



PARKS & PUBLIC WORKS COMMITTEE & COMMITTEE OF THE WHOLE MEETING AGENDA

Tuesday, April 22, 2025, at 5:00 PM

Snoqualmie City Hall, 38624 SE River Street & Zoom

COMMITTEE MEMBERS

Chair: Ethan Benson

Councilmembers: Bryan Holloway and Catherine Cotton

This meeting will be conducted in person at Snoqualmie City Hall and remotely using by Zoom.

Join by Telephone: To listen to the meeting via telephone, please call **253.215.8782** and enter Webinar ID **867 8554 3964** and Password **1700050121** if prompted.

Press *9 to raise your hand to speak. Raising your hand signals the meeting moderator that you have a comment.
Press *6 to mute and unmute.

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- 1) Click this [link](#).
- 2) If the Zoom app is not installed on your computer, you will be prompted to download it.
- 3) If prompted for Webinar ID, enter **867 8554 3964**; Enter Password **1700050121**
- 4) Please confirm that your audio works prior to participating.

CALL TO ORDER & ROLL CALL

AGENDA APPROVAL

PUBLIC COMMENTS (online public comments will not be taken).

MINUTES

1. Approval of minutes dated April 8, 2025.

AGENDA BILLS

2. **AB25-053:** Lease Agreement with Northwest Landscapes LLC
3. **AB25-055:** Job Order Contracting Consultant Contract Extension
4. **AB25-056:** Northwest Railway Museum Restroom Maintenance and Operations Agreement

DISCUSSION

5. Presentation: NPDES Stormwater Permit Update
6. Presentation: Utility Rate Study Update
7. Director Reports:
 - a. Staffing
 - b. Project status

ADJOURNMENT



PARKS & PUBLIC WORKS COMMITTEE & COMMITTEE OF THE WHOLE MEETING MINUTES APRIL 8, 2025

This meeting was conducted in person at Snoqualmie City Hall and remotely using Zoom.

CALL TO ORDER – Chair Benson called the meeting to order at 5:00 pm.

Committee Members: Councilmembers Ethan Benson, Bryan Holloway, and Catherine Cotton were present.

City Staff:

Phil Bennett, Deputy Parks & Public Works Director; Janna Walker, Budget Manager; Andrew Vining, Project Engineer; Dylan Gamble, CIP Manager; Jen Hughes, Deputy Finance Director; Deana Dean, City Clerk; and Andrew Jongekryg, IT Support.

AGENDA APPROVAL - The agenda was approved as amended, moving Discussion item before Agenda Bills.

OUT OF ORDER - DISCUSSION

1. Parks & Events Commission Update. Commission Chair Emily Anderson and Vice Chair Paul Sweum were present. Presentation provided by Emily Anderson who spoke to action items from the last Parks & Events Commission meeting and future commission activities. Committee questions and comments followed.

OUT OF ORDER - MINUTES

1. The minutes from March 18, 2025, were approved as presented.

AGENDA BILLS

2. **AB25-048:** Awarding the Reclaimed Water Distribution System Improvements. This item was introduced by Project Engineer Andrew Vining. Committee questions followed. Additional information provided by Budget Manager Janna Walker. This item is approved to move forward at the April 14, 2025, City Council meeting on the non-consent agenda.
3. **AB25-049:** On-Call Water & Sewer Design Services. This item was introduced by Project Engineer Andrew Vining. Committee questions and comments followed. This item is approved to move forward at the April 14, 2025, City Council meeting on the non-consent agenda.
4. **AB25-050:** Amendment for Water Reclamation Facility Phase 3 Services During Construction. This item was introduced by Project Engineer Andrew Vining. This item is approved to move forward at the April 14, 2025, City Council meeting on the non-consent agenda.

ADJOURNMENT

The meeting was adjourned at 5:25 pm.

Minutes prepared by Deana Dean, City Clerk.

Recorded meeting audio is available on the City website after the meeting.

Minutes approved at the _____, 2025, Parks & Public Works Committee Meeting.

Parks & Public Works Committee & Committee of the Whole Meeting Minutes
April 8, 2025

Council Agenda Bill

AB Number

AB25-053

Agenda Bill Information

Title*

Lease Agreement with Northwest Landscapes LLC

Action*

Motion

Council Agenda Section

Committee Report

Council Meeting Date*

04/28/2025

Staff Member

Philip Bennett

Department*

Public Works

Committee

Parks and Public Works

Committee Date

04/22/2025

Exhibits

Packet Attachments - if any

CBRE Rental Appraisal_NLS Lease Site.pdf	4.13MB
Resolution - NLS Lease Agreement.docx	30.17KB
NLS Lease Site - Rental calculation FYI Finance & Legal.docx	13.35KB
NLS Wastewater Plant Site Ground Lease 2025_Final_4-16-25.pdf	486.74KB

Summary

Introduction*

Brief summary.

This Agenda Bill proposes a new lease agreement with an updated rental fee for a rental site on City property adjacent to the Water Reclamation Facility on Millpond Rd.

Proposed Motion

Move to adopt Resolution XXX authorizing the Mayor to sign a lease agreement with Northwest Landscape Services LLC

Background/Overview*

What was done (legislative history, previous actions, ability to hyperlink)

A lease agreement was initiated between the City of Snoqualmie and Northwest Landscape Services LLC (NLS LLC) on September 30, 2016. An independent appraisal of the rental market value of this site was produced on November 27th, 2024, showing a significant increase in rental value. NLS LLC wish to

continue using the site and are willing to enter into a new lease agreement, with the increased rental rate.

Analysis*

Staff proposes to update the lease and increase the rental rate for the site adjacent to the Water Reclamation Facility currently being occupied by Northwest Landscape Services LLC. The previous rental rate, established in 2016 was \$1917.86 per month (not including leasehold tax). The proposed rental rate is \$4932 (not including leasehold tax).

Budgetary Status*

This action will bring in additional revenue.

Fiscal Impact

Amount of Expenditure	Amount Budgeted	Appropriation Requested
\$0.00	\$0.00	\$0.00

Budget Summary

The proposed rental rate associated with this lease will be \$59,184 annually (not including leasehold tax). This represents an annual increase to City revenue of \$36,170 as compared to the previous lease agreement.

Fiscal Impact Screenshot

Appraisal Report

CITY OF SNOQUALMIE STORAGE YARD - LEASE AREA 3

38180 Southeast Mill Pond Road
Snoqualmie, Washington 98065

Prepared for: City of Snoqualmie
Date of Report: November 27, 2024
CBRE File No.: CB24US085464-1



1420 Fifth Avenue, Suite 3800
Seattle, WA 98101

T (206) 683-8834
F (206) 292-1601

www.cbre.com/valuation

Date of Report: November 27, 2024

Philip Bennett
Deputy Director, Parks & Public Works
CITY OF SNOQUALMIE
38624 SE River Street
Snoqualmie, Washington 98065

RE: Appraisal of: City of Snoqualmie Storage Yard - Lease Area 3
38180 Southeast Mill Pond Road
Snoqualmie, King County, Washington 98065
CBRE File No.: CB24US085464-1

Dear Mr. Bennett:

At your request and authorization, CBRE, Inc. has prepared an appraisal of the market rental rate of the referenced property. Our analysis is presented in the following Appraisal Report.

The subject of this analysis is a 0.97-acre (42,051 square foot) industrial site known as the City of Snoqualmie Storage Yard - 'Lease Area 3'. The subject is one of three leased sites totaling 7.17 acres (312,124 square feet) located on one parcel at 38180 Southeast Mill Pond Road in Snoqualmie, Washington.

Lease Area 3 is positioned at the southwest end of the parcel, nearest to the Snoqualmie River. The site is currently unimproved but has water and electricity available. The current zoning of UP, Utility Park, has limited permissible uses as will be discussed in the Zoning section. However, there is high demand for yard storage in Snoqualmie and the larger Eastside submarket. At the request of the client, we have determined the market rent for the subject site. This will be discussed in more detail in the Introduction section.

Based on the analysis contained in the following report, the market rental rate of the subject is concluded as follows:

MARKET VALUE CONCLUSION				
Appraisal Premise	Interest Appraised	Date of Value	Monthly Market Rent (\$)	Concluded Rent (\$/SF/Mo.)
Fair Market Rent - Lease Area 3	Fee Simple Estate	November 14, 2024	\$7,569	\$0.18
Compiled by CBRE				

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter.

The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), and the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.

The intended use and user of our report are specifically identified in our report as agreed upon in our contract for services and/or reliance language found in the report. As a condition to being granted the status of an intended user, any intended user who has not entered into a written agreement with CBRE in connection with its use of our report agrees to be bound by the terms and conditions of the agreement between CBRE and the client who ordered the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to any non-intended users does not extend reliance to any such party, and CBRE will not be responsible for any unauthorized use of or reliance upon the report, its conclusions or contents (or any portion thereof).

It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if CBRE can be of further service, please contact us.

Respectfully submitted,

CBRE - VALUATION & ADVISORY SERVICES



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License No. & State: 1101993 WA



Mitchell Olsen, MAI
Title: VAS - Managing Director
Phone: (206) 292-6171
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License No. & State: 1102176 WA



Ben Keeter
Title: Senior Valuation Analyst
Phone: (206) 292-6189
Email: Ben.Keeter@cbre.com
License No. & State: 22020871 WA

Certification

We certify to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. Mitchell Olsen, MAI has provided services, as an appraiser, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment. Keith A. Lee, MAI and Ben Keeter have not provided any services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice.
9. Keith A. Lee, MAI has made a personal inspection of the property that is the subject of this report. Mitchell Olsen, MAI and Ben Keeter have not made a personal inspection of the property that is the subject of this report. Mitchell Olsen, MAI has previously inspected the property for two prior engagements with the client.
10. No one provided significant real property appraisal assistance to the persons signing this certification.
11. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, Keith A. Lee, MAI and Mitchell Olsen, MAI have completed the continuing education program for Designated Members of the Appraisal Institute.



Keith A. Lee, MAI
Certified General 1101993 WA

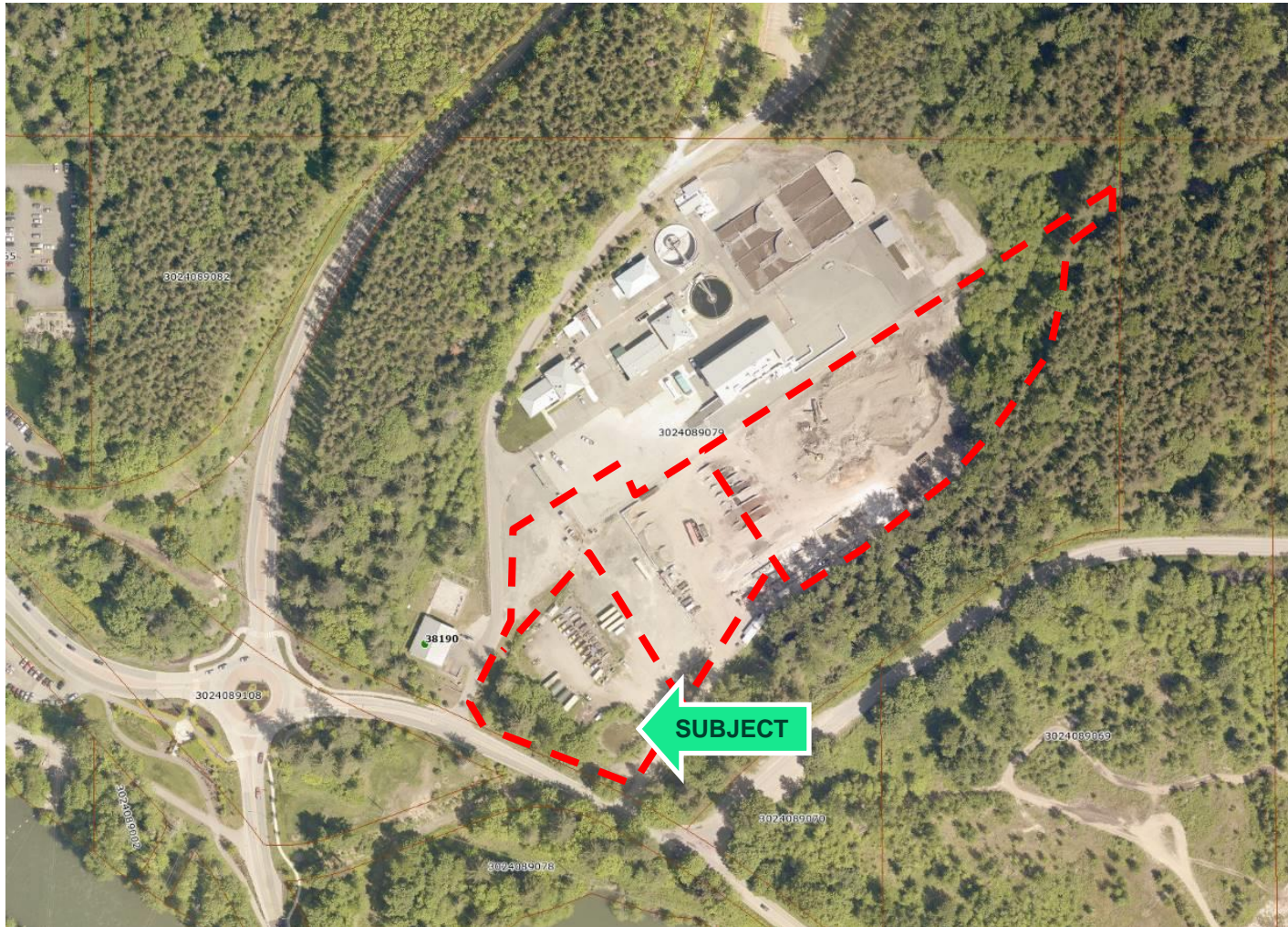


Mitchell Olsen, MAI
Certified General 1102176 WA



Ben Keeter
Trainee License 22020871 WA

Subject Photographs



Lease Area 3 is emphasized with the 'Subject' arrow

Aerial View (Source: King County Parcel Viewer and Client Data)



Subject Entrance



Subject Gated Perimeter



Yard Area



Yard Area



Yard Area

Executive Summary

Property Name	City of Snoqualmie Storage Yard - Lease Area 3
Location	38180 Southeast Mill Pond Road Snoqualmie, King County, WA 98065
Parcel Number(s)	3024089079
Client	City of Snoqualmie
Highest and Best Use	
As If Vacant	Yard Storage
Property Rights Appraised	Fee Simple Estate
Date of Report	November 22, 2024
Date of Inspection	November 14, 2024
Estimated Exposure Time	12 Months or less
Estimated Marketing Time	12 Months or less
Land Area (Lease Area 3)	0.97 AC 42,051 SF
Zoning	UP, Utility Park
Buyer Profile	Government Or Private Investor

CONCLUDED MARKET VALUE				
Appraisal Premise	Interest Appraised	Date of Value	Monthly Market Rent (\$)	Concluded Rent (\$/SF/Mo.)
Fair Market Rent - Lease Area 3	Fee Simple Estate	November 14, 2024	\$7,569	\$0.18
Compiled by CBRE				

Strengths, Weaknesses, Opportunities and Threats (SWOT)

Strengths/ Opportunities

- The subject has good access along SE Mill Pond Road, which connects to the primary commercial cores of Snoqualmie, North Bend, and Interstate 90;
- The subject sites are mostly cleared and level sites, with utilities (water and electricity) available;
- There is relatively high demand for yard storage sites like the subject. Given current economic conditions, most sites in the Puget Sound area are continuing use as Yard Storage rather than turning to development;
- The Puget Sound industrial market is desirable for national investors to place capital; therefore, investment rates still have downward pressure. Experts are projecting this trend to continue for the foreseeable future.

Weaknesses/ Threats

- The subject is located on the northern fringe of the City of Snoqualmie limits, which is a different market as compared to the downtown area;
- Snoqualmie is considered a secondary industrial market and has not experienced much growth outside of single-family residential development over the past several years;
- The current zoning has limited permissible uses for vertical development outside of community centers, libraries, police/fire stations, or museums;

- Commercial real estate market conditions have deteriorated at the macro level. The significant recent increase in the cost of capital and reduced volume of transaction activity is impacting price discovery and creating an increase in uncertainty. Increasing interest rates and subdued economic growth will continue to weigh on commercial real estate fundamentals and investment transaction volumes. This creates a higher degree of uncertainty in general, though the impacts may vary by market and asset class/type.

Market Volatility

We draw your attention to a combination of inflationary pressures beginning in 2022, which led to higher interest rates during this period, slowing job growth, stress in banking systems, which have significantly increased the potential for constrained credit markets, negative capital value movements, and enhanced volatility in property markets. Beginning in September of 2024, the Fed began lowering the federal funds rate by 50 basis points, with two more cuts expected in 2024. While this may help bolster future commercial real estate investment activity the risk of near-term market volatility remains.

Experience has shown that consumer and investor behavior can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect this heightened level of volatility and the potential for changing market conditions.

It is important to note that the conclusions set out in this report are valid as of the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

Current Economic Conditions

At its November 2024 meeting, the Federal Reserve announced an additional 25-basis point (bps) interest-rate cut. This follows a larger 50-basis point cut in September, which brought the rate down from a peak of 5.25% to 5.50% for most of 2024. The rate is currently at a range of 4.50% to 4.75%. While the cuts provide an expectation that GDP growth and inflation will become more balanced by year-end, it remains attentive to inflation risks.

While opinions vary on future economic issues, the general market consensus at the time of this appraisal is that the historically high interest rates and economic uncertainty will keep real estate market activity reasonably subdued. The election and uncertainty will likely cause volatility in financial markets; however, leasing activity will remain relatively resilient as economic growth outpaces expectations. CBRE expects that investment activity will pick up into year-end as markets fully reprice the federal reserve's interest rate decision. However, amid this uncertain and dynamic environment, investment market performance will be uneven across property type.

Extraordinary Assumptions

An extraordinary assumption is defined as “an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.”¹

- None noted

¹ The Appraisal Foundation, *USPAP, 2024 Edition* (Effective January 1, 2024)

Hypothetical Conditions

A hypothetical condition is defined as “a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purposes of analysis.”²

- None noted

Ownership and Property History

Title to the property is currently vested in the name of the City of Snoqualmie, who acquired title to the property on April 1, 2009. To the best of our knowledge, there has been no ownership transfer of the property during the previous three years.

Exposure/Marketing Time

Current appraisal guidelines require an estimate of a reasonable time period in which the subject could be brought to market and sold. This reasonable time frame can either be examined historically or prospectively. In a historical analysis, this is referred to as exposure time. Exposure time always precedes the date of value, with the underlying premise being the time a property would have been on the market prior to the date of value, such that it would sell at its appraised value as of the date of value. On a prospective basis, the term marketing time is most often used. The exposure/marketing time is a function of price, time, and use. It is not an isolated estimate of time alone. In consideration of these factors, we have analyzed the following:

- the opinions of market participants.

The following table presents the information derived from these sources.

EXPOSURE/MARKETING TIME DATA			
Investment Type	Exposure/Mktg. (Months)		
	Range		Average
Local Market Professionals	6.0	- 12.0	9.0
CBRE Exposure Time Estimate	12 Months or less		
CBRE Marketing Period Estimate	12 Months or less		
Various Sources Compiled by CBRE			

² The Appraisal Foundation, *USPAP, 2024 Edition* (Effective January 1, 2024)

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ADDENDA

Legal Description

Client Contract Information

Qualifications

Scope of Work

This Appraisal Report is intended to comply with the real property appraisal development and reporting requirements set forth under Standards Rule 1 and 2 of USPAP. The scope of the assignment relates to the extent and manner in which research is conducted, data is gathered, and analysis is applied.

Intended Use Of Report

This appraisal is to be used for business decision making and no other use is permitted.

Client

The client is City of Snoqualmie.

Intended User Of Report

This appraisal is to be used by City of Snoqualmie. No other user(s) may rely on our report unless as specifically indicated in this report.

Intended users are those who an appraiser intends will use the appraisal or review report. In other words, appraisers acknowledge at the outset of the assignment that they are developing their expert opinions for the use of the intended users they identify. Although the client provides information about the parties who may be intended users, ultimately it is the appraiser who decides who they are. This is an important point to be clear about: The client does not tell the appraiser who the intended users will be. Rather, the client tells the appraiser who the client needs the report to be speaking to, and given that information, the appraiser identifies the intended user or users. It is important to identify intended users because an appraiser's primary responsibility regarding the use of the report's opinions and conclusions is to those users. Intended users are those parties to whom an appraiser is responsible for communicating the findings in a clear and understandable manner. They are the audience.³

Reliance Language

Reliance on any reports produced by CBRE under this Agreement is extended solely to parties and entities expressly acknowledged in a signed writing by CBRE as Intended Users of the respective reports, provided that any conditions to such acknowledgement required by CBRE or hereunder have been satisfied. Parties or entities other than Intended Users who obtain a copy of the report or any portion thereof (including Client if it is not named as an Intended User), whether as a result of its direct dissemination or by any other means, may not rely upon any opinions or conclusions contained in the report or such portions thereof, and CBRE will not be responsible for any unpermitted use of the report, its conclusions or contents or have any liability in connection therewith.

Purpose of the Appraisal

The purpose of this appraisal is to estimate the market rent and market value of the subject property.

³ Appraisal Institute, *The Appraisal of Real Estate*, 15th ed. (Chicago: Appraisal Institute, 2020), 40.

Definition of Value

The current economic definition of market value agreed upon by agencies that regulate federal financial institutions in the U.S. (and used herein) is as follows:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.⁴

Interest Appraised

The value estimated represents the **Fee Simple Estate** as defined below:

Fee Simple Estate - Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.⁵

Leased Fee Interest - The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.⁶

Leasehold Estate - The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.⁷

Going Concern – An established and operating business having an indefinite future life.⁸

Extent to Which the Property is Identified

The property is identified through the following sources:

- postal address
- assessor's records

⁴ 12 CFR, Part 34, Subpart C-Appraisals, 34.42(h).

⁵ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022), 73.

⁶ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022), 105.

⁷ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022), 105.

⁸ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022), 83.

Extent to Which the Property is Inspected

Keith A. Lee, MAI inspected the subject, as well as its surrounding environs on the effective date of appraisal. This inspection was considered adequate and is the basis for our findings.

Type and Extent of the Data Researched

CBRE reviewed the following:

- applicable tax data
- zoning requirements
- flood zone status
- demographics
- comparable data

Type and Extent of Analysis Applied

CBRE, Inc. analyzed the data gathered through the use of appropriate and accepted appraisal methodology to arrive at a probable value indication via each applicable approach to value. The steps required to complete each approach are discussed in the methodology section.

Statement of Competency

The appraisers have the appropriate knowledge, education and experience to complete this assignment competently.

Data Resources Utilized in the Analysis

DATA SOURCES	
<i>Item:</i>	<i>Source(s):</i>
Site Data	
Size	Client Provided Measurements
Other	
Ownership	King County Assessor
Taxes	King County Assessor & Treasurer
Regional Economy	CBRE OneDimension, Washington State Department of Employment
Demographics	ESRI
Market Statistics	CBRE MarketView
Zoning	City of Snoqualmie Municipal Code
Flood Zone	FEMA
Items Not Provided	Title report, site plans, environmental site assessment, geotechnical survey
Compiled by CBRE	

Appraisal Methodology

In appraisal practice, an approach to value is included or omitted based on its applicability to the property type being valued and the quality and quantity of information available. Depending on a specific appraisal assignment, any of the following four methods may be used to determine the market value of the fee simple interest of land:

- Sales Comparison Approach;
- Income Capitalization Procedures;
- Allocation; and
- Extraction.

The following summaries of each method are paraphrased from the text.

The first is the sales comparison approach. This is a process of analyzing sales of similar, recently sold parcels in order to derive an indication of the most probable sales price (or value) of the property being appraised. The reliability of this approach is dependent upon (a) the availability of comparable sales data, (b) the verification of the sales data regarding size, price, terms of sale, among others, (c) the degree of comparability or extent of adjustment necessary for differences between the subject and the comparables, and (d) the absence of nontypical conditions affecting the sales price. This is the primary and most reliable method used to value land (if adequate data exists).

The income capitalization procedures include three methods: land residual technique, ground rent capitalization, and Subdivision Development Analysis. A discussion of each of these three techniques is presented in the following paragraphs.

The land residual method may be used to estimate land value when sales data on similar parcels of vacant land are lacking. This technique is based on the principle of balance and the related concept of contribution, which are concerned with equilibrium among the agents of production--i.e. labor, capital, coordination, and land. The land residual technique can be used to estimate land value when: 1) building value is known or can be accurately estimated, 2) stabilized, annual net operating income to the property is known or estimable, and 3) both building and land capitalization rates can be extracted from the market. Building value can be estimated for new or proposed buildings that represent the highest and best use of the property and have not yet incurred physical deterioration or functional obsolescence.

The subdivision development method is used to value land when subdivision and development represent the highest and best use of the appraised parcel. In this method, an appraiser determines the number and size of lots that can be created from the appraised land physically, legally, and economically. The value of the underlying land is then estimated through a discounted cash flow analysis with revenues based on the achievable sale price of the finished product and expenses based on all costs required to complete and sell the finished product.

The ground rent capitalization procedure is predicated upon the assumption that ground rents can be capitalized at an appropriate rate to indicate the market value of a site. Ground rent is paid for the right to use and occupy the land according to the terms of the ground lease; it corresponds to the value of the landowner's interest in the land. Market-derived capitalization rates are used to convert ground rent into market value. This procedure is useful when an analysis of comparable sales of leased land indicates a range of rents and reasonable support for capitalization rates can be obtained.

The allocation method is typically used when sales are so rare that the value cannot be estimated by direct comparison. This method is based on the principle of balance and the related concept of contribution, which affirm that there is a normal or typical ratio of land value to property value for specific categories of real estate in specific locations. This ratio is generally more reliable when the subject property includes relatively new improvements. The allocation method does not produce conclusive value indications, but it can be used to establish land value when the number of vacant land sales is inadequate.

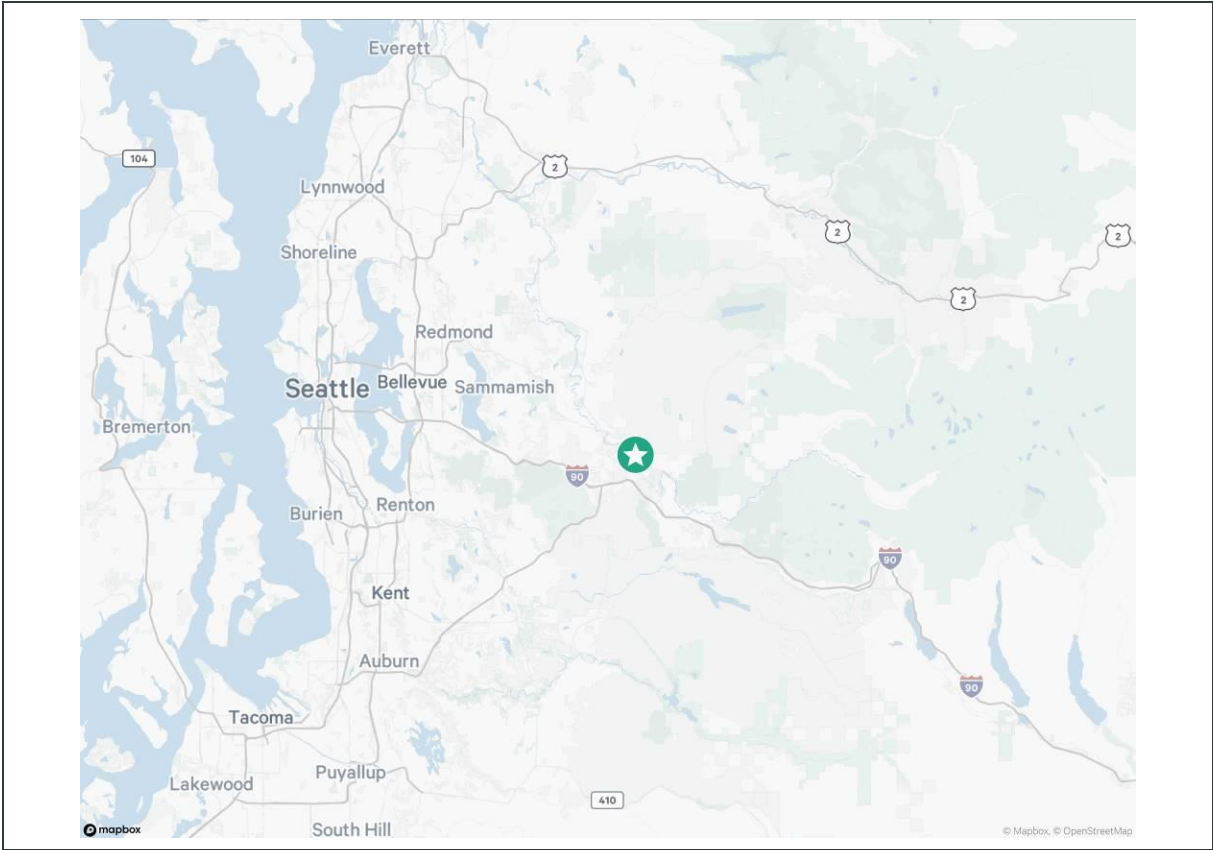
The extraction method is a variant of the allocation method in which land value is extracted from the sale price of an improved property by deducting the contribution of the improvements, which is estimated from their depreciated costs. The remaining value represents the value of the land. Value indications derived in this way are generally unpersuasive because the assessment ratios may be unreliable and the extraction method does not reflect market considerations.

For the purposes of this analysis, we have utilized the Sales Comparison Approach to determine the underlying land value, and the Income Capitalization Approach within the Highest and Best use Analysis, as these methodologies are typically used for sites that are feasible for immediate development.

Methodology Applicable to the Subject

In determining the subject's market rent, the primary methodology is established by rent comparables and discussions with market participants.

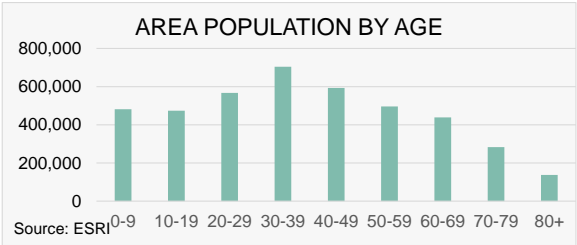
Area Analysis



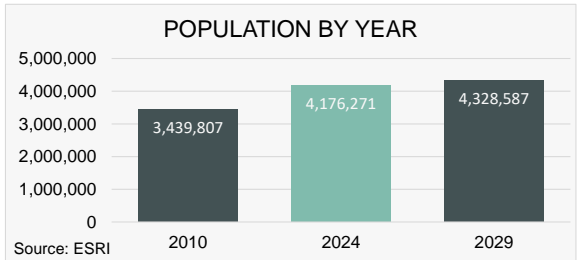
The subject is located in the Seattle-Tacoma-Bellevue, WA Metropolitan Statistical Area. Key information about the area is provided in the following tables.

Population

The area has a population of 4,176,271 and a median age of 38, with the largest population group in the 30-39 age range and the smallest population in 80+ age range.



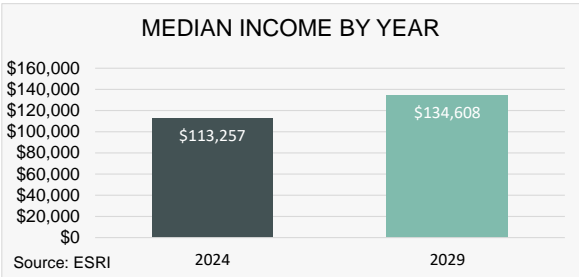
Population has increased by 736,464 since 2010, reflecting an annual increase of 1.4%. Population is projected to increase by 152,316 between 2024 and 2029, reflecting a 0.7% annual population growth.



Source: ESRI, downloaded on Nov, 20 2024

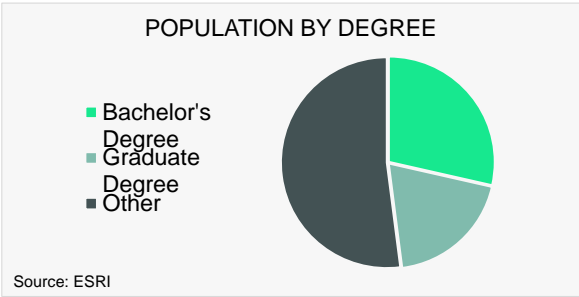
Income

The area features an average household income of \$160,268 and a median household income of \$113,257. Over the next five years, median household income is expected to increase by 18.9%, or \$4,270 per annum.

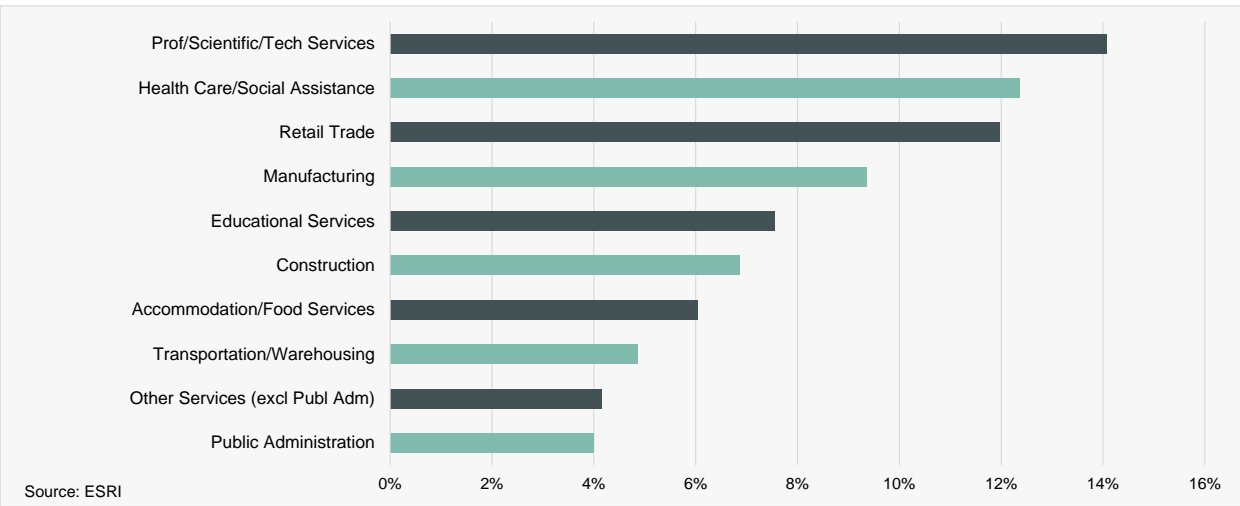


Education

A total of 48.0% of individuals over the age of 24 have a college degree, with 28.6% holding a bachelor's degree and 19.4% holding a graduate degree.



Employment

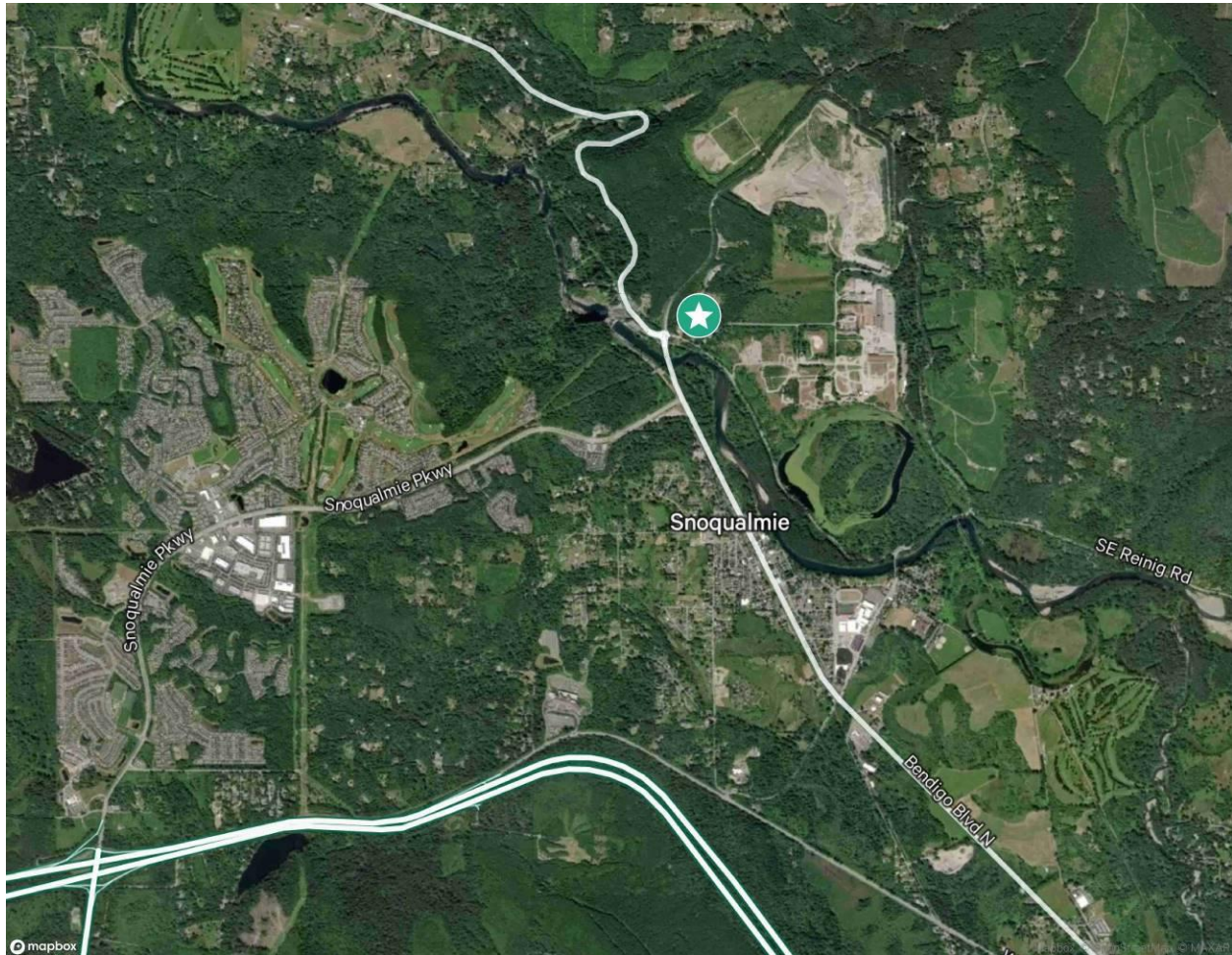


The area includes a total of 2,254,233 employees and has a 5.0% unemployment rate. The top three industries within the area are Prof/Scientific/Tech Services, Health Care/Social Assistance and Retail Trade, which represent a combined total of 38% of the workforce.

Source: ESRI, downloaded on Nov 20, 2024; BLS.gov dated Jul 1, 2024 (preliminary)

In summary, the area is forecasted to experience an increase in population and an increase in household income.

Neighborhood Analysis



Location

The subject is located in the downtown neighborhood area of Snoqualmie within the City of Snoqualmie in east King County. Snoqualmie is comprised of two general neighborhoods; downtown and the surrounding area and Snoqualmie Ridge. The downtown area of Snoqualmie is older in nature and was developed more than 100 years ago as a logging community. The subject property is located approximately 0.7 miles southeast of the main downtown retail cluster and one block south of Mt Si High School.

Boundaries

The neighborhood boundaries are detailed as follows:

North:	Snoqualmie River
South:	Interstate 90
East:	Meadowbrook Way
West:	Snoqualmie Parkway

Land Use

The immediate area consists of commercial development along Railroad Avenue, open space, single family development and two public schools, Mt Si High School and Snoqualmie Elementary School. Most houses and commercial buildings in the immediate area maintain their historic vintage character. Downtown Snoqualmie includes storefront retail, strip retail, a single gas station, a grocery store, and several bars and restaurants and this area is located roughly $\frac{3}{4}$ mile to the west.

The City of Snoqualmie is approximately 30 miles east and a half-hour drive from Seattle. The biggest attraction in town is Snoqualmie Falls, a world-renown waterfall that cascades 268 feet over granite cliffs.

The downtown Snoqualmie neighborhood, which is generally defined as downtown and all the surrounding streets, has a population of roughly 2,000 residents; however, the city's population is 16,922 according to ESRI. Most of this population is attributed to Snoqualmie Ridge. About another 10,000 residents live in and around the neighboring city of North Bend. Together, these three areas make up the "Upper Snoqualmie Valley" and this area has become a growing suburban area of the Seattle/Bellevue metro area.

Access

Primary access to the subject neighborhood is provided by Interstate 90, which can be accessed roughly three miles from the subject and downtown at Exit 27. The primary thoroughfare serving the area is State Route 202, which connects North Bend to the east with Redmond to the west. Several arterial roads are located in the area which include both Park Street and Meadowbrook Way SE, which have the subject's perimeter streets. However, these roadways do not produce heavy volumes of traffic. Downtown Snoqualmie has public bus stops and this area is located roughly $\frac{3}{4}$ mile to the west.

Snoqualmie's close proximity to Interstate 90, which connects both to Downtown Bellevue and Downtown Seattle to the west make it a desirable residential location. Given the relatively close proximity and favorable commuter traffic along Interstate 90, the Snoqualmie area is a growing residential area for employees working in both the Bellevue and Seattle CBDs.

Demographics

Selected neighborhood demographics in 1-, 3- and 5-mile radius from the subject are shown in the following table:

SELECTED NEIGHBORHOOD DEMOGRAPHICS				
38180 Southeast Mill Pond Road Snoqualmie, WA 98065	1 Mile Radius	3 Mile Radius	5 Mile Radius	Seattle-Tacoma-Bellevue, WA Metropolitan Statistical Area
Population				
2029 Total Population	930	17,204	29,537	4,328,587
2024 Total Population	894	16,922	28,992	4,176,271
2010 Total Population	756	13,269	23,489	3,439,807
2000 Total Population	588	5,117	14,784	3,043,878
<i>Annual Growth 2024 - 2029</i>	<i>0.79%</i>	<i>0.33%</i>	<i>0.37%</i>	<i>0.72%</i>
<i>Annual Growth 2010 - 2024</i>	<i>1.20%</i>	<i>1.75%</i>	<i>1.51%</i>	<i>1.40%</i>
<i>Annual Growth 2000 - 2010</i>	<i>2.54%</i>	<i>10.00%</i>	<i>4.74%</i>	<i>1.23%</i>
Households				
2029 Total Households	325	5,555	10,022	1,682,513
2024 Total Households	317	5,544	9,979	1,625,915
2010 Total Households	266	4,520	8,463	1,357,475
2000 Total Households	213	1,842	5,571	1,196,568
<i>Annual Growth 2024 - 2029</i>	<i>0.50%</i>	<i>0.04%</i>	<i>0.09%</i>	<i>0.69%</i>
<i>Annual Growth 2010 - 2024</i>	<i>1.26%</i>	<i>1.47%</i>	<i>1.18%</i>	<i>1.30%</i>
<i>Annual Growth 2000 - 2010</i>	<i>2.25%</i>	<i>9.39%</i>	<i>4.27%</i>	<i>1.27%</i>
Income				
2024 Median Household Income	\$184,990	\$200,001	\$185,157	\$113,257
2024 Average Household Income	\$222,676	\$237,380	\$228,001	\$160,268
2024 Per Capita Income	\$76,017	\$77,863	\$78,545	\$62,497
2024 Pop 25+ College Graduates	314	6,858	11,720	1,420,882
Age 25+ Percent College Graduates - 2024	54.4%	65.2%	62.0%	48.0%
Source: ESRI				

Conclusion

Overall, the subject is well located in the neighborhood, and is within a reasonable distance from major highway access, shopping, education facilities, and employment centers. The outlook for the neighborhood is for relatively strong growth performance over the next several years in relation to population growth and the area has a higher income demographic in relation to the county and MSA, and as a result, the demand for existing developments is expected to remain strong.

Site Analysis

The following chart summarizes the salient characteristics of the subject site.

SITE SUMMARY AND ANALYSIS			
Physical Description			
Gross Site Area	7.17 Acres	312,124 Sq. Ft.	
Net Site Area (Lease Area 3)	0.97 Acres	42,051 Sq. Ft.	
Primary Road Frontage	SE Mille Pond Road		
Excess Land Area	None		
Shape	Irregular		
Topography	Generally Level		
Parcel Number(s)	3024089079		
Zoning District	UP, Utility Park		
Flood Map Panel No. & Date	53033C0737G	19-Aug-20	
Flood Zone	Zone X (Shaded)		
Adjacent Land Uses	Water treatment facility, Snoqualmie River, Vacant land		
Earthquake Zone	D		
Comparative Analysis		<u>Rating</u>	
Visibility		Average	
Functional Utility		Average	
Traffic Volume		Average	
Adequacy of Utilities		Assumed Adequate	
Landscaping		Average	
Drainage		Assumed Adequate	
Utilities	<u>Availability</u>	<u>Comments</u>	
Water	Yes	City of Snoqualmie	
Sewer	Yes	City of Snoqualmie	
Natural Gas	Yes	Puget Sound Energy	
Electricity	Yes	Puget Sound Energy	
Telephone/Cable/Internet	Yes	---	
Mass Transit	Yes	Metro King County	
Other	<u>Yes</u>	<u>No</u>	<u>Unknown</u>
Detrimental Easements			x
Encroachments			x
Deed Restrictions			x
Reciprocal Parking Rights			x
Various sources compiled by CBRE			

Ingress/Egress

Ingress and egress is available to the site via an access point from SE Mill Pond Road located along the southern border of the subject property.

Easements and Encroachments

There are no known easements or encroachments impacting the site that are considered to affect the marketability or highest and best use. It is recommended that the client/reader obtain a current title policy outlining all easements and encroachments on the property, if any, prior to making a business decision.

Covenants, Conditions and Restrictions

There are no known covenants, conditions or restrictions impacting the site that are considered to affect the marketability or highest and best use. It is recommended that the client/reader obtain a copy of the current covenants, conditions and restrictions, if any, prior to making a business decision.

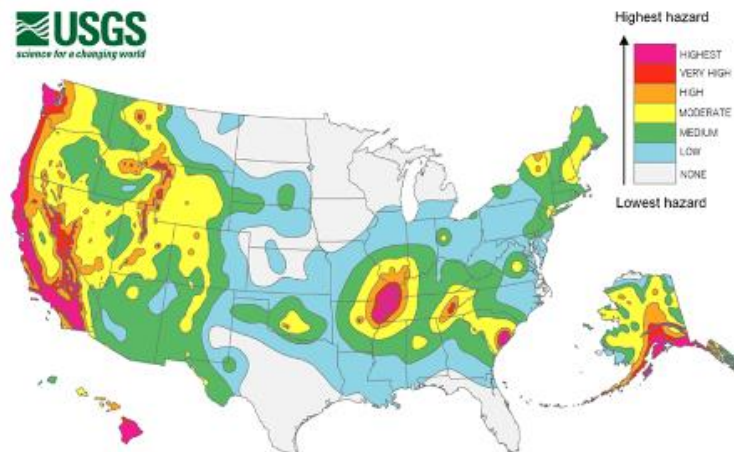
Environmental Issues

Although CBRE was not provided an Environmental Site Assessment (ESA), a tour of the site did not reveal any obvious issues regarding environmental contamination or adverse conditions.

The appraiser is not qualified to detect the existence of potentially hazardous material or underground storage tanks which may be present on or near the site. The existence of hazardous materials or underground storage tanks may affect the value of the property. For this appraisal, CBRE, Inc. has specifically assumed that the property is not affected by any hazardous materials that may be present on or near the property.

Seismic Hazards (Earthquakes)

Based a review of the map below, the subject is located in a high-risk area.



Flood Zone

According to flood hazard maps published by the Federal Emergency Management Agency (FEMA), the site is within Zone X (Shaded), as indicated on Community Map Panel No. 53033C0737G. FEMA defines the flood zone(s) as follows:

Zones B and X (shaded) are areas of 0.2-percent-annual-chance floodplain, areas of 1-percent-annual-chance (base flood) sheet flow flooding with average depths of less than 1 foot, areas of base flood stream flooding with a contributing drainage area of less than

1 square mile, or areas protected from the base flood by levees. No Base Flood Elevations (BFEs) or depths are shown in this zone, and insurance purchase is not required.

The FEMA flood zone map No. 53033C0737G is shown on the following page.

Adjacent Properties

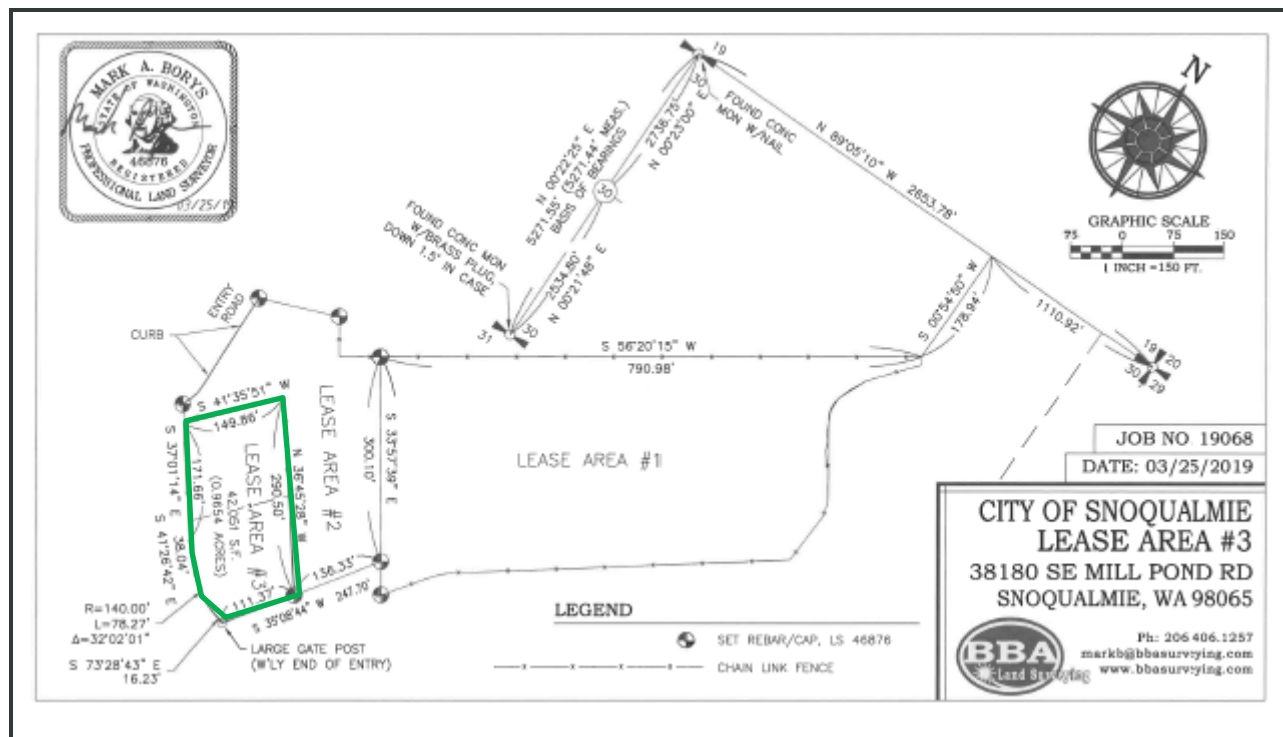
The adjacent land uses are summarized as follows:

North:	City of Snoqualmie Wastewater Treatment Plant and Vacant Land
South:	Snoqualmie River and Vacant Land
East:	Vacant Land
West:	City of Snoqualmie Wastewater Treatment Plant and Vacant Land

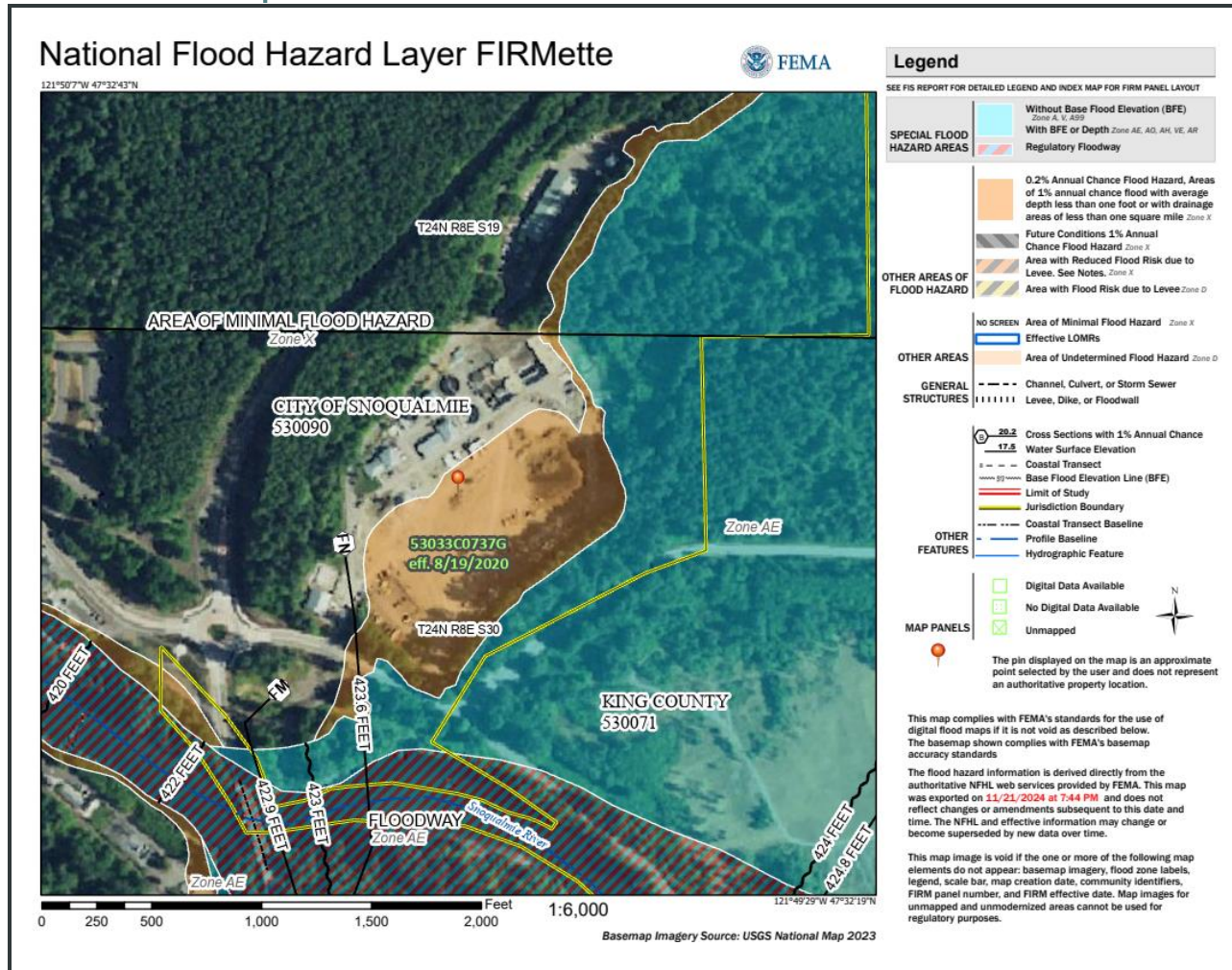
Conclusion

The subject property is located on the north side of SE Mill Pond Road, a secondary arterial in the local area connecting to downtown the Salish Lodge/Snoqualmie Falls to the west and Snoqualmie and North Bend to the east. The majority of the site is generally level, with some slightly sloped areas on the north side. Overall, there are no other factors which would prevent the site from development to its highest and best use, as if vacant, or adverse to the existing use of the site.

Lease Area 3



Flood Plain Map



Zoning

The following chart summarizes the subject's zoning requirements.

ZONING SUMMARY	
Current Zoning	UP, Utility Park
Legally Conforming	Yes
Uses Permitted	Parks, open space, public utilities, governmental uses (police & fire stations), and wastewater treatment are permissible. A variety of conditional uses aimed toward public use (museums, community centers, etc.)
Zoning Change	Not likely
Category	Zoning Requirement
Minimum Lot Size	10,000 Sq. Ft.
Minimum Lot Width	100 Feet
Maximum Height	35 Feet
Minimum Setbacks	
Front Yard	30 Feet
Street Side Yard	20 Feet
Rear Yard	30 Feet
Parking Requirements	Varies upon use
Source: King County Planning and Zoning Dept.	

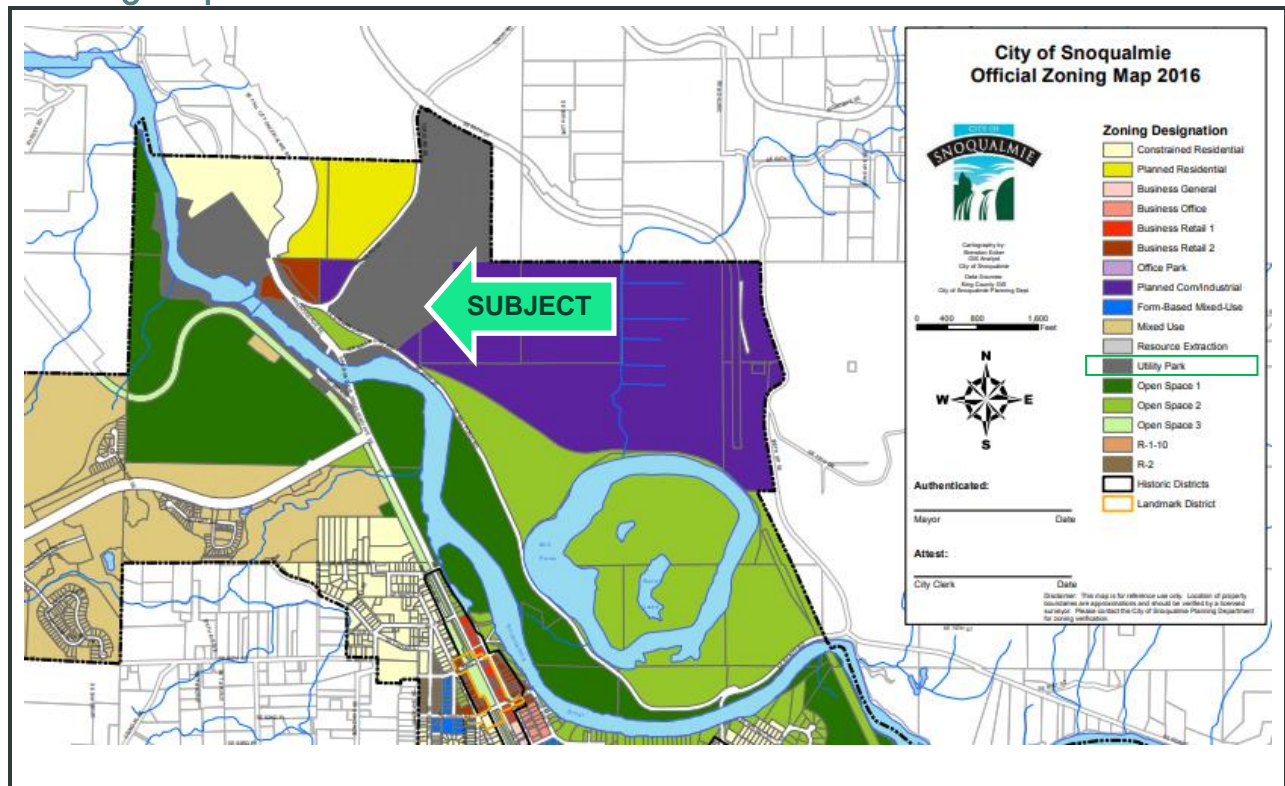
Analysis and Conclusion

According to the City of Snoqualmie Municipal Code, “the purpose of the conservation/resource districts is to provide land that should not be developed intensively for urban purposes in order to provide an ample supply of open space, protect natural features and processes, provide active and passive recreational opportunities, conserve agricultural resources, protect and enhance important wildlife corridors, and generally sustain a high quality natural environment.”

Utility Park District (UP). The utility park district is an area containing unique natural resources and is intended to provide areas appropriate for hydroelectric generation and associated facilities, public or private parks and open space with appropriate visitor-related commercial services, utility treatment plants and other municipal facilities.”

Please note there is a potential for a rezone to Commercial/Industrial that does allow some limited retail uses. Additional information may be obtained from the appropriate governmental authority. For purposes of this appraisal, CBRE has assumed the information obtained is correct.

Zoning Map



Tax Assessment Data

The subject is owned by the City of Snoqualmie and is a government owned property. As such, there are no historical assessments, the subject is tax exempt and pays only for special assessments. A sale of the subject to a non-government party, would trigger an assessment. We are not concluding a pro forma in our analysis.

Highest and Best Use

In appraisal practice, the concept of highest and best use represents the premise upon which value is based. The four criteria the highest and best use must meet are:

- legally permissible;
- physically possible;
- financially feasible; and
- maximally productive.

The highest and best use analysis of the subject is discussed below.

As Vacant

The property is zoned UP, Utility Park, which permits parks, open space, public utilities, governmental uses (police & fire), and wastewater treatment uses. A variety of conditional uses aimed toward public use (museums, community centers, etc.) are also allowed. The adjacent property to the east is zoned industrial/commercial, however, given the larger use on the subject parcel as a wastewater treatment facility, there are very limited uses for the subject site. As is evident and supported by the current use, yard storage for material or parking is in high demand. The subject site benefits from having water and electricity and are generally level; ideal for storage users. It is our opinion and based on conversations with brokers knowledgeable of the subject property and demand for this type of space, the highest and best use is for continued yard storage.

Market Rent Estimate

Discussion/Analysis of Yard Rent

Please note that market rent is often determined based upon a rate of return on the fee simple land value. The difficulty with the subject property is the zoning as UP, Utility Park. We did not find any directly comparable sales that have as many restricted uses, and to compare with open space or sites not feasible for development would place the value significantly lower than what can be achieved as yard storage. There is strong demand for sites like the subject for yard storage. Most vacant sites that are zoned for industrial or commercial have been developed on or have different, more intensive highest and best uses.

It's important to that even if the site were to be rezoned, it is our opinion that it would not impact the achievable market rent that is concluded in this section. Even if an applicable rezone allowed this type of use, it goes back to the highest and best use of the location. Until the cost of constructions significantly decreases and this area starts to be redeveloped, it is our opinion that the highest and best use is continued for yard storage regardless of the underlying zoning. Long term, it could have an impact.

In order to determine current market rent, we have surveyed Eastside and Northend submarkets for yard leases. Finding yard storage lease agreements is not very common, as many leases may include yard storage in the lease with increased rent payments. The following chart illustrates the most recent leases and current listings in the two competitive submarkets:

SUMMARY OF COMPARABLE LAND RENTALS									
No.	Lease Date	Location	Tenant	Land Size (AC)	Land Size (SF)	Lease Terms (Years)	Annual Rent	Rent \$/SF	Rent \$/SF/Mo.
1	November-24	3000 Frontage Rd, Everett	Amazon.com Services	1.50	65,340	3	\$94,090	\$1.44	\$0.12
2	April-24	3200 35th Avenue NE, Everett	Dogwood Industries	12.50	544,500	5	\$1,622,500	\$2.98	\$0.25
3	October-23	5927 234th Street SE, Woodinville (Lot X)	SRS Distribution (Expansion)	3.85	58,800	8	\$197,568	\$3.36	\$0.28
4	July-23	3807 28th Pl NE, Everett	Confidential	10.00	435,600	Confidential	\$784,080	\$1.80	\$0.15
5	July-23	3603 136th Street NE, Marysville	Confidential	1.38	60,000	Confidential	\$111,600	\$1.86	\$0.16
6	June-23	9150 Willows Rd NE, Redmond	Accurate Autobody	1.62	70,757	2	\$254,725	\$3.60	\$0.30
7	April-23	5927 234th Street SE, Woodinville	Stoneway	3.00	130,680	Undisclosed	\$548,856	\$4.20	\$0.35
8	November-20	Smith Island, Everett	Swanson	7.00	304,920	3	\$336,000	\$1.10	\$0.09
9	July-20	2500-2610 W Casino Road, Everett	GTE Supply	1.03	44,867	2	\$118,448	\$2.64	\$0.22
10	November-24	Site A, 19220 NE Union Hill Rd, Redmond	Available/Listing	3.20	139,392	Neg.	\$752,717	\$5.40	\$0.45
11	November-24	7417 W Bostian Rd, Woodinville	Available/Listing	1.66	72,310	Neg.	\$269,716	\$3.73	\$0.31
Subj.	---	38180 Southeast Mill Pond Road Snoqualmie, WA 98065	---	0.97	42,051				
Compiled by CBRE									

The lease comparables range from \$0.09 to \$0.35 per square foot NNN, with listings in superior markets at \$0.31 and \$0.45 per square foot NNN. The average rate of the lease comparables is \$0.21 per square foot, with a median of \$0.22 per square foot NNN.

The high end of the range is set by Comparable 10, a listing of a 3.20-acre site located in Redmond, WA. The site (Site A) is zoned Industrial and features a completely paved yard equipped with secured fencing and lighting.

The low end of the range is set by Comparable 8, a lease of a 7.00-acre site located in Everett, WA. Considering its size, location, and age (commenced in November 2020), it is reasonable to conclude that this falls at the lower end of the range.

Market Participants

Broker Name/Company	Range	Comments
Don Moody - CBRE	\$0.15 - \$0.20/SF	Leased industrial and commercial land is very rare in the subject's immediate market. Therefore, market rents are usually determined based upon a rate of return on the fee simple land value. However, given the subject's unique zoning, comparable market rents are more applicable in determining rates. They note that rents would be most comparable to the North End and Eastside market depending on the site.

Conclusion Market Rent

After reviewing the market comparables and consulting with brokers knowledgeable about the area, it is concluded that valuing the subject's market rate near the middle of the range is a reasonable assessment.

The conclusions via the valuation methods employed for this approach are as follows:

SUBJECT SUMMARY - CONCLUDED MARKET RENT					
Appraisal Premise	As of Date	Site Size (AC)	Site Size (SF)	Monthly Market Rent (\$)	Concluded Rent (\$/SF/Mo.)
Market Rent	November 14, 2024	0.97	42,051	\$7,569	\$0.18
Compiled by CBRE					

Assumptions and Limiting Conditions

1. CBRE, Inc. through its appraiser (collectively, "CBRE") has inspected through reasonable observation the subject property. However, it is not possible or reasonably practicable to personally inspect conditions beneath the soil and the entire interior and exterior of the improvements on the subject property. Therefore, no representation is made as to such matters.
2. The report, including its conclusions and any portion of such report (the "Report"), is as of the date set forth in the letter of transmittal and based upon the information, market, economic, and property conditions and projected levels of operation existing as of such date. The dollar amount of any conclusion as to value in the Report is based upon the purchasing power of the U.S. Dollar on such date. The Report is subject to change as a result of fluctuations in any of the foregoing. CBRE has no obligation to revise the Report to reflect any such fluctuations or other events or conditions which occur subsequent to such date.
3. Unless otherwise expressly noted in the Report, CBRE has assumed that:
 - (i) Title to the subject property is clear and marketable and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. CBRE has not examined title records (including without limitation liens, encumbrances, easements, deed restrictions, and other conditions that may affect the title or use of the subject property) and makes no representations regarding title or its limitations on the use of the subject property. Insurance against financial loss that may arise out of defects in title should be sought from a qualified title insurance company.
 - (ii) Existing improvements on the subject property conform to applicable local, state, and federal building codes and ordinances, are structurally sound and seismically safe, and have been built and repaired in a workmanlike manner according to standard practices; all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; and the roof and exterior are in good condition and free from intrusion by the elements. CBRE has not retained independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, makes no representations relative to the condition of improvements. CBRE appraisers are not engineers and are not qualified to judge matters of an engineering nature, and furthermore structural problems or building system problems may not be visible. It is expressly assumed that any purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems.
 - (iii) Any proposed improvements, on or off-site, as well as any alterations or repairs considered will be completed in a workmanlike manner according to standard practices.
 - (iv) Hazardous materials are not present on the subject property. CBRE is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater, mold, or other potentially hazardous materials may affect the value of the property.
 - (v) No mineral deposit or subsurface rights of value exist with respect to the subject property, whether gas, liquid, or solid, and no air or development rights of value may be transferred. CBRE has not considered any rights associated with extraction or exploration of any resources, unless otherwise expressly noted in the Report.
 - (vi) There are no contemplated public initiatives, governmental development controls, rent controls, or changes in the present zoning ordinances or regulations governing use, density, or shape that would significantly affect the value of the subject property.
 - (vii) All required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be readily obtained or renewed for any use on which the Report is based.
 - (viii) The subject property is managed and operated in a prudent and competent manner, neither inefficiently, nor super-efficiently.
 - (ix) The subject property and its use, management, and operation are in full compliance with all applicable federal, state, and local regulations, laws, and restrictions, including without limitation environmental laws, seismic hazards, flight patterns, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, and licenses.
 - (x) The subject property is in full compliance with the Americans with Disabilities Act (ADA). CBRE is not qualified to assess the subject property's compliance with the ADA, notwithstanding any discussion of possible readily achievable barrier removal construction items in the Report.

- (xi) All information regarding the areas and dimensions of the subject property furnished to CBRE are correct, and no encroachments exist. CBRE has neither undertaken any survey of the boundaries of the subject property, nor reviewed or confirmed the accuracy of any legal description of the subject property.

Unless otherwise expressly noted in the Report, no issues regarding the foregoing were brought to CBRE's attention, and CBRE has no knowledge of any such facts affecting the subject property. If any information inconsistent with any of the foregoing assumptions is discovered, such information could have a substantial negative impact on the Report and any conclusions stated therein. Accordingly, if any such information is subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. CBRE assumes no responsibility for any conditions regarding the foregoing, or for any expertise or knowledge required to discover them. Any user of the Report is urged to retain an expert in the applicable field(s) for information regarding such conditions.

4. CBRE has assumed that all documents, data and information furnished by or on behalf of the client, property owner or owner's representative are accurate and correct, unless otherwise expressly noted in the Report. Such data and information include, without limitation, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any error in any of the above could have a substantial impact on the Report and any conclusions stated therein. Accordingly, if any such errors are subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. The client and intended user should carefully review all assumptions, data, relevant calculations, and conclusions of the Report and should immediately notify CBRE of any questions or errors within 30 days after the date of delivery of the Report.
5. CBRE assumes no responsibility (including any obligation to procure the same) for any documents, data or information not provided to CBRE, including, without limitation, any termite inspection, survey or occupancy permit.
6. All furnishings, equipment and business operations have been disregarded with only real property being considered in the Report, except as otherwise expressly stated and typically considered part of real property.
7. Any cash flows included in the analysis are forecasts of estimated future operating characteristics based upon the information and assumptions contained within the Report. Any projections of income, expenses and economic conditions utilized in the Report, including such cash flows, should be considered as only estimates of the expectations of future income and expenses as of the date of the Report and not predictions of the future. This Report has been prepared in good faith, based on CBRE's current anecdotal and evidence-based views of the commercial real estate market. Although CBRE believes its views reflect market conditions on the date of this Report, they are subject to significant uncertainties and contingencies, many of which are beyond CBRE's control. In addition, many of CBRE's views are opinion and/or projections based on CBRE's subjective analyses of current market circumstances. Actual results are affected by a number of factors outside the control of CBRE, including without limitation fluctuating economic, market, and property conditions. Actual results may ultimately differ from these projections, and CBRE does not warrant any such projections. Further, other firms may have different opinions, projections and analyses, and actual market conditions in the future may cause CBRE's current views to later change or be incorrect. CBRE has no obligation to update its views herein if its opinions, projections, analyses or market circumstances later change.
8. The Report contains professional opinions and is expressly not intended to serve as any warranty, assurance or guarantee of any particular value of the subject property. Other appraisers may reach different conclusions as to the value of the subject property. Furthermore, market value is highly related to exposure time, promotion effort, terms, motivation, and conclusions surrounding the offering of the subject property. The Report is for the sole purpose of providing the intended user with CBRE's independent professional opinion of the value of the subject property as of the date of the Report. Accordingly, CBRE shall not be liable for any losses that arise from any investment or lending decisions based upon the Report that the client, intended user, or any buyer, seller, investor, or lending institution may undertake related to the subject property, and CBRE has not been compensated to assume any of these risks. Nothing contained in the Report shall be construed as any direct or indirect recommendation of CBRE to buy, sell, hold, or finance the subject property.
9. No opinion is expressed on matters which may require legal expertise or specialized investigation or knowledge including, but not limited to, environmental, social, and governance principles ("ESG"), beyond that customarily employed by real estate appraisers. Any user of the Report is advised to retain experts in areas that fall outside the scope of the real estate appraisal profession for such matters.
10. CBRE assumes no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.

11. Acceptance or use of the Report constitutes full acceptance of these Assumptions and Limiting Conditions and any special assumptions set forth in the Report. It is the responsibility of the user of the Report to read in full, comprehend and thus become aware of all such assumptions and limiting conditions. CBRE assumes no responsibility for any situation arising out of the user's failure to become familiar with and understand the same.
12. The Report applies to the property as a whole only, and any pro ration or division of the title into fractional interests will invalidate such conclusions, unless the Report expressly assumes such pro ration or division of interests.
13. The allocations of the total value estimate in the Report between land and improvements apply only to the existing use of the subject property. The allocations of values for each of the land and improvements are not intended to be used with any other property or appraisal and are not valid for any such use.
14. The maps, plats, sketches, graphs, photographs, and exhibits included in this Report are for illustration purposes only and shall be utilized only to assist in visualizing matters discussed in the Report. No such items shall be removed, reproduced, or used apart from the Report.
15. The Report shall not be duplicated or provided to any unintended users in whole or in part without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Exempt from this restriction is duplication for the internal use of the intended user and its attorneys, accountants, or advisors for the sole benefit of the intended user. Also exempt from this restriction is transmission of the Report pursuant to any requirement of any court, governmental authority, or regulatory agency having jurisdiction over the intended user, provided that the Report and its contents shall not be published, in whole or in part, in any public document without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Finally, the Report shall not be made available to the public or otherwise used in any offering of the property or any security, as defined by applicable law. Any unintended user who may possess the Report is advised that it shall not rely upon the Report or its conclusions and that it should rely on its own appraisers, advisors and other consultants for any decision in connection with the subject property. CBRE shall have no liability or responsibility to any such unintended user.

Addenda

Addendum A

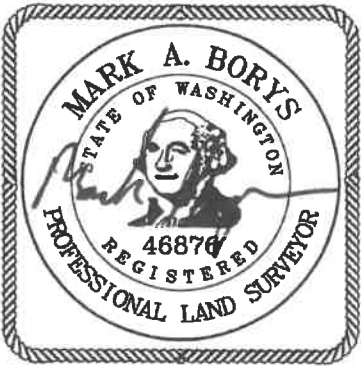
Legal Description

LEASE AREA #3

LEGAL DESCRIPTION

THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 30, TOWNSHIP 24 N., RANGE 8 E., W.M., DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID NORTHEAST QUARTER;
THENCE SOUTH 89°05'10" EAST 2653.78 FEET, ALONG THE NORTH LINE OF SAID SECTION,
TO THE NORTHEAST CORNER OF SAID SECTION;
THENCE NORTH 89°05'10" WEST, ALONG SAID NORTH LINE, 1110.92 FEET;
THENCE SOUTH 00°54'50" WEST 178.94 FEET, TO THE INTERSECTION OF 2 CHAIN LINK
FENCES AND THE POINT OF BEGINNING;
THENCE SOUTH 56°20'15" WEST, ALONG THAT CHAIN LINK FENCE RUNNING IN A
SOUTHWESTERLY DIRECTION, 790.98 FEET;
THENCE SOUTH 33°57'39" EAST 300.10 FEET;
THENCE SOUTH 35°08'44" WEST 136.33 FEET, TO A POINT ON THE SOUTHEASTERLY
PROLONGATION OF A CHAIN LINK FENCE AND THE POINT OF BEGINNING;
THENCE NORTH 36°45'28" WEST, ALONG SAID CHAIN LINK FENCE AND SAID
PROLONGATION, 290.50 FEET, TO AN ANGLE POINT IN SAID CHAIN LINK FENCE;
THENCE THE NEXT FIVE (5) COURSES AND DISTANCES ARE ALONG SAID CHAIN LINK
FENCE;
THENCE SOUTH 41°35'51" WEST 149.86 FEET, TO AN ANGLE POINT IN SAID CHAIN LINK
FENCE;
THENCE SOUTH 37°01'14" EAST 171.66 FEET;
THENCE SOUTH 41°26'42" EAST 38.04 FEET, TO A POINT OF CURVATURE TO THE LEFT
HAVING A RADIUS OF 140.00 FEET;
THENCE SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF
32°02'01", AN ARC DISTANCE OF 78.27 FEET, TO A POINT OF TANGENCY;
THENCE SOUTH 73°28'43" EAST 16.23 FEET, TO THE CENTER OF A LARGE GATE POST;
THENCE NORTH 35°08'44" EAST 111.37 FEET, TO THE POINT OF BEGINNING.



03/25/19

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PARCEL DATA

Parcel	302408-9079	Jurisdiction	SNOQUALMIE
Name	SNOQUALMIE CITY OF	Levy Code	2277
Site Address	38180 SE MILL POND RD 98065	Property Type	C
Geo Area	95-50	Plat Block / Building Number	
Spec Area		Plat Lot / Unit Number	
Property Name	Snoqualmie Sewer Treatment Plant	Quarter-Section-Township- Range	<u>NE-30-24-8</u>

Legal Description

POR OF NE 1/4 OF SEC 30-24-08 DAF - BEG AT NE COR SD SEC TH ALG N LN THOF N 89-03-26 W 913.57 FT TO TPOB TH S 0-56-34 W 654.35 FT TO A LN 30 FT NWLY OF & PLW C/L OF ASPHALT RD TH SWLY ALG SD PLL LN & ALG CRV TO LFT WITH RAD 390 FT AN ARC DIST OF 181.05 FT TH CONT ALG SD PLL LN S 57-08-55 W 71.90 FT TO CRV TO LFT WITH RAD 1530 FT TH SWLY ALG SD PLL LN & ALG SD CRV TO LFT AN ARC DIST OF 92.24 FT TH CONT ALG SD PLL LN S 53-41-40 W 241 FT TO CRV TO LFT WITH RAD 1530 FT TH CONT SWLY ALG SD PLL LN & ALG SD CRV TO LFT AN ARC DIST OF 344.73 FT TO NELY MGN OF SE MILL POND RD TH NWLY ALG SD NELY MGN TAP OF NXN WITH SELY MGN OF TOKUL RD SE TH NELY ALG SD SELY MGN TO N LN OF SD SEC TH ELY ALG SD N LN TO TPOB
PLat Block:
Plat Lot:

LAND DATA

 Click the camera to see more pictures.



Highest & Best Use As If Vacant	REGIONAL LAND USE	Percentage Unusable	
Highest & Best Use As Improved	PRESENT USE	Unbuildable	NO
Present Use	Utility, Public	Restrictive Size Shape	NO
Land SqFt	1,322,917	Zoning	UP
Acres	30.37	Water	WATER DISTRICT
		Sewer/Septic	PUBLIC
		Road Access	PUBLIC
		Parking	ADEQUATE
		Street Surface	PAVED

Views

Rainier	
Territorial	
Olympics	
Cascades	
Seattle Skyline	
Puget Sound	
Lake Washington	
Lake Sammamish	
Lake/River/Creek	
Other View	

Designations

Waterfront

Waterfront Location	
Waterfront Footage	0
Lot Depth Factor	0
Waterfront Bank	
Tide/Shore	
Waterfront Restricted Access	
Waterfront Access Rights	NO
Poor Quality	NO
Proximity Influence	NO


Nuisances

Historic Site	
Current Use	(none)
Nbr Bldg Sites	
Adjacent to Golf Fairway	NO
Adjacent to Greenbelt	NO
Other Designation	NO
Deed Restrictions	NO
Development Rights Purchased	NO
Easements	NO
Native Growth Protection Easement	NO
DNR Lease	NO


Topography	
Traffic Noise	
Airport Noise	
Power Lines	NO
Other Nuisances	NO
Problems	
Water Problems	NO
Transportation Concurrence	NO
Other Problems	NO
Environmental	
Environmental	NO

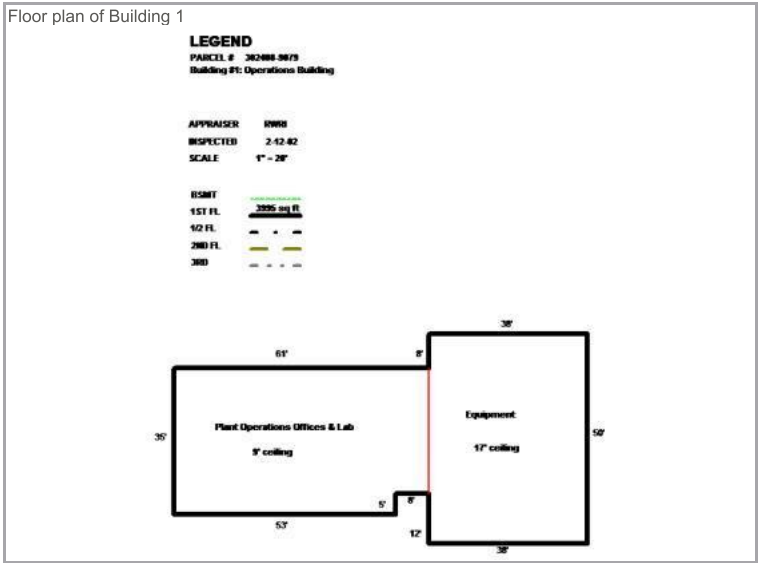
BUILDING

Building Number	1
Building Description	Operations Building
Number Of Buildings Aggregated	1
Predominant Use	OPEN OFFICE (820)
Shape	Very Irreg
Construction Class	MASONRY
Building Quality	GOOD
Stories	1
Building Gross Sq Ft	3,995
Building Net Sq Ft	3,995
Year Built	1997
Eff. Year	1997
Percentage Complete	100
Heating System	FORCED AIR UNIT
Sprinklers	Yes
Elevators	
1 2 3 4 5 6 7 8	

 Click the camera to see more pictures.




 Click the camera to see more pictures.



Section(s) Of Building Number: 1

Section Number	Section Use	Description	Stories	Height	Floor Number	Gross Sq Ft	Net Sq Ft
1	OPEN OFFICE (820)	Office & Lab	1	9	0	2,095	2,095
2	EQUIPMENT (SHOP) BUILDING (470)		1	17	0	1,900	1,900

Accessory

Accessory Type	Picture	Description	Qty	Unit Of Measure	Size	Grade	Eff Yr	%	Value	Date Valued
Storage Tanks		Aeration Tanks	4			AVERAGE / GOOD	1997		400000	2/14/2002

TAX ROLL HISTORY

This is a government owned parcel.							
Change to state law (RCW 84. 40.045 and 84.40.175) by the 2013 Legislature eliminated revaluation of government owned parcels.							

SALES HISTORY

Excise Number	Recording Number	Document Date	Sale Price	Seller Name	Buyer Name	Instrument	Sale Reason
1162216	<u>199010291617</u>	10/26/1990	\$29,000.00	WEYERHAEUSER CO	CITY OF SNOQUALMIE	Warranty Deed	Other

REVIEW HISTORY

PERMIT HISTORY

HOME IMPROVEMENT EXEMPTION

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Addendum B

Client Contract Information

CITY OF SNOQUALMIE
AGREEMENT FOR CONSULTANT SERVICES
Contract Title: CBRE Appraisal Services
Contract #: 24-066

THIS AGREEMENT made and entered into by and between the CITY OF SNOQUALMIE, a Washington municipal corporation (the "City"), and CBRE, Inc. ("Consultant") is dated this 30 day of October 2024.

Consultant Business: CBRE Inc

Consultant Address: 1420 5th Avenue, Suite 1700, Seattle, WA 98101

Consultant Phone: 206-292-1600

Consultant Fax: 206-292-1600

Contact Name: Mitchell Olsen, MAI

Contact e-mail: Mitchell.olsen@cbre.com

Federal Employee ID No.: 95-2743174

Authorized City Representative for this contract: Philip Bennett, Parks/Public Works Deputy Director

WHEREAS, the City desires to appraise lease parcels;

WHEREAS, public convenience and necessity require the City to obtain the services of a consultant with expertise in the area of real estate valuation; and

WHEREAS, the City finds that Consultant is qualified to perform and is experienced in performing the required services; and

WHEREAS, the city desires to engage the Consultant to deliver a market rent appraisal report.

NOW, THEREFORE, the parties herein do mutually agree as follows:

1. Employment of Consultant.

A. The City retains the Consultant to provide the services described in "Exhibit A" (the "Work"). Any inconsistency between this Agreement and the Scope of Work shall be resolved in favor of this Agreement. The Consultant shall perform the Work according to the terms and conditions of this Agreement.

B. The City may revise the Work and the compensation only by a written Change Order signed by the authorized City representative that shall become a part of this Agreement.

C. The project manager(s) of the Work shall be Mitchell Olsen, MAI. The project manager(s) shall not be replaced without the prior written consent of the City.

Work shall commence when the City issues a notice to proceed and it shall be completed no later than November 30th, 2024, unless the completion date is extended in writing by the City.

2. Compensation.

A. The total compensation to be paid to Consultant, including all services and expenses, shall not exceed \$3,000 as shown on Exhibit B, which shall be full compensation for the Work. Consultant shall notify the City when its requests for payment reach eighty-five percent of the total compensation.

B. The Consultant shall be paid in such amounts and in such manner as described in Exhibit B.

C. Consultant shall be reimbursed for Eligible Expenses actually incurred. "Eligible Expenses" means those types and amounts of expenses that are approved for reimbursement by the City in writing before the expense is incurred. If travel and/or overnight lodging is authorized, Consultant shall lodge within the corporate limits of City.

3. Request for Payment.

A. Not more than once every thirty days the Consultant shall file its request for payment, accompanied by evidence satisfactory to the City justifying the request for payment, including a report of Work accomplished and tasks completed, and an itemization of Eligible Expenses with copies of receipts and invoices.

B. All requests for payment should be sent to

City of Snoqualmie
Attn: Philip Bennett, Parks/Public Works Deputy Director
38624 SE River Street
P.O. Box 987
Snoqualmie, WA 98065

4. Work Product.

A. The Consultant shall submit all reports and other documents specified in Exhibit A according to the schedule established in Exhibit A. If, after review by the City, the information is found to be unacceptable, Consultant, at its expense, shall expeditiously correct such unacceptable work. If Consultant fails to correct unacceptable work, the City may withhold from any payment due an amount that the City reasonably believes will equal the cost of correcting the work.

B. All reports, drawings, plans, specifications, and intangible property created in furtherance of the Work, and any intellectual property in such documents, are property of the City and may be used by the City for any purpose; provided that re-use without Consultant's permission shall be at the City's sole risk.

5. Termination of Contract. City may terminate this Agreement by sending a written notice of termination to Consultant ("Notice") that specifies a termination date ("Termination Date") at least fourteen (14) days after the date of the Notice; provided, however, that in the event of a material breach of this Agreement, termination may be effective immediately or upon such date as determined by the City in its sole discretion. For purposes of this Agreement, "material breach" is defined as misfeasance, malfeasance or violation of any criminal law, ordinance or regulation.. Upon receipt of the Notice, the Consultant shall acknowledge receipt to the City in writing and immediately commence to end the Work in a reasonable and orderly manner. Unless terminated for Consultant's material breach, the Consultant shall be paid or reimbursed for all hours worked and Eligible Expenses incurred up to the Termination date, less all payments previously made; provided that work performed after date of the Notice is reasonably necessary to terminate the Work in an orderly manner. The Notice may be sent by any method reasonably believed to provide Consultant actual notice in a timely manner

6. Assignment of Contract – Subcontractors. Consultant shall not assign this contract or sub-contract or assign any of the Work without the prior written consent of the City.

7. Indemnification.

A. To the extent provided by law and irrespective of any insurance required of the Consultant, the Consultant shall defend and indemnify the City from any and all Claims arising out of or in any way relating to this Agreement; provided, however, the requirements of this paragraph shall not apply to that portion of such Claim that reflects the percentage of negligence of the City compared to the total negligence of all persons, firms or corporations that resulted in the Claim.

B. Consultant agrees that the provisions of this paragraph 7 apply to any claim of injury or damage to the persons or property of consultant's employees. As to such claims and with respect to the City only, consultant waives any right of immunity, which it may have under industrial insurance (Title 51 RCW and any amendment thereof or substitution therefore). THIS WAIVER IS SPECIFICALLY NEGOTIATED BY THE PARTIES AND IS SOLELY FOR THE BENEFIT OF THE CITY AND CONSULTANT.

C. As used in this paragraph: (1) "City" includes the City's officers, employees, agents, and representatives; (2) "Consultant" includes employees, agents, representatives sub-consultants; and (3) "Claims" include, but is not limited to, any and all losses, claims, causes of action, demands, expenses, attorney's fees and litigation expenses, suits, judgments, or damage arising from injury to persons or property.

D. Consultant shall ensure that each sub-consultant shall agree to defend and indemnify the City to the extent and on the same terms and conditions as the Consultant pursuant to this paragraph.

8. Insurance.

A. Consultant shall comply with the following conditions and procure and keep in force at all times during the term of this Agreement, at Consultant's expense, the following policies of insurance with companies authorized to do business in the State of Washington. The Consultant's insurance shall be rated by A. M. Best Company at least "A" or better with a numerical rating of no less than seven (7) and otherwise acceptable to the City.

1. Workers' Compensation Insurance as required by Washington law and Employer's Liability Insurance with limits not less than \$1,000,000 per occurrence. If the City authorizes sublet work, the Consultant shall require each sub-consultant to provide Workers' Compensation Insurance for its employees, unless the Consultant covers such employees.
2. Commercial General Liability Insurance on an occurrence basis in an amount not less than \$1,000,000 per occurrence and at least \$2,000,000 in the annual aggregate, including but not limited to: premises/operations (including off-site operations), blanket contractual liability and broad form property damage.
3. Business Automobile Liability Insurance in an amount not less than \$1,000,000 per occurrence, extending to any automobile used by Consultant in the course of the Work. A statement by Consultant and approved by the City Administrator, certifying that no vehicle will be used in accomplishing this Agreement, may be substituted for this insurance requirement.
4. Professional Errors and Omissions Insurance in an amount not less than \$1,000,000 per occurrence and \$1,000,000 in the annual aggregate. Coverage may be written

on a claims made basis; provided that the retroactive date on the policy or any renewal policy shall be the effective date of this Agreement or prior, and that the extended reporting or discovery period shall not be less than 36 months following expiration of the policy. The City may waive the requirement for Professional Errors and Omissions Insurance whenever the Work does not warrant such coverage or the coverage is not available.

5. Each policy shall contain a provision that the policy shall not be canceled or materially changed without 30 days prior written notice to the City.

Upon written request to the City, the insurer will furnish, before or during performance of any Work, a copy of any policy cited above, certified to be a true and complete copy of the original.

B. Before the Consultant performs any Work, Consultant shall provide the City with a Certificate of Insurance acceptable to the City Attorney evidencing the above-required insurance and naming the City of Snoqualmie, its officers, employees and agents as Additional Insured on the Commercial General Liability Insurance policy and the Business Automobile Liability Insurance policy with respect to the operations performed and services provided under this Agreement and that such insurance shall apply as primary insurance on behalf of such Additional Insured. Receipt by the City of any certificate showing less coverage than required is not a waiver of the Consultant's obligations to fulfill the requirements.

C. Consultant shall comply with the provisions of Title 51 of the Revised Code of Washington before commencing the performance of the Work. Consultant shall provide the City with evidence of Workers' Compensation Insurance (or evidence of qualified self-insurance) before any Work is commenced.

D. In case of the breach of any provision of this section, the City may provide and maintain at the expense of Consultant insurance in the name of the Consultant and deduct the cost of providing and maintaining such insurance from any sums due to Consultant under this Agreement, or the City may demand Consultant to promptly reimburse the City for such cost.

9. Independent Contractor. The Consultant is an independent Contractor responsible for complying with all obligations of an employer imposed under federal or state law. Personnel employed by Consultant shall not acquire any rights or status regarding the City.

10. Employment. The Consultant warrants that it did not employ or retain any company or person, other than a bona fide employee working solely for the Consultant, to solicit or secure this Agreement or pay or agree to pay any such company or person any consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, the City shall have the right either to terminate this Agreement without liability or to deduct from the Agreement price or consideration or to otherwise recover, the full amount of such consideration.

11. Audits and Inspections. The Consultant shall make available to the City during normal business hours and as the City deems necessary for audit and copying all of the Consultant's records and documents with respect to all matters covered by this Agreement.

12. City of Snoqualmie Business License. Consultant shall obtain a City of Snoqualmie business license before performing any Work.

13. Compliance with Federal, State and Local Laws. Consultant shall comply with and obey all federal, state and local laws, regulations, and ordinances applicable to the operation of its business and to its performance of the Work.

14. Waiver. Any waiver by the Consultant or the City of the breach of any provision of this Agreement by the other party will not operate, or be construed, as a waiver of any subsequent breach by either party or prevent either party from thereafter enforcing any such provisions.

15. Complete Agreement. This Agreement contains the complete and integrated understanding and agreement between the parties and supersedes any understanding, agreement or negotiation whether oral or written not set forth herein.

16. Modification of Agreement. This Agreement may be modified by a Change Order as provided in Paragraph 1, or by a writing that is signed by authorized representatives of the City and the Consultant.

17. Severability. If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void, insofar as it is in conflict with said laws, the remainder of the Agreement shall remain in full force and effect.

18. Notices.

A. Notices to the City of Snoqualmie shall be sent to the following address:

City of Snoqualmie
Attn: Philip Bennett, Parks & Public Works Deputy Director
38624 SE River Street
P.O. Box 987
Snoqualmie, WA 98065

B. Notices to the Consultant shall be sent to the following address:

Mitchell Olsen, MAI
1420 5th Avenue, Suite 1700, Seattle, WA 98101

19. Venue. This Agreement shall be governed by the law of the State of Washington and venue for any lawsuit arising out of this Agreement shall be in King County.

IN WITNESS WHEREOF, the City and Consultant have executed this Agreement as of the date first above written.

CONSULTANT: Please fill in the spaces and sign in the box appropriate for your business entity.

CITY OF SNOQUALMIE,
WASHINGTON

By: Phil Bennett
Philip Bennett
Its: Parks & Public Works Deputy
Director
Date: 10/30/24

CBRE Corporation

By: Mitchell J Olson

Mitchell Olson, MAI
It: Managing Director
Date: 10/30/2024

APPROVED AS TO FORM:

David Linehan, City Attorney
Date: David A. Linehan

Exhibit A

Scope of Work

Consultant will deliver a market rent determination for the property identified by the City of Snoqualmie as “Lease Area 3”, adjacent to the Wastewater Treatment Plant -See exhibit below.

Consultant will determine the value of the subject underlying land via a Sales Comparison Approach (land sale comparables). To arrive at a market rent conclusion range, Consultant will apply market-derived rates of return to determine market rent for the subject. Consultant will also support this conclusion with land rent comparables.

A single appraisal report in PDF format will be delivered.

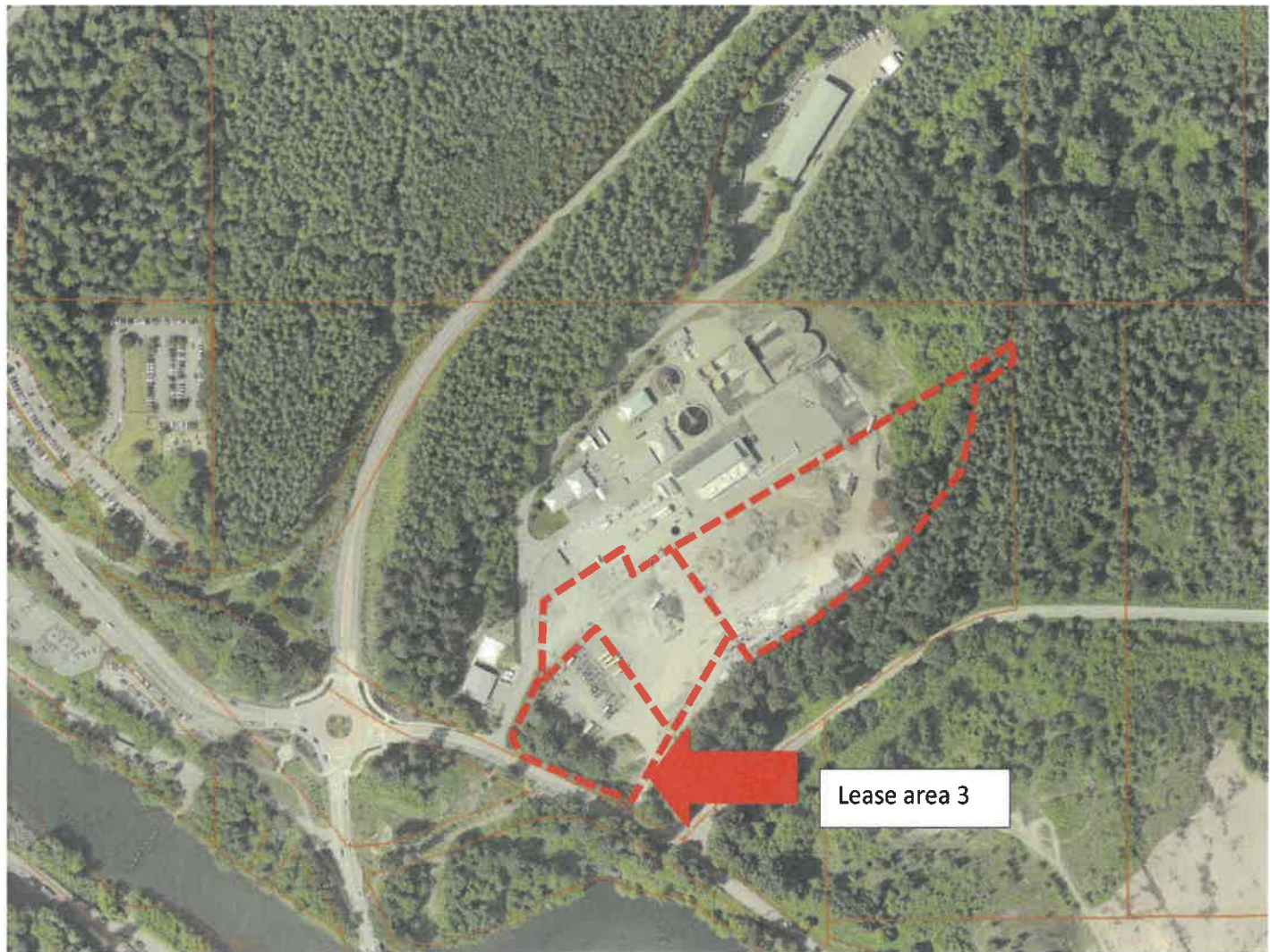


EXHIBIT B**COMPENSATION**

Payment of **\$3,000** is due within thirty (30) days of delivery of the final report to the City. Consultant will invoice the City for the assignment in its entirety at the completion of the assignment.

Signature: *Janna Walker*

Email: jwalker@snoqualmiewa.gov

Signature: *David A. Linehan*
David A. Linehan (Nov 4, 2024 03:32 PST)

Email: david@madronalaw.com

Addendum C

Qualifications



VALUATION & ADVISORY SERVICES / WEST DIVISION

Mitch Olsen, MAI

Managing Director, Pacific Northwest

T +1 206 292 6171

F +1 206 292 1606

E Mitchell.Olsen@cbre.com

Clients Represented

- Major National Financial Institute
- Regional Financial Institute
- Life Insurance companies
- Core Investors
- Non-Core Investors
- Private Investors
- REITS
- Attorneys
- Development companies

Pro Affiliations / Accreditations

- Designated Member (MAI), Appraisal Institute
- Certified General Real Estate Appraiser
Washington # 1102176

Education

- University of Washington
Bachelor degree in Economics
Geography and minor in
Environmental Studies

Professional Experience

Mr. Olsen is currently a Managing Director working in the Pacific Northwest Region of the Valuation and Advisory Services group. As Managing Director, Mr. Olsen leads a valuation and advisory staff specializing in real property appraisals and consulting assignments covering Washington, Oregon and Alaska in primary, secondary and tertiary markets. Valuation assignments include institutional and private capital investment properties. Mr. Olsen also coordinates bidding activities for appraisal assignments and is involved in new business development, client relations and appraisal quality control production.

Mr. Olsen historically focused on the valuation of industrial real estate in the Pacific Northwest, leading a top tier team of industrial experts. Property types primarily include core industrial properties, single and multi-tenant facilities, and buildings located in secondary and tertiary markets. He also is experienced in valuing complex leasehold assignments, proposed construction and ground market rental determinations.

Mr. Olsen has experience in appraising multi-family residential properties (proposed, mixed-use, conventional, LIHTC, and all construction types), retail, office, flex space buildings, self-storage, condominiums, residential subdivisions (existing and proposed), and government taking assignments. He has performed valuations of partially completed, retrospective, renovated and existing structures, and partially stabilized properties.

Awards

- The Seattle Chapter of the Appraisal Institute – Appraiser of the Year (2019)
- The Seattle Chapter of the Appraisal Institute – President's Award (2020)
- The Seattle Chapter of the Appraisal Institute – Fall Conference Chair (2019, 2020, 2021)
- The Seattle Chapter of the Appraisal Institute – Secretary (2022) & Treasurer (2023)



State of Washington

DEPARTMENT OF LICENSING
BUSINESS AND PROFESSIONS DIVISION
APPRAISER PROGRAM
PO Box 9021
Olympia, WA 98507-9021

Item 2.

MITCHELL JONATHAN OLSEN
1420 5TH AVE
SEATTLE WA 98101-4011

 **STATE OF WASHINGTON**
DEPARTMENT OF LICENSING - BUSINESS AND PROFESSIONS DIVISION
THIS CERTIFIES THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A

CERTIFIED GENERAL REAL ESTATE APPRAISER

MITCHELL JONATHAN OLSEN

1102176 **05/18/2012** **02/21/2026**
License Number Issue Date Expiration Date


Marcus J Glasper, Director



VALUATION & ADVISORY SERVICES / WEST DIVISION

Keith A. Lee, MAI

VAS- Senior Vice President, Seattle, WA

M +1 206 683 8834

E Keith.Lee2@cbre.com

Clients Represented

- Prologis
- Logistics Property Co.
- Panattoni
- RREEF
- Mapletree
- TA Realty
- IDS Real Estate Group
- AXA Real Estate

Pro Affiliations / Accreditations

- Certified General Real Estate Appraiser in WA, OR, CA, NV, and AZ.
- Member of the Appraisal Institute, Designated MAI

Education

- Bachelors Degree-University of Washington

Professional Experience

Keith Lee, MAI is a Senior Vice President in the CBRE Valuation & Advisory Services Group's Seattle, WA office in the Mountain Northwest division. Mr. Lee has over 19 years of professional experience in preparation of real estate appraisals, market studies, rent analyses and feasibility studies of commercial properties providing comprehensive valuation on complex real estate assets managing the implementation of highest and best use, cost approach, insurable value, sales comparison, and income approaches by conducting direct capitalization and discounted cash flow analysis.

Mr. Lee has a broad background of property type experience but his primary focus is on industrial assets. His appraisal and consulting assignments have involved work throughout the Mountain Northwest Region of the United States. His previous assignments range from estate planning for small business owners to quarterly asset monitoring for sovereign wealth funds.

Prior to joining CBRE, Mr. Lee worked as an Executive Director for Jones Lang LaSalle (JLL) in the valuation group.



State of Washington
DEPARTMENT OF LICENSING
APPRAISER PROGRAM
PO Box 9021
Olympia, WA 98507-9021

Item 2.

KEITH A LEE
601 UNION ST , STE 2800
SEATTLE WA 98101-2327

	STATE OF WASHINGTON DEPARTMENT OF LICENSING – BUSINESS AND PROFESSIONS DIVISION THIS CERTIFIES THAT THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A	
CERTIFIED GENERAL REAL ESTATE APPRAISER		
KEITH A LEE 601 UNION ST , STE 2800 SEATTLE WA 98101-2327		
1101993 License Number	03/20/2009 Issue Date	01/30/2025 Expiration Date
		 Teresa Berntsen, Director



VALUATION & ADVISORY SERVICES / WEST DIVISION

Ben Keeter

Senior Valuation Analyst, Pacific Northwest

T +1 206 442 2751

M +1 425 785 8803

E Ben.Keeter@cbre.com

Clients Represented

- Prologis
- Logistics Property Co.
- Panattoni
- DWS/RREEF
- Mapletree
- TA Realty
- IDS Real Estate Group
- AXA Real Estate

Pro Affiliations / Accreditations

- Real Estate Appraiser Trainee
Washington #22020871

Education

- Dartmouth College Bachelor
Degree

Professional Experience

Mr. Keeter is currently a Senior Valuation Analyst in the CBRE Valuation & Advisory Services Group's Seattle, WA office in the Mountain Northwest division. As a Senior Valuation Analyst, Mr. Keeter contributes to the preparation of real estate appraisals, market studies, rent analyses, and feasibility studies for commercial properties. His responsibilities include providing comprehensive valuation on complex real estate assets and overseeing the implementation of various approaches such as highest and best use, cost approach, insurable value, sales comparison, and income approaches through direct capitalization and discounted cash flow analysis.

Mr. Keeter widely focuses on the valuation of industrial real estate in the Pacific Northwest. Property types include core industrial properties, single and multi-tenant facilities, and buildings located in secondary and tertiary markets. He also contains experience in valuing mixed-use, office, self-storage, industrial outdoor storage and flex spaces within the region. He continues to garner experience across multiple sectors as he progresses his valuation career.

Prior to joining CBRE, Mr. Keeter worked as a Valuation Analyst for Jones Lang LaSalle (JLL) in the Valuation & Advisory Service group. He began his valuation career at JLL and is currently working towards his Certified General Real Estate License, further expanding his expertise in the field.



State of Washington

DEPARTMENT OF LICENSING
BUSINESS AND PROFESSIONS DIVISION
APPRAISER PROGRAM
PO Box 9021
Olympia, WA 98507-9021

Item 2.

BENJAMIN V KEETER
1205 6TH AVE N UNIT A
SEATTLE WA 98109-3403

 **STATE OF WASHINGTON**
DEPARTMENT OF LICENSING - BUSINESS AND PROFESSIONS DIVISION
THIS CERTIFIES THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A

STATE REGISTERED REAL ESTATE APPRAISER TRAINEE

BENJAMIN V KEETER

22020871 08/09/2022 10/15/2025
License Number Issue Date Expiration Date


Marcus J Glasper, Director

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CBRE Rental Appraisal 2024

There is a discrepancy between the physical lease area mentioned in the CBRE Rental Appraisal (0.97 acre), and the lease document itself (0.63 acre). I confirmed with measurements that the lease document has the correct area, and so calculated the appraisal amount as follows:

Calculation:

Appraisal states 0.97 acre/42,051 SqFt @ \$0.18 per sqft. Total: \$7,569

Lease agreement says 0.63 acres/27,398 sqft. Total: \$4932

WASTEWATER PLANT SITE

GROUND LEASE

This Ground Lease Agreement (the "Ground Lease") is made as of this 1st day of May, 2025, by and between THE CITY OF SNOQUALMIE, WASHINGTON, a Washington municipal corporation ("Lessor") and NLS, a Washington LLC ("Lessee").

RECITALS

- A. Lessor is the owner of the real estate described on Exhibit A attached hereto (the "Land") located in the City of Snoqualmie, King County, Washington, on which Lessor operates a municipal wastewater treatment plant; and
- B. Lessor has determined that a portion of the Land is surplus to Lessor's needs for wastewater treatment or other municipal utility purposes; and
- C. RCW 35.42.200 authorizes Lessor to enter into a lease with a private party for the lease of any real or personal property, and RCW 35.94.040 authorizes Lessor to lease for any term of years any lands, property, or equipment originally acquired for public utility purposes that is surplus to the city's needs and is not required for providing continued public utility service; and
- D. Lessor desires to lease a portion of the Land to the Lessee pursuant to this Ground Lease, and the Lessee intends to operate thereon a Landscaping business; and
- E. Lessor has determined the fair market rental value of the portion of the Land to be a lease for \$4932 per-month; and
- F. All capitalized terms used in this Ground Lease shall have the meanings set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the parties hereto agree this Ground Lease as follows and attached hereto:

ARTICLE I

LEASE

1.1 Lease. In consideration of the rents, covenants and agreements contained in this Ground Lease, Lessor hereby leases to Lessee that portion of the Land legally described in Exhibit B attached hereto and incorporate herein, containing approximately 0.63 acres (27,398 square feet) ("the Leased Premises"), and Lessee hereby leases the Leased Premises from Lessor upon

and subject to the conditions set forth in this Ground Lease, and subject to all encumbrances and matters of record as of the date of this Ground Lease.

1.2. Condition of Land. Lessee hereby accepts the Leased Premises "as is" in their existing condition. Lessor shall not be responsible for any claims, judgments, damages, penalties, fines, expenses, liabilities or losses relating to the release or disposal of hazardous substances on the Leased Premises during the term of this Lease or hereafter, and the responsibility for the same shall remain solely with Lessee.

1.3. Lessor's Right to Inspect. Lessor shall have the right to inspect the Leased Premises at any time.

1.4. Use of Leased Premises. The Leased Premises shall be used and occupied only for the purpose of landscaping services but, until Lessee commences such use and occupancy, Lessor reserves the right to continue to use and occupy the Leased Premises for Lessor's own purposes at no cost.

1.5. Maintenance/Restoration.

1.5.1. Lessee shall, at its own expense, maintain the Leased Premises or facilities on or attached to the Leased Premises in a safe condition, in good repair and in a commercially reasonable manner subject to force or unless affected by destruction which is not the result of Lessee's activities or operations. Additionally, Lessee shall keep the Leased Premises free of debris and (excepting Hazardous Substances which are addressed in Section 14 below) anything of a dangerous, noxious, or offensive nature or which would create a hazard or undue vibration, heat, noise or any interference with Lessor's use of the Land. Except as otherwise expressly set forth herein, Lessee shall have sole responsibility for the maintenance, repair, and security of its facilities and leasehold improvements. Any tree pruning or cutting that is required for use of the Leased Premises shall require the Lessee to obtain a Tree Trimming/Cutting Permit from Lessor which shall not be unreasonably withheld, conditioned, or delayed. All tree work shall be done at the direction of the City Arborist to ensure that best management practices are followed.

1.5.2. In the event that Lessee causes damage of any kind to the Leased Premises during the course of its occupancy and business operations, including without limitation any damage to the Leased Premises caused by cutting, boring, jack hammering, excavation, other work, or latent damage not immediately apparent at the time of the work, Lessee shall repair the damage and restore the Leased Premises at its sole cost and expense, without delay or interruption and within the reasonable time period prescribed by Lessor. Prior to vacating the Leased Premises, the Lessor shall restore the property as follows:

a. The land shall be leveled and graded to drain to the southwest edge of the Leased Premises. This includes all dirt mounds, holes, etc.

b. All equipment, trailers, containers, concrete blocks, fencing, and trash shall be removed.

1.6. Safety/Housekeeping. All work done shall be done in a manner that minimizes interruptions or inconvenience to the public and/or City staff. All work shall be carried on with

due regard for the safety of the public, and Lessee, when deemed necessary by the Lessor, 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 Highways. Property and streets adjacent to the Leased Premises shall be kept free and clear at all times from accumulations of mud, dirt, gravel, rock, and other matter. Lessee 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 vehicular and pedestrian safety. Should the Lessor determine Lessee is not fulfilling its obligation in this regard, the Lessor reserves the right to take such action as may be necessary, and to charge Lessee any costs that may be incurred in such remedial action.

1.7. Non-Interference.

A. Lessee shall not use the Leased Premises in any way that materially interferes with the use of the Land by Lessor, or by other lessees or licensees of Lessor, nor shall Lessee make any change in its operations that causes or is intended to cause material interference with such other lessees' or licensees' prior existing operations. All operations of Lessee shall be in compliance with all applicable laws and regulations.

B. Lessor shall have the right to permit co-location of other lessee's and licensor's equipment on the Land, and Lessee hereby consents to the same.

C. For the purposes of this Section 1.7, "material interference" includes but is not limited to any other use on the Lessor's Property that causes material or physical obstruction or interference with, or degradation of, the Lessee's use of the Land. Any level of discernible or measurable interference is deemed as material in nature and will fall within this Section

1.8. Access and Utilities. Lessee shall have such vehicular access to the Leased Premises as follows: Entrance / Exit is located where shown on the vicinity map under Exhibit A. Lessee and its officers, agents and employees shall park within the area designated on the vicinity map. Power, water sewer shall be the lessee's responsibility. Lessor and Lessee further agree to mutually cooperate regarding parking on the Land and/or Leased Premises. Lessor and Lessee agree to execute such instruments as may be necessary to provide for such vehicular access, parking and utilities and agree to cooperate in the location thereof.

ARTICLE II

TERM

2.1 Commencement. Subject to the terms and conditions of this Lease, the term of this Ground Lease shall commence on the effective date of the City of Snoqualmie Resolution approving this Ground Lease ("Commencement Date").

2.2 Duration. The term of this Ground Lease shall continue from the Commencement Date until the earlier of (i) three hundred sixty five (365) days following the Commencement Date or (ii) such earlier termination by Lessor or Lessor pursuant to Section 2.3 below ("the Term").

2.3. Termination. This Agreement may be terminated, without any penalty or further liability, on sixty (60) days written notice as follows:

2.3.1. Unless otherwise set forth herein, by either party on default of any covenant or term hereof by the other party, as defined in Section 8.1 below.

2.3.2. By Lessee if any certificate, permit, license, or approval affecting Lessee's ability to use the Premises in the manner originally intended by Lessee is rejected through no fault of Lessee and after Lessee has used reasonable efforts to maintain such approvals, or if any previously issued certificate, permit, license, or approval is cancelled, expires, lapses, or is otherwise withdrawn or terminated by the applicable governmental agency through no fault of Lessee and after Lessee has used reasonable efforts to maintain such approvals.

2.3.3. By Lessee if the Premises are or become unacceptable to Lessee due to interference this Agreement pursuant to Section 1.6 "Non-Interference."

2.3.4. By Lessor, for reasons involving public health, safety, or welfare. In addition, if the public health, safety, or welfare is endangered by the operations of Lessee's operations and Lessee fails to discontinue its operations as soon as is reasonably possible after receipt of notice thereof, and thereafter Lessee is unable to cure the conditions causing the endangerment as soon as practicable but no longer than thirty (30) days after receipt of such notice, Lessor may immediately terminate this Agreement. For purposes of this Section 2.3.4, reasons involving public health, safety or welfare shall be deemed to mean the operations of the Lessee pose an imminent threat to the general public.

2.3.5. By Lessor, if Lessee fails to comply with all applicable federal, state and local laws, including, without limitation, all governmental codes, ordinances, resolutions, standards and policies as now existing or hereafter adopted or amended, including, without limitation, within any applicable grace or cure period of written notice from the Lessor.

In the event of any termination under this Section, Lessee shall pay Lessor all monies due as of the date of termination, including rent, attorneys' and collection fees. In addition, Lessee shall, at its sole expense, return the Premises to the same or better condition than existed on the Commencement Date (normal wear and tear, and casualty beyond Lessee's control, excepted), and shall remove all equipment

ARTICLE III

RENT

3.1 Rent. Within twenty (20) days of the commencement date of this Agreement and on the first of each month thereafter, Lessee shall pay to the Lessor at the address set forth below or as Lessor shall otherwise direct in writing without deduction offset, prior notice or demand the amount equal to \$0.18 per square foot per month (\$4.932) plus leasehold tax \$633.27, for a total of \$5,565.27 ("Monthly Rent"). Monthly Rent for any fractional or partial month at the beginning or at the end of the Term or Renewal Term shall be prorated on a daily basis at the rate of 1/30 of the Monthly Rent. Lease Payment shall be payable to the City of Snoqualmie at PO Box 987, Snoqualmie, WA, 98065.

3.2. Rent Following Holdover. In the event of any holdover beyond the expiration of the Term, Rent shall be increased by ten percent (10%) over the Rent set forth in Section 3.1 above.

3.3. Additional Consideration. As additional consideration for this Agreement, within thirty (30) days after the Commencement Date, Lessee shall reimburse Lessor for all of Lessor's actual and reasonable costs and expenses to negotiate and execute this Agreement, including attorney's and consultants' fees and the time expended by the City staff and City Attorney's Office. The parties stipulate that three thousand, five hundred dollars and no/100 (\$3,500.00) shall be paid by Lessee to Lessor in full compensation for its costs and expenses incurred in negotiating this Agreement and Lessee agrees that no further documentation shall be required from Lessor to substantiate such costs and expenses.

ARTICLE IV

TAXES, UTILITIES AND FEES

4.1. Lessee's Responsibility. Lessee shall be solely responsible for the payment of and shall pay and discharge all utility charges which are incurred as part of Lessee's use and occupancy of the Leased Premises. Lessee shall be solely responsible for the payment of excise taxes imposed under the authority of Chapter 82.29A RCW and Snoqualmie Municipal Code Chapter 3.40. Lessee shall also secure and pay for all permits, fees, and licenses necessary for conducting business within the City of Snoqualmie the performance of this Lease, including but not limited to, a City of Snoqualmie business license.

4.2. Lessor's Responsibility. Lessor shall pay all utility charges that do not arise as part of Lessee's business operation and/or occupancy of the Lease Premises, and all real property taxes and assessments that are imposed upon the Land, not including excise taxes imposed under the authority of Chapter 82.29A RCW or Snoqualmie Municipal Code Chapter 3.40, which shall be the responsibility of Lessee. In accordance with RCW 35.42.090, this Ground Lease shall be exempt from any taxes imposed under the authority of Chapter 82.45 RCW, RCW 82.04.040, or RCW 82.08.090.

ARTICLE V

LIENS: SECURITY INTEREST

Lessee's Duty. Lessee shall not directly or indirectly create or permit to be created or to remain, and will discharge any other mortgage, lien, security interest, encumbrance, or charge on, pledge of or conditional sale or other title retention agreement with respect to the Land, the Leased Premises, or any part thereof.

ARTICLE VI

INDEMNITY AND INSURANCE

6.1. Indemnity. Lessee agrees to hold harmless, indemnify, and defend Lessor, its officers, agents, and employees, from and against any and all claims, losses, or liability, for injuries, sickness, or death of persons, including employees of Lessee, or damage to property, arising out of any willful misconduct or negligent act, error, or omission of Lessee, its officers, agents, contractors, subcontractors or employees, in connection with Lessee's use of the Land, provided, however, that:

6.1.1. Lessee's obligations to indemnify, defend and hold harmless shall not extend

to injuries, sickness, death or damage caused by or resulting from the sole willful misconduct or sole negligence of Lessor, its officers, agents, contractors, subcontractors or employees; and

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

6.2. Waiver of Title 51 Immunity. Pursuant to RCW 4.24.115, Lessee agrees that to the extent necessary to hold harmless, indemnify, and defend Lessor and its officers, agents, and employees from any claims, losses, or liability for injuries, sickness, or death of Lessee's employees, but only to such extent, Lessee waives Lessee's immunity under industrial insurance, Title 51 RCW, for any such injury, sickness, or death. By signing this Ground Lease, Lessee and Lessor acknowledge that this waiver has been mutually negotiated.

6.3. Lessee's Insurance. Lessee shall, at all times during the Term of this Ground Lease, obtain, maintain, and keep in force the following insurance coverage, and shall name Lessor as a named insured under each of the policies required below:

6.3.1. Property Insurance. Property insurance fully insuring all improvements constructed on the Land as well as all of Lessor's personal property and trade fixtures located on the Land against loss or damage by fire and lightning, and insurance against risks customarily covered by extended coverage endorsement, including but not limited to loss by windstorm, hail, explosion, riot, vehicles, smoke damage, vandalism and malicious mischief in amounts sufficient to prevent Lessor or Lessee from becoming a co-insurer of any loss under the applicable policies, but in any event in amounts not less than the full replacement cost of all buildings, equipment, and other improvements to the Land, including the cost of debris removal. The property insurance policy shall meet the requirements set forth in this section.

6.3.2. Commercial General Liability. Limits no less than \$1,000,000.00 combined single limit per occurrence and \$2,000,000.00 aggregate for personal injury, bodily injury and property damage. Coverage shall be as broad as Insurance Services Office form number (CG 00 01) covering Commercial General Liability.

6.3.3. Automobile Liability Insurance. Limits no less than \$1,000,000.00 combined single limit per accident for bodily injury and property damage. Coverage shall be as broad as Insurance Services Office form number (CA 00 01) covering Business Auto Coverage, symbol 1 "any auto"; or the combination of symbols 2, 8, and 9.

6.3.4. Employer's Liability or "Stop Gap". Coverage shall be at least as broad as the protection provided by the Workers Compensation policy Part 2 (Employers Liability) or, in states with monopolistic state funds, the protection provided by the "Stop Gap" endorsement to the general liability policy;

6.3.5. The insurance policies shall specifically name the Lessor, its elected or appointed officials, officers, employees, and volunteers as insureds with regard to damages and defense of claims arising from (1) activities performed by or on half of the Lessee; or (2) products and completed operations of the Lessee; or (3) premises owned, leased, or used by the Lessee. Such policy shall also contain an endorsement or policy wording naming the Lessor shall provide for not less than 30 days prior written notice to the Lessor of any change, cancellation or expiration of such policy

6.3.6. 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 the Lessor; and (3) shall state that the Lessor will be given at least 30 days' prior written notice of any cancellation, suspension or material change in coverage.

6.3.7. Before occupancy, Lessee shall provide to the Lessor a Certificate of Insurance evidencing the required insurance accompanied by endorsements as are necessary to comply with the requirements of this paragraph. The Lessor reserves the right to request and receive a certified copy of all required insurance policies.

6.3.8. Any payment of deductible or self-insured retention shall be the sole responsibility of Lessee.

6.3. Financially Responsible Insurers. All of the insurance obtained under this Section 8.2 shall be written by companies which are legally qualified to issue such insurance and which have a Best's rating of no less than A:III, or, if not rated by Best's, which have a rating in one of the two highest categories maintained by S&P and Moody's, and shall name Lessor as an additional named insured. Lessor shall be given forty-five (45) days advance notice of any termination or intent to terminate or cancel any policy referred to in this Article.

6.4. Waiver of Subrogation. Every insurance policy maintained pursuant to Article VI shall provide that the insurer waives all rights of subrogation against a named insured, and any successor to a named insured's interest in the Land. Lessee shall hold Lessor harmless from all damages arising out of the damage to any person or property occurring in, on, or about the Land and the Leased Premises other than damages arising out of the intentional misconduct or breach of this Lease by Lessor, its employees or agents.

6.5 Evidence of Insurance. Lessee shall deliver to Lessor prior to the commencement of the Term of this Lease certificates of insurance evidencing all the insurance which is then required to be maintained by Lessee, and Lessee shall, within forty-five (45) days prior to the expiration of any such insurance, deliver other certificates of insurance evidencing the renewal of such insurance.

ARTICLE VII

EMINENT DOMAIN

7.1. Award. In the event of any taking, partial or whole, Lessor shall be entitled to the entire award judgment or settlement from the condemning authority for the value of the Land taken by the condemning authority.

ARTICLE VIII

EVENTS OF DEFAULT BY LESSEE AND LESSOR'S REMEDIES

8.1 Events of Default. The following occurrences or acts shall constitute an event of default under this Lease:

8.1.1. Failure to Perform. If Lessee:

- (1) Fails to pay rent or any other amount due on time to Lessor; or,
- (2) Fails to observe or perform any provision of this Lease,

And the default continues for thirty (30) days after the Lessor provides written notice demanding payment or performance, then:

- If the default can be remedied by payment, the Lessee must cure via payment within thirty (30) days.
- If the default cannot be remedied via payment, the Lessee must begin to cure the default immediately and continue working diligently until it is fully resolved. If the Lessee does not take necessary steps to resolve the default within thirty (30) days or the default is not resolved within thirty (30) days, Lessor may exercise any remedy which may be available to Lessor at law or equity, including but not limited to actions for damages, and/or injunctive relief, or termination as set forth herein.

8.1.2. Lessee's Financial Condition. If Lessee shall make a general assignment for the benefit of creditors, or shall file a petition in bankruptcy, or shall be adjudicated a bankrupt or insolvent, or shall file a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, or shall file an answer admitting or shall fail seasonably to contest the material allegations of a petition filed against it in any such proceeding, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Lessee or any material part of its properties.

8.2. Remedies Upon Lessee's Default. In the event of any default by Lessee as defined hereinabove which default remains uncured after the expiration of the respective period set forth above, Lessor may exercise any remedy which may be available to Lessor at law or equity, including but not limited to actions for damages, and/or injunctive relief, or termination as set forth herein.

8.3. Cumulative Rights and Remedies. The rights and remedies reserved to Lessor herein, including those not specifically described, shall be cumulative, and except as provided by Washington statutory law in effect at the time, Lessor may pursue any and all such rights and remedies at the same time or independently.

ARTICLE IX

QUIET ENJOYMENT

Lessee's Occupation of Land. If and so long as Lessee shall pay all rent and all other amounts payable by Lessee hereunder whenever the same shall become due and shall keep all of the covenants and conditions required by it to be kept during this Lease and shall perform all of its other obligations hereunder, Lessor covenants and agrees that, except as may otherwise be provided in this Lease, including without limitation and by way of example those limitations set forth in Article I and Article X herein, Lessor will not interfere with the peaceful and quiet occupation and enjoyment of the Land by Lessee, which occupation and enjoyment shall be without hindrance, ejection or molestation by Lessor.

ARTICLE X

LESSEE TO COMPLY WITH APPLICABLE LAWS AND AGREEMENTS

10.1. Compliance with Laws. Lessee shall not use the Land or permit anything to be done in or about the Land which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Lessee shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force, and obtain all permits, licenses or other approvals required by governmental agencies or bodies. Lessee shall further comply with the requirements of any board or fire insurance underwriters or other similar bodies now or hereafter constituted, relating to, or affecting the condition, use or occupancy of the Land.

10.2. Compliance with Agreements. Lessee shall comply with all insurance policies and applicable agreements to which Lessee is a party or by which it is bound, now or hereafter in effect, and all agreements of which Lessee has notice and which are now in effect and applicable to the Land.

ARTICLE XI

WAIVER

11.1. Waiver Limitations. The waiver by either party of any term, covenant or condition herein contained on the part of the other party to be performed shall not be deemed a waiver of such term, covenant or condition for any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by Lessor shall not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant or condition of this Lease, other than the failure of Lessee to pay the particular rent so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such rent.

ARTICLE XII

NOTICES

12.1. Mailing Addresses. All notices, requests, demands, instructions or other documents to be given hereunder to any party shall be in writing and shall either be personally delivered to the party at the appropriate address set forth below (in which event such notice shall be deemed effective only upon such delivery) or delivered by mail, sent by registered or certified mail, return receipt requested, as follows:

If to Lessor:

City Administrator
P.O. Box 987
Snoqualmie, WA 98065
Facsimile: (425) 831-6041

If to Lessee:

Monarch Landscape Companies
550 S Hope Street
Suite 1675
Los Angeles, CA 90071
Facsimile: (213) 816-1750

Notices so mailed shall be deemed to have been given forty-eight (48) hours after the deposit of the same in any United States Mail post office box in the state to which the notice is addressed or seventy-two (72) hours after deposit in any such post office box other than the state to which the notice is addressed, postage prepaid, addressed as set forth above. For the purpose of this paragraph addresses for notice may be changed by giving written notice of such change in the manner herein provided for giving notice.

ARTICLE XIII

ASSIGNMENT AND SUBLEASING

13.1 Subleasing. Any other proposed sublease of any portion of the Leased Premises shall be subject to the review and approval of Lessor.

13.2. Assignment. Lessee shall not assign, mortgage, or encumber this Lease or delegate the duties of the Lessee under this Lease without the prior written consent of Lessor. A consent to one assignment shall not be deemed to be a consent by Lessor to any subsequent assignment by another person. This Lease shall not, nor shall any interest of Lessee herein, be assignable by operation of law, without prior written consent of Lessor. This Lease is made only for the benefit of the Lessor and the Lessee, and no third party or person shall have any rights hereunder whether by agency or as a third party beneficiary.

ARTICLE XIV
ENVIRONMENTAL LAWS

14.1. Lessee represents, warrants and agrees that its use of the Premises and the Property shall be in compliance with all environmental laws, including without limitation the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 *et seq.* ("CERCLA"), the Resource Conservation and Recovery Act, 42 U.S.C. §6901 *et seq.* ("RCRA"), and the Model Toxics Control Act, Ch. 70.105D RCW ("MTCA"), and federal and Washington State regulations adopted pursuant thereto. "Hazardous Substances" means asbestos or any hazardous substance, waste or material as defined in any federal, state or local environmental or safety law or regulation including, but not limited to CERCLA, SARA, RCRA and/or MTCA.

14.2. Lessor represents and warrants that it has no actual knowledge of Hazardous Substance on the Property and that its use of the Land shall be in compliance with all Environmental Laws. Lessee shall not introduce or use any such Hazardous Substance on the Property in violation of any applicable laws.

14.3. Lessor shall be responsible for, and shall promptly conduct, any investigation and remediation as required by any Environmental Laws or common law, of all spills or other releases of Hazardous Substance, not caused by Lessee, that have occurred or which may occur on the Land and which were caused by Lessor, its agents, contractors or employees.

14.4. Lessee agrees to defend, indemnify and hold Lessor harmless from and against any and all claims, causes of action, demands and liabilities including, but not limited to, damages, costs, expenses, assessments, penalties, fines, losses, judgments and attorneys' fees that Lessor may suffer due to the release of any Hazardous Substance on the Leased Premises or on the Land, or the migration of any Hazardous Substance to other properties or released into the environment, to the extent caused by Lessee's activities on the Property.

14.5. Lessor agrees to defend, indemnify and hold Lessee harmless from and against any and all claims, causes of action, demands and liability including, but not limited to, damages, costs, expenses, assessments, penalties, fines, losses, judgments and attorneys' fees that Lessee may suffer due to the release of any Hazardous Substance on the Property or the migration of any Hazardous Substance to other properties or released into the environment, that are caused by or result from Lessor's activities on the Land.

14.6. The indemnifications in this section specifically include costs incurred in connection with any investigation of Premises conditions or any cleanup, remedial, removal or restoration work required by any governmental authority.

14.7. The provisions of this section will survive the expiration or termination of this Agreement with respect to acts or events occurring prior thereto.

ARTICLE XV

MISCELLANEOUS

15.1. Time of Essence. Time is of the essence in regard to performance of the covenants and agreements stated herein.

15.2. No Joint Venture or Agency. Nothing contained in this Lease nor any of the acts of the parties hereto shall be construed nor is it the intent of the parties, to create a joint venture or partnership between Lessor and Lessee, nor is either party the agent or representative of the other, and nothing in this Lease shall be construed to create any such agency relationship or to hold either party liable to anyone for goods delivered or services performed at the request of the other party.

15.3. Amendments. No change, modification, addition to or waiver or termination of this Lease or any part hereof, shall be valid unless made in writing and signed by or on behalf of the party charged therewith. Lessor and Lessee agree to negotiate in good faith any amendments to this Ground Lease that may be requested or required in connection with the issuance of any Bonds to finance Lessor's improvements to its wastewater treatment plant on the Land.

15.4. Governing Law. This Lease shall be construed in accordance with and governed by the laws of the State of Washington.

15.5. Headings. The article, section and paragraph headings herein contained are for the purposes of identification and reference convenience only and shall not be considered in construing this Lease.

15.6. Successors and Assigns. Subject to the provisions hereof restricting the sublease or assignment by Lessee, all the terms and provisions of this Lease shall be binding upon and to the benefit of and be enforceable by the parties and the successors and assigns of the parties.

15.7. No Merger. In no event shall the leasehold interest of Lessee hereunder merge with any estate of the City in or to the Land. In the event that the City acquires the leasehold interest of Lessee, such leasehold interest shall not merge with the City's fee interest in the Land, and this Ground Lease shall remain in full force and effect.

15.8. Counterparts: Recording of Memorandum. This Lease may be executed in several counterparts, each of which shall be deemed an original for all purposes. Each party agrees to cooperate with the other in executing any documents necessary to protect its rights or use of the Land or Leased Premises, including but not limited to, a Memorandum of Lease. Such documents shall be commercially reasonable in content and in form suitable for recordation.

15.9. Schedule of Exhibits. This Agreement includes the following exhibits attached hereto and incorporated herein by this reference.

EXHIBIT A Vicinity Map

EXHIBIT B Legal Description

15.10. Indemnification: Lessee shall defend, indemnify, and hold harmless the Lessor, its commissioners, officers, managers, employees, engineers, agents, and volunteers from and against all demands, claims, losses, injuries, damages, liabilities, suits, judgment, attorneys' fees and costs, and other expenses of any kind on account of, relating to, or arising out of Lessee's work under this Lease, except to the extent such injuries or damages are caused by the negligence of the Lessor. For the purposes of this indemnification, Lessee specifically and expressly waives any immunity granted under the Washington Industrial Insurance Act, Title 51 RCW. This waiver has been mutually negotiated and agreed to by the parties. If a court of competent jurisdiction determines that this lease is subject to RCW 4.24.115, Lessee's obligation to defend, indemnify, and hold harmless the Lessor, its officers, employees, agents and volunteers shall be limited to the extent of the Lessor's negligence. The provisions of this paragraph shall survive the expiration or termination of this Lease.

15.11. Entire Agreement. This Lease and its attachments contain the entire understanding between the Lessor and Lessee relating to the Project which is the subject of this Lease. This Lease merges all prior discussions, negotiations, letters of understanding or other promises whether oral or in writing.

15.12. No Waiver. No delay or omission of Lessor to exercise any right or remedy shall, except as expressly provided herein, be construed as a waiver of any such right or remedy or of any default by Lessee hereunder. The acceptance by Lessor of rent or any additional rent hereunder shall not be a waiver of any preceding breach or default by Lessee of any provision hereof, other than the failure of Lessee to pay the particular rent accepted, regardless of Lessor's knowledge of such preceding breach or default at the time of acceptance of such rent. Further, . waiver of any breach or default hereunder shall not constitute a continuing waiver or a waiver of any subsequent breach either of the same or of another provision of this Lease.

15.13. Severability. If any term, covenant or condition of this Lease is held by a court of competent jurisdiction to be invalid, the remainder of this Lease shall remain in effect.

15.14. Dispute Resolution. If any dispute, controversy, or claim arises out of this Lease, the parties agree to first try to settle the dispute, controversy, or claim in non-binding mediation with the assistance of a recognized professional mediation service. The parties shall each designate a representative with full settlement authority who will participate in the mediation. The parties shall bear all expenses charged by the mediation service equally; the parties shall be responsible for their own attorneys' fees incurred as a result of mediation.

15.15. Jurisdiction/Law. This Lease shall be governed by and construed in accordance with the laws of the State of Washington and the City of Snoqualmie. Any suit to enforce or relating to this Lease shall be brought in King County Superior Court, King County, Washington.

15.16. Attorneys' Fees. If either party incurs any expenses, including but not limited to reasonable attorneys' fees, consultant and expert witness fees (including, without limitation, those incurred on appeal), in connection with any action or proceeding instituted by any party by reason of any default or alleged default of a party hereunder, the party prevailing in such action or proceeding shall be entitled to recover its reasonable expenses from the other party hereof. For purposes of this provision, in any action or proceeding instituted pertaining to the Lease, a party shall be deemed the prevailing party if (a) judgment is entered substantially in favor of said party, or (b) before trial or judgment the other party shall pay all or any portion of the charges claimed by said party, or the other party shall eliminate the condition(s), cease the act(s) or otherwise cure the omissions(s) claimed by said party to constitute a default by the other party hereunder.

IN WITNESS WHEREOF Lessor and Lessee have executed this Ground Lease as of the date set forth in the first paragraph of this Ground Lease to evidence their agreement to the terms of this Ground Lease.

CITY OF SNOQUALMIE ("LESSOR")	NORTHWEST LANDSCAPE SERVICES LLC ("LESSEE")
By_____	By_____
Printed Name_____	Printed Name_____
Its Mayor_____	Its_____
Phone (425) 888 1555_____	Phone_(800) 613 0291_____
Fax (425) 831 6041_____	Fax:_(213) 816 1750_____
Date_____	

EXHIBIT A
VICINITY MAP



EXHIBIT B

LEGAL DESCRIPTION

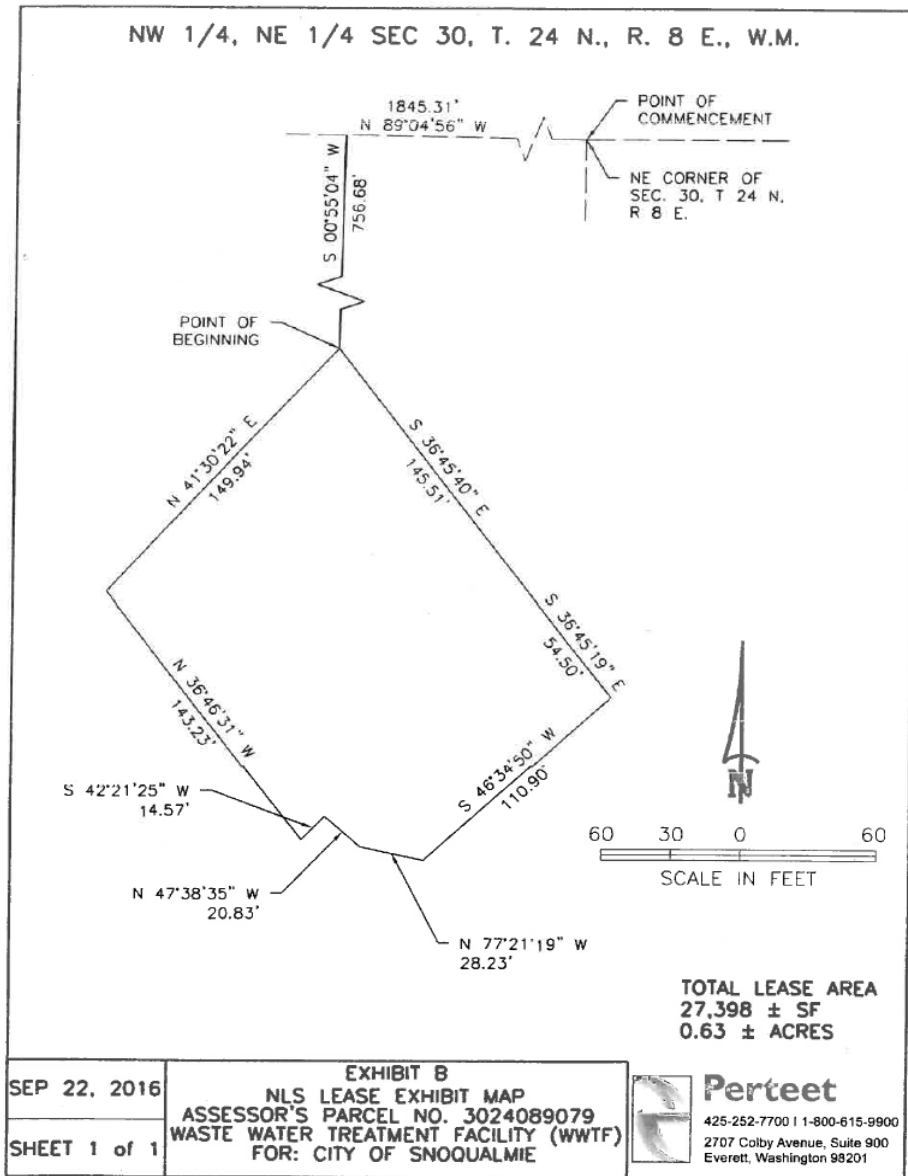
That portion of the Northwest Quarter of the Northeast Quarter, Section 30, Township 24 North, Range 8 East, **W.M.**, in the City of Snoqualmie, King County, Washington, described as follows:

Commencing at the Northeast Corner of said Section 30;
Thence N 89°04'56" W along the north line of said section, a distance of 1845.31 feet;
Thence S 00°55'04" W, a distance of 756.68 feet to the **Point of Beginning**;

Thence S 36°45'40" E, a distance of 145.51 feet;
Thence S 36°45'19" E, a distance of 54.50 feet;
Thence S 46°34'50" W, a distance of 110.90 feet;
Thence N 77°21'19" W, a distance of 28.23 feet;
Thence N 47°38'35" W, a distance of 20.83 feet;
Thence S 42°21'25" W, a distance of 14.57 feet;
Thence N 36°46'31" W, a distance of 143.23 feet;
Thence N 41°30'22" E, a distance of 149.94 feet to the **Point of Beginning**.

Having an area of 27,398 square feet, or 0.63 acres, more or less.

September 22, 2016



RESOLUTION NO. XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SNOQUALMIE, WASHINGTON, APPROVING PROPOSED FINANCIAL TERMS OF LEASE BETWEEN THE CITY OF SNOQUALMIE AND NORTHWEST LANDSCAPE SERVICES LLC, AND AUTHORIZING THE MAYOR TO SIGN THE LEASE

WHEREAS, the City of Snoqualmie entered a certain lease (the Lease) with Northwest Landscape Services LLC (NLS LLC) on or about September 30, 2016, for approximately 0.63 acres adjacent to the City of Snoqualmie Water Reclamation Facility at 38190 SE Millpond Rd (the Property) and

WHEREAS, on November 27th, 2024, an independent appraisal of the market rental rate of the property was issued by CBRE Valuation & Advisory Services and

WHEREAS, the Council finds the financial terms of the Sublease commercially reasonable and should be approved, and

WHEREAS, the Council finds the proposed Lease is materially more financially advantageous to the City than the existing rent provisions thereof, and should be approved, now, therefore, be it

RESOLVED by the City Council of the City of Snoqualmie, Washington, as follows:

The Mayor is hereby authorized to sign the Lease with NLS, LLC

PASSED by the City Council of the City of Snoqualmie, Washington, this 28th day of April, 2025.

Katherine Ross, Mayor

Attest:_____

Deana Dean, City Clerk

Council Agenda Bill

AB Number

AB25-055

Agenda Bill Information

Title*

Job Order Contracting Consultant Contract Ext.

Action*

Motion

Council Agenda Section

Discussion

Council Meeting Date*

04/28/2025

Staff Member

Patrick Fry

Department*

Public Works

Committee

Parks and Public Works

Committee Date

04/22/2025

Exhibits

Packet Attachments - if any

Contract Amendment 1 with Gordian Group.pdf	88.33KB
Agreement for Consulting Services with The Gordian Group, Inc..pdf	609.85KB
Fees & Payment.pdf	485.67KB
Scope of Work.pdf	1.87MB

Summary

Introduction*

Brief summary.

The Gordian Group developed, implemented and now supports the Job Order Contracting (JOC) program for the City as provided for in Chapter 39.10 RCW Alternative Public Works Contracting Procedures. The JOC program for the City was implemented in May of 2023 and has since been used on numerous small to mid sized projects for the City. The contract with Gordian is set to expire May 15, 2025, with an option to renew for an additional 12 months. Staff recommend extending the contract for 12 months.

Proposed Motion

Approve the 12 Month Contract Extension with The Gordian Group, Inc. for the Job Order Contracting Consulting Services

Background/Overview*

What was done (legislative history, previous actions, ability to hyperlink)

During the 2019 Legislative Session, Revised Code of Washington (RCW) sections 39.10.420 through 39.10.460 were amended to allow all public agencies to use Job Order Contracting (JOC) for public works projects when a determination is made that the use of JOC will benefit the public

Under RCW 39.10.430, JOC must be awarded through a competitive process using request for proposals. RCW 39.34.030 authorizes local government agencies to use another public agency's active contract for purchases of products and services in order to save time and obtain better prices and terms than they might be able to on their own - a process known as "piggybacking." Here, the City will piggyback on the contract awarded by the City of Shoreline after a JOC selection process. The consultant chosen through the selection process - The Gordian Group, Inc. - has successfully supported and implemented JOC programs for agencies including City of Bellevue, Snohomish County, Port of Everett, City of Kirkland, City of Everett, and the Seattle Housing Authority.

The City approved contracting with The Gordian Group, Inc. in September of 2022 as part of AB22-139. After successfully bidding out JOC to contractors, 3 contractors were selected and approved for use per AB23-052, AB23-053 & AB23-054. The contract is now set to expire on May 15, 2025, with an option to renew for an additional 12 months.

The JOC program has been utilized on many projects since its implementation, including but not limited to, Tenant Improvements at City Hall & The Police Station, home demolitions, electrical upgrades, and utility repairs.

Analysis*

The JOC program is an additional procurement method that Public Works can utilize. The projects that JOC has proved useful for are the mid-sized projects that would typically require a professional design and in a sector of work that is uncommon for public works staff, such as the additional security improvements at the Police Station. JOC has allowed those projects to be implemented in a reduced timeline and in a cost effective manner by eliminating consultant costs and eliminating time-consuming, costly aspects of the traditional public works process.

Budgetary Status*

This action has indirect budgetary implications.

Fiscal Impact

Amount of Expenditure	Amount Budgeted	Appropriation Requested
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Budget Summary

The administration recommends approving a contract extension with the Gordian Group, inc. The contract value was set as not to exceed \$200,000 and staff do not recommend amending that number. The City of Snoqualmie may pay the Gordian Group, Inc. up to a total of 5.00% of the value of work ordered and 10.95% if project management services are involved. One intent of Job Order Contracting (JOC) is to reduce contracting, design, and planning costs in an amount equal to the fee imposed. Therefore, sufficient appropriation exists within the 2025-2026 Biennial Budget to fund the contract.

Fiscal Impact Screenshot

CITY OF SNOQUALMIE
AGREEMENT FOR CONSULTANT SERVICES

THIS AGREEMENT made and entered into by and between the CITY OF SNOQUALMIE, a Washington municipal corporation (the "City" or "Owner"), and The Gordian Group, Inc. ("Consultant" or "Gordian") (each a "party" and collectively, the "parties") is dated this 10/14/2022 day of October 2022.

Consultant Business: The Gordian Group Inc.

Consultant Address: 30 Patewood Drive,
Suite 350
Greenville, SC 29615

Contact Name: Dan Cook

Contact e-mail: d.cook@gordian.com

Federal Employee ID No.:

Authorized City Representative for this contract: Michael Chambless, Parks and Public Works Department Director

WHEREAS, the City may utilize any other government entity's open contracts that have been competitively bid and awarded in accordance with applicable laws or regulations. In response to a Request for Proposal for Job Order Contracting Consulting Services, Gordian competitively bid to provide such services to the City of Shoreline. Gordian and the City of Shoreline subsequently entered into a Contract on or about September 16th, 2020 (the "Underlying Contract").

WHEREAS, the City desires to acquire certain services set forth in the Underlying Contract in accordance with the pricing and other terms set forth in the Underlying Contract which is incorporated by reference herein and included as Exhibit A. The parties intend that this Agreement, including all additional terms stated in this Agreement that are not expressly stated in the Underlying Contract, and the underlying Contract serve as the Agreement between the parties.

WHEREAS, public convenience and necessity require the City to obtain the services of a consultant with expertise in the development, implementations and support of a Job Order Contracting ("JOC") program (the "Services).

WHEREAS, the City finds that Consultant is qualified to perform and is experienced in performing the Services.

NOW, THEREFORE, the parties herein do mutually agree as follows:

1. Employment of Consultant.

A. The City retains the Consultant to provide the services described in "Exhibit B" (the "Work"). Any inconsistency between this Agreement and the Scope of Work shall be resolved in favor of this Agreement. The Consultant shall perform the Work according to the terms and conditions of this Agreement.

B. The City may revise the Work and the compensation only by a written Change Order signed by the authorized City representative that shall become a part of this Agreement.

C. The project manager(s) of the Work shall be Dan Cook. The project manager(s) shall not be replaced without the prior written consent of the City which shall not be unreasonably withheld.

D. The City hereby retains Gordian as the City's JOC Services provider for the term commencing on the date of this Agreement and expiring 2 years after the award of the first JOC construction contract (the "Term"), unless terminated or extended as provided for herein. This Agreement may be extended for additional period of 12 months by the mutual written agreement of the parties.

2. Compensation.

A. The total compensation to be paid to Consultant, including all services and expenses, shall not exceed \$200,000 as shown on Exhibit C, which shall be full compensation for the Work.

B. The Consultant shall be paid in such amounts and in such manner as described in Exhibit C. In the event that the City directs the Consultant to perform supplemental services or to repeat a service, any such additional activities will be compensated according to the schedule in Exhibit C.

C. Consultant shall be reimbursed for Eligible Expenses actually incurred. "Eligible Expenses" not included in Exhibit C, such as air travel and overnight lodging, shall be approved for reimbursement by the City in writing before the expense is incurred. If travel and/or overnight lodging is authorized, Consultant shall lodge within the corporate limits of City.

3. Request for Payment.

A. Not more than once every thirty days the Consultant shall file its request for payment, accompanied by evidence satisfactory to the City justifying the request for payment, including a report of Work accomplished and tasks completed, and an itemization of Eligible Expenses with copies of receipts and invoices.

B. All requests for payment should be sent to

City of Snoqualmie
Attn: Michael Sauerwein City Administrator
38624 SE River Street
P.O. Box 987
Snoqualmie, WA 98065

4. Work Product.

A. The Consultant shall submit all reports and other documents specified in Exhibit B according to the schedule established in consultation with the City once this Agreement is signed.

B. Except as otherwise provided in Exhibit D, all reports, drawings, plans, specifications, and intangible property created in furtherance of the Work, and any intellectual property in such documents, are property of the City and may be used by the City for any purpose; provided that re-use without Consultant's permission shall be at the City's sole risk.

5. Termination of Contract. City may terminate this Agreement by sending a written notice of termination to Consultant ("Notice") that specifies the reason for termination, a reasonable period to cure any alleged breaches, and the effective termination date ("Termination Date"), which shall be a

minimum of fourteen (14) days after the date of the Notice. Upon receipt of the Notice, the Consultant shall acknowledge receipt to the City in writing and immediately commence to end the Work in a reasonable and orderly manner. In the event the City exercises its right to Terminate the Agreement, the Consultant shall be paid or reimbursed for all services performed and Eligible Expenses incurred up to the Termination date, less all payments previously made; provided that work performed after date of the Notice is reasonably necessary to terminate the Work in an orderly manner. The notice shall be sent in accordance with the Notice provision of this Agreement.

6. Assignment of Contract – Subcontractors. Consultant shall not assign this contract or sub-contract or assign any of the Work without the prior written consent of the City which shall not be unreasonably withheld.

7. Indemnification.

A. To the extent provided by law and irrespective of any insurance required of the Consultant, the Consultant shall defend and indemnify the City from any and all Claims arising out of or in any way relating to this Agreement; provided, however, the requirements of this paragraph shall not apply to that portion of such Claim that reflects the percentage of negligence of the City compared to the total negligence of all persons, firms or corporations that resulted in the Claim.

B. Consultant agrees that the provisions of this paragraph 7 apply to any claim of injury or damage to the persons or property of consultant's employees. As to such claims and with respect to the City only, consultant waives any right of immunity, which it may have under industrial insurance (Title 51 RCW and any amendment thereof or substitution therefore). THIS WAIVER IS SPECIFICALLY NEGOTIATED BY THE PARTIES AND IS SOLELY FOR THE BENEFIT OF THE CITY AND CONSULTANT.

C. As used in this paragraph: (1) "City" includes the City's officers, employees, agents, and representatives; (2) "Consultant" includes employees, agents, representatives sub-consultants; and (3) "Claims" include, but is not limited to, any and all losses, claims, causes of action, demands, expenses, attorney's fees and litigation expenses, suits, judgments, or damage arising from injury to persons or property.

D. Consultant shall ensure that each sub-consultant shall agree to defend and indemnify the City to the extent and on the same terms and conditions as the Consultant pursuant to this paragraph.

8. Insurance.

A. Consultant shall comply with the following conditions and procure and keep in force at all times during the term of this Agreement, at Consultant's expense, the following policies of insurance with companies authorized to do business in the State of Washington. The Consultant's insurance shall be rated by A. M. Best Company at least "A" or better with a numerical rating of no less than seven (7) and otherwise acceptable to the City.

1. Workers' Compensation Insurance as required by Washington law and Employer's Liability Insurance with limits not less than \$1,000,000 per occurrence. If the City authorizes sublet work, the Consultant shall require each sub-consultant to provide Workers' Compensation Insurance for its employees, unless the Consultant covers such employees.
2. Commercial General Liability Insurance on an occurrence basis in an amount not less than \$1,000,000 per occurrence and at least \$2,000,000 in the annual aggregate,

including but not limited to: premises/operations (including off-site operations), blanket contractual liability and broad form property damage.

3. Business Automobile Liability Insurance in an amount not less than \$1,000,000 per occurrence, extending to any automobile used by Consultant in the course of the Work. A statement by Consultant and approved by the City Administrator, certifying that no vehicle will be used in accomplishing this Agreement, may be substituted for this insurance requirement.
4. Professional Errors and Omissions Insurance in an amount not less than \$1,000,000 per occurrence and \$1,000,000 in the annual aggregate. Coverage may be written on a claims made basis; provided that the retroactive date on the policy or any renewal policy shall be the effective date of this Agreement or prior, and that the extended reporting or discovery period shall not be less than 36 months following expiration of the policy. The City may waive the requirement for Professional Errors and Omissions Insurance whenever the Work does not warrant such coverage or the coverage is not available.
5. No policy required by this agreement shall be canceled or materially changed by either the Consultant or the Consultant's insurer without the Consultant giving at least a 30 day prior written notice to the City.
6. Upon written request to the City, the insurer will furnish, before or during performance of any Work, a copy of any policy cited above, certified to be a true and complete copy of the original.

B. Before the Consultant performs any Work, Consultant shall provide the City with a Certificate of Insurance acceptable to the City Attorney evidencing the above-required insurance and naming the City of Snoqualmie, its officers, employees and agents as Additional Insured on the Commercial General Liability Insurance policy and the Business Automobile Liability Insurance policy with respect to the operations performed and services provided under this Agreement and that such insurance shall apply as primary insurance on behalf of such Additional Insured. Receipt by the City of any certificate showing less coverage than required is not a waiver of the Consultant's obligations to fulfill the requirements.

C. Consultant shall comply with the provisions of Title 51 of the Revised Code of Washington before commencing the performance of the Work. Consultant shall provide the City with evidence of Workers' Compensation Insurance (or evidence of qualified self-insurance) before any Work is commenced.

9. Independent Contractor. The Consultant is an independent Contractor responsible for complying with all obligations of an employer imposed under federal or state law. Personnel employed by Consultant shall not acquire any rights or status regarding the City.

10. Employment. The Consultant warrants that it did not employ or retain any company or person, other than a bona fide employee working solely for the Consultant, to solicit or secure this Agreement or pay or agree to pay any such company or person any consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, the City shall have the right either to terminate this Agreement without liability or to deduct from the Agreement price or consideration or to otherwise recover, the full amount of such consideration.

11. Audits and Inspections. The Consultant shall make available to the City during normal business hours and as the City deems necessary for audit and copying all of the Consultant's records and documents with respect to all matters covered by this Agreement.

12. City of Snoqualmie Business License. Consultant shall obtain a City of Snoqualmie business license before performing any Work.

13. Compliance with Federal, State and Local Laws. Consultant shall comply with and obey all federal, state and local laws, regulations, and ordinances applicable to the operation of its business and to its performance of the Work.

14. Waiver. Any waiver by the Consultant or the City of the breach of any provision of this Agreement by the other party will not operate, or be construed, as a waiver of any subsequent breach by either party or prevent either party from thereafter enforcing any such provisions.

15. Complete Agreement. This Agreement contains the complete and integrated understanding and agreement between the parties and supersedes any understanding, agreement or negotiation whether oral or written not set forth herein.

16. Modification of Agreement. This Agreement may be modified by a Change Order as provided in Paragraph 1, or by a writing that is signed by authorized representatives of the City and the Consultant.

17. Severability. If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void, insofar as it is in conflict with said laws, the remainder of the Agreement shall remain in full force and effect.

18. Notices.

A. Notices to the City of Snoqualmie shall be sent to the following address:

City of Snoqualmie
Attn:
38624 SE River Street
P.O. Box 987
Snoqualmie, WA 98065

B. Notices to the Consultant shall be sent to the following address:

The Gordian Group, Inc.
Attn: Legal Department
30 Patewood Drive, Suite 350
Greenville, SC 29615
Phone: (800) 874 2291
Email: legal@gordian.com

Unless otherwise provided for herein, all notices and other communications required by this Agreement shall be deemed to have been given when made in writing and either (a) delivered in person, (b) delivered to an agent, such as an overnight or similar delivery service, or (c) deposited in the United States mail, postage prepaid, certified or registered, addressed in accordance with the Section

19. Venue. This Agreement shall be governed by the law of the State of Washington and venue for any lawsuit arising out of this Agreement shall be in King County.

IN WITNESS WHEREOF, the City and Consultant have executed this Agreement as of the date first above written.

<p>CITY OF SNOQUALMIE, WASHINGTON</p> <p>By: <u>Katherine Rose</u> Its: Mayor Date: <u>10/14/2022</u></p>	<p>CONSULTANT: Please fill in the spaces and sign in the box appropriate for your business entity.</p> <p>Corporation</p> <p>[Consultant's Complete Legal Name]</p> <p>By: <u>Daniel Cook</u> Typed/Printed Name: Its: Date: <u>10/14/2022</u></p>
<p>ATTEST:</p> <p><u>Reina McCauley</u>, City Clerk Date:</p>	
<p>APPROVED AS TO FORM:</p>	

Bob C. Sterbank, City Attorney

Date: Bob C. Sterbank

Exhibit A
UNDERLYING CONTRACT

EXHIBIT B

SCOPE OF WORK

Gordian will perform the following duties and responsibilities to complete the Services:

1. **Required Services:** Gordian shall provide the following services (“Required Services”) to Owner for the term of this Agreement:
 - a) **Program Development, Implementation and Support:** Gordian shall be responsible for the development, implementation, and on-going support of the Owner’s customized JOC program.
 - b) **Contract Documents:** Gordian shall be responsible for preparing the JOC documents that will be used by the Owner to procure the JOC construction contractors including:
 - i. **Unit Price Book(s):** Gordian shall prepare one or more customized Unit Price Books (also known as a Construction Task Catalog[®]) containing prices covering material, equipment, and labor costs for various units of construction, and adjusting these costs to current market conditions. Only local prevailing wages and local material and equipment costs (obtained directly from local, contractors, subcontractors, and suppliers) to price the Unit Price Books shall be used. The use of generic factors to localize prices is not acceptable. Unit prices for demolition shall be provided for each construction task. Therefore, every cost to install an item or unit shall be accompanied by a corresponding cost to remove the same item or unit. Tasks may also have several modifiers which adjust the price for variations in materials or for quantity discounts; and
 - ii. **Technical Specifications:** Gordian shall prepare and publish Technical Specifications describing the materials, performance, and installation requirements for each of the construction tasks listed in the unit price book. Where available, the Owner standard specifications shall be incorporated into the Technical Specifications; and
 - iii. **Contractual Terms and Conditions and Bid Forms:** Gordian shall prepare, in conjunction with Owner staff, contractual terms and conditions and bid forms which incorporate JOC language and forms with all appropriate Owner contract language and forms.
 - c) **Information Management System:** Gordian shall be responsible for providing the Owner with a comprehensive web-based JOC Information Management System (hereinafter referred to as “IMS”) for an unlimited number of Owner users. The JOC IMS must be capable of providing full project tracking, developing cost proposals, preparing independent Owner estimates, generating all project documentation, providing project scheduling, budgeting and cost control, tracking MBE participation, and generating customized reports. Gordian must incorporate any current Owner forms and documentation into the IMS; and
 - d) **Procurement Support:** Gordian shall be responsible for providing Owner with procurement support to market the Owner JOC Program to potential JOC Contractor’s. If required by the Owner, Gordian shall conduct a bidder prequalification process to determine a qualified list of bidders. Gordian shall be required to organize and conduct pre-bid meetings with the interested bidders as well as make presentations on behalf of the Owner

with various business and Construction organizations. Gordian's staff assigned to perform procurement support must have JOC procurement experience; and

- e) **Training Programs:** Gordian shall be responsible for developing and conducting all training programs for the Owner and JOC Contractor staff to ensure that the JOC program functions properly. The training programs must include specialized training courses that will involve all Owner staff and JOC Contractors utilizing and administering the JOC program. The training programs must include extensive training on the use of the JOC IMS. All training must be "hands on" with user competency as the objective. Actual Owner projects that the Owner plans to perform through JOC may be included in the training programs; and
- f) **Job Order Development:** Gordian shall be responsible for providing the following Job Order Development services:
 - i. **Project Identification:** When a project is identified and requested by Owner, Gordian will contact Owner and assist with determining whether the project is appropriate for JOC.
 - ii. **Contractor Identification:** In the event Owner has multiple JOC Contractors, Gordian will assist the Owner in identifying the appropriate JOC Contractor for the project based on factors which include, but are not limited to, the type of work involved and the location of the project.
 - iii. **Joint Scope Meeting:** The Gordian's project manager will schedule a Joint Scope Meeting at the project site to help Owner and the JOC Contractor agree on the details of the work that the JOC Contractor will perform. The purpose of the scoping process is to allow the JOC Contractor an opportunity to inspect the site and ask questions before submitting a Price Proposal. The goals of this process are to foster open communication, reduce misunderstandings and mistakes that lead to change orders, and provide results that are more cost-effective and collaborative.
 - iv. **Develop Detailed Scope of Work:** Gordian will assist in preparing a Detailed Scope of Work that describes the work the JOC Contractor will perform. Gordian will also assist with resolving issues when project plans and actual conditions vary.
 - v. **Request for Price Proposal:** After all parties agree that the Detailed Scope of Work properly reflects the work to be performed, Gordian's project manager will send the Detailed Scope of Work and a Request for Proposal to the JOC Contractor.
 - vi. **Request Price Proposal:** As the next step in the process, the JOC Contractor prepares and submits a Price Proposal by selecting the appropriate tasks from the Unit Price Book. Gordian's IMS will automatically multiply the unit price of the task by the required quantities by the JOC Contractor's competitively bid Adjustment Factor. Gordian shall also request the JOC Contractor's preparation of any additional Owner required information (e.g., construction schedule, list of proposed local subcontractors, etc.).
 - vii. **Price Proposal Review:** Gordian's project manager will review the Price Proposal to make sure the JOC Contractor has selected the appropriate tasks and quantities and will ask the JOC Contractor to make any required changes. Gordian will also obtain and review any Owner required information submitted by the JOC Contractor such as a construction schedule and list of proposed subcontractors. Gordian's project manager will submit the Price Proposal and related documents to Owner.

- viii. **Issue Job Order:** Once Owner approves the Price Proposal and related documents, and decides to move forward with the project, Owner is then responsible for the issuance of a job order (which may be in the form of a purchase order) to the selected JOC Contractor.
 - ix. **Construction Management:** During construction, Owner's project managers will follow its standard internal policies and procedures for construction management and site inspections, including coordinating any required code inspections. When unforeseen conditions arise or Owner desires to change the Detailed Scope of Work, a supplemental Job Order is developed in the same manner as the original Job Order.
 - g) **On-Going Technical Support:** Gordian shall be responsible for providing extensive on-going technical support to the Owner during normal business hours, excluding holidays. On-going technical support shall include providing updated contract documents, assisting with the procurement of additional JOC Contractors, providing Owner with access to all applicable updates and revisions to the IMS, and providing training for new Owner staff and JOC Contractors during the term of the Agreement. Providing on-going technical support is considered a vital component to ensuring a successful Owner JOC program.
2. **Optional Project Management Services:** On a project-by-project basis, Gordian shall provide project management services ("Project Management Services") to Owner, to be requested by Owner in its sole discretion. The project management services shall include the following:
- a) **Preconstruction:** Gordian's project manager will assist Owner in determining whether professional design services are required and conduct a pre-construction meeting with the Owner's representative(s), the JOC Contractor and, if applicable, the architect or engineer to review the basic project parameters and funding. Where design services are required, the project manager will work with the architects or engineers to coordinate necessary studies and design standards, and deliver plans and specifications that maximize the benefits of JOC for each Owner project. Next, the project manager will coordinate and share any preconstruction information with Owner, the JOC Contractor and other appropriate parties, and will assist in the coordination of the JOC Contractor obtaining the necessary permits.
 - b) **Site Visit:** During construction, Gordian's project manager will monitor the JOC Contractor's work in-progress, manage the JOC Contractor's compliance with the approved safety plan and complete a report for each site visit.
 - c) **Communication:** Gordian's project manager will provide weekly construction status reports to Owner, conduct project progress meetings with the JOC Contractor and staff on a periodic basis, and coordinate any required technical and code inspections.
 - d) **Supplemental Job Orders:** In the event there are unforeseen conditions or Owner requests changes to the Detailed Scope of Work after construction has begun, Gordian's project manager will analyze and process a supplemental Job Order by utilizing the procedures to develop the initial Job Order.
 - e) **Approvals:** Gordian's project manager will review and recommend for approval, or direct necessary revisions to, the JOC Contractor's applications for payment and obtain Owner's approval of the work. Final acceptance of the work will be the responsibility of Owner. Technical and code inspections will be the responsibility of the appropriate inspection agencies.

- f) **Project Close-out:** As the final step in the process, Gordian's project manager will enter all Job Order related information into the IMS and collect any required as-builts, warranties and OEMs from the JOC Contractor.

EXHIBIT C

FEES AND PAYMENT

Not-to-Exceed Price = \$200,000

FEES AND PAYMENT

1. **Fees for Required Services:** In consideration of the Required Services set forth Exhibit B of this Agreement and the JOC System License granted to Owner, Gordian shall be paid Fees according to the following schedule.
 - a) **JOC System License Fee:** Owner shall pay Gordian a JOC System License Fee equal to 1.95% of the value of the work ordered. The JOC System License Fee shall be payable when a Job Order is issued to the JOC Contractor.
 - b) **Job Order Development Fee:** Owner shall pay Gordian a Job Order Development Fee of 3.05% of the value of work ordered. The Job Order Development Fee shall be payable when a Job Order is issued to the JOC Contractor.
 - c) Except for Fees for Optional Services set forth in Section 2 of this Exhibit C, the fees listed in this Section 1 are the only fees due by the City to Consultant for Consultant's services. These fees do not include the Contractor License Fee set forth in Section 4 below, which Gordian shall charge to participating construction contractors.
2. **Fees for Optional Services:** In consideration of the optional Project Management Services set forth set forth in Exhibit B of this Agreement, Gordian shall, in addition to the applicable fees for the Required Services, be paid fees according to the following schedule:
 - a) **Project Management Fee:** Owner shall pay Gordian a Project Management Fee equal to 5.95% of the value of work ordered for requested Project Management Services. The Project Management Fee shall be payable upon completion and acceptance of the work by Owner, except at Gordian's election Job Orders requiring more than 60 days to complete may be invoiced monthly on a percentage of completion basis.
3. **Invoicing and Payment:** Gordian shall submit invoices for the Services to Owner monthly. Invoices for Fees shall include a description of all work ordered through the JOC program during the month. Owner shall pay Gordian's invoices within 30 calendar days from the invoice date. Any invoice not disputed by Owner in writing within 14 calendar days from the invoice date shall be deemed proper. In the event of a dispute, Owner shall pay all undisputed invoice amounts within 30 days of the original invoice date.
4. **Contractor License Fee:** It is understood that Gordian shall charge participating construction contractors a Contractor Licensing Fee ("CLF") of one percent (1%) of the value of the work ordered for the JOC Contractors' access to the Gordian's proprietary construction data and JOC applications. Gordian shall be responsible for all administrative duties relating to the invoicing and collections of the CLF.

EXHIBIT D**JOC SYSTEM LICENSE**

Gordian hereby grants to Owner, and Owner hereby accepts from Gordian for the term of this Agreement, a non-exclusive right, privilege and license to Gordian's Job Order Contracting System and other related proprietary materials (collectively referred to as "Proprietary Information") to be used for the sole purpose of operating Owner's Job Order Contracting program. The parties hereby agree that Proprietary Information shall include, but is not limited to, the JOC Information Management System (as defined below) applications and support documentation, Construction Task Catalog® (also commonly referred to as a unit price book), construction cost data, training materials and other proprietary materials provided by Gordian. In the event this Agreement expires or terminates as provided herein, this JOC System License shall terminate and Owner shall return to Gordian all Proprietary Information in Owner's possession.

Owner acknowledges that disclosure of Proprietary Information will result in irreparable harm to Gordian for which monetary damages would be an inadequate remedy and agrees that no such disclosure shall be made to anyone without first receiving the written consent of Gordian. Owner further acknowledges and agrees to respect the copyrights, registrations, trade secrets and other proprietary rights of Gordian in the Proprietary Information during and after the term of this Agreement and shall at all times maintain complete confidentiality with regard to the Proprietary Information provided to Owner, subject to federal and state laws related to public records disclosure.

Upon expiration or termination of this Agreement as provided herein, Gordian shall provide to Owner all project data generated by Owner in a form accessible by a standard database program, such as Microsoft® Access®.

Gordian agrees to grant a license to each contractor that is awarded a JOC contract by Owner, provided the JOC contractor agrees to pay Gordian's contractor license fee in effect when Owner awards the contract, and provided the Contractor agrees to abide by the terms and conditions of the JOC System License Agreement presented as part of their use of the software. No other third-parties may access the Proprietary Information without Gordian's Consent.

In the event of a conflict in terms and conditions between this JOC System License and any other terms and conditions of this Agreement or any purchase order or similar purchasing document issued by Owner, this JOC System License shall take precedence.

CITY OF SNOQUALMIE AGREEMENT FOR CONSULTANT SERVICES

Amendment No. 1 to Snoqualmie Job Order Contract Services

WHEREAS, on October 14, 2022, the City of Snoqualmie (“City”) and The Gordian Group Inc. (“Consultant”) entered into an Agreement for Consultant Services (the “Agreement”) that provides for Consultant to perform Job Order Contracting Consulting Services; and

WHEREAS, the City desires to extend the Agreement for Consultant Services from May 15, 2025 to May 15, 2026 in order to provide additional work to be completed under the contract;

WHEREAS, The contract allows for a single 12 Month extension past the initial term;

NOW, THEREFORE, the parties herein do mutually agree as follows:

Section 1. Contract Term extended from May 15, 2025 to May 15, 2026.

<p>CITY OF SNOQUALMIE, WASHINGTON</p> <p>By: _____ Its: Mayor</p> <p>Date: _____</p>	<p>CONSULTANT – The Gordian Group, Inc.</p> <p>By: _____ Typed/Printed Name: Dan Cook</p> <p>Its: _____</p>
<p>ATTEST:</p> <p>Deana Dean, City Clerk</p> <p>Date: _____</p>	

EXHIBIT C

FEES AND PAYMENT

Not-to-Exceed Price = \$200,000

FEES AND PAYMENT

1. **Fees for Required Services:** In consideration of the Required Services set forth Exhibit B of this Agreement and the JOC System License granted to Owner, Gordian shall be paid Fees according to the following schedule.
 - a) **JOC System License Fee:** Owner shall pay Gordian a JOC System License Fee equal to 1.95% of the value of the work ordered. The JOC System License Fee shall be payable when a Job Order is issued to the JOC Contractor.
 - b) **Job Order Development Fee:** Owner shall pay Gordian a Job Order Development Fee of 3.05% of the value of work ordered. The Job Order Development Fee shall be payable when a Job Order is issued to the JOC Contractor.
 - c) Except for Fees for Optional Services set forth in Section 2 of this Exhibit C, the fees listed in this Section 1 are the only fees due by the City to Consultant for Consultant's services. These fees do not include the Contractor License Fee set forth in Section 4 below, which Gordian shall charge to participating construction contractors.
2. **Fees for Optional Services:** In consideration of the optional Project Management Services set forth set forth in Exhibit B of this Agreement, Gordian shall, in addition to the applicable fees for the Required Services, be paid fees according to the following schedule:
 - a) **Project Management Fee:** Owner shall pay Gordian a Project Management Fee equal to 5.95% of the value of work ordered for requested Project Management Services. The Project Management Fee shall be payable upon completion and acceptance of the work by Owner, except at Gordian's election Job Orders requiring more than 60 days to complete may be invoiced monthly on a percentage of completion basis.
3. **Invoicing and Payment:** Gordian shall submit invoices for the Services to Owner monthly. Invoices for Fees shall include a description of all work ordered through the JOC program during the month. Owner shall pay Gordian's invoices within 30 calendar days from the invoice date. Any invoice not disputed by Owner in writing within 14 calendar days from the invoice date shall be deemed proper. In the event of a dispute, Owner shall pay all undisputed invoice amounts within 30 days of the original invoice date.
4. **Contractor License Fee:** It is understood that Gordian shall charge participating construction contractors a Contractor Licensing Fee ("CLF") of one percent (1%) of the value of the work ordered for the JOC Contractors' access to the Gordian's proprietary construction data and JOC applications. Gordian shall be responsible for all administrative duties relating to the invoicing and collections of the CLF.

EXHIBIT B

SCOPE OF WORK

Gordian will perform the following duties and responsibilities to complete the Services:

1. **Required Services:** Gordian shall provide the following services (“Required Services”) to Owner for the term of this Agreement:
 - a) **Program Development, Implementation and Support:** Gordian shall be responsible for the development, implementation, and on-going support of the Owner’s customized JOC program.
 - b) **Contract Documents:** Gordian shall be responsible for preparing the JOC documents that will be used by the Owner to procure the JOC construction contractors including:
 - i. **Unit Price Book(s):** Gordian shall prepare one or more customized Unit Price Books (also known as a Construction Task Catalog[®]) containing prices covering material, equipment, and labor costs for various units of construction, and adjusting these costs to current market conditions. Only local prevailing wages and local material and equipment costs (obtained directly from local, contractors, subcontractors, and suppliers) to price the Unit Price Books shall be used. The use of generic factors to localize prices is not acceptable. Unit prices for demolition shall be provided for each construction task. Therefore, every cost to install an item or unit shall be accompanied by a corresponding cost to remove the same item or unit. Tasks may also have several modifiers which adjust the price for variations in materials or for quantity discounts; and
 - ii. **Technical Specifications:** Gordian shall prepare and publish Technical Specifications describing the materials, performance, and installation requirements for each of the construction tasks listed in the unit price book. Where available, the Owner standard specifications shall be incorporated into the Technical Specifications; and
 - iii. **Contractual Terms and Conditions and Bid Forms:** Gordian shall prepare, in conjunction with Owner staff, contractual terms and conditions and bid forms which incorporate JOC language and forms with all appropriate Owner contract language and forms.
 - c) **Information Management System:** Gordian shall be responsible for providing the Owner with a comprehensive web-based JOC Information Management System (hereinafter referred to as “IMS”) for an unlimited number of Owner users. The JOC IMS must be capable of providing full project tracking, developing cost proposals, preparing independent Owner estimates, generating all project documentation, providing project scheduling, budgeting and cost control, tracking MBE participation, and generating customized reports. Gordian must incorporate any current Owner forms and documentation into the IMS; and
 - d) **Procurement Support:** Gordian shall be responsible for providing Owner with procurement support to market the Owner JOC Program to potential JOC Contractor’s. If required by the Owner, Gordian shall conduct a bidder prequalification process to determine a qualified list of bidders. Gordian shall be required to organize and conduct pre-bid meetings with the interested bidders as well as make presentations on behalf of the Owner

with various business and Construction organizations. Gordian's staff assigned to perform procurement support must have JOC procurement experience; and

- e) **Training Programs:** Gordian shall be responsible for developing and conducting all training programs for the Owner and JOC Contractor staff to ensure that the JOC program functions properly. The training programs must include specialized training courses that will involve all Owner staff and JOC Contractors utilizing and administering the JOC program. The training programs must include extensive training on the use of the JOC IMS. All training must be "hands on" with user competency as the objective. Actual Owner projects that the Owner plans to perform through JOC may be included in the training programs; and
- f) **Job Order Development:** Gordian shall be responsible for providing the following Job Order Development services:
 - i. **Project Identification:** When a project is identified and requested by Owner, Gordian will contact Owner and assist with determining whether the project is appropriate for JOC.
 - ii. **Contractor Identification:** In the event Owner has multiple JOC Contractors, Gordian will assist the Owner in identifying the appropriate JOC Contractor for the project based on factors which include, but are not limited to, the type of work involved and the location of the project.
 - iii. **Joint Scope Meeting:** The Gordian's project manager will schedule a Joint Scope Meeting at the project site to help Owner and the JOC Contractor agree on the details of the work that the JOC Contractor will perform. The purpose of the scoping process is to allow the JOC Contractor an opportunity to inspect the site and ask questions before submitting a Price Proposal. The goals of this process are to foster open communication, reduce misunderstandings and mistakes that lead to change orders, and provide results that are more cost-effective and collaborative.
 - iv. **Develop Detailed Scope of Work:** Gordian will assist in preparing a Detailed Scope of Work that describes the work the JOC Contractor will perform. Gordian will also assist with resolving issues when project plans and actual conditions vary.
 - v. **Request for Price Proposal:** After all parties agree that the Detailed Scope of Work properly reflects the work to be performed, Gordian's project manager will send the Detailed Scope of Work and a Request for Proposal to the JOC Contractor.
 - vi. **Request Price Proposal:** As the next step in the process, the JOC Contractor prepares and submits a Price Proposal by selecting the appropriate tasks from the Unit Price Book. Gordian's IMS will automatically multiply the unit price of the task by the required quantities by the JOC Contractor's competitively bid Adjustment Factor. Gordian shall also request the JOC Contractor's preparation of any additional Owner required information (e.g., construction schedule, list of proposed local subcontractors, etc.).
 - vii. **Price Proposal Review:** Gordian's project manager will review the Price Proposal to make sure the JOC Contractor has selected the appropriate tasks and quantities and will ask the JOC Contractor to make any required changes. Gordian will also obtain and review any Owner required information submitted by the JOC Contractor such as a construction schedule and list of proposed subcontractors. Gordian's project manager will submit the Price Proposal and related documents to Owner.

- viii. **Issue Job Order:** Once Owner approves the Price Proposal and related documents, and decides to move forward with the project, Owner is then responsible for the issuance of a job order (which may be in the form of a purchase order) to the selected JOC Contractor.
 - ix. **Construction Management:** During construction, Owner's project managers will follow its standard internal policies and procedures for construction management and site inspections, including coordinating any required code inspections. When unforeseen conditions arise or Owner desires to change the Detailed Scope of Work, a supplemental Job Order is developed in the same manner as the original Job Order.
 - g) **On-Going Technical Support:** Gordian shall be responsible for providing extensive on-going technical support to the Owner during normal business hours, excluding holidays. On-going technical support shall include providing updated contract documents, assisting with the procurement of additional JOC Contractors, providing Owner with access to all applicable updates and revisions to the IMS, and providing training for new Owner staff and JOC Contractors during the term of the Agreement. Providing on-going technical support is considered a vital component to ensuring a successful Owner JOC program.
- 2. Optional Project Management Services:** On a project-by-project basis, Gordian shall provide project management services ("Project Management Services") to Owner, to be requested by Owner in its sole discretion. The project management services shall include the following:
- a) **Preconstruction:** Gordian's project manager will assist Owner in determining whether professional design services are required and conduct a pre-construction meeting with the Owner's representative(s), the JOC Contractor and, if applicable, the architect or engineer to review the basic project parameters and funding. Where design services are required, the project manager will work with the architects or engineers to coordinate necessary studies and design standards, and deliver plans and specifications that maximize the benefits of JOC for each Owner project. Next, the project manager will coordinate and share any preconstruction information with Owner, the JOC Contractor and other appropriate parties, and will assist in the coordination of the JOC Contractor obtaining the necessary permits.
 - b) **Site Visit:** During construction, Gordian's project manager will monitor the JOC Contractor's work in-progress, manage the JOC Contractor's compliance with the approved safety plan and complete a report for each site visit.
 - c) **Communication:** Gordian's project manager will provide weekly construction status reports to Owner, conduct project progress meetings with the JOC Contractor and staff on a periodic basis, and coordinate any required technical and code inspections.
 - d) **Supplemental Job Orders:** In the event there are unforeseen conditions or Owner requests changes to the Detailed Scope of Work after construction has begun, Gordian's project manager will analyze and process a supplemental Job Order by utilizing the procedures to develop the initial Job Order.
 - e) **Approvals:** Gordian's project manager will review and recommend for approval, or direct necessary revisions to, the JOC Contractor's applications for payment and obtain Owner's approval of the work. Final acceptance of the work will be the responsibility of Owner. Technical and code inspections will be the responsibility of the appropriate inspection agencies.

- f) **Project Close-out:** As the final step in the process, Gordian's project manager will enter all Job Order related information into the IMS and collect any required as-builts, warranties and OEMs from the JOC Contractor.

Council Agenda Bill

AB Number

AB25-056

Agenda Bill Information

Title*

Northwest Railway Museum Restroom Maintenance and Operations agreement

Action*

Motion

Council Agenda Section

Committee Report

Council Meeting Date*

04/28/2025

Staff Member

Jeff Hamlin

Department*

Public Works

Committee

Parks and Public Works

Committee Date

04/22/2025

Exhibits

Packet Attachments - if any

NRM Depot Restroom Agreement - Final.docx

30.26KB

Summary

Introduction*

Brief summary.

Agreement between the City of Snoqualmie and The Northwest Railway Museum for public restroom maintenance and operation.

Proposed Motion

Move to approve Agreement between the City of Snoqualmie and The Northwest Railway Museum for public restroom maintenance and operation.

Background/Overview*

What was done (legislative history, previous actions, ability to hyperlink)

The Depot building restroom owned by the Northwest Railway Museum (NRM) are maintained and operated by the City of Snoqualmie for public use. This agreement outlines the shared use, renovation requirements, and maintenance frequency and schedule.

Analysis*

This agreement formalizes and updates the maintenance and operations of the public use restroom located on NRM property which are expected to cost \$69,000 annually. This agreement also addresses needed minor repairs and upgrades to the restroom facilities for sustained future operation of the facilities. Most of the upgrades will be performed inhouse by Public Works staff at minimal cost of \$10,000.

Budgetary Status*

Funds have already been authorized in this year's budget.

Fiscal Impact

Amount of Expenditure	Amount Budgeted	Appropriation Requested
\$79,000.00	\$6,566,325.00	\$0.00

Budget Summary

Administration recommends approving the maintenance and operation agreement with the Northwest Railway Museum. The 2025-26 amended Budget appropriates \$6,566,325 for activities within the Parks and Streets Department (#001). Currently, \$831,134 has been spent in the 2025-26 biennium, with \$317,157 encumbered for contracts.

This contract is composed of several requirements from City resources. For the 2025-26 biennium, these amounts are estimated to be \$44,000 in regular staff salary and benefits, \$25,000 in overtime salary and benefits, and \$10,000 in repairs. The regular and overtime salary and benefit costs carry forward from the previous agreement. The estimated repairs represent an addition from the previous agreement. While all these costs are shown in the table below, the \$44,000 in regular City employee salary and benefits will be incurred regardless of this agreement.

With the addition of the staff labor and repairs associated with the agreement and totaling \$79,000, the remaining Biennial Budget appropriation is \$5,339,034 for the Parks & Streets Department (#001). Therefore, sufficient appropriation exists within the 2025-2026 Biennial Budget to fund the agreement.

Fiscal Impact Screenshot

AB25-056 Parks & Streets Department (#001)

	2025-26 Biennial Budget	
Beginning Budget	\$	6,566,325
Expenditures	\$	(831,134)
Outstanding Contract Value <i>(Previously Approved)</i>	\$	(317,157)
Current Available Budget	\$	5,418,034
Approximate Value of this Agreement <i>(AB25-056)</i>	\$	(79,000)
Available Budget after AB25-056	\$	5,339,034

**AGREEMENT BETWEEN THE CITY OF SNOQUALMIE AND NORTHWEST
RAILWAY MUSEUM FOR THE MAINTENANCE AND OPERATION OF PUBLIC
RESTROOMS IN SNOQUALMIE DEPOT**

THIS AGREEMENT is made this ____ day of _____, 2025, between the City of Snoqualmie ("the City") and Northwest Railway Museum ("NRM").

**I
RECITALS**

- A. The City is a municipal corporation of the State of Washington, organized and operating under the Optional Municipal Code, title 35A RCW.
- B. NRM is a non-profit corporation organized under the laws of the State of Washington.
- C. On October 8, 2007, the City and NWRM executed an agreement for the planning, construction, operation and maintenance of improvements to the restrooms in NWRM's Depot to function as public restrooms in the Downtown Historic District.
- D. Pursuant to the October 8, 2007 Agreement, the planning and construction phase of Public Restrooms was completed.
- E. The City and NRM find it in their mutual best interests to enter into a new agreement for the maintenance and operation of Public Restrooms in the Downtown Historic District at NRM's Depot to avoid the duplication of facilities and minimize the cost.

**II
AGREEMENT**

- 1. The City and NRM shall cooperate in the operation and maintenance of the restrooms in NRM's Depot to function as public restrooms in the Downtown Historic District.
- 2. NRM shall provide the City satisfactory documentation that it is an organization described in Section 501(c)(3) of the Internal Revenue Code prior to expenditure of City funds. The City may at any time and for any reason request updated documentation that NRM is an organization described in Section 501(c)(3) of the Internal Revenue Code.
- 3. The Public Restroom Facilities shall be owned by NRM, but shall be maintained, operated, and repaired by the City, including but not limited to opening, closing, cleaning, and security in accordance with the terms of this agreement. City personnel shall have a right of entry at all times for such purposes, except during times when NRM prohibits public access.

4. NRM shall always have a right of entry to the Public Restroom Facilities and shall be provided keys or security codes for such entry. The obligations of the City for the Public Restroom Facilities shall not extend to the Depot building or grounds but only to the Public Restroom Facilities within the Depot.
5. The Public Restroom Facilities shall have entrances on the exterior of the Depot and shall be clearly signed as "Public Restrooms." The Public Restroom Facilities shall be open every day between the hours of 8:00 a.m. and 6:00 p.m., or such other hours as the Parks Department shall establish based on seasonal considerations. The public shall always have a right of entry over NRM property for the purpose of access to the Public Restroom Facilities when the facility is open to the public.
6. In the event NWRM prohibits public access to the Public Restroom Facilities for a special event occurring at the Depot, NRM shall provide alternative sanitary portable restroom and handwashing facilities at its sole expense in Railroad Park. NRM shall be responsible for cleaning and securing portable restrooms and handwashing facilities at its sole expense in Railroad Park. Public access shall not be prohibited for more than ten (10) days in aggregate in any calendar year. During such times, NRM shall be responsible for providing restroom supplies and cleaning and maintenance of the Public Restroom Facilities.
7. The City shall keep the Public Restroom Facilities clean and well supplied at all times they are open to the public. The City shall clean, maintain and repair the Public Restroom Facilities to a similar standard as City-owned restrooms in City parks. Routine Maintenance and Operation of the Public Restrooms shall be performed in accordance with the attached schedule, Attachment A.
8. The City and NWRM wish to implement needed upgrades to the restroom facilities. Upgrades include adjustments and improvements to the existing facilities to support ongoing long-term operations and maintenance. The City and NWRM shall cooperate to implement the improvements as detailed on the attached "NWRM RESTROOM IMPROVEMENTS SCHEDULE", Attachment B.
9. NRM shall promptly notify the City of any damage and maintenance issues. Promptly notify is defined as e-mailing or telephone call no later than 24 hours after observing damage or maintenance issues.
10. The Public Restroom Facilities shall have separate water, sewer, electric, and garbage accounts, which shall be paid by the City.
11. NRM shall provide casualty (property) insurance for the Public Restroom Facilities, insuring the Public Restroom Facilities to their full replacement value against fire,

windstorm, or other casualty, as part of its insurance on the Depot building. The City shall provide liability insurance for the Public Restroom Facilities with limits of not less than three million dollars (\$3,000,000) per occurrence and six million dollars (\$6,000,000) aggregate. Both parties shall provide the other with evidence of such insurance, provided, evidence of the City's membership in the Washington Cities Insurance Authority self-insurance pool shall fulfill this requirement. Each party shall be solely responsible for any liability arising from the sole negligence of its officials, agents, and employees, and shall hold the other harmless therefrom.

12. In the event the Depot is damaged or destroyed by fire, windstorm, or other casualty and the Public Restroom Facilities are not available for public use, then NRM may at its option either apply the proceeds of its casualty insurance to rebuilding the Public Restroom Facilities or pay the proceeds attributable to the Public Restroom Facilities to the City, in which case this Agreement shall immediately terminate. The proceeds attributable to the Public Restroom Facilities shall be determined based on their depreciated value over a fifteen (15) year useful life.
13. The term of this agreement shall be five years from the date of signing this agreement and shall automatically renew thereafter for successive terms of five (5) years unless either party gives written notice of termination not less than ninety (90) days prior to the end of the initial term or any renewal thereof.
14. This Agreement expresses the entire understanding of the parties and may be amended only in a written agreement signed by both parties.
15. This Agreement shall be binding upon the parties, and their respective successors and assigns, and a memorandum of agreement shall be recorded in the King County Recorder's Office.

CITY OF SNOQUALAMIE

NORTHWEST RAILWAY MUSEUM

Richard R. Anderson, Executive Director

Katherine Ross, Mayor

Attest:

Deana Dean, City Clerk

Approved as to Form

Dena Burke, City Attorney

ATTACHMENT A
Snoqualmie Railroad Depot Public Restroom
MAINTENANCE ACTIVITIES & FREQUENCY

Task			
	Daily*	Weekly	Quarterly
Clean sinks	x		
Check & fill soap dispensers	x		
Sweep & mop floor	x		
Clean hand dryers		x	
Clean toilets & urinals	x		
Add waterless urinal solution		x	
Check/Empty sanitary waste containers	x		
Resupply toilet paper & toilet seat covers	x		
Clean exhaust fan housing		x	
Check/empty trash	x		
Clean mirrors	x		
Clean walls			x
Deep clean of restrooms			x

ATTACHMENT B

Snoqualmie Railroad Depot Public Restroom REPAIR & RENNOVATION ITEMS

Both sides of restroom (Men's & Women's)

- Replace (4) sink-mounted soap dispensers with more reliable units. (Contracted to others)
- Re-caulk sink edges (Snoqualmie Parks and Public Works)
- Re-caulk back of sink platform adjacent to walls (Snoqualmie Parks and Public Works)
- Re-caulk back of toilets adjacent to walls (Snoqualmie Parks and Public Works)
- Replace fluorescent lights with LED's (Snoqualmie Parks and Public Works)
- Replace (5) flushometer units on toilets with auto flush/manual option with lithium batteries (Snoqualmie Parks and Public Works)
- Remove (5) upper toilet seat cover dispenser in each restroom (Snoqualmie Parks and Public Works)
- Replace (5) lower toilet seat cover dispenser with stainless steel/more robust option (Snoqualmie Parks and Public Works)
- Check toilet paper dispensers in all toilet stalls meet ADA (Snoqualmie Parks and Public Works)
- Clean walls with magic eraser/other means, evaluate if they need repainting (Snoqualmie Parks and Public Works)

Men's Restroom

- Hot water elbow – repair/replace with Pex (Contracted to others)
- Re-varnish window frame behind sink (Contracted to others)
- Replace fabric bib over under-sink plumbing (Contracted to others)
- Replace existing waterless urinals with flush urinals – photo sensor/lithium battery with manual flush option (Contracted to others)

Women's Restroom

- Replace (2) damaged sanitary disposal units in toilet stalls (Contracted to others)
- Replace broken thermostat protector with robust housing (Contracted to others)
- Verify that the sink hot water valve operators in the women's restroom are not leaking (need the hot water repair to verify) and replace if necessary

Combined Entrance Way

- Install deadbolt/locking mechanism on left door to prevent it being propped open (Contracted to others)
- Replace broken swing-arm (Contracted to others)

Other

- Replace door lock controller (Ethernet-based device with programmable timer to operate existing electric magnet lock) with newer technology (work to be performed by Museum and reimbursed).
- Replace batteries in electric magnet door lock, and possibly add a UPS to extend useful operation after power failure to 24 hours.
- Consider replacing after hours exit feature with motion sensor to prevent visitors from being lock in after hours.