accepted by City but solely with respect to the Service covered by that Service Order, 2) any Service Schedule either attached hereto or hereafter signed by Customer, and (3) this Agreement.

6.12 **Term.** This Agreement shall become effective upon its execution by both Customer and City and shall continue in force for as long as any Service Schedule or Service Order entered into under this Agreement remains in force. This Agreement shall terminate one-hundred, eighty (180) days after all Service Schedules and Service Orders enter into under this Agreement terminate.

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6.13 **Severability.** If a court of competent jurisdiction finds or holds any part of this Agreement or any Service Schedule or any Service Order entered into under this Agreement to be unenforceable, then only the unenforceable provision or section shall be affected and the remaining portions of this Agreement or any Service Schedule or any Service Order entered into under this Agreement shall continue in full force and effect.

6.14 **Regulatory Requirement.** If the Federal Communications Commission, the Canadian Radio-television and Telecommunications Commission ("CRTC"), a regulatory body, or a court of competent jurisdiction, issues a rule, regulation, law or order which has the effect of increasing the cost to provide the Services or cancelling, changing, or superseding any material term or provision of this Agreement (collectively "Regulatory Requirement"), then this Agreement shall be deemed modified in such a way as is necessary to comply with such Regulatory Requirement

6.15 **Entire Agreement**. This Agreement, including any Service Schedule(s) and Service Order(s) executed hereunder, constitutes the entire and final agreement and understanding between the Parties with respect to the Service and supersedes all prior agreements, understandings, proposals, or representations relating to the Service, which are of no further force or effect. The Service Schedules are listed at www.anacorteswa.gov and are integral parts hereof and are hereby made a part of this Agreement.

CITY OF ANACORTES ("City")		**NOANET** ("Customer")	
By	______________________	By	______________________
Name	Laurie Gere	Name	______________________
Title	Mayor	Title	______________________
Date	______________________	Date	______________________

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City Council Agenda Item Summary

Meeting Date: 5/26/2020 **Agenda Item Number:** 4a

Agenda Item Title: Monthly Finance Update and Covid-19 Impacts

Staff Contact(s): Steve Hoglund

Approved by:

Action Type: Staff Report

Item Summary: City revenues are starting to realize the impacts of the stay at home order, with early May sales tax results, and April Lodging tax results, indicating 36% and 42% revenue reductions, respectively. Water and solid waste consumption are also showing signs of impact from the stay at home order.

Budget Impact

Amount Budgeted:

Proposed Expenditure:

Budget Amendment Required? No

Previous Action: April 20, 2020 Finance Update and Covid related impacts.

Recommended Motion: Not Applicable.

Alternative Actions: Not Applicable.

Attachments In order presented:

- Covid impacts slide presentation
- April month end update

Nationwide Retail Sales Decline in April

April is only one month, but if that trend continues through June, the GDPNow model projects a 40% drop in for 2nd Qtr.

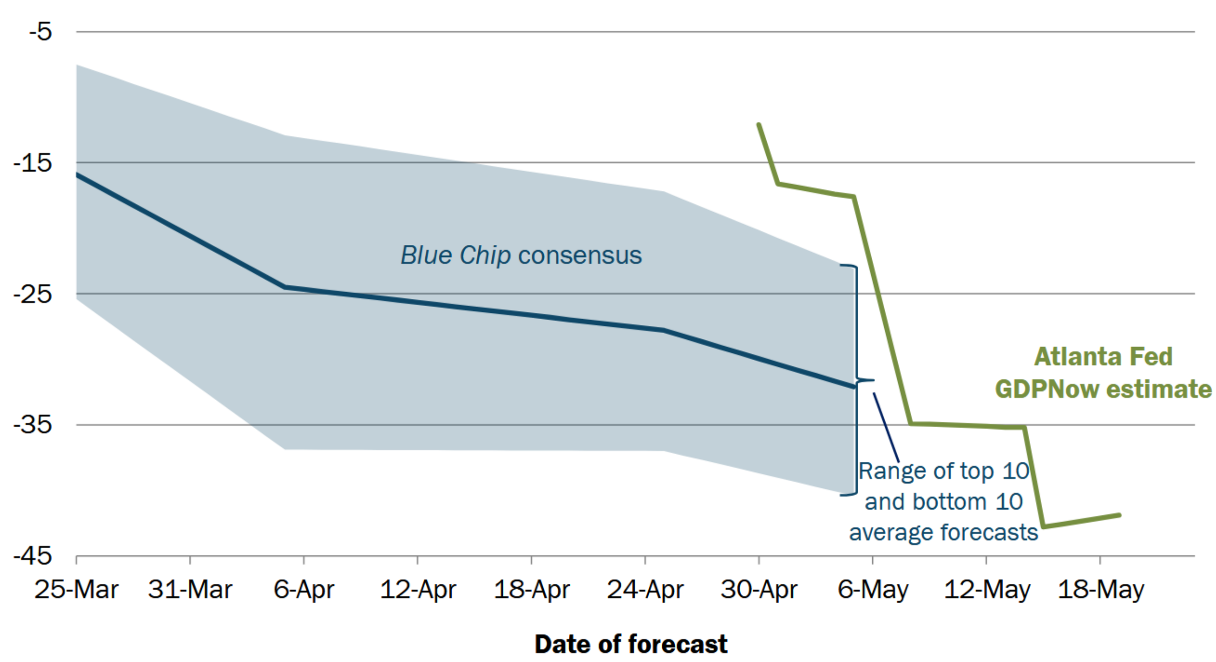
FEDERAL RESERVE BANK of ATLANTA | GDPNow™

GDPNow is not an official forecast of the Atlanta Fed. Rather, it is best viewed as a running estimate of real GDP growth based on available data for the current measured quarter. There are no subjective adjustments made to GDPNow—the estimate is based solely on the mathematical results of the model.

In particular, **it does not capture the impact of COVID-19** beyond its impact on GDP source data and relevant economic reports that have already been released. It does not anticipate the impact of COVID-19 on forthcoming economic reports beyond the standard internal dynamics of the model.

Evolution of Atlanta Fed GDPNow real GDP estimate for 2020: Q2

Quarterly percent change (SAAR)



Sources: *Blue Chip Economic Indicators* and *Blue Chip Financial Forecasts*

Note: The top (bottom) 10 average forecast is an average of the highest (lowest) 10 forecasts in the *Blue Chip* survey.

Sales Tax – May 2020, generated from March 2020 Retail Sales

- We received May sales tax on Friday, it was 335,461 and is from retail sales made in March.
- Budget was 412,485.
- Actual receipt was 19% less than expectation (budget)

- However, if we assume first half March was relatively normal, the drop in sales tax would be from 2nd half of the month's activity.

May Sales Tax	
335,461	Sales Tax Received
412,485	Expectation
206,243	1st half of Month
129,218	2nd half of Month
(77,024)	Amount of lost sales tax
-37.3%	% loss

Water Consumption – In Cubic Feet

- Nothing surprising in Water consumption in April. As expected, outlined in **Purple** box, Commercial consumption dropped in April compared to March, and is down when compared to the same time frame 2019.
- Likewise Multifamily & Residential are both up during the same timeframe.

Water Consumption					
	2019		**2020**		
CUBIC FEET	**Total Jan-Apr**	**Change Mar - Apr**	**Total Jan-Apr**	**Change Mar - Apr**	**Change Jan-Apr 2019 - 2020**
INDUSTRIAL					
Shell Puget Sound Refinery	117,656,140	(952,475)	118,154,066	1,044,902	497,926
Tesoro Northwest Co	90,627,735	(3,202,447)	88,020,560	1,852,999	(2,607,175)
TOTAL: INDUSTRIAL	**208,283,875**	**(4,154,922)**	**206,174,626**	**2,897,901**	**(2,109,249)**
WHOLESALE				6.1%	
Town of La Conner	3,758,030	71,670	4,307,535	307,416	549,505
City of Oak Harbor	27,536,332	(773,099)	26,619,100	585,190	(917,232)
Skagit PUD	2,545,845	(21,992)	2,187,756	79,174	(358,089)
Swinomish Utility Authority	1,807,033	(33,285)	1,509,614	(15,616)	(297,419)
TOTAL: WHOLESALE	**35,647,240**	**(756,706)**	**34,624,005**	**956,164**	**(1,023,235)**
				11.5%	
RETAIL					
Commercial	9,911,552	185,136	9,834,423	(158,539)	(77,129)
Multifamily	1,658,290	9,432	1,719,274	65,116	60,984
Residential	12,746,696	183,426	13,030,267	942,656	283,571
TOTAL: RETAIL	**24,316,538**	**377,994**	**24,583,964**	**849,233**	**267,426**
				15.1%	
TOTAL: IN CUBIC FEET	**268,247,653**	**(4,533,634)**	**265,382,595**	**4,703,298**	**(2,865,058)**
				7.6%	

Solid Waste Consumption

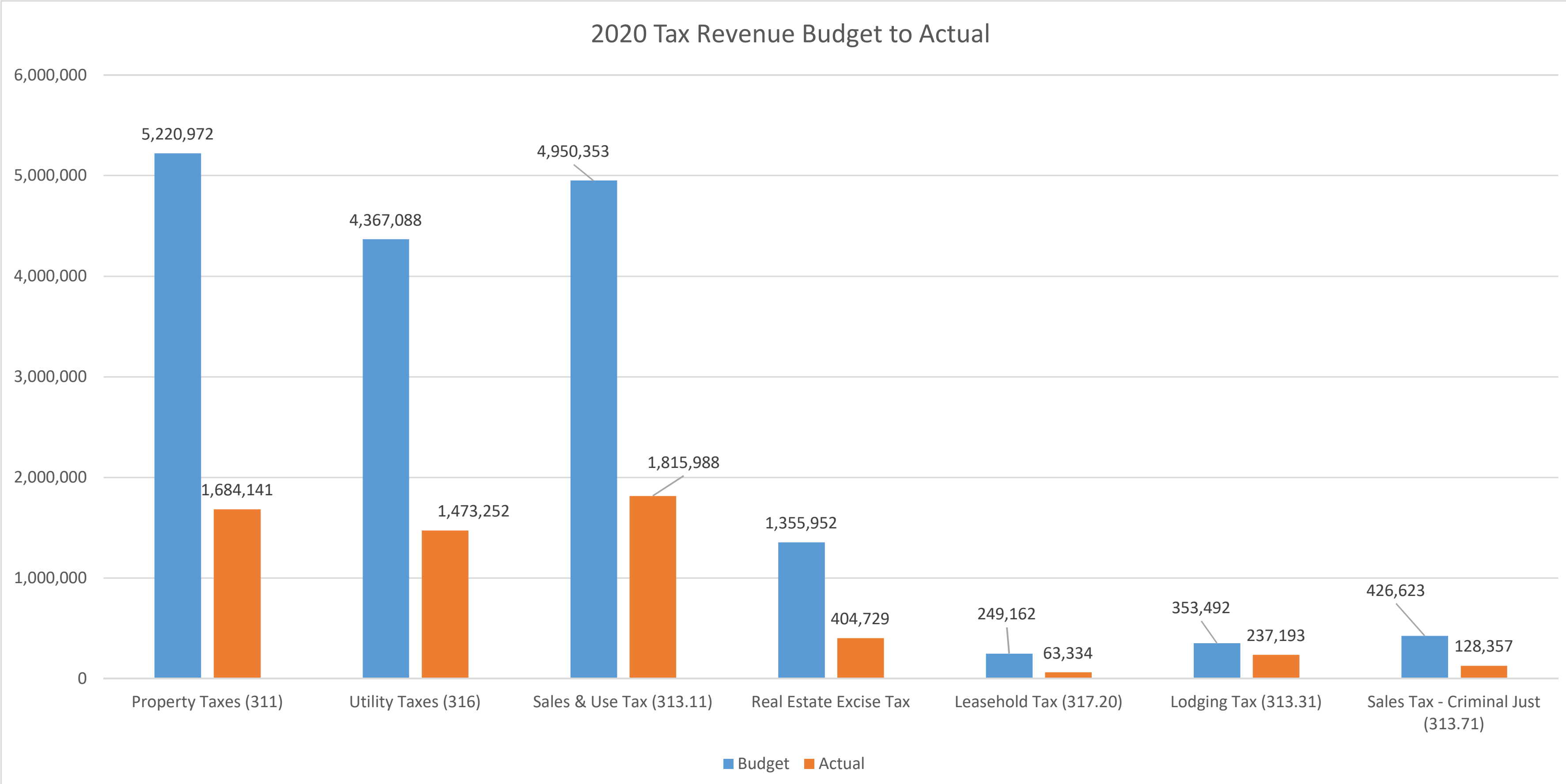
- During the last recession we noted a large drop in Solid Waste consumption.
  - Particularly from construction activity

- We see a similar trend may in April; we would have expected April 2020 to be around that 6-7% increase over prior year, similar to January – March.
  - Hopefully this is short lived as the economy begins to reopen.

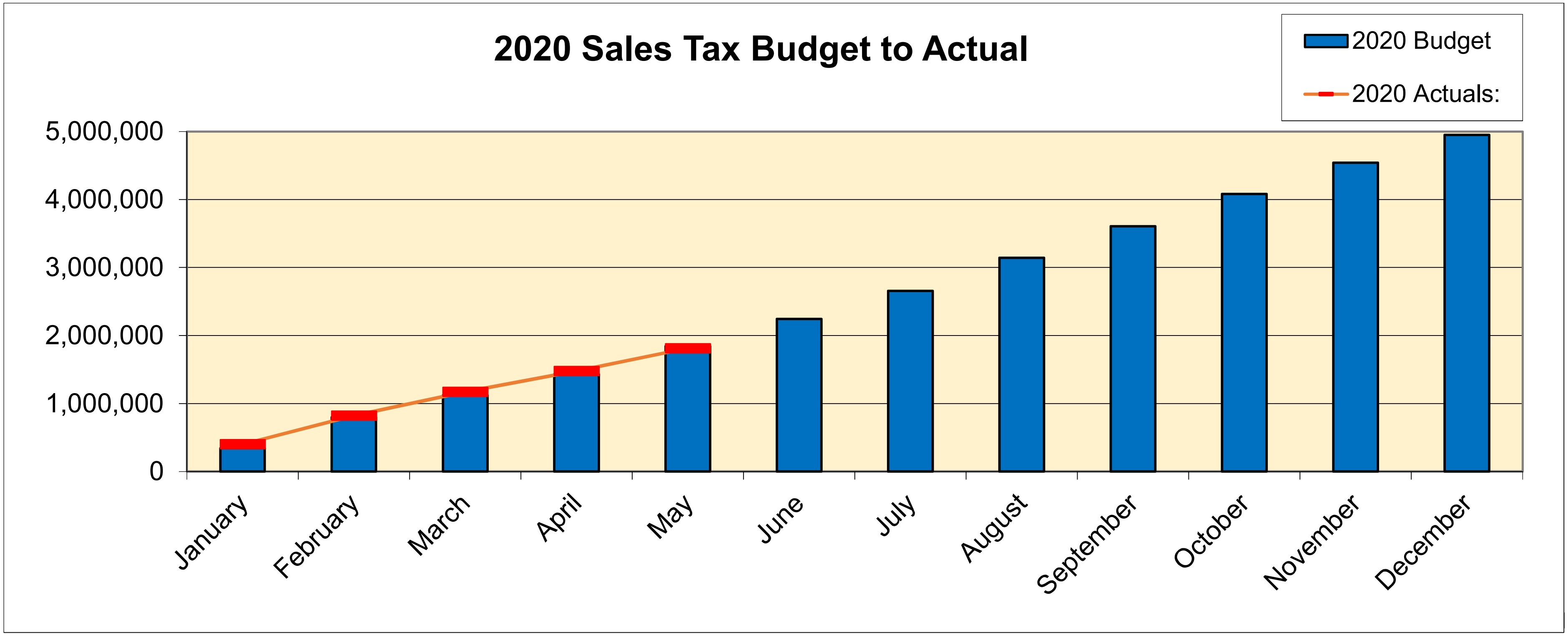
- Solid Waste Utility tax affects General Fund and Road Maintenance Fund.

Solid Waste Monthly Revenues

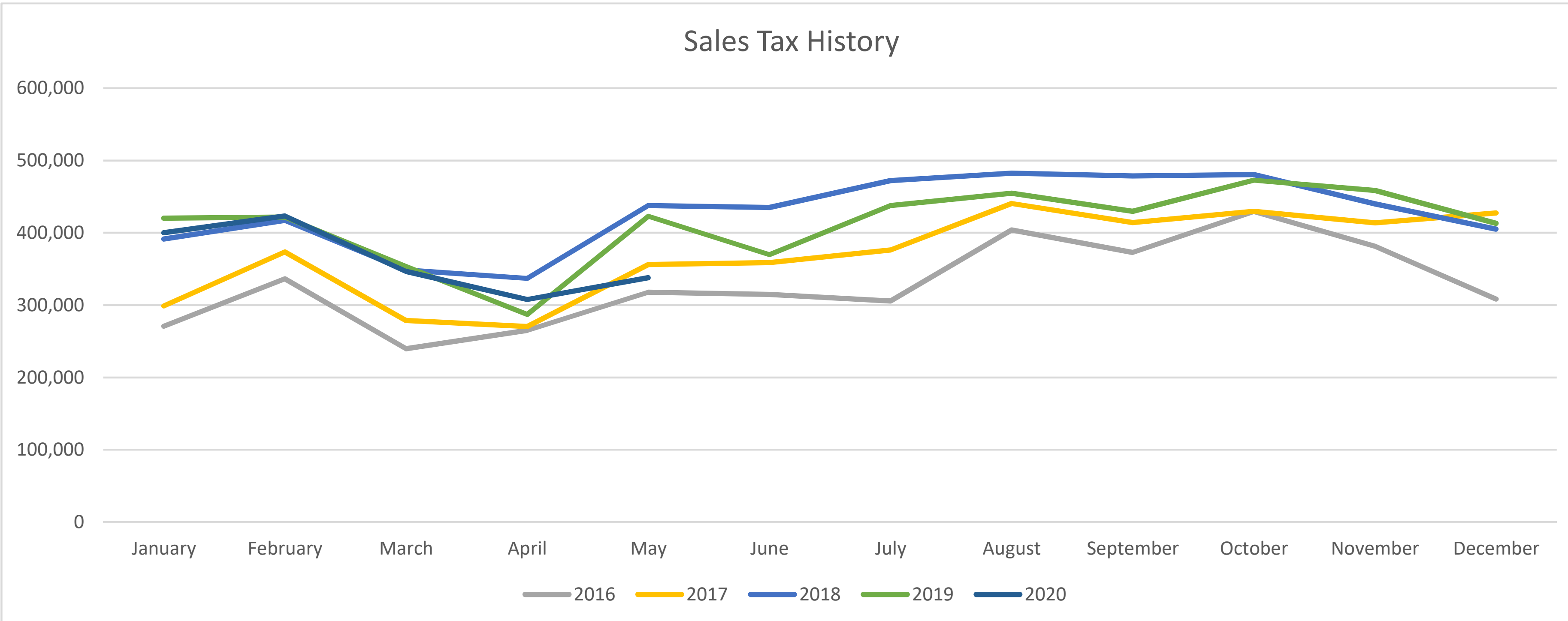
	2019	2020	Change	% Change
January	369,077	392,678	23,601	6.4%
February	359,524	386,948	27,425	7.6%
March	365,154	388,124	22,971	6.3%
April	372,294	378,318	6,024	1.6%
	1,466,049	1,546,069		



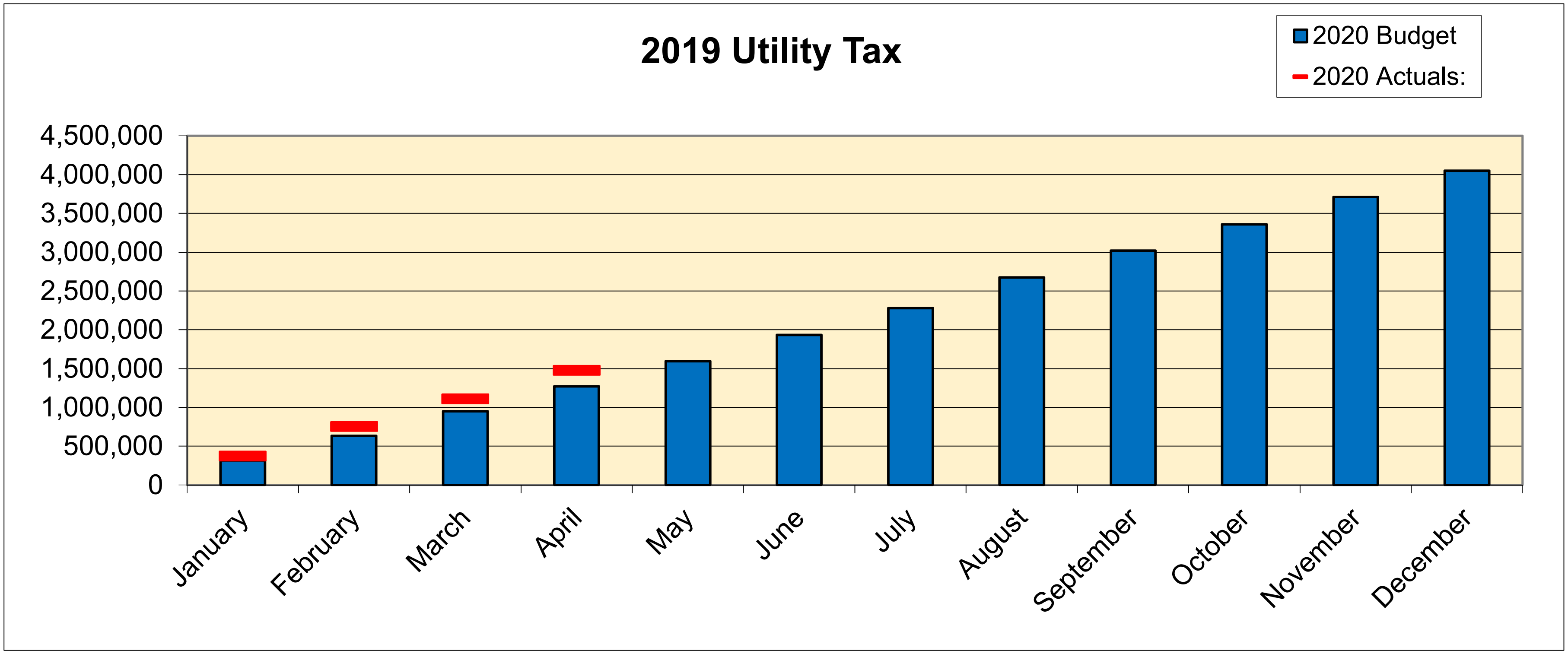
Taxes	**Budget**	**Actual**	**Jan - Apr 2020**	**33%**
Property Taxes (311)	5,220,972	1,684,141	32%	
Utility Taxes (316)	4,367,088	1,473,252	34%	
Sales & Use Tax (313.11)	4,950,353	1,815,988	37%	
Real Estate Excise Tax	1,355,952	404,729	30%	
Leasehold Tax (317.20)	249,162	63,334	25%	
Lodging Tax (313.31)	353,492	237,193	67%	
Sales Tax - Criminal Just (313.71)	426,623	128,357	30%	
Totals Taxes:	16,923,642	5,806,994	34.3%	



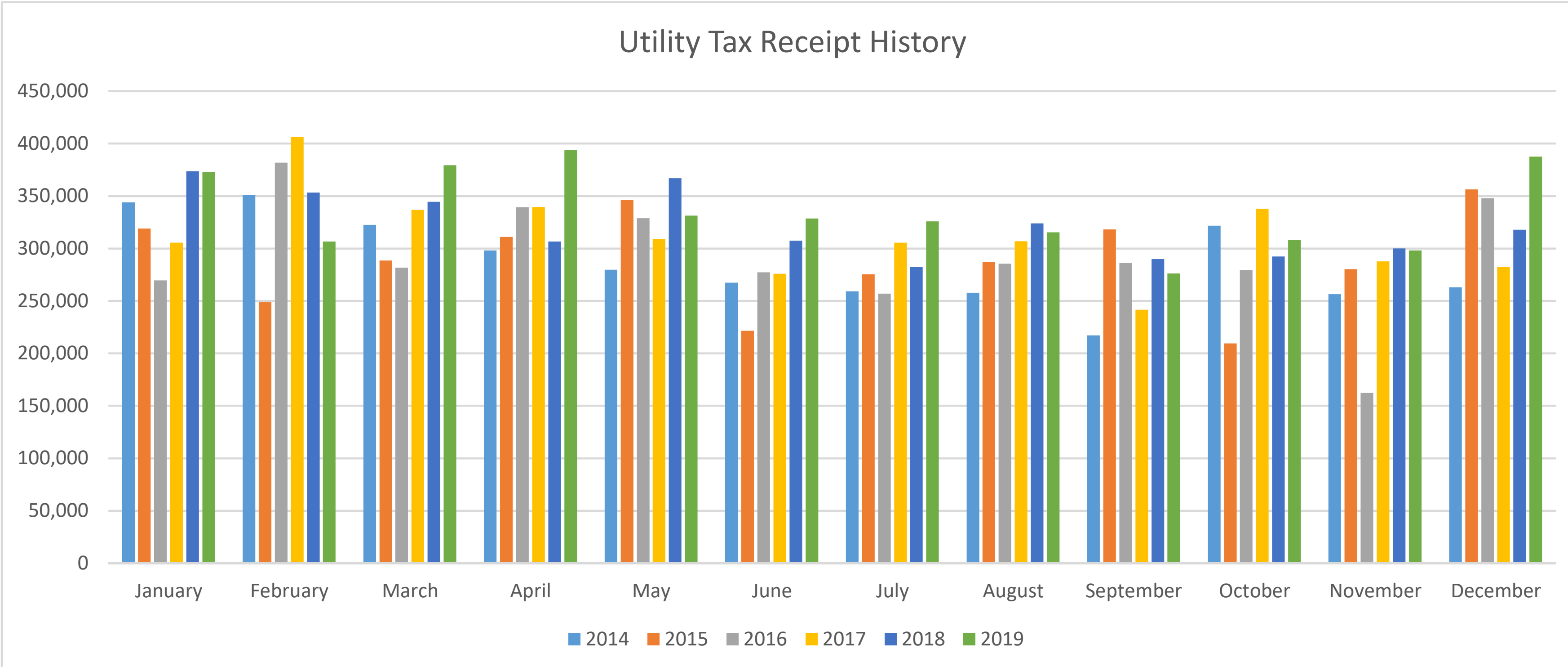
	January	February	March	April	May	June	July	August	September	October	November	December
2020 Budget	**344,116**	**799,971**	**1,121,901**	**1,432,409**	**1,844,894**	**2,241,948**	**2,657,251**	**3,143,462**	**3,605,869**	**4,081,825**	**4,543,292**	**4,950,353**
2020 Actuals:	**400,099**	**823,436**	**1,170,259**	**1,477,988**	**1,813,449**							
2019 Actuals:	420,175	841,848	1,195,484	1,482,641	1,905,593	2,275,269	2,713,063	3,167,786	3,597,487	4,070,201	4,528,769	4,941,631
Year to prior year:	-4.8%	-2.2%	-2.1%	-0.3%	-4.8%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%
Year to budget:	16.3%	2.9%	4.3%	3.2%	-1.7%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%
Monthly Receipts:												
2020 Total:	400,099	423,337	346,823	307,729	335,461							
Month % change:	-4.8%	0.4%	-1.9%	7.2%	-20.7%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%
2019 Total:	420,175	421,673	353,636	287,158	422,952	369,676	437,794	454,723	429,701	472,714	458,568	412,861



	2014	2015	2016	2017	2018	2019	2020
January	234,638	237,766	270,996	298,921	391,598	420,175	400,099
February	329,731	330,149	336,361	373,446	417,159	421,673	423,337
March	231,190	234,269	239,760	278,816	348,395	353,636	346,823
April	222,174	253,526	265,116	270,333	336,990	287,158	307,729
May	319,244	317,448	317,956	356,187	437,549	422,952	335,461
June	258,597	292,365	314,697	358,896	435,146	369,676	
July	279,769	302,126	305,900	376,437	472,366	437,794	
August	333,220	355,597	403,770	440,609	482,490	454,723	
September	319,637	326,590	372,694	414,095	478,476	429,701	
October	330,125	344,564	429,378	429,664	480,657	472,714	
November	316,660	343,221	381,040	413,760	439,992	458,568	
December	263,700	285,842	308,184	427,580	405,194	412,861	
Total	3,438,685	3,623,463	3,945,850	4,438,743	5,126,010	4,941,631	



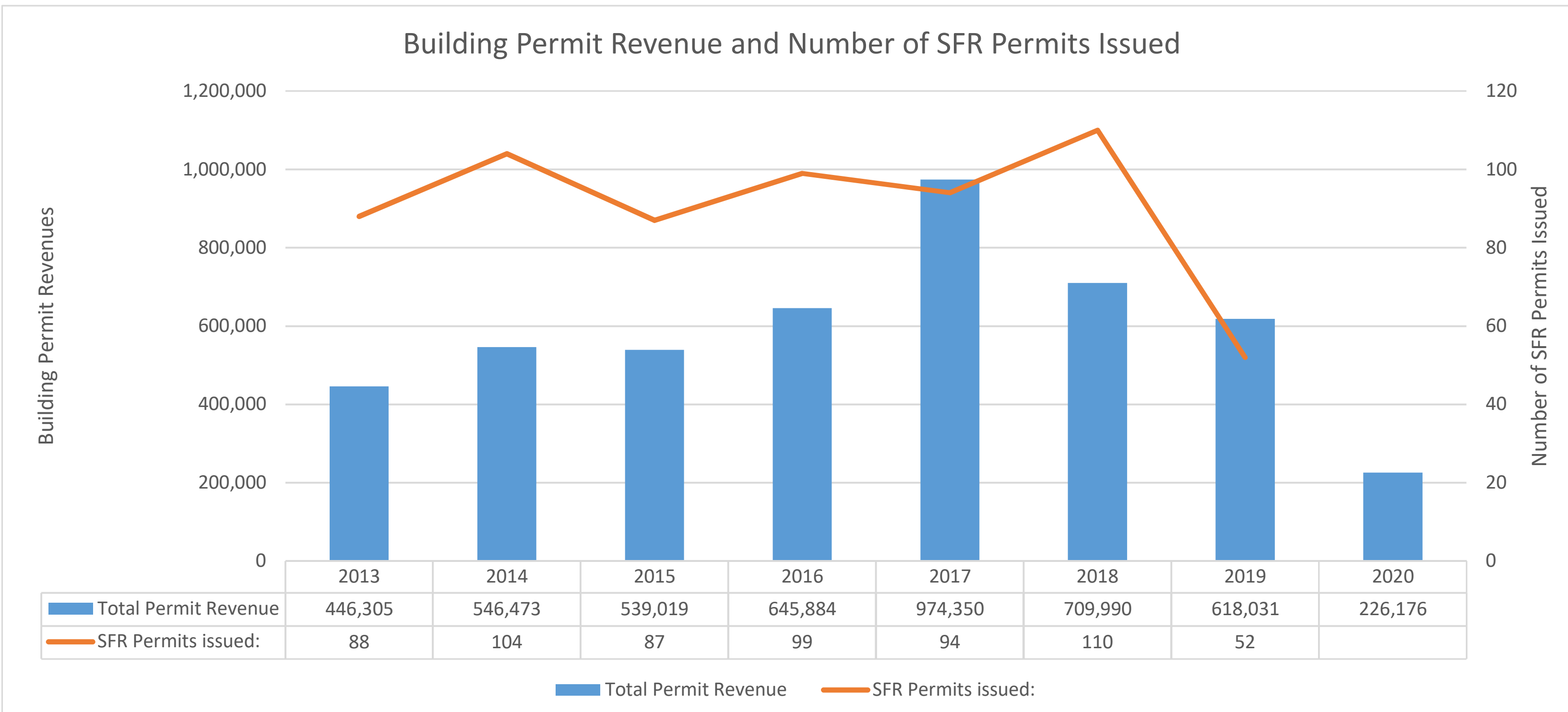
	January	February	March	April	May	June	July	August	September	October	November	December
2020 Budget	**315,091**	**631,833**	**949,179**	**1,271,953**	**1,596,054**	**1,934,594**	**2,279,468**	**2,672,606**	**3,020,137**	**3,359,701**	**3,710,823**	**4,050,079**
2020 Actuals:	**368,352**	**751,725**	**1,106,293**	**1,473,252**								
2019 Actuals:	372,774	679,383	1,058,672	1,452,422	1,783,753	2,112,112	2,437,810	2,753,025	3,029,198	3,337,178	3,635,215	4,022,631
Year to prior year:	-1.2%	10.6%	4.5%	1.4%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%
Year to budget:	16.9%	19.0%	16.6%	15.8%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%
Monthly Receipts:												
2020 Total:	368,352	383,373	354,568	366,958								
Month % change:	-1.2%	25.0%	-6.5%	-6.8%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%
2019 Total:	372,774	306,609	379,289	393,751	331,330	328,359	325,699	315,215	276,172	307,981	298,037	387,415

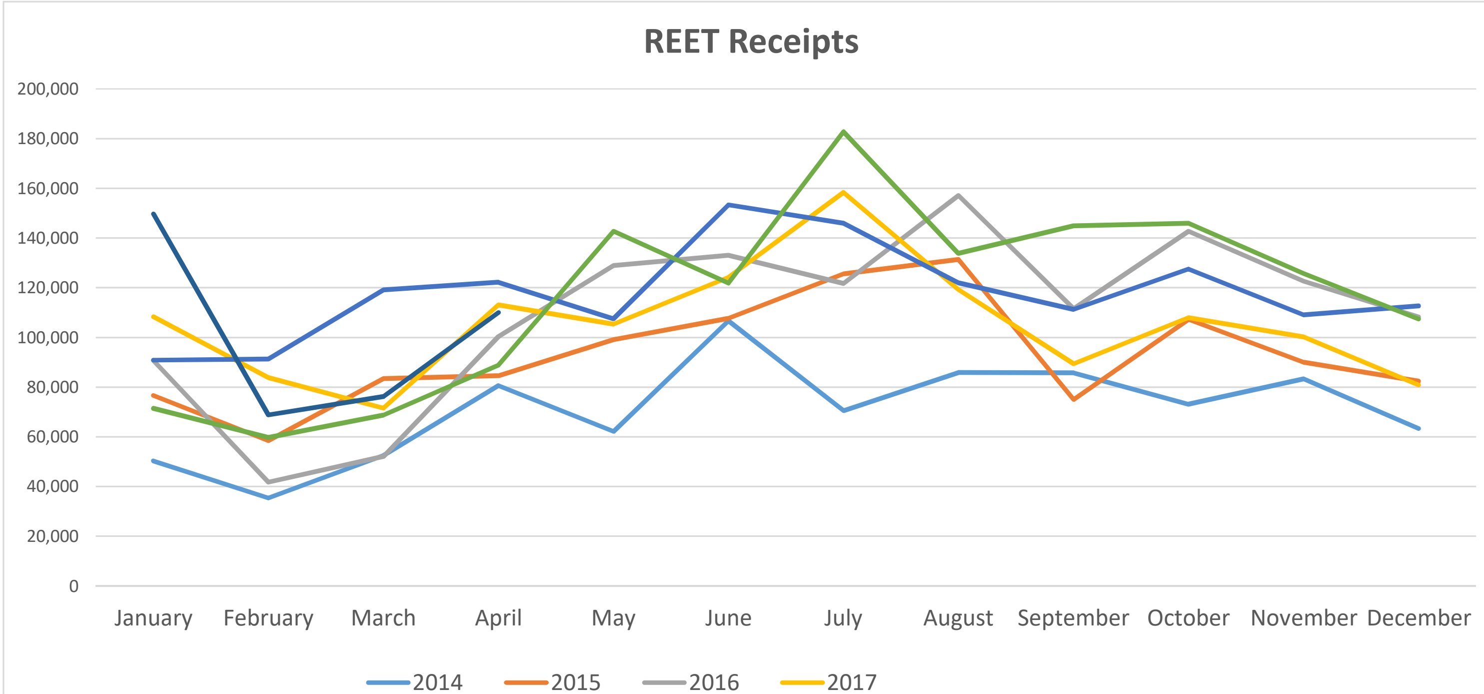


	2014	2015	2016	2017	2018	2019	2020
January	343,874	318,920	269,357	305,477	373,515	372,774	368,352
February	351,050	248,731	381,609	406,056	353,112	306,609	383,373
March	322,360	288,511	281,559	336,829	344,296	379,289	354,568
April	298,086	310,771	339,263	339,444	306,609	393,751	366,958
May	279,575	345,954	328,761	308,905	366,853	331,330	
June	267,179	221,517	277,213	275,798	307,323	328,359	
July	258,998	275,368	256,921	305,388	282,163	325,699	
August	257,652	287,043	285,519	306,924	323,815	315,215	
September	216,927	318,123	285,810	241,469	289,749	276,172	
October	321,486	209,429	279,301	337,919	292,254	307,981	
November	256,365	280,144	162,278	287,552	299,851	298,037	
December	262,981	356,122	347,630	282,396	317,769	387,415	

BUILDING PERMIT REVENUES

Year	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	
January	28,841	32,823	42,370	40,543	37,646	50,909	49,435	30,146	
February	27,298	35,500	37,608	59,400	22,296	36,824	23,424	58,146	
March	43,193	54,017	46,117	62,836	417,281	97,950	17,289	67,837	
April	29,932	61,243	90,131	66,401	70,171	49,316	102,494	70,047	
May	54,417	26,370	39,880	91,587	76,816	51,462	52,645		
June	46,064	51,989	62,135	69,296	68,217	80,324	51,172		
July	31,586	47,646	37,835	49,642	71,066	56,868	57,444		
August	57,429	48,008	55,805	64,252	60,555	99,921	88,115		
September	32,946	58,395	19,478	32,719	19,003	77,574	29,884		
October	39,243	44,476	26,812	38,917	47,880	32,541	52,695		
November	20,680	34,684	49,130	32,710	38,720	37,865	45,641		
December	34,675	51,321	31,718	37,582	44,698	38,436	47,794		
Total Permit Revenue	446,305	546,473	539,019	645,884	974,350	709,990	618,031	226,176	
SFR Permits issued:	**88**	**104**	**87**	**99**	**94**	**110**	**52**	**23**	
April Status:	129,266	183,584	216,226	229,180	547,394	234,999	192,641	226,176	
Ave % of Annual:	29%	34%	40%	35%	56%	33%	31%	37%	Ave %

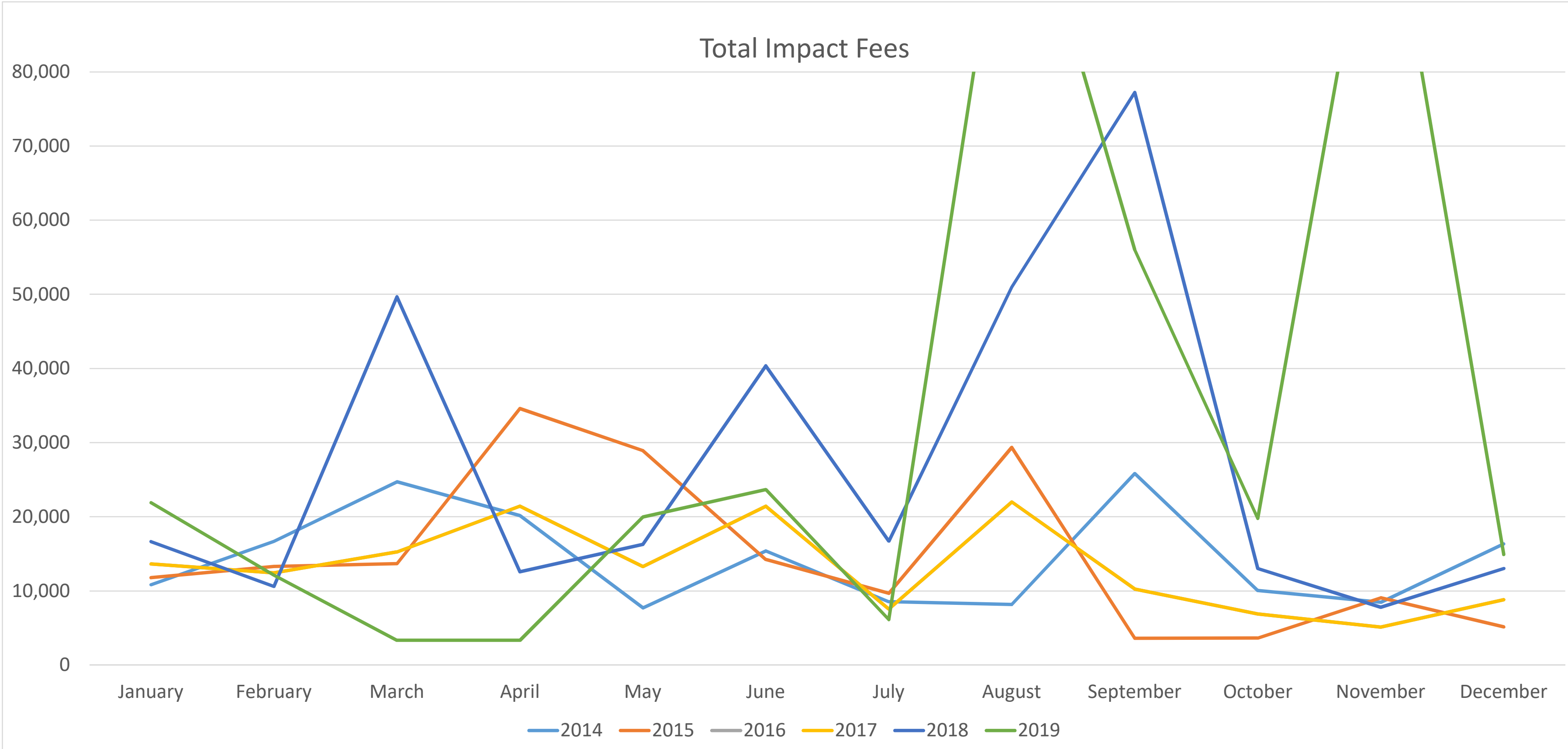




REET Receipts by Month

	2014	2015	2016	2017	2018	2019	2020	Change 2018 to 2019
January	50,379	76,641	90,785	108,345	90,855	71,476	149,648	109%
February	35,392	58,467	41,788	83,871	91,344	59,737	68,822	15%
March	52,500	83,496	52,085	71,546	119,086	68,816	76,264	11%
April	80,638	84,647	100,310	113,091	122,262	88,848	109,995	24%
May	62,231	99,114	128,959	105,290	107,540	142,701		
June	106,731	107,656	132,996	124,195	153,339	121,806		
July	70,536	125,559	121,693	158,342	145,919	182,759		
August	85,932	131,356	157,115	119,278	121,977	133,793		
September	85,757	75,122	111,482	89,402	111,249	144,927		
October	73,123	107,324	142,738	107,915	127,479	145,979		
November	83,353	89,971	122,623	100,151	109,063	125,671		
December	63,373	82,391	108,345	80,913	112,696	107,435		
Total:	849,945	1,121,744	1,310,919	1,262,338	1,412,809	1,393,949	404,729	
Thru April collection:	218,909	303,251	284,968	376,852	423,547	288,878	404,729	

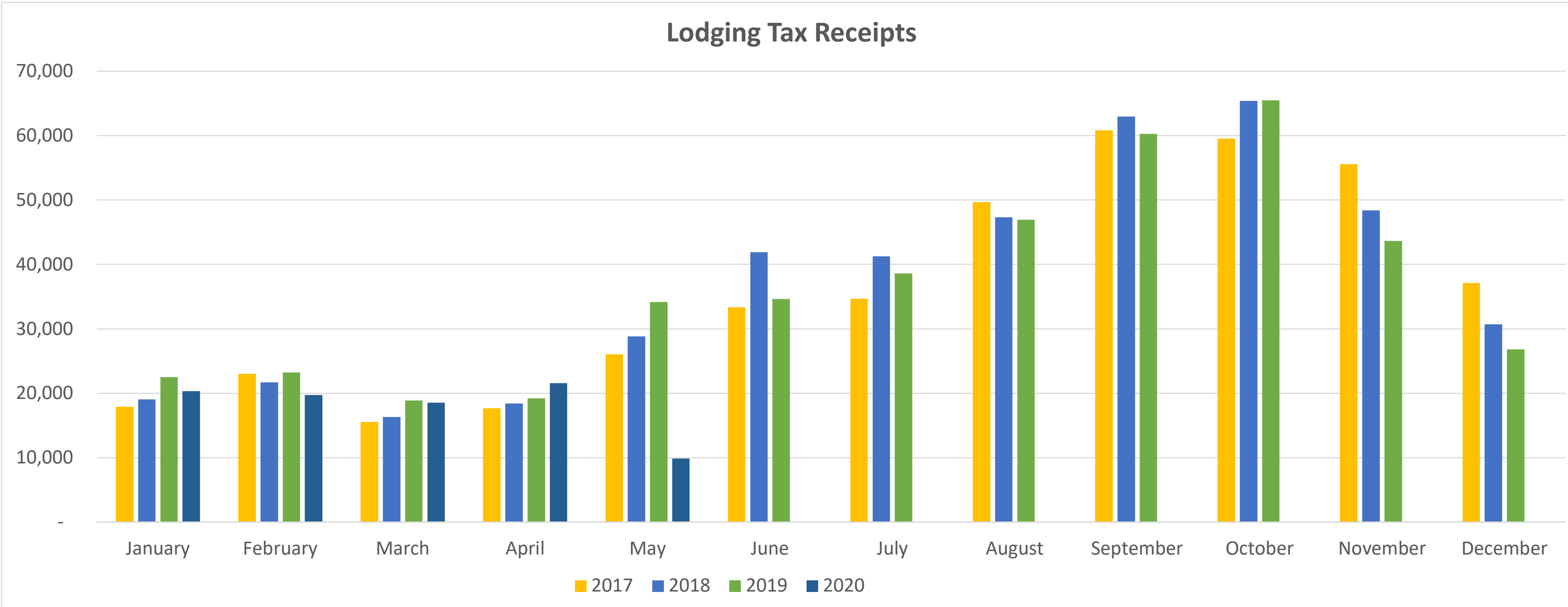
							Cash Balance	Budgeted use
REET 1 Spent:	250,000	293,350	715,230	209,060	404,250	509,408	2,269,002	611,000
REET 2 Spent:	522,500	136,119	469,887	603,026	1,120,425	579,235	1,261,568	744,951
	772,500	429,469	1,185,117	812,086	1,524,675	1,088,643	3,530,569	1,355,951
Change to cash:	77,445	692,275	125,802	450,252	-111,866	305,306		



Impact Fee Receipts by Month

	2014	2015	2016	2017	2018	2019	2020	Change 2019 to 2020
January	10,845	11,805	13,635	13,635	16,665	21,901	14,135	-35%
February	16,689	13,290	12,420	12,420	10,605	12,113	12,116	0%
March	24,726	13,667	15,255	15,255	49,682	3,346	14,873	345%
April	20,175	34,605	21,450	21,450	12,573	3,346	26,975	706%
May	7,722	28,935	13,290	13,290	16,282	19,985		
June	15,420	14,250	21,450	21,450	40,365	23,680		
July	8,544	9,675	7,575	7,575	16,745	6,132		
August	8,160	29,351	22,000	22,000	50,984	113,104		
September	25,840	3,615	10,232	10,232	77,236	56,007		
October	10,044	3,645	6,885	6,885	13,026	19,790		
November	8,480	9,090	5,130	5,130	7,800	112,480		
December	16,337	5,160	8,805	8,805	13,026	14,921		
Total:	172,982	177,087	158,127	158,127	324,988	406,805	68,098	

	4/30/2020 Cash Balance	2020 Budgeted
Streets	820,715	575,085
Parks	333,708	200,000
Fire	140,077	0



	2014	2015	2016	2017	2018	2019	2020	Change 2019 - 2020	
January	13,922	14,995	17,536	17,886	19,062	22,489	20,342	(2,147)	-9.5%
February	14,518	19,790	19,794	23,002	21,713	23,227	19,723	(3,504)	-15.1%
March	10,652	12,480	14,723	15,558	16,304	18,886	18,518	(368)	-1.9%
April	13,814	14,789	18,327	17,694	18,402	19,242	21,562	2,320	-44.0%
May	24,978	27,734	23,959	26,059	28,812	34,187	9,880	(24,306)	-71.1%
June	22,646	31,090	28,702	33,354	41,909	34,634			
July	24,560	30,894	34,718	34,696	41,262	38,593			
August	35,074	40,691	42,774	49,671	47,304	46,945			
September	48,375	51,865	56,371	60,826	62,948	60,259			
October	52,933	55,347	59,795	59,541	65,386	65,474			
November	40,350	41,323	44,510	55,567	48,402	43,665			
December	20,553	24,079	24,792	37,117	30,722	26,845			
Total:	322,375	365,078	386,002	430,970	442,226	434,445	80,145		
% Change year over year		13.2%	5.7%	11.6%	2.6%				

C I T Y   O F   A N A C O R T E S
ALL FUNDS
Revenues/Expenditures
January - April 2020

		2020 Adj Budget	Year to date Actuals	33%
001	GENERAL FUND			
	Revenue	18,760,489	3,779,493	21%
	Expenditure	18,760,489	6,488,754	35%
	Difference	0	-2,709,261	
101	PARK & RECREATION			
	Revenue	2,206,194	672,546	31%
	Expenditure	2,206,194	629,085	29%
	Difference	0	43,461	
102	CEMETERY			
	Revenue	270,951	84,592	31%
	Expenditure	270,951	74,422	27%
	Difference	0	10,170	
103	LIBRARY			
	Revenue	1,601,100	489,842	32%
	Expenditure	1,601,100	557,872	35%
	Difference	0	-68,030	
104	STREET MAINTENANCE			
	Revenue	3,152,786	751,711	25%
	Expenditure	3,152,786	421,342	13%
	Difference	0	330,369	
105	STREET CONSTRUCTION			
	Revenue	1,823,020	845,925	46%
	Expenditure	1,823,020	1,092,635	60%
	Difference	0	-246,710	
106	TBD			
	Revenue	1,164,877	345,842	30%
	Expenditure	1,164,877	346,099	
	Difference	0	-257	
107	WASHINGTON PARK			
	Revenue	289,450	64,290	22%
	Expenditure	289,450	73,595	25%
	Difference	0	-9,306	
108	PARKS CAPITAL			
	Revenue	750,000	31,913	4%
	Expenditure	750,000	246,383	
	Difference	0	-214,470	
110	AMBULANCE FUND			
	Revenue	3,944,666	1,330,338	34%
	Expenditure	3,944,666	1,322,619	34%
	Difference	0	7,719	
112	DEVELOPMENT IMPACT FEES			
	Revenue	250,000	70,708	
	Expenditure	250,000	-	
	Difference	0	70,708	
113	ACFL MANAGEMENT FUND			
	Revenue	48,259	13,709	27%
	Expenditure	48,259	18,838	39%
	Difference	0	-5,129	

C I T Y   O F   A N A C O R T E S
ALL FUNDS
Revenues/Expenditures
January - April 2020

		2020 Adj Budget	Year to date Actuals	33%		
135	LODGING TAX					
	Revenue	344,168	60,103	17%		
	Expenditure	344,168	18,838	5%		
	Difference	0	41,265			
335	REET					
	Revenue	1,355,951	404,729	30%		
	Expenditure	1,355,951	-	0%		
	Difference	0	404,729			
401	WATER					
	Revenue	31,285,252	6,665,164	21%	Chgs budg	11,521,447
	Expenditure	31,285,252	3,499,317	11%	Actuals:	3,344,526
	Difference	0	3,165,848		% collected:	29%
					Cap Budg:	8,502,132
					Actuals:	3,139,924
					% collected:	37%
440	SEWER					
	Revenue	7,756,982	2,201,127	31%	Chgs budg	5,727,300
	Expenditure	7,756,982	2,247,501	29%	Actuals:	1,992,110
	Difference	0	-46,374		% collected:	35%
445	STORM DRAIN					
	Revenue	2,196,435	558,063	29%	Chgs budg	1,572,587
	Expenditure	2,196,435	574,110	26%	Actuals:	525,044
	Difference	-	(16,047)		% collected:	33%
450	SANITATION					
	Revenue	3,870,510	1,550,832	41%		
	Expenditure	3,870,510	1,368,859	35%		
	Difference	0	181,973			
501	EQUIPMENT RENTAL FUND					
	Revenue	2,385,934	1,062,681	54%		
	Expenditure	2,385,934	727,652	30%		
	Difference	0	335,029			
611	FIREMEN'S PENSION FUND					
	Revenue	25,496	2,095	7%		
	Expenditure	25,496	10,390	41%		
	Difference	0	-8,295			

City Council Agenda Item Summary

Meeting Date: 5/26/2020 **Agenda Item Number:** 4b

Agenda Item Title: Resolution 2091: Updating the Unified Fee Schedule

Staff Contact(s): Steve Hoglund, Emily Schuh

Approved by: Steve Hoglund

Action Type: Resolution 2091

Item Summary: Council desires to implement a reduced monthly fee for Access Fiber customers who wish to suspend their broadband service for at least 60 days. This suspension policy is consistent with typical practices of other broadband providers, and effectively deactivates the customer's equipment. The reduced charge will be $20 per month.

Budget Impact

Amount Budgeted:

Proposed Expenditure:

Budget Amendment Required?

Previous Action: Access Fiber presentation to City Council 5/18/2020.

Recommended Motion: I move to approve Resolution 2091 implementing a reduced fee provision for suspended fiber service.

Alternative Actions: Do not approve Resolution 2091.

Attachments In order presented:

- Resolution 2091

RESOLUTION NO. 2091

A RESOLUTION UPDATING THE UNIFIED FEE SCHEDULE TO UPDATE FIBER RATES

WHEREAS, the City would like to allow fiber customers to have a reduced charge for service when the customer is away from home, or otherwise unable to use their Access Fiber broadband service for, a minimum of 60 days.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Anacortes, Washington, that:

Section 1.

1. The Unified Fee Schedule currently in effect will be updated to include a new fiber service suspension provision as follows:

City of Anacortes Fiber Internet				
Service	**Long Term Contract Required**	**Monthly Service**	**Monthly Add On for Optional City Managed WiFi**	**Installation Charge**
Residential, 100 Mbps	No	$ 39	$ 10	$ 100
Residential, 1 Gbps	No	$ 69	$ 10	$ 100
Business, 100 Mbps	Yes	$ 89	$ 10	$ 100
Business, 1 Gbps	Yes	$ 149	$ 10	$ 100
Static IP addresses				
IPv6		No Charge		
IPv4, 1 usable address		$ 9		
IPv4, 5 usable addresses		$ 20		
IPv4, more than 5 usable addresses to be negotiated on an individual case basis				
Service Suspension	$20 per month	Available to residential customers or business class customers who have fulfilled their 12 month contract		

PASSED and APPROVED on this 26th day of May, 2020.

AYES____ NAYS_____ ABSENT_____

CITY OF ANACORTES:

BY:_______________________________
LAURIE M. GERE, MAYOR

ATTEST:

____
Steven D. Hoglund
City Clerk Treasurer

APPROVED AS TO FORM:

____
Darcy J. Swetnam, WSBA # 40530
City Attorney

City Council Contract Agenda Bill

Meeting Date: 5/26/2020 **Agenda Item**: 4c

Subject: Contract Award – Slurry Seal Type II Project #20-002-TRN-002

Staff Contact: Fred Buckenmeyer

Approved for Submittal to Council by: Darcy Swetnam, City Attorney	**Action Type:** Contract Award

Summary Statement: City staff seeks City Council consent to award a contract in the amount of $212,012.23 to Doolittle Construction LLC to perform the Slurry Seal Type II Project. The project provides for the preparation and installation of Slurry Seal Type II to existing asphalt streets, pavement marking removal and replacement, street surface preparation, herbicide application, vegetation trimming, minor structural patching, street sweeping and other work. Project Location: Residential streets in the area bounded by 12th Street, 37th Street, A Avenue, and H Avenue, plus 22nd Street from H Avenue to Commercial Avenue.

Background:

1. History: The project is a continuation of the road pavement condition report and maintenance program which began year 2016.
2. Key Terms:
   - Contract is for a fixed price of $212,012.23.
   - Work will be physically completed within Sixty (60) Working Days from the date work begins, in accordance with the Notice To Proceed.
3. Competitive Bidding: On April 29, 2020 the City solicited bids for the subject project and on May 12, 2020 a bid opening was conducted and 4 bids were received. Doolittle Construction LLC was determined to be the lowest responsible bidder. The Engineer's Estimate for this project was $322,742. Bid results are provided as an attachment hereto.

Previous Council/Committee Action: N/A

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to sign contract 20-002-TRN-002 with Doolittle Construction LLC in the amount of $212,012.23 to perform the Slurry Seal Type II Project.

Alternative Actions: Not award the contract

Attachments: Bid Results, Map, Contract 20-002-TRN-002

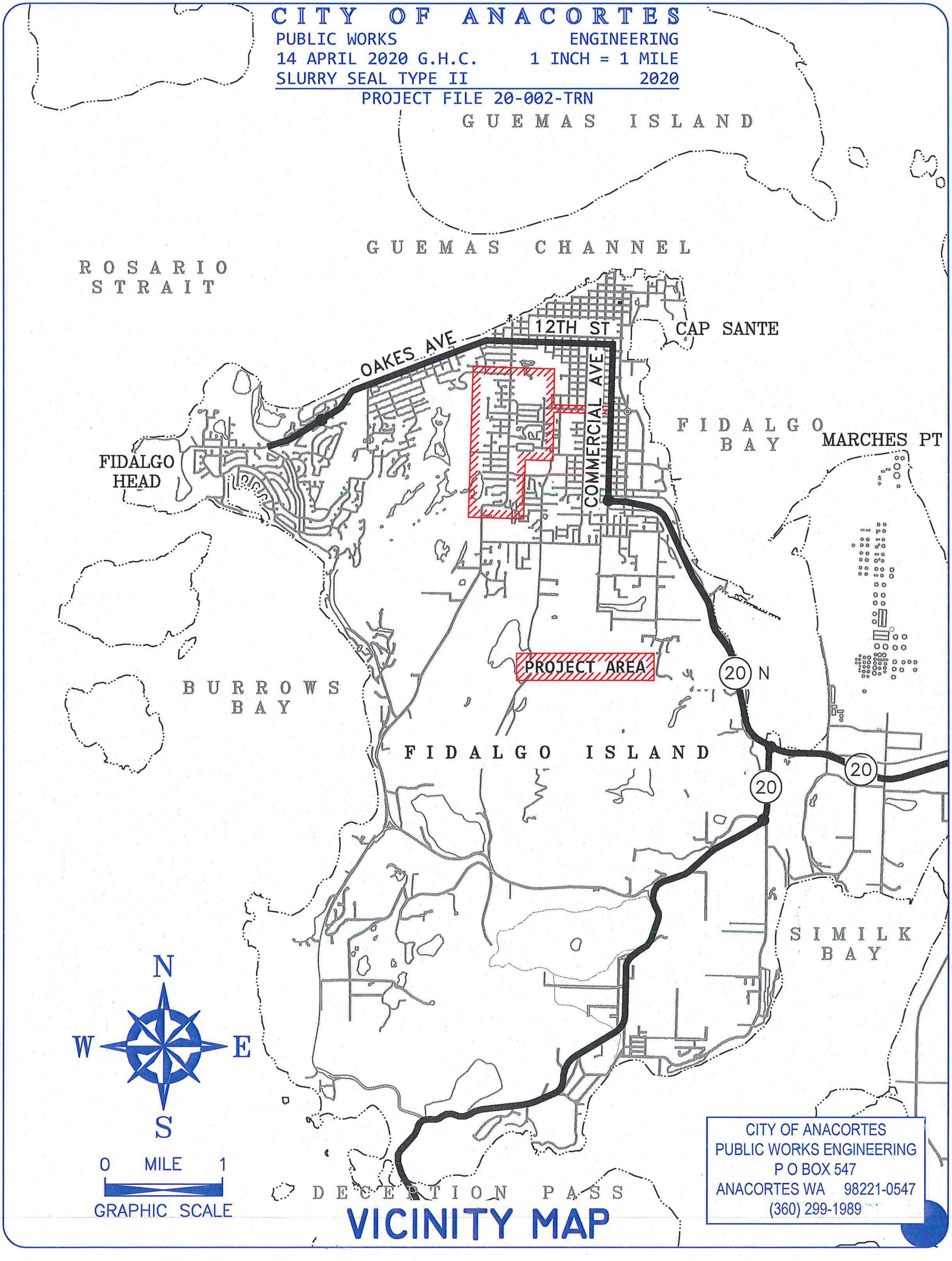
Contractor	Doolittle Construction LLC
Contract Amount	$212,012.23
Earmarked Funds	$1,800,000.00
BARS #	104.720.542.30.41
Budget Amendment Required?	No
Start Date	Notice to Proceed
End Date	60 working days

CITY OF ANACORTES
WASHINGTON

PUBLIC WORKS CONSTRUCTION PROJECT BID TABULATION

12 MAY 2020

SLURRY SEAL TYPE II 20-002-TRN-002				Blackline		Intermountain Slurry Seal		Valley Slurry Seal International		Doolittile Construction	
ITEM	DESCRIPTION	QTY	UNIT	UNIT $	TOTAL $	UNIT $	TOTAL $	UNIT $	TOTAL $	UNIT $	TOTAL $
1	Mobilization	1	LS	$ 15,000.00	$ 15,000.00	$ 10,000.00	$ 10,000.00	$ 11,000.00	$ 11,000.00	$ 10,000.00	$ 10,000.00
2	S.P.C.C Plan	1	LS	$ 3,000.00	$ 3,000.00	$ 500.00	$ 500.00	$ 1,500.00	$ 1,500.00	$ 2,500.00	$ 2,500.00
3	Project Temporary Traffic Control	1	LS	$ 14,000.00	$ 14,000.00	$ 9,306.59	$ 9,306.59	$ 31,430.00	$ 31,430.00	$ 10,000.00	$ 10,000.00
4	Shoulder & Street Preparation	1	LS	$ 3,000.00	$ 3,000.00	$ 1,500.00	$ 1,500.00	$ 8,280.97	$ 8,280.97	$ 5,000.00	$ 5,000.00
5	Street Sweeping	1	LS	$ 12,000.00	$ 12,000.00	$ 5,000.00	$ 5,000.00	$ 16,115.00	$ 16,115.00	$ 10,000.00	$ 10,000.00
6	Removal of Pavement Markings	1,215	SF	$ 15.00	$ 18,225.00	$ 3.00	$ 3,645.00	$ 2.97	$ 3,608.55	$ 2.74	$ 3,329.10
7	Slurry Seal, Type 2	95,915	SY	$ 2.35	$ 225,400.25	$ 2.15	$ 206,217.25	$ 1.70	$ 163,055.50	$ 1.69	$ 162,096.35
8	Paint Line	3,626	LF	$ 2.40	$ 8,702.40	$ 0.45	$ 1,631.70	$ 0.49	$ 1,776.74	$ 0.45	$ 1,631.70
9	Plastic Stop Line	717	SF	$ 13.00	$ 9,321.00	$ 7.70	$ 5,520.90	$ 7.56	$ 5,420.52	$ 7.00	$ 5,019.00
10	Plastic Crosswalk Line	288	SF	$ 20.00	$ 5,760.00	$ 9.12	$ 2,626.56	$ 5.94	$ 1,710.72	$ 5.50	$ 1,584.00
11	Plastic Bicycle Symbol	4	EA	$ 1,000.00	$ 4,000.00	$ 450.00	$ 1,800.00	$ 162.00	$ 648.00	$ 150.00	$ 600.00
12	Plastic Traffic Arrow	2	EA	$ 350.00	$ 700.00	$ 250.00	$ 500.00	$ 108.00	$ 216.00	$ 126.04	$ 252.08
					$ 319,108.65		$ 248,248.00		$ 244,762.00		$ 212,012.23


CITY OF ANACORTES
PUBLIC WORKS ENGINEERING
14 APRIL 2020 G.H.C. 1 INCH = 1 MILE
SLURRY SEAL TYPE II 2020
PROJECT FILE 20-002-TRN
GUEMAS ISLAND
GUEMAS CHANNEL
ROSARIO STRAIT
12TH ST
CAP SANTE
OAKES AVE
COMMERCIAL AVE
FIDALGO BAY
MARCHES PT
FIDALGO HEAD
PROJECT AREA
20 N
20
20
BURROWS BAY
FIDALGO ISLAND
SIMILK BAY
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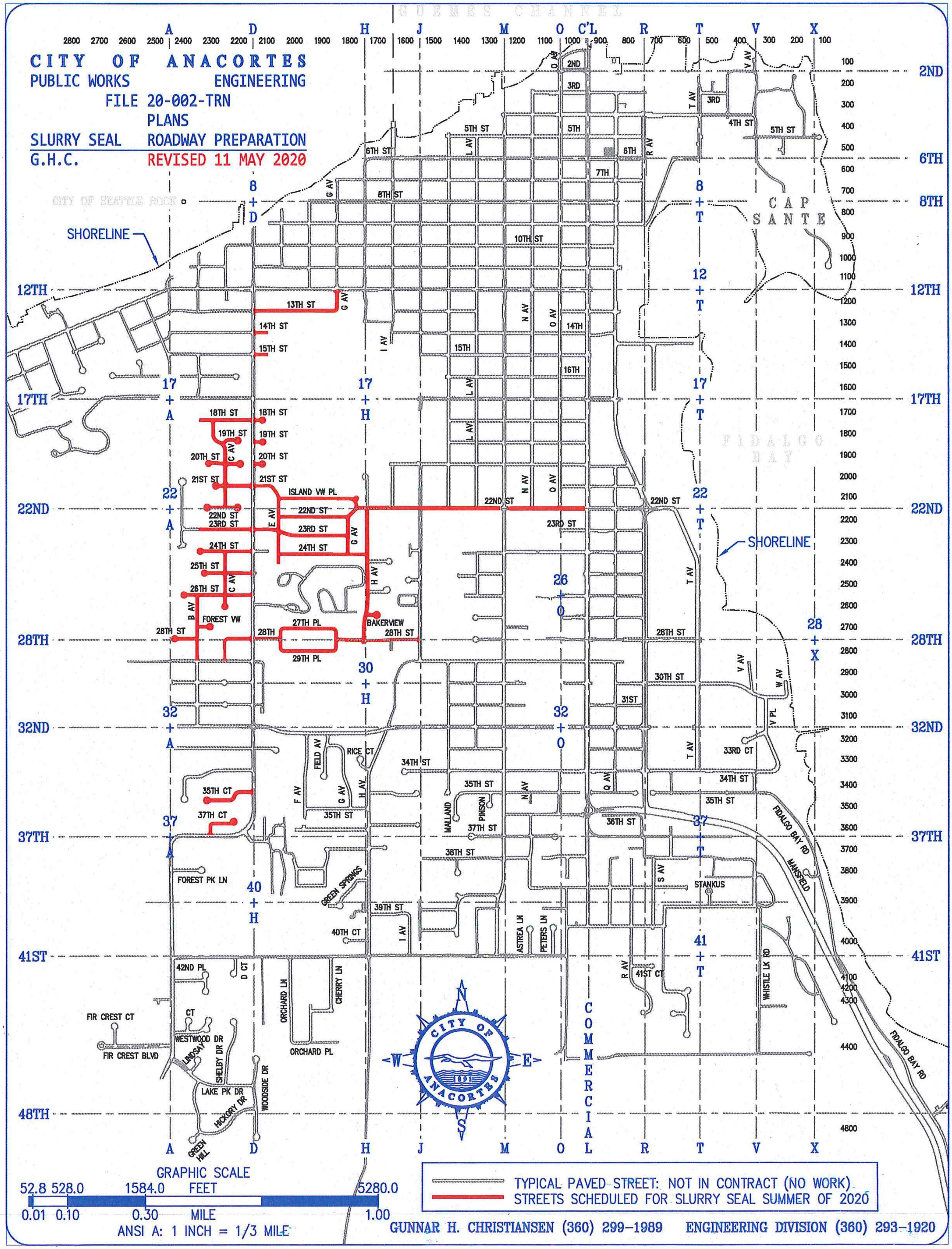
GRAPHIC SCALE
DECEPTION PASS
CITY OF ANACORTES
PUBLIC WORKS ENGINEERING
P O BOX 547
ANACORTES WA 98221-0547
(360) 299-1989
VICINITY MAP


CITY OF ANACORTES
PUBLIC WORKS ENGINEERING
FILE 20-002-TRN
PLANS
SLURRY SEAL ROADWAY PREPARATION
G.H.C. REVISED 11 MAY 2020
GUEMES CHANNEL
CITY OF SEATTLE ROCK
SHORELINE
CAP SANTE
FIDALGO BAY
2ND
6TH
8TH
12TH
17TH
22ND
28TH
32ND
37TH
41ST
48TH
13TH ST
14TH ST
15TH ST
18TH ST
19TH ST
20TH ST
21ST ST
ISLAND VW PL
22ND ST
23RD ST
24TH ST
25TH ST
26TH ST
FOREST VW
27TH PL
28TH ST
29TH PL
BAKERVIEW
35TH CT
37TH CT
COMMERCIAL
FIDALGO BAY RD
GRAPHIC SCALE
52.8 528.0 1584.0 FEET 5280.0
0.01 0.10 0.30 MILE 1.00
ANSI A: 1 INCH = 1/3 MILE
TYPICAL PAVED STREET: NOT IN CONTRACT (NO WORK)
STREETS SCHEDULED FOR SLURRY SEAL SUMMER OF 2020
GUNNAR H. CHRISTIANSEN (360) 299-1989 ENGINEERING DIVISION (360) 293-1920

CONTRACT 20-002-TRN-002

This Contract is between the City of Anacortes, Washington, a Municipal Corporation (herein after referred to as "City") and Doolittle Construction LLC, a private contractor at 1900 118th Ave SE, Bellevue, WA 98005 (herein after referred to as "Contractor").

WITNESSETH:
That in consideration of the terms and conditions contained herein and attached and made a part of this agreement, the OWNER and CONTRACTOR hereto covenant and agree as follows:

I. WORK.

The Contractor shall do all work and furnish all tools, materials, equipment, and transportation required for the construction of **Slurry Seal Type II, Project Number 20-002-TRN-002** in accordance with and as described in the City of Anacortes document entitled **"Plans, Specifications, and Contract Documents – Slurry Seal Type II"** which is hereby incorporated by reference and made a part hereof, and shall perform any changes to the work in accord with the Contract Documents.

II. ENGINEER.

Unless otherwise specifically stated, the word "Engineer" shall be understood to mean the OWNER'S Project Manager or the OWNER'S authorized representative who will perform the Contract Administration and field inspection responsibilities.

III. CONTRACT TIMES AND LIQUIDATED DAMAGES.

A. Contract Times:
   1. Unless modified by the proposal, work shall start within **Ten (10) Calendar** days from the date of the Notice to Proceed. Physical Completion as defined in section 1-08.5 of the Special Provisions shall be achieved within **Sixty (60) Working** days after the work commences. The Contract Time shall commence upon issuance of the Notice to Proceed.

B. Liquidated Damages:
   1. If said work is not completed within the time specified for Physical Completion, the Contractor agrees to pay the Owner the sum specified in Section 1-08.9 of the Standard Specifications for each and every working day said work remains incomplete after expiration of the specified time, as liquidated damages.

IV. CONTRACT PRICE.

The OWNER, hereby promises and agrees with the Contractor to retain and does retain the Contractor to provide the materials and to do and cause to be done the above-described work and to complete and finish the same according to the plans and specifications contained in document entitled **"Plans, Specifications, and Contract Documents – Slurry Seal Type II"**, and the terms and conditions herein contained, and hereby the OWNER contracts to pay CONTRACTOR for completion of the Work and in accordance to the same and the attached bid schedule, which is included as an Exhibit to this Agreement based upon the Unit Prices shown. The total contract price is **Two Hundred Twelve Thousand Twelve Dollars and Twenty-Three Cents ($212,012.23).**

A. Interest:
   1. Moneys not paid when due as provided in the General Conditions shall bear interest at the maximum rate allowed by law at the place of the Project.

V. CONTRACTOR REPRESENTATIONS.

In order to induce OWNER to enter in this Agreement, CONTRACTOR'S representations are as set forth as follows:

A. CONTRACTOR has familiarized him/herself with the nature and extent of the Contract Document, scope of Work, site conditions, locality, general nature of work to be performed by OWNER or others at the site that relates to Work required by the Contract Documents and local conditions and federal, state, and local laws and Regulations that in any manner may affect cost, progress, performance, or furnishing of Work.

B. CONTRACTOR has carefully studied and examined the supplement, referred to above, which pertain to the conditions (subsurface or physical) to or contiguous to the site which may affect cost, progress, performance, or furnishing of said Work as CONTRACTOR deems necessary for the performance and furnishing of the Work at the Contract Price, within the Contract Times, and in accordance with other terms and conditions of the Contract Documents, including specifically the provisions of the 2012 WSDOT Specifications; and no additional or supplementary examinations, investigations, explorations, tests, reports, or similar information or data are or will be required by CONTRACTOR for such purposes.

C. CONTRACTOR has reviewed and checked information and data shown or indicated in the Contract Documents with respect to existing Underground Facilities at or contiguous to the site and has included costs as defined by WSDOT Specifications.

D. CONTRACTOR has correlated information known to CONTRACTOR and results of such observations, familiarizations, examination, investigations, explorations, tests, and studies with Contract Documents.

E. CONTRACTOR has given OWNER written notice of conflicts, errors, ambiguities or discrepancies that it has discovered in the Contract Documents and the written resolution thereof by OWNER is acceptable to CONTRACTOR, and the Contract Documents are generally sufficient to indicate and convey understanding of terms and conditions for performing and furnishing Work.

VI. CONTRACT DOCUMENTS.

A. Contract Documents that comprise the entire Agreement between OWNER and CONTRACTOR concerning Work are defined in the WSDOT Specifications.

B. Exhibits to this Agreement include:

1. Conformed Bid Form signed by CONTRACTOR.
2. Executed Performance Bond
3. Executed Payment Bond.
4. Required documents submitted by the CONTRACTOR prior to the execution of Agreement as identified in the "Instruction to Bidders".

VII. MISCELLANEOUS

A. No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound, and specifically but without limitation moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment. No assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

B. OWNER and CONTRACTOR each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect of all covenants, agreements, and obligations contained in the Contract Documents.

C. It is further provided that no liability shall attach to the City of Anacortes, Washington, by reason of entering into this contract, except as expressly provided herein.

The parties acknowledge that there has been an opportunity to negotiate the terms and conditions of this Agreement and agree to each bind itself, its partners, successors, assigns, and legal representatives to the other party hereto, in respect of all covenants, agreements, and obligations contained in the Contract Documents. Each of the persons signing below on behalf of any party hereby represents and warrants that s/he or it is signing with full and complete authority to bind the party on whose behalf of whom s/he or it is signing, to each and every term of this Agreement.

Owner:	**Contractor:**
City of Anacortes	Doolittle Construction LLC
______________________	______________________
Mayor	
______________________	______________________
Date	Title
	______________________
	Date

Doolittle Construction
1900 118th Ave. S.E.
Bellevue, WA. 98005

CITY OF ANACORTES
Received this 12 day
of May, 20 20
at 2:50 AM / PM
Emmons
City Clerk

City of Anacortes
Public Works/Engineering
904 6th St
Anacortes, WA 98221

BID

opens 5/12/20
@ 3:30 pm

Slurry Seal Type 2
contract # 20-002-TRN-002

The City of Anacortes has a policy of awarding contracts to the lowest responsible bidder. For these purposes a Responsible Bidder is defined as follows:

RESPONSIBLE BIDDER:

A bidder who has proven by experience or furnished information that current financial resources, production or service facilities, service reputation and experience that they can insure to make satisfactory delivery of (bid) quality supplies, equipment, or contractual services, and that they have not violated or attempted to violate any provisions of this policy.

AWARD OF BID:

The City must award the bid to the "lowest responsible bidder," or reject all bids. It may not negotiate with any of the bidders. The following guidelines, in addition to price, may be taken into account by the City in determining the lowest responsible bidder:

Each Contractor bidding on work included in these Contract Documents shall prepare and submit the following data along with their bid.

1.) Name of Bidder: Doolittle Construction LLC

2.) Business Address: 1900 118th Ave. S.E. Bellevue, WA. 98005

3.) Business Telephone: 425 455 1150

4.) How many years have you been engaged in the contracting business under the present firm name? 16 Years 2 Months

5.) Character of work performed by your company as it directly relates to this project:
Slurry seal, Micro surfacing, chip seal, crack seal

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11.) Federal IRS Identification No. 91-1504324

12.) List your other projects currently in progress along with other bids or contracts awarded but not yet started:

~~Newberg~~ AK see attachment B

13.) Will contracts currently in progress, or hereafter obtained interfere with the timely performance of the City of Anacortes project? ☐ YES ☒ NO

14.) Name, address and phone number of bonding and insurance company, including local contact person and telephone number:

Travelers, Jim Kunich 425 489 4544

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CITY OF ANACORTES SLURRY SEAL TYPE II 20-002-TRN-002

NO.	PLAN QUANTITY	ITEM DESCRIPTION	UNIT PRICE (Figures)	TOTAL AMOUNT (Figures)
1	1 LS	MOBILIZATION 1-09.7	At $ 10,000 - Per Lump Sum	$ 10,000 -
2	1 LS	S.P.C.C PLAN 1-07.15(1)	At $ 2,500 - Per Lump Sum	$ 2,500 -
3	1 LS	PROJECT TEMP. TRAFFIC CONTROL 1-10.5(1)	At $ 10,000 - Per Lump Sum	$ 10,000 -
4	1 LS	SHOULDER & STREET PREPARATION 2-01.5	At $ 5,000 - Per Lump Sum	$ 5,000 -
5	1 LS	STREET SWEEPING 2-01.5	At $ 10,000 - Per Lump Sum	$ 10,000 -
6	1,215 SF	REMOVAL OF PAVEMENT MARKINGS 8-22.5	At $ 2.74 Per Square Foot	$ 3,329.10
7	95,915 SY	SLURRY SEAL, TYPE 2 5-03.5	At $ 1.69 Per Square Yard	$ 162,096.35
8	3,626 LF	PAINT LINE 8-22.5	At $ 0.45 Per Linear Foot	$ 1,631.70
9	717 SF	PLASTIC STOP LINE 8-22.5	At $ 7 - Per Square Foot	$ 5,019. -
10	288 SF	PLASTIC CROSSWALK LINE 8-22.5	At $ 5.50 Per Square Foot	$ 1,584 -
11	4 EA	PLASTIC BICYCLE SYMBOL 8-22.5	At $ 150 - Per Each	$ 600 -
12	2 EA	PLASTIC TRAFFIC ARROW 8-22.5	At $ 126.04 Per Each	$ 252.08
			Sub-Total Base Bid:	$ 212,012.23
			Base Bid Value Adjustment, plus or Minus	$ Ø
		Rule 171 applies to all bid items in this project. See Special Provision 1-07.2(1) for clarification.	**Total Base Bid**	$ 212,012.23

Note:
If the bid value adjustment is used to increase or decrease the SUB-TOTAL BASE BID, the Contractor who is awarded the project is required to submit a new complete proposal form with the adjustment to unit prices made together with the price extension. Said submittal will be made within two working days of the bid opening.

ACKNOWLEDGEMENT OF RECEIPT OF ADDENDA

Addendum 1, Initial AK   Addendum 2, Initial AK

Addendum _____, Initial ____   Addendum _____, Initial ____

***NOTE:** Failure to acknowledge any issued Addenda may render proposal non-responsive and therefore void. It is the sole responsibility of the Bidder to learn of Addendum, if any. Such information may be obtained from the Builders Exchange website at www.bxwa.com.*

BID DEPOSIT

A proposal deposit in an amount of five percent (5%) of the total bid is attached here in the form indicated below:

☒ Bid Bond   ☐ Cashier's Check   ☐ Certified Check   ☐ Cash

NOTICE TO ALL BIDDERS

To report bid rigging activities call: **1-800-424-9071**

The U.S. Department of Transportation (USDOT) operates the above toll-free "hotline' Monday through Friday, 8:00 a.m. to 5:00 p.m., Eastern time. Anyone with knowledge of possible bid rigging, Bidder collusion, or other fraudulent activities should use the "hotline" to report activities. The "hotline" is part of USDOT's continuing effort to identify and investigate highway construction contract fraud and abuse and is operated under the direction of the USDOT Inspector General. All information will be treated confidentially and caller anonymity will be respected.

Name of Bidder: Doolittle Construction LLC

Contact Name: Aaron Kindt

Mailing Address: 1900 118th Ave SE

City, State, Zip: Bellevue, WA 98005

Business Telephone: 425 455 1150 Cell Phone: 253 691 7025

Email Address: Aaron@DoolittleLLC.com

Contractor's State License No: DOOLILL960CO

UBI Number: 602 351 934

By signing this proposal, the bidder agrees to all requirements contained in the contract documents.

Doolittle Construction LLC

(Corporate Seal)   Name of Bidder   Title

5/12/20   [signature]

Date   Signature of Bidder

Aaron Kindt, President

Print Name

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Certification of Compliance with Wage Payment Statutes

The bidder hereby certifies that, within the three-year period immediately preceding the bid solicitation date (4/29/20), the bidder is not a "willful" violator, as defined in RCW 49.48.082, of any provision of chapters 49.46, 49.48, or 49.52 RCW, as determined by a final and binding citation and notice of assessment issued by the Department of Labor and Industries or through a civil judgment entered by a court of limited or general jurisdiction.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Doolittle Construction LLC
Bidder's Business Name

[signature]
Signature of Authorized Official*

Aaron Kirdt
Printed Name

President
Title

5/12/20	Bellevue	WA
Date	City	State or country

Check One:

LLC taxed as

Sole Proprietorship ☐ Partnership ☒ Joint Venture ☐ Corporation ☐

State of Incorporation, or if not a corporation, State where business entity was formed:

Washington

If a co-partnership, give firm name under which business is transacted:

____

** If a corporation, proposal must be executed in the corporate name by the president or vice-president (or any other corporate officer accompanied by evidence of authority to sign). If a co-partnership, proposal must be executed by a partner.*

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BID BOND

KNOW ALL MEN BY THESE PRESENTS:

That I/we, Doolittle Construction, LLC, of Bellevue, WA, as Principal and Travelers Casualty and Surety Company of America, as Surety authorized to do business in the State of Washington, are held firmly bound unto the CITY OF ANACORTES (Owner), as Obligee, in the penal sum of five (5) percent of the total amount of the bid proposal of said principal for the work hereinafter described, for the payment of which the Principal and the Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, by these presents.

The condition of this obligation is such that if the Obligee shall make any award to the Principal for the project "**Slurry Seal Type II 20-002-TRN-002**", according to the terms of the proposal or bid made by the Principal therefore and the Principal shall duly make and enter into a contract with the Obligee in accordance with the terms of said proposal or bid and award and shall give bond for the faithful performance thereof, with Surety or Sureties approved by the Obligee; or if the Principal shall, in case of failure to do so, pay and forfeit to the Obligee the penal sum amount of the deposit specified in the call for bids, then this obligation shall be null and void; otherwise it shall be and remain in full force and effect the Surety shall forthwith pay and forfeit to the Obligee, as penalty and liquidated damages, the amount of this bond.

SIGNED, SEALED AND DATED THIS 12th day of May, 2020.

Doolittle Construction, LLC
(Principal)

Aaron Kindt (Title) President

Travelers Casualty and Surety Company of America
(Surety)

(Attorney-in-fact) Jim S. Kuich

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TRAVELERS	**Travelers Casualty and Surety Company of America** **Travelers Casualty and Surety Company** **St. Paul Fire and Marine Insurance Company**

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St.Paul Fire and Marine Insurance Company are corporations duly organized under the laws of the State of Connecticut (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint **Julie M. Glover, S.M. Scott, Michael A. Murphy, Jim W. Doyle, Andy D. Prill, Jim S. Kuich, Chad M. Epple, Steve Wagner, Theresa A. Lamb, Carl M. Lovested III, Patti White, Teresa Glombecki, and Maxwell Martin**, of **Bothell, Washington**, their true and lawful Attorney-in-Fact to sign, execute, seal and acknowledge any and all bonds, recognizances,conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed, and their corporate seals to be hereto affixed, this **3rd** day of **February, 2017**.

State of Connecticut

City of Hartford ss.

By: Robert L. Raney, Senior Vice President

On this the **3rd** day of **February, 2017**, before me personally appeared **Robert L. Raney**, who acknowledged himself to be the Senior Vice President of Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.

My Commission expires the **30th** day of **June, 2021**

Marie C. Tetreault

Marie C. Tetreault, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company, which resolutions are now in full force and effect, reading as follows:

RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

FURTHER RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

FURTHER RESOLVED, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

FURTHER RESOLVED, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, **Kevin E. Hughes**, the undersigned, Assistant Secretary of Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which remains in full force and effect.

Dated this 12th day of May, 2020.

Kevin E. Hughes, Assistant Secretary

To verify the authenticity of this Power of Attorney, please call us at 1-800-421-3880.
Please refer to the above-named Attorney-in-Fact and the details of the bond to which the power is attached.

Attachment A

Doolittle Construction - Recently Completed Projects

Dollar Amount	Work Class	Compl. DATE	Prime or sub	Project Name	Owner	Contact
$5,776,000	3	10/30/19	Prime	Mt. Baker Area BST - 2019	WSDOT 460 Stuart Road Bellingham, Wa. 98226	Gabe Ng 360-788-7400
$961,476	1, 3	9/15/19	Prime	2019 Chip Seal project	City of Tumwater 555 Israel Road SW Tumwater, WA. 98501	Brandon Hicks 360-754-4140
$1,939,991	3	8/30/19	Prime	2019 Chip Seal Project CRP 98019	Thurston County 9605 Tilley Rd S, Suite C Olympia, WA 98512	Vasile Borota BorotaV@co.thurston.wa.us 360-867-2336
$414,827	3	9/30/19	Prime	2019 Chip Seal Project	City of Puyallup 1100 - 39th Ave SE Puyallup, Wa. 98374	Ken Davies Street Supervisor 253-841-5507
$750,325	1, 3	9/31/2019	Prime	2019 Pavement Preservation (Emulsion Chip Seal)	City of Olympia 601 - 4th Ave East Olympia, WA.	Dave Rosen, P.E. drosen@ci.olympia.wa.us

Sample Projects Completed by Jason Lampley & Katrina Lynch
Doolittle Construction employees - formerly employed by Intermountain Slurry Seal

Dollar Amount	Work Class	Compl. DATE	Prime or sub	Project Name	Owner	Contact
$1,900,000		9/10/19	Prime	Joint Agency Preservation Project	City of Vancouver PO Box 1995 Vancouver, WA 98668	Ryan Miles 360-487-7708 ryan.miles@cityofvancouver.us
$1,300,000		9/15/19	Prime	2019 Residential Resurfacing Program	Pierce County 950 Fawcett Ave Tacoma, WA 98402	Brett Sonntag 253-798-6397
$350,000		6/1/19	Prime	2019 Surry Seal	City of Bend 710 NW Wall St Bend, OR 97701	Paul Neiswonger 541-317-3035
$250,000		6/30/19	Prime	2019 Slurry Seal	City of Redmond 411 SW 9th St Redmond, OR 97756	Brad Haynes (541) 504-203
$755,000		9/15/18	Prime	2018 Surface Treatment	City of Tacoma 747 Market St Tacoma, WA 98402	Erik Sloan 253-208-3739
$1,800,000		9/10/18	Prime	2018 Microsurfacing	Oregon Dept. of Trans 800 Airport Road SE Salem, OR 97301-4792	Tim Earnest (503) 986-3000

Attachment B

Doolittle Construction - Awarded Projects

Dollar Amount	Work Class	Award DATE	Prime or sub	Project Name	Owner	Contact
$131,905	3	4/10/20	Prime	2020 Pavement Maintenance Project	City of Newberg 414 E First St Newberg, OR 97132	Kaaren Hofmann 503-537-1223
$11,950	3	3/23/20	Prime	Tumwater Hangar Crack Seal	WA DNR 1111 Washington St SE Olympia, WA 98005	Sandra Swenson 360-902-1200
$719,353	3	4/15/20	Prime	2020 Pavement Maintenance Program	City of Tigard 13125 SW Hall Blvd Tigard, OR 97223	Jamie Greenberg 503-718-2492
$281,210	3		Prime	2020 Chip Seal	City of Lakewoood 6000 Main Street Lakewood, WA. 98499	

L&I regional offices are closed to public visits until further notice. Offices can still help you by phone from 8 a.m. to 5 p.m. weekdays (except state holidays). Use the phone number for your closest regional office (https://lni.wa.gov/agency/contact/#office-locations), or you can call the Office of Information and Assistance at 360-902-5800.

Washington State Department of Labor & Industries (https://lni.wa.gov)

DOOLITTLE CONSTRUCTION LLC

Owner or tradesperson
Principals
DOOLITTLE, TOM A, PARTNER/MEMBER

DOOLITTLE HOLDINGS INC, PARTNER/MEMBER

KINDT, AARON MICHAEL, PARTNER/MEMBER

1900 118TH AVE SE
BELLEVUE, WA 98005
425-455-1150
KING County

Doing business as
DOOLITTLE CONSTRUCTION LLC

WA UBI No.
602 351 934

Business type
Limited Liability Company

License

Verify the contractor's active registration / license / certification (depending on trade) and any past violations.

Construction Contractor

Active
Meets current requirements.

License specialties
GENERAL

License no.
DOOLICL960CO

Effective — expiration
02/20/2004— 02/23/2022

Bond

Travelers Cas and Surety Co of America
$12,000.00

Bond account no.
107082214

Received by L&I
07/22/2019

Effective date
07/01/2019

Expiration date
Until Canceled

Bond history

Insurance

Alaska National Insurance Co
$1,000,000.00

Policy no.
20BPS08289

Received by L&I
02/18/2020

Effective date
02/18/2020

Expiration date
02/18/2021

Insurance history

Savings
No savings accounts during the previous 6 year period.

Lawsuits against the bond or savings

City Council Agenda Bill

Meeting Date: 5/26/2020 **Agenda Item**: 4d

Subject: Lodging Tax Advisory Committee Annual Appointments

Staff Contact: Don Measamer

Approved for Submittal to Council by	
	Laurie Gere, Mayor
x	Steve Hoglund, Finance Director
	Darcy Swetnam, City Attorney
x	Don Measamer, PCED Director

Action Type	
	Ordinance No.
	Code Revision?
	Resolution No.
	Contract
	Public Hearing
	Staff Report

Summary Statement: Confirmation of the Lodging Tax Advisory Committee 2020. The current members of the Lodging Tax Advisory Committee have confirmed they wish to serve another year. The members are – from businesses required to collect the tax - Pam Audette, Mark Lione, and Russ Olivier. The remaining members, from businesses authorized to receive funding by the tax, are - Erik Schorr, Andy Stewart, and Karla Locke. Matt Miller, City Councilmember, is Chair.

Background: RCW 67.28.1817 requires the City to establish a Lodging Tax Advisory Committee ("LTAC") to review and comment on any proposals/requests for tourism funding prior to passage of the proposal. The advisory committee shall submit comments on the proposal in a timely manner through generally applicable public comment procedures, which comments shall include analysis of the extent to which the proposal will accommodate activities for tourists or increase tourism, and the extent to which the proposal will affect the long-term stability of the fund created under RCW **67.28.1815**. Failure of the advisory committee to submit comments before final action on or passage of the proposal shall not prevent the municipality from acting on the proposal. A lodging tax advisory committee shall consist of at least five members, appointed by the legislative body of the municipality. The membership must include at least 2 members who are representatives of businesses required to collect the tax; at least 2 members who are persons involved in activities authorized to be funded by revenue received from the tax; a City elected official, who must serve as chair of the committee. The number of members in (a) must be equal to the number of members in (b). Persons who are eligible for appointment under (a) are not eligible for appointment under (b). Terms last one year and members are eligible for re-appointment. The City established Committee membership of at least 3 individuals per appointment (collecting funds or authorized to use the funds) in the Tourism Promotion Strategic Plan.

Previous Council/Committee Action: None

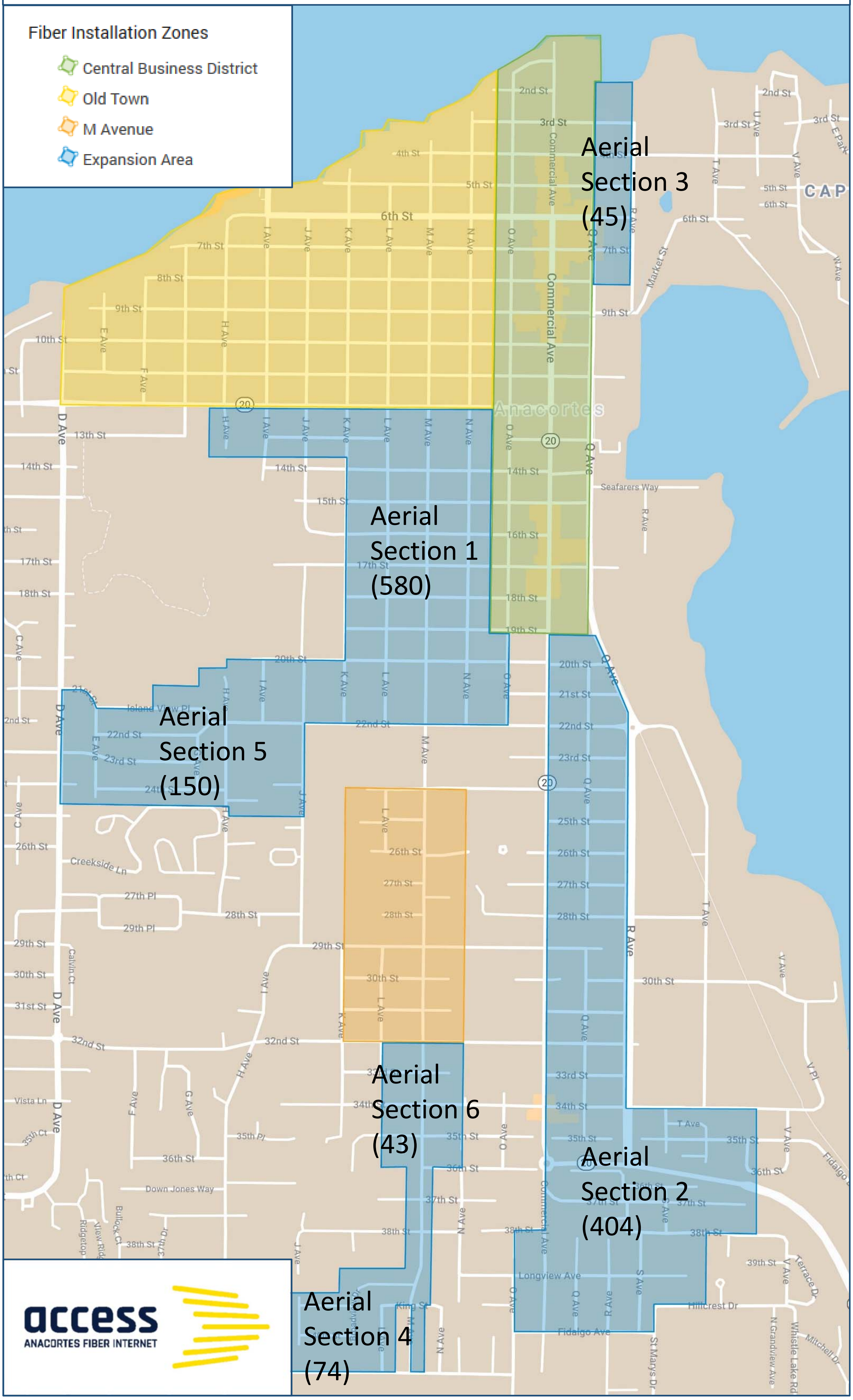
Competing Viewpoints Considered: None

Recommended Motion: I move to approve appointment of Matt Miller as Chair, Mark Lione, Erik Schorr, Russ Olivier, Andy Stewart, Pam Audette, and Karla Locke as committee members to represent the City in the review and recommendation of projects that encourage tourism in Anacortes.

Alternative Actions: Deny the appointments.

Attachments (listed in order presented): No attachments.

2020 Fiber Installation Zones



City Council Contract Agenda Bill

Meeting Date: 5/26/2020 **Agenda Item**: 4e

Subject: Contract Award: Municipal Broadband Network – Library to MSTs Aerial Areas 2, 3, 4 & 6 #19-175-FBR-003

Staff Contact: Emily Schuh

Approved for Submittal to Council by: Darcy Swetnam, City Attorney	**Action Type:** Contract Award

Summary Statement: City staff seeks City Council consent to award a contract in the amount of $204,433.45 to Robinson Brothers Construction, Inc. (RBC) to perform the construction of Municipal Broadband Network – Library to MSTs Aerial Areas 2, 3, 4 & 6. The work provided includes installation of fiber optic network infrastructure in Aerial Areas 2, 3, 4 and 6. This infrastructure will be comprised of fiber optic cables and multi-port service terminals.

Background:

1. History: Council approved Resolution 2013 on May 29, 2018, directing that a business plan be developed for a fiber optic network to provide high-speed internet service to City residents and businesses. Council then approved slightly over $3.1 million in the 2019-20 biennial budget for construction and operation of such a fiber optic network in three pilot areas. Robinson Brothers Construction satisfactorily performed the same kind of work for the City - deploying fiber optic cables and multiport service terminals - in the Central Business District during late 2018 and early 2019 and in the Old Town and M Avenue areas in the first half of 2020.
2. Key Terms:
   - The work performed under this Agreement shall be compensated by Unit Price for each of the categories in Exhibits A and B, for a total contract value of $204,433.45.
   - Work shall be completed within 12 weeks of the Notice to Proceed.
3. Competitive Bidding: The City entered into a cooperative purchasing agreement with NoaNet per the Washington Interlocal Cooperation Act RCW 39.34 which permits public entities to cooperate with one another on the basis of mutual advantage to make the most efficient use of their powers. On 9/19/17 NoaNet competitively bid the unit prices for Emergency Response and Restoration, Maintenance and Line Extension of OSP Facilities and entered into a contract with RBC.

Previous Council/Committee Action: Interlocal 263 for Cooperative Purchasing with NoaNet was approved on 6/4/18. Council approved Resolution 2013 at the May 29, 2018 meeting. Contract 19-175-FBR-001 with Graybar Electric Co. for the purchase of materials for this project was approved at the 11/4/19 Council meeting. On 11/25/19 Council approved contract 19-175-FBR-002 with RBC for Municipal Broadband Network – Library to MSTs. Modification 01 for contract 19-175-FBR-002 was approved at the 4/6/20 Council meeting.

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to sign a contract 19-175-FBR-003 with RBC in the amount of $204,433.45 to perform the construction of Municipal Broadband Network – Library to MSTs Aerial Areas 2, 3, 4 & 6.

Alternative Actions: Not approve the contract

Attachments: Contract 19-175-FBR-003

Contractor	RBC
Contract Amount	$204,433.45
Earmarked Funds	$1,925,152.85
BARS #s	001.260.532.10.10
Budget Amendment Required?	No
Start Date	Notice to Proceed
End Date	12 weeks

CONTRACT 19-175-FBR-003

AGREEMENT WITH

Robinson Brothers Construction, Inc.

This Contract is between the City of Anacortes, Washington, a Municipal Corporation (herein after referred to as "City") and Robinson Brothers Construction, Inc. ("RBC") a private contractor at 6150 NE 137th Ave, Vancouver, WA 98682 (herein after referred to as "Contractor").

PROJECT

Municipal Broadband Network – Library to MSTs
Aerial Areas 2, 3, 4 & 6

Whereas, Northwest Open Access Network ("NoaNet") and RBC entered into a contract dated 10/11/2017 titled 2017-015 Line Extension and Emergency Response Contract**;**

Whereas, the City of Anacortes and NoaNet entered into Interlocal 263 for Cooperative Purchasing as allowed through RCW 39.34;

NOW, THEREFORE, the City hereby incorporates by reference all terms and conditions of the NoaNet/RBC Contract referenced above,

IT IS MUTUALLY AGREED, AS FOLLOWS:

1. **Scope of Work:** The Contractor shall do all work and furnish all tools, materials, equipment, and transportation required for the Municipal Broadband Network – Library to Multi-Port Service Terminals ("MSTs") for Aerial Areas 2, 3, 4 & 6, in accordance with and as described in Exhibits A and B. Incorporated by reference, and made a part hereof, is the NoaNet/RBC Contract dated 10/11/2017 titled 2017-015 Line Extension and Emergency Response Contract and any executed modifications or change orders to said contract, except as modified by the Special Provisions identified as Exhibit C. All exhibits are attached hereto and incorporated by reference. The Contractor will construct new Fiber Optic Line Extensions. This will be scheduled work with work orders provided by the City or its representative. The City, or its representative, will provide detail construction drawings and specifications pertaining to the site. Each work order will specify the units required to be completed for each individual work order, and will utilize the unit specifications provided herein to establish the job. It is the responsibility of the Contractor to make the necessary contacts to facilitate permit activation, scheduling of inspections, entry on to private property, locating foreign facilities and entry into any facilities for final completion. Scheduling and control of different manpower requirements, and scope of work requirements within the project, is the sole responsibility of the Contractor, and no compensation or direction will be made by the City to facilitate any scheduling efforts other than in service requirement dates dictated on the Work Order delivered to the Contractor.

2. **Contract Price:** The work performed under this Agreement shall be compensated by Unit Price for each of the categories in Exhibits A and B, for a total contract value of **Two Hundred Four Thousand Four Hundred Thirty-Three Dollars and Forty-Five Cents ($204,433.45),** which includes $16,362.20 in 8.7% sales tax**.** Before any payment is made by the City of Anacortes of sums under this contract, the contractor and subcontractors must provide a copy of the statement of *Intent to Pay Prevailing Wage* approved by the Department of Labor and Industries. Pursuant to RCW Chapter 60.28, a sum of five percent (5%) of the monies earned by the contactor will be retained.

3. **Bonds:** Pursuant to RCW 39.08.010, the Contractor shall provide the City a performance bond and payment bond for the full contract amount to be in effect as detailed in the incorporated General Provisions. The City may at its option release the bonds once all the conditions of RCW 39.08.010-1a have been discharged.

4. **Time of Completion:** The Contractor shall complete work according to the following milestone timelines:

MILESTONE	MUST START BY	MUST BE SUBSTANTIALLY COMPLETED BY
Start of work in Aerial Area 2	2 weeks after Notice to Proceed	7 weeks after Notice to Proceed
Start of work in Aerial Areas 3, 4 & 6	n/a	10 weeks after Notice to Proceed
Final punch list work	n/a	12 weeks after Notice to Proceed

5. **Job Safety:** Contractor shall comply with all WA State Department Labor and Industries safety standards while on the job.

6. **Contract Requirements:** Contractor must have a contractor license number, insurance, and City of Anacortes business license. **Prevailing Wage Law Applies**.

Forms Needed: 1) Proof of Insurance with Additional Insured Endorsement
2) Intent to Pay Prevailing Wage
3) Affidavit of Wages Paid
4) Performance Bond
5) Payment Bond
6) Certification of Compliance with Wage Payment Statutes

7. **Contract Documents:** The NoaNet/RBC Contract dated 10/11/2017 titled 2017-015 Line Extension and Emergency Response Contract, all modifications and change orders to NoaNet/RBC Contract, and Exhibits A, B, and C are included in this Contract Agreement.

The parties acknowledge that there has been an opportunity to negotiate the terms and conditions of this Agreement and agree to each bind itself, its partners, successors, assigns, and legal representatives to the other party hereto, in respect of all covenants, agreements, and obligations contained in the Contract Documents. Each of the persons signing below on behalf of any party hereby represents and warrants that s/he or it is signing with full and complete authority to bind the party on whose behalf of whom s/he or it is signing, to each and every term of this Agreement.

Owner:
City of Anacortes

____
Mayor

____
Date

Contractor:
Robinson Brothers Construction, Inc.

____

____
Date

____
Contractor License #

CONTRACT 19-175-FBR-003 EXHIBIT A
Aerial Areas 3,4,6

CONSTRUCTION SERVICES

QTY	UOM	Unit code	Description	Unit Price	TOTAL
215	Lineal Foot	BDB	BDB Directional Bore up to a 2" hole	$25.50	$5,482.50
265	Lineal Foot	BCD	BCD Pull Fiber Cable thru Duct	$1.00	$265.00
14	Per Attachment	APT	APT Pole Transfer (Straight)	$125.00	$1,750.00
2	Per Location	APD	APD Pole Transfer (Dead End)	$375.00	$750.00
18	Per Anchor	APA	APA Anchor Placement New	$200.00	$3,600.00
4819	Per Strand Foot	APS	APS Place Strand & Overhead Guys	$1.40	$6,746.60
5977	Per Strand Foot	ALS	ALS Lash Fiber Optic Cable	$1.25	$7,471.25
2	Per Location	ARM 1	ARM1 Place New or Transfer Fiber glass Arm	$110.00	$220.00
3	Each	ARR	ARR Place New Riser up to 4"	$227.00	$681.00
6	Each	SCC	SCC Placement of New Fiber Optic Closure	$420.00	$2,520.00
1	Each Closure	SPC	SPC Splice Closure Prep & or Re-Entry	$357.00	$357.00
66	Each Splice	SPF 3	SPF 3 Splice and Test Fiber, 49 and above	$41.65	$2,748.90
5	Each Closure	SPR	SPR Ring Cut or Mid-Entry Prep	$595.00	$2,975.00
22	Each	MST	MST Install Multi-Service Terminal	$357.00	$7,854.00
40	Per Hour	TRA	Traffic Control Crew	$144.00	$5,760.00
2	Each	n/a	Bollard install	$400.00	$800.00
1	Each	n/a	Cabinet install	$1,280.00	$1,280.00
			Subtotal, construction services		$51,261.25

CONTRACTOR-PROVIDED MATERIALS

QTY	UOM	Unit code	Description		
265	Foot	n/a	Misc conduit.	$2.00	$530.00
6	Each	n/a	Splice Case	$480.00	$2,880.00
18	Each	n/a	Anchor	$98.00	$1,764.00
2	Each	n/a	Bollard	$287.00	$574.00
4819	Each	n/a	Aerial hardware	$0.50	$2,409.50
			Subtotal, contractor-provided materials		$8,157.50
			Subtotal before sales tax		$59,418.75
			Washington State sales tax	8.70%	$5,169.43
			Exhibit total		$64,588.18

CONTRACT 19-175-FBR-003 EXHIBIT B
Aerial Area 2

CONSTRUCTION SERVICES

QTY	UOM	Unit code	Description	Unit Price	TOTAL
477	Lineal Foot	BDB	BDB Directional Bore up to a 2" hole	$25.50	$12,163.50
1	Each	BVML	BVM Handhole Placement, large	$656.00	$656.00
485	Lineal Foot	BRR	BRR Rod, Blow and Rope pre-existing Conduit	$0.90	$436.50
552	Lineal Foot	BCD	BCD Pull Fiber Cable thru Duct	$1.00	$552.00
8	Per Attachment	APT	APT Pole Transfer (Straight)	$125.00	$1,000.00
2	Per Attachment	APG	APG Pole Transfer (Angle)	$275.00	$550.00
3	Per Location	APD	APD Pole Transfer (Dead End)	$375.00	$1,125.00
32	Per Anchor	APA	APA Anchor Placement New	$200.00	$6,400.00
14,756	Per Strand Foot	APS	APS Place Strand & Overhead Guys	$1.40	$20,658.40
14,616	Per Strand Foot	ALS	ALS Lash Fiber Optic Cable	$1.25	$18,270.00
6	Per Location	ARM 1	ARM1 Place New or Transfer Fiber glass Arm	$110.00	$660.00
4	Each	ARR	ARR Place New Riser up to 4"	$227.00	$908.00
9	Each	SCC	SCC Placement of New Fiber Optic Closure	$420.00	$3,780.00
2	Each Closure	SPC	SPC Splice Closure Prep & or Re-Entry	$357.00	$714.00
154	Each Splice	SPF 3	SPF 3 Splice and Test Fiber, 49 and above	$41.65	$6,414.10
4	Each Closure	SPR	SPR Ring Cut or Mid-Entry Prep	$595.00	$2,380.00
61	Each	MST	MST Install Multi-Service Terminal	$357.00	$21,777.00
80	Per Hour	TRA	Traffic Control Crew	$144.00	$11,520.00
2	Each	n/a	Bollard install	$400.00	$800.00
1	Each	n/a	Cabinet install	$1,280.00	$1,280.00
			Subtotal, construction services		$112,044.50

CONTRACTOR-PROVIDED MATERIALS

QTY	UOM	Unit code	Description		
600	Foot	n/a	Misc conduit.	$2.00	$1,200.00
9	Each	n/a	Splice Case	$480.00	$4,320.00
32	Each	n/a	Anchor	$98.00	$3,136.00
2	Each	n/a	Bollard	$287.00	$574.00
14,756	Each	n/a	Aerial hardware	$0.50	$7,378.00
			Subtotal, contractor-provided materials		$16,608.00
			Subtotal before sales tax		$128,652.50
			Washington State Sales Tax	8.70%	$11,192.77
			Exhibit total		$139,845.27

INTRODUCTION TO THE SPECIAL PROVISIONS

The work on this project shall be accomplished in accordance with the *NoaNet/RBC Contract dated 9/18/2017 titled 2017-015 Line Extension and Emergency Response Contract*, (hereafter "Standard Terms & Conditions").

The Standard Terms & Conditions, as modified or supplemented by these Special Provisions, all of which are made a part of the Contract Document, shall govern all of the Work.

Each Provision either supplements, modifies, or replaces the comparable Standard Term & Condition, or is a new Provision. The deletion, amendment, alteration, or addition to any subsection or portion of the Standard Terms & Conditions is meant to pertain only to that particular portion of the section, and in no way should it be interpreted that the balance of the section does not apply.

GC-2 DEFINITIONS

Modify this Section with the following:

"COA" City of Anacortes

"**COA's REPRESENTATIVE**" The employee and/or Consultant designated by COA as its representative as Construction Manager during the progress of the work.

"CONTRACT DOCUMENTS" The Contract Documents shall include all sections of the NoaNet and City of Anacortes Contract Documents.

"FINAL ACCEPTANCE" Acceptance of the work by the City of Anacortes in writing. Final Acceptance shall not constitute an acceptance the City of Anacortes of any work performed or goods supplied which are not in strict compliance with the Contract Documents.

GC-3 PROJECT

Modify this Section with the following:

The Contractor agrees to do the work and furnish the materials in a most substantial and workmanlike manner within the time limits according to the COA Project.

No work shall be performed by Contractor until receipt of a COA Notice to Proceed and a Work Order. The Work Order will estimate the cost of the project based on the unit pricing stated in Exhibits A and B of this contract.

GC-7 The title is modified to say "**COA RESPONSIBILITY**"

Modify this Section with the following:

In consideration of the promises and agreements of the Contractor as set forth herein, and in consideration of the faithful performance and furnishing of the work and materials required by this Contract, COA agrees to pay the Contractor the total amount not to exceed the Contract Price. If the work and services to be performed are for work as defined in WAC 458- 20-171, then the applicable Washington State retail Sales Tax on this contract shall be governed by WAC 458-20-171 and its related rules for the work completed in the Contract. The Contractor shall invoice COA monthly unless otherwise stated in the bid documents.

GC-8 SUSPENSION/TERMINATION OF WORK OTHER THAN DEFAULT

Modify this Section with the following:

COA may, at its sole option, by notice in writing to the Contractor, and without cause given by Contractor, suspend or terminate at any time the performance of all or any portion of work to be performed under the NoaNet Bid Documents. Upon such notice of suspension or termination of work, COA shall designate the amount and type of plant, labor, and equipment to be committed to the work site during the period of suspension or termination. The Contractor shall use its best efforts to utilize its plant, labor, and equipment in such a manner as to minimize costs associated with suspension or termination.

A. Upon receipt of any such notice, the Contractor shall:

1. Immediately discontinue work as specified in the notice;

2. Place no further orders or subcontracts for material, services, or equipment with respect to suspended or terminated work;

3. Promptly suspend or terminate all orders, subcontracts, and rental agreements to the extent they relate to performance of work suspended or terminated; and

4. Continue to protect and maintain the work, including those portions on which work has been suspended;

5. Assist COA Representative or COA in the maintenance, protection, and disposition of work in progress, plant, tools, equipment property, and materials acquired by Contractor or furnished by Contractor under the NoaNet Bid Documents; and

6. Complete performance of the work which is not terminated.

B. Suspension: As full compensation for such suspension the Contractor shall be reimbursed for the following costs, reasonably incurred, without duplication of any item, to the extent that such costs directly result from such suspension of work:

1. A standby charge, as determined to be equitable by the COA Representative, to be paid to the Contractor during a period of suspension of work sufficient to compensate the Contractor for keeping, to the extent required in the notice, its organization and equipment committed to the work in a standby status;

2. All reasonable costs, as determined to be equitable by COA'S Representative, associated with any demobilization and remobilization of the Contractor's plant, forces, and equipment;

3. Any claim on the part of the Contractor for additional time or compensation shall be made within ten (10) calendar days after receipt, by Contractor, of a notice to suspend work. Failure to submit a claim within the ten (10) day period shall constitute a waiver of any such claim;

4. In no event however, shall the amount to be paid the Contractor pursuant to this section exceed the Contract Price.

Upon receipt of notice to resume suspended work, the Contractor shall immediately resume performance of the suspended work to the extent required in the notice. Any claim on the part of the Contractor for time or compensation shall be made within ten calendar days after receipt of notice to resume work and the Contractor shall submit a revised project schedule for review.

C. TERMINATION: Upon delivery of a written notice to the Contractor, COA may, without cause and without prejudice to any other right or remedy, elect to terminate the COA Project. Upon receipt of any such notice, the Contractor shall take all appropriate steps in part A of this section.

Upon any such termination, Contractor shall waive any claims for damages including Contractor's overhead, loss of anticipated profits, and all other inconvenience, expenses, damages, costs and lost profits whatsoever. If such termination is effected after COA has issued Notice to Proceed and the Contractor has commenced performance hereunder, COA shall pay the reasonable, verifiable and directly attributable costs incurred by the Contractor as determined by the physical progress of the work satisfactorily completed to date plus costs of removing equipment and materials and otherwise demobilizing, plus ten percent of the sum of all such costs; provided, said payment shall not in any event exceed the Contract Price of the Bid Documents. The payment of COA shall constitute full and complete satisfaction and settlement for the Contractor's overhead, anticipated profits, and all other inconvenience, expenses, damages, costs and lost profits whatsoever. The Contractor shall be entitled to no further payments whatsoever for the work. Amounts retained and accumulated under RCW Chapter 60.28 shall be held and disbursed as provided therein.

Contractor shall submit within 30 days after receipt of notice of termination, a request for adjustment to the Contract Price in accordance with the above provisions. A COA Representative shall review, analyze, and verify such request, and upon a COA Representative's approval, the Contract shall be amended in writing accordingly.

Those provisions of the Contract or NoaNet Bid Documents that by their nature survive Final Acceptance under the Contract Documents shall remain in full force and effect after such termination.

GC-9 TERMINATION FOR DEFAULT/NONCOMPLIANCE

Modify the second and third paragraphs to read:

B. Consequences of Default
In the event of default, COA may immediately, without limiting any other remedy available to it in law or equity, withhold any amount otherwise due under the Contract. COA shall provide written notice of default. In the event Contractor fails to correct the default within ten (10) calendar days after written notice of default, COA may terminate the Contractor's right to proceed with all or any portion of the work. COA'S right to liquidated damages shall not in any manner limit any other remedy available to COA, including but not limited to, COA'S right to terminate the Contractor's right to proceed.

C. Noncompliance
The Contractor shall, upon receipt of written notice of noncompliance with any provision of this Contract, or any NoaNet Bid Documents and the action to be taken, immediately correct the conditions to which attention has been directed. Such notice, when served on the Contractor or their representative at the site of the work, shall be deemed sufficient. If the Contractor fails or refuses to comply promptly, a COA Representative may issue an order to suspend all or any part of the work. When satisfactory corrective action is taken, an order to resume work shall be issued. No part of the time lost due to any such suspension order shall entitle the Contractor to any extension of time for the performance of the Contract or to reimbursement for excess costs or damages.

GC-10 ASSIGNMENT

Modify this section to read:

The Contractor shall not assign this Contract, or any interest in or part thereof, or any monies due or to become due hereunder, without the prior written approval of the COA. Any costs to COA associated with the assignment may be deducted from amounts due to the Contractor.

GC-11 INDEMNITY

Modify this Section with the following:

A. Contractor shall be responsible for any and all damage, loss or injury of any kind or nature whatsoever, direct or indirect, to person or property arising out of or in any manner connected with or caused by or resulting from or suffered in connection with the execution of the work provided for in this Contract, any NoaNet Bid Documents or in connection therewith. Contractor agrees to defend, indemnify and hold harmless COA and its representatives (which terms shall be deemed to include directors, officers, members, employees, agents, and servants, and any other persons directly or indirectly engaged in any activity connected with the performance of the work under the Contract and NoaNet Bid Documents) from and against any and all liabilities, claims, losses, damages or expenses, including reasonable attorney's fees, and expert witness fees, which may be incurred or sustained by COA or any of its representatives (as defined above), by reason of any act, omission, misconduct, negligence, or default on the part of the Contractor or any Subcontractor of the Contractor, and any employees of the Contractor or Subcontractor and except as may otherwise be provided by applicable law. Contractor specifically assumes liability for actions brought by Contractor's own employees against COA and its representatives and for that purpose Contractor specifically waives any immunity under the Workers Compensation Act, RCW Title 51. The indemnification obligation under this Contract shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable to or for any third party under workers' compensation acts, disability benefits acts, or other employee benefits acts; provided Contractor's waiver of immunity by the provisions of this paragraph extends only to claims against Contractor by COA, and does not include, or extend to, any claims by Contractor's employees directly against Contractor.

B. COA shall not be responsible or be held liable for any damage to person or property consequent upon the use, misuse or failure of any crane, hoist, rigging, blocking, scaffolding or any other equipment used by the Contractor or any of their Subcontractors, even though the said crane, hoist, rigging, blocking, scaffolding, or any other equipment be furnished or loaned to the Contractor by COA. The acceptance and/or use of any such crane, hoist, rigging, blocking, scaffolding or other equipment by the Contractor or their Subcontractors shall be construed to mean that the Contractor accepts all responsibility for any claims for damages whatsoever resulting from the use, misuse or failure of such apparatus whether such damages are incurred by Contractor's own employees or property or to the employees or property of other contractors, COA, or otherwise.

C. Contractor's indemnification obligation shall not apply to liability for damages arising out of bodily injury to persons or damage to property caused by the negligence of COA or its agents or employees and not attributable to any act or omission on the part of the Contractor or Contractor's employees or agent's. In the event of damages to person or property caused by or resulting from the concurrent negligence of COA or its agents or employees and the Contractor or its agents or employees, the Contractor's indemnity obligation shall apply only to the extent of the Contractor's (including that of its agents and employees) negligence.

D. Contractor acknowledges that by entering into a contract with COA, he has mutually negotiated the above indemnity provisions with COA. Contractor's indemnity and defense obligations shall survive the termination or completion of this Contract and remain in full force and effect until satisfied in full.

GC-12 LAWS, REGULATIONS, PERMITS

Modify the second paragraph to read:

All written instruments, agreements, specifications and other writing of whatsoever nature which relate to or are a part of this Agreement shall be construed, for all purposes, solely and exclusively in accordance and pursuant to the laws of the State of Washington. The rights and obligations of COA and Contractor shall be governed by the laws of the State of Washington. Venue of any action filed to enforce or interpret the provisions of this Agreement shall be exclusively in the Superior Court, County of Skagit, State of Washington or at COA'S sole option. In the event of litigation to enforce the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees and costs in addition to any other relief allowed.

GC-13 CLAIM FOR DAMAGES

Modify this section to read:

Any claims arising under the Contract by the Contractor shall be made in writing to the COA Representative no later than ten calendar days after the beginning of the event or occurrence giving rise to the claim. Failure to make written claim prior to the time specified in the NoaNet Bid Document shall constitute waiver of any such claim.

GC-14 INDEPENDENT CONTRACTOR, SUPERINTENDENT, AND EMPLOYEES

Modify the second, third and fourth paragraphs to read:

The Contractor shall designate in writing before starting work competent, authorized site representative(s) who shall be authorized to represent and act for the Contractor in all matters relating to the COA Contract and NoaNet Bid Documents. The Contractor's letter designating representative(s) shall clearly define the scope of the representatives(s) authority to act for the Contractor and define any limitations of this authority. Said authorized representative(s) shall be present at the site of the work at all times when work is in progress. Arrangements acceptable to COA shall be made for any emergency work which may be required. The Contractor's authorized representative(s) shall be supported by competent assistants as necessary, and the authorized representative(s) and assistants shall all be satisfactory to COA. All directions given to the authorized representative(s) by COA shall be binding as if given to the Contractor.

The Contractor and their Subcontractors shall employ only orderly workers. Employees deemed by COA to be incompetent, subversive, or disorderly shall be removed from the performance of the work, and such removal shall not form the basis of any claim for compensation or damage upon COA.

The Contractor and Subcontractor shall be responsible for insuring that its employee's fully comply with the all applicable federal, state, and local laws, including without limitation, all applicable provisions of the Drug Free Workplace Act of 1988. Unless otherwise required by law, the Contractor and Subcontractor shall immediately remove any employee from further work if it is determined by COA, at its discretion, that the employee is not fit for duty for any reason. Failure on the part of the Contractor or Subcontractor to comply with any of the above referenced policies shall be considered an act of default in accordance with GC-9.

GC-15 WORK

Modify this section to read:

The term Work, as used in this Contract, means the construction and services necessary or incidental to fulfill Contractor's obligations in conformance with this Contract.

A. No work shall be performed by Contractor until receipt of a COA Notice to Proceed accompanied by the project plans and specifications, and setting forth the cost of, and the completion date of the work.

B. Contractor shall perform the Work in a diligent, efficient and skillful manner, as the Work or any portion thereof becomes available, to allow COA to promote the general progress of the entire construction and so that the Work shall not interfere with, hinder or delay other work.

C. Should Contractor delay the progress of the Work or of the Project, Contractor shall take necessary action as required to meet and maintain job progress, without additional compensation, and shall be liable to and reimburse COA for damages resulting from such delay.

D. Contractor shall be solely responsible for protection of the Work and for loss or damage to materials, tools, equipment or other personal property, owned or rented or used by Contractor in performance of the Work.

E. When as-built drawing are required by the Contract Documents, Contractor shall record as-built conditions on the Drawings and Detail Drawings in a form acceptable to COA, on a weekly basis or as determined by the Project Manager, during performance of the Work.

F. Contractor shall place detectable marking tape on all Contractor-installed underground lines. The detectable marking tape shall consist of inert polyethylene plastic that is impervious to all known alkalis, acids, chemical reagents, and solvents likely to be encountered in the soil, with a metallic foil core to provide for the most positive detection and pipeline location.

The tape shall be color coded and shall be imprinted continuously over its entire length in permanent black ink indicating the type of line buried below and shall also have the word “Caution” prominently shown.

Color coding of the tape shall be as follows:

Utility	Tape Color
Water	Blue
Sewer	Green
Electrical	Red
Gas/Oil	Yellow
Telephone/CATV	Orange
Non-Potable Water	Purple

The width of the tape shall be as recommended by the manufacture based on depth of installation.

GC-16 CORRECTION OF WORK/WARRANTY

Modify this section to read:

All materials and equipment incorporated into any work under the NoaNet Bid Documents and COA Contract shall be new and of the most suitable grade of their respective kinds for their intended uses unless otherwise specified. All workmanship shall be in accordance with highest standard practices acceptable COA Representative. Contractor warrants all materials, equipment, design and work it furnishes or performs under the NoaNet Bid Documents and COA Contract against defects in design, materials, and workmanship. Contractor's warranty shall remain in effect for a period of three hundred sixty-five (365) calendar days after Final Acceptance.

If at any time prior to the expiration of the warranty period, Contractor or COA discovers any defect in such materials, equipment, design and work, the Contractor shall, upon written notice from COA given within a reasonable time after discovery, correct such defects to the satisfaction of COA by redesigning, repairing or replacing the defective materials, equipment, design and work at a time acceptable to COA. All costs incidental to such corrective action including removal, disassembly, reinstallation, re-work, re-testing and re-inspection as may be necessary to correct the defect or demonstrate that the previously defective work conforms to the requirements of the Contract shall be borne by the Contractor.

Contractor warrants any and all corrective action against defects in design, materials, and workmanship for a period of twelve (12) months following acceptance COA of the corrected work.

If, after due notice, the Contractor shall refuse or persistently neglect to make corrections so as to meet the requirements of the Contract or bid documents, COA may proceed to make such corrections as they may be required and Contractor shall reimburse COA for all cost and expenses incurred in connection therewith.

The warranty requirements in this section are the minimum requirements for materials, equipment, design and work under this Contract. Any other warranty requirements specified in the NoaNet Bid Documents, including the Technical Specifications, are in addition to, and not in lieu of the minimum requirements specified herein.

GC-17 CHANGES IN WORK

Modify this section to read:

Without invalidating the Contract, COA may make changes by altering, adding or deducting from the work, and/or make changes in the drawings and specifications requiring changes in the work and/or materials and equipment to be furnished under any NoaNet Bid Documents; provided such additions, deductions or changes are within the general scope of the Documents. Except as provided herein, no official, employee, agent or representative of COA is authorized to approve any change in the Contract Award and it shall be the responsibility of the Contractor before proceeding with any change, to satisfy himself that the execution of the written Change Order has been properly authorized on behalf of COA.

Charges or credits for the work covered by the approved changes shall be determined by one or more, or a combination of the following methods, at COA'S option:

A. Unit prices specified in the unit prices for changes in work submitted with the Contractor's Bid proposal, if any.

B. An agreed lump sum.

D. The actual cost of:
1. Labor, including foreman.
2. Materials entering permanently into the work.
3. The ownership or rental cost of plant and equipment during the time of use on the project.
4. Power and consumable supplies for the operation of power equipment.
5. Insurance.
6. Social Security and old age and unemployment contributions.
7. To the sum of Items 1, 2, 4, 5, and 6 inclusive, there shall be added a fixed fee of fifteen percent (15%). The fee shall be compensation to cover the cost of supervision, overhead, bond, profit and any other general expenses.

When a change is ordered by COA, as provided herein, a Change Order shall be executed by COA, or its representative, and the Contractor before any Change Order work is performed. COA shall not be liable for any payment to Contractor, or claims arising therefrom, for Change Order work which is not first authorized in writing as set forth in this section. All terms and conditions contained in the Contract Documents and NoaNet Bid Documents shall be applicable to Change Order work. Change Orders shall specify any change in time required for completion of the work caused by the Change Order and, to the extent applicable, the amount of any increase or decrease in the Contract Price.

If any such change or alteration in the work shall result in a decrease of the work to be performed or materials, equipment, and apparatus to be furnished, no allowance shall be made to the Contractor in computing any resulting decrease in the Contract Price for loss of anticipated profits, but if the Contractor, before receiving COA'S notice of intention pursuant to this Section, shall have incurred any expense in connection with the proper performance of the NoaNet Bid Documents which shall be rendered unnecessary by such change or alteration, such allowance shall be made therefore to the Contractor as COA shall determine to be fair and reasonable.

A COA Representative may instruct the Contractor to make minor changes in the work where such changes are not inconsistent with the purposes of the NoaNet Bid Documents, do not involve any additional cost and shall not require an extension of the NoaNet Bid Document completion date. The Contractor shall make no such changes without receipt of an Instruction, setting forth the changes to be made. Contractor's compliance therewith shall constitute its acknowledgment that such changes shall not result in any claim for additional payment or extension of the NoaNet Bid Document completion date. If the Contractor believes the instruction shall result in additional costs or time extensions, Contractor shall promptly notify COA of the same and not proceed with the changes. COA's Instructions, when issued, shall be in writing and signed by a COA Representative and NOANET Representative.

No waiver of any provision of this Contract or the NoaNet Bid Documents, and no consent to departure there from, by either party, shall be effective unless in writing and signed by the waiving or consenting party, and no such waiver or consent shall extend beyond the particular case and purpose involved.

GC-19 PAYMENT/RETAINAGE

Modify this section to read:

Contractor shall submit a detailed monthly pay application for all services provided describing in reasonable and understandable detail the work completed during the previous month, the progress of the work, and the requested payment in an amount proportionate to the work completed. **Unit codes, descriptions and prices listed on the pay applications MUST match those listed in Exhibits A**

and B of the Contract. COA shall pay the pay application within thirty (30) days after approval of the pay application, pursuant to the terms below:

A. Prior to the release of any payment COA must receive from Contractor a current Approved Statement of Intent to Pay Prevailing Wage filed per project (RCW 39.12.040) for all contractors and subcontractors

B. COA shall hold back a retainage as required by RCW 60.28 for labor and material in the amount of five percent (5%), of any and all payments made to contractor for a period of sixty (60) days after the date of final acceptance, or until receipt of all necessary releases from the State Department of Revenue, State Employment Security Division and the State Department of Labor and Industries and until settlement of any liens filed under Chapter 60.28 RCW. If Contractor plans to submit a bond in lieu of the retainage specified above, the bond must be in a form acceptable to COA and submitted within 30 days upon entering into this Contract, through a bonding company meeting standards established by COA.

C. COA shall pay the Contractor as full consideration for the performance of the contract, an amount equal to the unit and lump sum prices as set forth in the bid. The Contractor will submit request for Progress payments on a monthly basis and COA will make payment within 30 days after receipt of the Contractor's request until the work is complete and accepted by COA. COA payment shall not constitute a waiver of COA's right to final inspection and acceptance of the project.

D. COA reserves its right to withhold payment from Contractor for any defective or unauthorized work. Defective or unauthorized work includes, without limitation: work and materials that do not conform to the requirements of this Contract or as more fully detailed in the project specification agreement and/or purchase; and extra work and materials furnished without COA'S written approval. If Contractor is unable, for any reason, to satisfactorily complete any portion of the work, COA may complete the work by contract or otherwise, and Contractor shall be liable for any additional costs incurred by COA. "Additional costs" shall mean all reasonable costs, including legal costs and attorney fees, incurred by COA beyond the maximum Contract price specified above.

COA further reserves its right to deduct the cost to complete the Contract work, including any Additional Costs, from any and all amounts due or to become due the Contractor. Notwithstanding the terms of this section, COA'S payment to contractor for work performed shall not be a waiver of any claims COA may have against Contractor for defective or unauthorized work.

E. Prior to submitting its first application for payment, Contractor shall submit a schedule of values allocating the Subcontract Price to the full Scope of Work, prepared in such form and supported by such data to substantiate its accuracy as COA may require, which schedule shall be used as a basis for reviewing Contractor's applications for payment. The schedule of values will be used for payment purposes only and shall not relieve Contractor from its obligation to perform all of the Work and provide all labor and material required by the Agreement. When approved by COA, the schedule of values may be modified by Contractor to incorporate executed change orders.

F. Payments shall not be acceptance of improper, faulty, defective or non-conforming Work or material and shall not release Contractor of any of its obligations under the Agreement and shall not constitute a waiver of any right or provision hereof by COA. Beneficial use or occupancy by COA is not acceptance of the work.

GC-20 PAYMENTS WITHHELD

Modify this section to read:

In addition to the above percentage retained, COA may withhold the whole or part of any certificate for payment to such extent as may be reasonably necessary to protect itself from loss on account of:

A. Defective or damaged work not remedied or warranties not met.

B. Claims filed or reasonable evidence indicating filing of claims against the Contractor.

C. Failure of the Contractor to make payments properly to Subcontractors or for materials, labor, or equipment.

D. A reasonable doubt that the work in the Contract can be completed for the balance then unpaid.

E. Damage to another Contractor.

F. Damage to or loss of COA -furnished materials or COA property.

G. Contractor's failure to meet any performance warranties required by the Contract Documents or the NoaNet Bid Documents.

The Contractor shall provide a contact name, address, and email address to facilitate notification if any payment, or portion of any payment, is withheld for any of the reasons above, or for missing documentation or items incorrectly invoiced. Notification shall be made via email, or shall be mailed, properly addressed and stamped with the required postage to the person designated by the Contractor.

GC-21 ACCEPTANCE AND FINAL PAYMENT

Modify this section to read:

When the Contractor has completed all work in accordance with the terms of the Contract and NoaNet Bid Documents, the Contractor shall properly execute and submit to a COA Representative a request for final payment and the Certificate of Completion and Release (exhibit F) The Certificate of Completion and Release shall constitute a waiver of all claims by the Contractor except for unsettled claims specifically stated. COA shall not process Contractor's request for final payment until after the Contractor furnishes the Certificate of Completion and Release.

The Certificate of Completion and Release shall warrant that the Contractor has fully completed its work included in the Contract and NoaNet Bid Documents and has fully paid for labor, materials, equipment, services, taxes and all other costs and expenses of every nature and kind whatsoever resulting from the Contract. If any dispute exists between the Contractor and any person, firm or corporation to whom the Contractor might be obligated in connection with the Contract, the Contractor shall state the name of claimant and amount and general nature of claim against the Contractor. The Certificate of Completion and Release shall state the amount and nature of all present and future claims that the Contractor may have against COA shall not be complete until after the Contractor has delivered to a COA Representative a properly completed Certificate of Completion and Release.

After receipt of a properly completed Certificate of Completion and Release and request for final payment, a COA Representative shall, within a reasonable time, make a recommendation to COA relative to acceptance of the Contractor's work. Such a recommendation shall not constitute a recommendation of acceptance of any work or materials not furnished in accordance with the terms of this Contract and the NoaNet Bid Document.

Upon receipt of: (1) request for final payment and Certificate of Completion and Release, and (2) the COA Representative's recommendation relative to acceptance of work, COA shall, within a reasonable time, take action on the Contractor's final request for payment, and on acceptance of work. Such action shall be subject to the condition of the Performance Bond, legal rights of COA, required warranties, and correction of faulty work discovered after final payment. COA shall have the right to retain from any payment then due the Contractor, so long as any bills or claims remain unsettled and outstanding, a sum sufficient, in the opinion of COA, to provide for the payment of the same. It is also understood and agreed that, in the case of any breach by the Contractor of the provisions hereof, COA may retain from any payment or payments which may become due hereunder, a sum sufficient, in the opinion of COA, to compensate for all damages occasioned by such breach including any such damages arising out of any delay on the part of the Contractor.

Sixty (60) days after Final Acceptance, including Contractor's delivery of a properly completed Certificate of Completion and Release to a COA Representative, retainage may be claimed by the Contractor; provided, however, that there are no claims filed for material or laborers and that COA has received the certificate of the Washington State Department of Revenue of payment in full of all taxes, the Employment Security Department, and the approved Washington State Department of

Labor and Industries Request for Contract Release form and the approved affidavit showing payment of prevailing wages. If any liens remain unsatisfied after final payment is made, the Contractor shall refund to COA such amounts as COA may have been compelled to pay in discharging such liens including all costs and reasonable attorney's fees.

GC-22 The title is modified to say **"COA REPRESENTATIVE'S STATUS, AUTHORITY AND PROTEST PROCEDURE"**

Modify this section to read:

A COA Representative shall represent COA. The Representative has authority to stop the work whenever such stoppage may be necessary to insure the proper execution of the Contract. The Representative shall also have authority to reject all work, equipment, and materials which do not conform to the Contract and to answer questions which arise in the execution of their work.

Written Approval by the COA Representative signifies favorable opinion and qualified consent. It does not carry with it certification, assurance of completeness, assurance of quality, nor assurance of accuracy concerning details, dimensions, and quantities. It is not an acceptance by COA or certification that Contractor has performed the Contract work correctly or according to Contract Documents and the NoaNet Bid Document. Such approval shall not relieve the Contractor from responsibility for errors or for deficiencies within their control.

All claims of the Contractor and all questions relating to the interpretation of the Contract and NoaNet Bid Document, including all questions as to the acceptable fulfillment of the Contract on the part of the Contractor and all questions as to compensation, shall be submitted in writing to the COA Representative for determination within the applicable time period specified in the Contract and NoaNet Bid Document.

All such determination and other instructions of the COA Representative shall be final unless the Contractor shall file with the COA Representative a written protest, stating clearly and in detail the basis thereof, within ten (10) calendar days after the COA Representative notifies the Contractor of such determination or instruction. The protest shall be forwarded by the COA Representative to COA'S City Attorney, who shall issue a decision upon each such protest, and its decision shall be final. Pending such decision, the Contractor, if required by the COA Representative, shall proceed with the work in accordance with the determination or instructions of the COA Representative.

The COA Representative may appoint assistants and inspectors to assist him in determining that the work performed and materials furnished comply with contract requirements. Such assistants and inspectors shall have authority to reject defective material and suspend any work that is being done improperly, subject to the final decisions of the COA Representative, or to exercise such additional authority as may be delegated to them by the COA Representative. All work done and all materials furnished shall be subject to inspections by the COA Representative or their inspectors at all times during the work.

GC-23 COOPERATION WITH OTHERS

Modify this section to read:

There may be other contractors or forces of COA working the same area where work under the Contract shall be performed. The Contractor shall fully cooperate with such other contractors and COA'S employees and carefully fit their work with the other work consistent with orderly and expeditious performance and completion of the project as a whole.

GC-24 INSURANCE

Modify articles E through G to read:

E. The insurance policies shall specifically name the City of Anacortes, it's elected or appointed officials, officers, employees, and volunteers as insured with regard to damages and defense of claims arising from (1) activities performed by or on half of the Contractor; or (2) Products and completed operations of the Contractor; or (3) premises owned, leased, or used by the Contractor.

F. The insurance policies (1) shall state that coverage shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability; (2) shall be primary insurance with regard to COA; and (3) shall state that COA will be given at least 30 days' prior written notice of any cancellation, suspension or material change in coverage.

G. Before commencing work and services, Contractor shall provide to COA a Certificate of Insurance evidencing the required insurance accompanied by endorsements as are necessary to comply with the requirements of this paragraph. COA reserves the right to request and receive a certified copy of all required insurance policies.

GC-25 JOB SAFETY/HOUSEKEEPING

Modify this section to read:

All work done shall be done in a manner that minimizes interruptions or inconvenience to the public and/or COA staff. All work shall be carried on with due regard for the safety of the public, and Contractor shall maintain strict compliance with the appropriate provisions relating to control of traffic and pedestrians through work areas as set forth in the Manual on Uniform Traffic and Control Devices (current edition) as adopted by the Washington State Department of Transportation. Property and streets adjacent to the Project site shall be kept free and clear at all times from accumulations of mud, dirt, gravel, rock, and other matter.

Contractor will be responsible for daily and final clean up and disposal of refuse, waste and debris produced by its operation. Refuse shall not be permitted to accumulate to the extent that it interferes with free access to the Project site. Should COA determine Contractor is not fulfilling its obligation in this regard, COA reserves the right to take such action as may be necessary, and to charge Contractor with any costs that may be incurred in such remedial action.

GC-27 PRE-WORK CONFERENCE

Modify this section to read:

The Contractor, upon notification by COA, may be required to attend a pre-work conference prior to starting any work. The purpose of the conference is to discuss, among other considerations, the responsibility of the Contractor and their Subcontractors in the execution and progress of the work. The conference, if any, shall be held on a date mutually agreed upon by the Contractor and the COA Representative.

GC-29 PROGRESS MEETINGS

Modify this section to read:

Progress review meetings shall be held at regular intervals as deemed necessary by the COA Representative. Progress meetings shall be utilized to review the work schedule and discuss any delays, unusual conditions, or critical items which have affected or could affect the progress of the work.

Time is of the essence of any COA Project. If at any time during the progress of work, the Contractor's actual progress, in the opinion of a COA Representative, is inadequate to meet the Contract completion dates, COA may issue a written notice of noncompliance to the Contractor who shall thereupon take such steps as may be necessary to improve its progress. If within a reasonable period as determined by the COA Representative, the Contractor does not improve performance to meet the work schedule, COA may direct the Contractor to accelerate the work through an increase in the Contractor's labor force, the number of shifts, overtime operations, additional days of work per week and/or an increase in the amount of plant; all without additional cost to COA. Neither such notice by COA nor COA'S failure to issue such notice shall relieve the Contractor of its obligation to achieve the quality of work and rate of progress required by the Contract and NoaNet Bid Document.

Failure of the Contractor to comply with the instructions of COA may be grounds for determination by COA that the Contractor is not prosecuting its work with such diligence as shall assure completion within the times specified. Upon such determination, COA may terminate the Contractor's right to proceed with the performance of the Contract, or any separable part thereof in accordance with GC-9.

GC-31 PAYMENT OF LABOR

Modify this section to read:

The Contractor, and its Subcontractors shall fully comply with all applicable provisions of RCW Chapter 39.12, concerning payment of prevailing wages, including the filing and payment of fees for all required statements and affidavits, and shall pay and provide wages and benefits to their employees employed in the performance of this Contract which are not less than those fixed by the Washington Department of Labor and Industries for work of like character. It shall be the responsibility of the Contractor to ensure that the appropriate classification of work and prevailing wage rate is paid for the county in which the Work is performed. The State of Washington prevailing wage rates applicable to- Public Projects may be found at the following website address of the Department of Labor and Industries: https://fortress.wa.gov/lni/wagelookup/prvWagelookup.aspx Questions regarding Prevailing Wage should be directed to the Prevailing Wage section of the Department of Labor & Industries, ESAC Division, P.O. Box 44540, Olympia, Washington 98504-4540 by calling (360) 902-5335 or on their web site at: http://lni.wa.gov/Tradeslicensing/PrevWage/Wage Rates/ default.asp. It is the Contractor's responsibility to ensure with the Washington Department of Labor and Industries prior to bid opening that the most current version of the prevailing wage rates are utilized in the preparation of its Bid. COA does not guarantee that labor can be procured for the minimum wages shown on the referenced schedules. The rates listed are minimum only, below which the Contractor cannot pay. The Contractor may be required to furnish to COA at any time acceptable evidence of wage rates paid by it or its Subcontractors.

For contracts in excess of $10,000, the contractor must post in a conspicuous place at the job site, a copy of the statement of Intent to Pay Prevailing Wages approved by the Department of Labor and Industries and the address and phone number of the Industrial Statistician where complaints or inquires may be made. Any dispute between the Contractor or any of its Subcontractors and COA over the appropriate wage rate under this provision or RCW 39.12 shall be subject to arbitration pursuant to RCW 39.12.060.

GC-32 DELAYS AND EXTENSIONS OF TIME

Modify this section to read:

If the Contractor is delayed at any time in the progress of work by any unforeseeable causes beyond the control of the Contractor, except for shortages in materials and labor, the Contract time shall be extended for such reasonable time as COA shall determine.

The Contractor agrees to complete the work within the Contract and NoaNet Bid Document time as thus extended. Such extensions shall postpone the beginning of period for payment of liquidated damages but they and the events producing them shall not be grounds for claim by the Contractor of damages or for additional costs, expenses, overhead or profit or other compensation. Except for delays caused by the acts or omissions of COA or persons acting for it, extensions of time granted by a COA Representative to the Contractor shall be the Contractor's sole and exclusive remedy for any delays due to causes beyond the control of the Contractor.

All claims for extension of time shall be made in writing to COA no more than 3 days after the Contractor knows or by reasonable diligence should know of the event causing or likely to cause the delay; otherwise, they shall be waived. In the case of a continuing cause of delay only one claim is necessary. Contractor's failure to give such notice promptly and within such time limit shall be deemed sufficient reason by COA for denial of any time extension request.

Avoidable delays in the execution or completion of the work, for which no time extension shall be granted, shall include all delays which in the opinion of COA could have been avoided by the exercise of care, prudence, foresight and diligence on the part of the Contractor or their Subcontractors. All changes of the time or changes of the schedule shall be made by Change Orders to the Contract.

GC-33 COMPLETION DEADLINE/LIQUIDATED DAMAGES

Modify this section to read:

Contractor shall commence work under this Contract upon receipt of notice to proceed from COA. If the COA Project is not completed by such date as set forth in the Contract Document, then the contractor shall pay COA $1,000.00 for each calendar day that the work remains incomplete after expiration of the specified completion date, unless otherwise specified in the NoaNet Bid Document. The sum of the Liquidated damages shall not exceed fifteen percent of the Contact Price.

GC-37 The title is modified to say **"PERFORMANCE BOND AND PAYMENT BOND"**

Modify this section to read:

Contractor shall provide a separate performance bond and payment bond each for 100% of the contract price on COA provided forms, for the faithful performance and payment of all its obligations under this Contract and in accordance with RCW 39.08.010. The payment bond will be released either 45 days after final acceptance of the project or upon receipt of releases from the Department of Revenue, Department of Employment Security and the Department of Labor and Industries, whichever is later. Release is contingent on the fact that no claims against the bond have been filed prior to the 45 day mark. If claims have been filed against the bond, it will not be released until the claims have been resolved. The performance bond shall remain in effect to guarantee the repair and replacement of defective equipment, materials, and workmanship and payment of damages sustained by COA on account of such defects, discovered within one (1) year after final acceptance by COA. If this Contract is for less than $150,000, Contractor authorizes COA, in lieu of a bond, to retain 10% of the Contract amount for a period of thirty days after the date of final acceptance, or until receipt of all necessary releases from the department of revenue and the department of labor and industries and settlement of any liens filed under chapter 60.28 RCW, whichever is later: PROVIDED FURTHER, that for contracts of one hundred fifty thousand dollars or less, the public entity may accept a full payment and performance bond from an individual surety or sureties: AND PROVIDED FURTHER, that the surety must agree to be bound by the laws of the state of Washington and subjected to the jurisdiction of the state of Washington as provided for under RCW 39.08.010.

GC-38 GENERAL PROVISIONS

Modify articles A, B, E, and H to read:

A. Notices. Any notice or demand desired or required to be given under this Contract shall be in writing and deemed given when personally delivered, sent by facsimile machine, or deposited in the United States Mail (or with an express courier), postage prepaid, sent certified or registered mail, and addressed to the parties as set forth below or to such other address as either party shall have previously designated by such a notice:

City of Anacortes PO Box 547 Anacortes, WA 98221 Attn: Tiffany Matson	Contractor: Robinson Bros. Constr., Inc. 6150 NE 137th Ave. Vancouver, WA 98682 Attn: Toland Severson

B. Entire Agreement. This Contract and its attachments contain the entire understanding between COA and Contractor relating to the Project which is the subject of this Contract. This Contract supersedes all prior discussions, negotiations, letters of understanding or other promises whether oral or in writing. Subsequent modification or amendment of this Contract shall be in writing and signed by the parties to this Contract.

E. Assignment. Neither party shall assign, transfer or otherwise dispose of this Contract in whole or in part to any individual, firm or corporation without the prior written consent of the other party. Subject to the provisions of the preceding sentence, this Contract shall be binding upon and endure to the benefit of the respective successors and assigns of the parties hereto: This Contract is made only for the benefit of COA and the Contractor and successors in interest and no third party or person shall have any rights hereunder whether by agency or as a third party beneficiary.

H. Jurisdiction/Law. This Contract shall be governed by and construed in accordance with the laws of the State of Washington. Any suit to enforce or relating to this Contract shall be brought in Skagit County Superior Court, Skagit County, Washington.

Anacortes City Council

Proposed Agenda Items for the Next Eight Weeks Beginning June 1, 2020

Subjects listed below have been tentatively suggested for consideration by the Anacortes City Council on the dates indicated. Items may be added to, removed from or rearranged on this list. Routine business such as approval of minutes and vouchers are not included. The complete Preliminary Agenda for each meeting is published at 3:00 on the Wednesday prior to the meeting. Published Agendas are subject to change and may be updated following the posting period. For additional information on agenda topics, please contact the City Clerk's office at 360-299-1960 to be directed to the sponsoring staff member.

June 1, 2020

June 8, 2020

June 15, 2020

June 22, 2020

July 6, 2020

July 13, 2020

July 20, 2020

July 27, 2020

Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.

•Planning, Tuesday, May 26, 2020, 5:00 PM, Teleconference
•Finance, Wednesday, May 27, 2020, 5:00 PM, Teleconference
•Museum, Thursday, May 28, 2020, 12:30 PM, Teleconference
•Community Center / Pool, Thursday, May 28, 2020, 3:30 PM, TBD
•Public Works, Monday, Jun 1, 2020, 5:00 PM, Teleconference
•Port/City Liaison, Tuesday, Jun 2, 2020, 8:30 AM, TBD
•Public Safety, Tuesday, Jun 2, 2020, 10:00 AM, Teleconference
•Fiber, Thursday, Jun 4, 2020, 2:30 PM, Teleconference
•Housing Affordability & Community Services, Monday, Jun 8, 2020, 4:00 PM, Teleconference
•Planning, Monday, Jun 8, 2020, 5:00 PM, Teleconference
•Finance, Wednesday, Jun 10, 2020, 5:00 PM, Teleconference
•Community Center / Pool, Thursday, Jun 11, 2020, 3:30 PM, TBD
•Public Works, Monday, Jun 15, 2020, 5:00 PM, Teleconference