



Sudden Valley Community Association

360-734-6430

4 Clubhouse Circle Bellingham, WA 98229

www.suddenvalley.com

Board of Directors Regular Meeting

December 14th, 2023, 7:00 PM, IN-PERSON, DANCE BARN

Call to Order

Land Acknowledgement & Anti-Racism Statement

Roll Call

Item 1) Adoption of Agenda

Item 2) Consent Agenda

2a. Minutes - November 6, 2023

2b. Minutes – December 7, 2023

Item 3) Announcements

Item 4) Property Owner Comments – 15 Minutes Total

Please note that comments are limited to 3 minutes per person.

Item 5) Closed Session

5a. Legal – Pending Litigation

5b. Personnel – Contract Renewal

Item 6) Financial Report – September Financials

Item 7) Continuing Business

7a. Resolution to Rescind Policy 2017-08

7b. Committee Appointments

Item 8) New Business

8a Capital Request – Rekey of SVCA Facilities Change Order

8b. Capital Request – Additional Golf Cart Capital Lease

Adjournment



SUDDEN VALLEY BOARD OF DIRECTORS

Board Organizational Meeting

November 06, 2023

Minutes

DATE AND LOCATION: Monday, November 06, 2023, Dance Barn

CALLED TO ORDER AT: 7:01

AUDIENCE MEMBERS: Not Recorded

ATTENDING:

Staff Members: Jo Anne Jensen, General Manager

N&E Chair Rob Gibbs

Call to Order

Rob Gibbs, N&E Chair, called the meeting to order.

Roll Call:

1. Andrew Tischleder	4. Sam Shahan	7. Linda Bradley	10. Rob Gibbs
2. Stuart Mitchell	5. Keith McLean	8. Joshua Bowens	
3. Sonia Voldt	6. Laurie Robinson	9. Taimi Van de Polder	

Director Robinson attended via Zoom.

1. Adoption of Agenda

Motion to amend the agenda to add a closed session to number two and move Election of Officers to number three.

Motion By: Director Tischleder		Seconded By: Director Voldt	
Approved:	Not Approved: X	Tabled:	Died:
In Favor: 4	Against: 5	Abstained	

Motion to adopt original Agenda

Motion By: Director Van de Polder		Seconded By: Director Bradley	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: 5	Against: 4	Abstained	

2. Procedure vote

Motion: if no one has a preference move to vote by a show of hands.

Motion By: Director Van de Polder		Seconded By: Director Bradley	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous	Against:	Abstained	

3. Officer Nominations

a. President

Director Andrew Tischleder nominated by Director Bowens

Director Keith McLean nominated by Director Van de Polder

AJ Tischleder received 4 Votes.
Keith McLean received 5 votes.

Director McLean is President.

b. Vice President

Director Shahan was nominated by Director Bowens.
Director Van de Polder was nominated by Director Bradley.

Director Shahan received 4 Votes.
Director Van de Polder received 5 votes.

Director Van de Polder is Vice President

c. Treasurer

Director Voldt was nominated by Director Bowens.
Director Robinson was nominated by Director Van de Polder.

Director Voldt received 4 votes.
Director Robinson received 5 Votes.

Director Robinson is Treasurer.

d. Secretary

Director Bowens nominated Director Bradley.
There were no other nominees.

Director Bradley is Secretary.

Final Executive Committee Members

President	Keith McLean
Vice President	Taimi Van De Polder
Treasurer	Laurie Robinson
Secretary	Linda Bradley

Motion to Adjourn

Motion By: Keith McLean		Seconded By: N/A	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous	Against:	Abstained	

Meeting Adjourned

Approved by:

Linda Bradley, Board of Directors Secretary



REGULAR SESSION OF THE BOARD OF DIRECTORS

December 07, 2023

Minutes

DATE AND LOCATION: Thursday December 07, 2023, Dance Barn

CALLED TO ORDER AT: 7:07 pm.

AUDIENCE MEMBERS: Not Recorded

BOARD MEMBERS PRESENT:

1. Keith McLean	2. Taimi Van De Polder	3. Laurie Robinson	4. Linda Bradley
5. Stu Mitchell	6. Sam Shahan	7. AJ Tischleder- Excused	8. Sonia Voldt- Excused
9. Joshua Bowens- Absent	10. Rob Gibbs	11. Daniel Rodriguez	

ATTENDING:

Staff Members: Jo Anne Jensen, General Manager, Kyle Kaltenbach, CFO.

Guest Presenters: Rich Davis, John Berg, Andrew Rutherford

Call to Order

President McLean Called the meeting to order at 7.07PM. Land Acknowledgement and Anti-Racism Statement.

1. President Moves to Adopt the Agenda.

Motion By: Director Bradley		Seconded By: Director Van De Polder	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous	Against:	Abstained	

2. Announcements

3. Property Owner Comments

4. Consent Agenda

2a. Minutes - November 2, 2023

2b. Minutes - November 4, 2023 (AGM)

2c. Minutes - November 6, 2023- withdrawn for correction

2d. Minutes - November 16, 2023

Motion to approve minutes 2a., 2b., 2d.

Motion By: Director Van De Polder		Seconded By: Director Bradley	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous	Against:	Abstained	

5. Board Orientation Presentations from legal counsel, parliamentarian and insurance agent completed.

6. Committee Member Appointments:

- a. Document Review Committee
Member for appointment, Jean Maixner.

Motion By: Director Bradley		Seconded By:	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous	Against:	Abstained	

- b. N& E Committee
Appointments Ray Meador and Karen Borchert
- c. Finance Committee
Members for appointment: Karen Borchert, Rob Gibbs, Mary Quinn, Heather Goodman and Mitch Waterman.

Director Shahan opposed to Mitch Waterman

Motion By: Director McLean		Seconded By:	
Approved:	Not Approved: X	Tabled:	Died:
In Favor: 4	Against : 1	Abstained	

Move to appoint Finance members Karen Borchert, Mary Quinn, Rob Gibbs and Heath Goodman.

Motion By: Director McLean		Seconded By:	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: 4	Against:	Abstained: 1	

Adjourned 9:31PM

Approved by: _____
Linda Bradley, Board of Directors Secretary

Sudden Valley Community Association

Sudden Valley Community Association
Balance Sheet
September 30, 2023 and December 31, 2022

	Unaudited** Sep 30, 2023	See Note** Dec 31, 2022	Inc / (Dec)
OPERATIONS			
Current Assets			
Operating Cash	\$ 748,929	\$ 490,351	\$ 258,578
Building Completion Deposit Fund	543,260	492,620	50,640
Member Receivables - Operations*	-	46,750	(46,750)
Other Receivables	17,548	8,288	9,260
Prepaid Expenses	105,924	81,738	24,186
Operating Lease ROU Assets	6,653	11,441	(4,788)
Inventory	6,819	6,200	619
Total Current Assets	1,429,133	1,137,388	291,745
Current Liabilities			
Accounts Payable	(121,647)	(243,246)	121,599
Accrued Vacation Liability	(76,529)	(61,576)	(14,953)
Accrued Payroll	-	(54,127)	54,127
Prepaid Assessments	(260,942)	(181,106)	(79,836)
Building Completion Deposits	(543,260)	(492,620)	(50,640)
Other Refundable Deposits	(5,396)	(4,916)	(480)
Operating Lease Liability	(6,653)	(11,441)	4,788
Prepaid Golf Memberships	-	(153,151)	153,151
Total Current Liabilities	(1,014,427)	(1,202,183)	187,756
Operating Reserve Funds			
Emergency Operating Cash	361,842	361,096	746
Undesignated Reserves Cash	299,546	223,385	76,161
Total Operating Reserve Funds	661,388	584,481	76,907
Net Operating Assets	\$ 1,076,094	\$ 519,686	\$ 556,408
CAPITAL			
Capital Current Assets			
CRRRF (Capital Repair & Replacement) Cash Fund	3,594,744	3,236,221	358,523
Roads Reserve Cash Fund	2,039,283	2,560,947	(521,664)
Board Density Reduction Cash Fund	87,634	87,552	82
Mailbox Cash Fund	119,955	101,061	18,894
CRRRF Capital Reserve Holding Cash	211,915	262,193	(50,278)
Mitigation Assignment of Savings Cash	49,645	44,545	5,100
LWWSD Assignment of Savings Cash	101,611	9,076	92,535
Member Receivables - Capital**	-	19,262	(19,262)
Total Capital Current Assets	6,204,787	6,320,857	(116,070)
Capital Fixed Assets			
Fixed Assets	15,112,016	14,110,234	1,001,782
Finance ROU Assets	155,914	214,266	(58,352)
Lots Held for Sale	228,041	228,041	-
Total Capital Assets	15,495,971	14,552,541	943,430
Long Term Liabilities			
CRRRF Loan 2022	(1,856,324)	(2,049,012)	192,688
Finance Leases	(121,779)	(166,357)	44,578
Total Long Term Liabilities	(1,978,103)	(2,215,369)	237,266
NET ASSETS	\$ 20,798,749	\$ 19,177,715	\$1,621,034
MEMBER EQUITY			
Member Equity			
Current Year Net Income: Operations	696,991	(115,714)	812,705
Current Year Net Income: Rec Special Assmt	(122,761)	(2,572)	(120,189)
Net Transfers Out from Operations to Capital	-	(482,660)	482,660
Current Year Net Income: Capital**	1,097,530	1,567,594	(470,064)
Net Transfers Into Capital from Operations	-	482,660	482,660
Retained Earnings**	4,950,121	5,068,407	(118,286)
Capital**	14,176,868	12,660,000	1,516,868
TOTAL MEMBER EQUITY	\$ 20,798,749	\$19,177,715	\$1,621,034

* The Association's internal policy is to write off any member receivables that are 30 days past due as bad debts for internal financial statement purposes. As per SVCA policy, Management continues to pursue collection of these receivables via all avenues allowed by Washington State laws. In addition, the Association records and bills finance charges on receivables that are thirty days past due at 1% per month. At September 30, 2023, and December 31, 2022, the balances of receivables written off were \$706,623 and \$599,478, respectively.

** Beginning with the 2020 year end audited financial statements, Accounting Standards Codification (ASC) 606 requires issued audited financial statements to reclassify unspent capital dues revenue, including related capital transfer fee collections, as a contract liability balance (unearned revenue), which is then reversed out in future years when capital dues/capital transfer fee collections are actually expended on capital related expenditures. This particular accounting standard change is only incorporated into the issued audited financial statements and is not factored into SVCA's internal monthly statements as it would obscure the reality of monthly capital dues/capital transfer fee revenues collected for internal monthly presentation purposes. See SVCA's 2020, 2021, and 2022 audited financial statements (2022 represents the most recently issued audited statements), which fully incorporates ASC 606 and complies with Generally Accepted Accounting Principals (GAAP).

Sudden Valley Community Association

Sudden Valley Community Association
Income Statement Summary

UNAUDITED	Current Month - September 2023			Year to Date - 9 Months Ending 9/30/2023			
	Operations & Operating Reserves	Operations Better / (Worse) Budget	Capital Reserves**	Operations & Operating Reserves	Operations Better / (Worse) Budget	Coll %	Capital Reserves**
REVENUE							
Current Year Dues & Assessments Income							
Dues & Assessments Income	209,347		230,770	1,736,536			2,078,258
Bad Debt Reserve	(6,263)		(6,373)	(42,850)			(41,227)
Net Current Year Assessment Income	203,084	4,566	224,397	1,693,686	47,596	97.5%	2,037,031
Special Ops Assmt Income- Rec/ Pools/ Parks							
Dues & Assessments Income	-			182,163			
Bad Debt Reserve	40			1,494			
Net Special Ops Assmt Income	40	40		183,657	11,287		
Bad Debt Recoveries - Prior Years			544				32,290
Golf Income	174,640	33,605	-	1,334,265	301,146		-
Marina Income	-	-	-	182,329	19,251		-
Rec Center & Pools Income	2,432	(3,038)	-	22,828	(2,755)		-
Legal & Collections Income	-	-	-	-	-		-
Other Income	14,558	7,725	-	111,663	45,607		1
Rental Income - Other	371	(396)	-	12,610	7,710		-
Area Z Rental Income	(8)	(2,008)	-	16,884	(1,116)		-
Lease Income	4,019	515	-	35,373	3,840		-
New Home Construction Fees	-	-	-	54,670	(20,330)		500
Capital Gain (Loss) on Sale of Assets	-	-	-	-	-		-
Investment Income	736	648	3,877	2,861	2,073		21,238
Total Revenue	399,872	41,657	228,818	3,650,826	414,309		2,091,060
EXPENSES							
Salaries & Benefits	253,148	(8,781)	-	1,517,631	233,956		-
Contracted & Professional Services	28,539	(13,963)	-	220,550	(102,717)		-
CC&Rs/ Mandates	48,734	(12,302)	-	357,843	(92,785)		-
Maintenance & Landscaping	34,229	(8,335)	-	323,800	4,509		-
Utilities	9,236	3,113	-	150,714	(13,119)		-
Administrative	23,185	(13,797)	-	156,809	(37,965)		-
Regulatory Compliance	61,312	(16,308)	240	201,272	(47,506)		240
Insurance Premiums	15,809	(2,632)	-	131,243	(12,649)		-
Other Expenses	-	83	-	-	750		-
Depreciation Expense	-	-	98,557	-	-		911,273
Interest expense	-	-	6,604	-	-		62,755
Total Expenses	474,192	(72,922)	105,401	3,059,862	(67,526)		974,268
Net Income (Loss)	(74,320)	(31,265)	123,417	590,964	346,783		1,116,792
Net UDR Activity for Operations							
Firewise	-			(23,677)			
Hazardous Tree Removal	-			-			
Net Income (Loss) with Board Approved UDR	(74,320)	(31,265)	123,417	567,287	346,783		1,116,792
Other Activity							
Net Other UDR Activity*	3,536			68,646			
AR Accrual - Prior Year Reversal	-		-	(46,750)			(19,262)
AR Accrual - Current Year	-		-	-			-
Vacation Liability Accrual	6,467			(14,953)			
Total Other Activity	10,003		-	6,943			(19,262)
Grand Total Activity	(64,317)	(31,265)	123,417	574,230	346,783		1,097,530

*Prior year recoveries for operations are deposited into the Undesignated Reserve Account (UDR).

**Refer to the last footnote on the Balance Sheet (prior page) for a discussion of Accounting Standards Codification (ASC) 606 and capital dues revenue collections.

Sudden Valley Community Association

Sudden Valley Community Association
Reserve Cash Balance & Activity
 9 Months Actual, 3 Months Projected

UNAUDITED

	Capital Reserve Funds						Operating Reserve Funds			
	CRRRF	Roads	CRRRF Capital Reserve Holding Cash	Board Density Reduction	Mailbox	Mitigation Assignment of Savings*	Total Capital Reserve Funds	Emergency Ops	UDR	Total Operating Reserve Funds
Net Available Cash 12/31/2022	3,236,221	2,560,947	262,193	87,552	101,061	53,621	\$ 6,301,595	361,096	223,385	\$ 584,481
Dues Received	1,003,296	1,035,045		1	18,666		2,057,008	-	87,844	87,844
Storm Water Mitigation Plan Fee		500					500			-
Investment Income	11,632	8,748	448	81	228	100	21,238	746	560	1,306
Sale of Assets	-			-			-			-
Mitigation Assignment	(5,000)	(92,535)				97,535	-			-
2023 Expenditures	(651,405)	(1,473,422)	(50,726)	-	-		(2,175,553)		(12,243)	(12,243)
Net Available Cash at 9/30/2023	3,594,744	2,039,283	211,915	87,634	119,955	151,256	\$ 6,204,787	361,842	299,546	\$ 661,388
3 Month Outlook										
Outlook - 2023 Dues (95% collections)	321,414	330,582			5,964		\$ 657,960			\$ -
Outlook - Prior Year Collections	5,096	5,241		5	95		10,437		8,885	8,885
CRRRF Loan Payments for year 2023	(83,260)						(83,260)			-
Obligated Expenses\Holdings	(1,543,818)	(423,270)	(211,915)			(151,256)	(2,330,259)		(15,160)	(15,160)
Net Usable Cash Balance 12/31/2023	2,294,176	1,951,837	-	87,639	126,013	-	\$ 4,459,665	361,842	293,271	\$ 655,113
Board Recommended Carryover Balance	(600,000)	(500,000)					\$ (1,100,000)			\$ -
Net Usable Cash 12/31/2023, After Recommendation	\$ 1,694,176	\$ 1,451,837	\$ -	\$ 87,639	\$ 126,013	\$ -	\$ 3,359,665	\$ 361,842	\$ 293,271	\$ 655,113
Net Current Year Cash Increase (Decrease)	(942,045)	(609,110)	(262,193)	87	24,952	(53,621)	\$ (1,841,930)	746	69,886	\$ 70,632

*Note, when mitigation period has ended, unspent funds will be returned to the source account, Roads and CRRRF.

Sudden Valley Community Association

Sudden Valley Community Association
 Operations - By Department
 September 1, 2023 to September 30, 2023
 CURRENT MONTH

Whole \$

UNAUDITED	Actual Revenue	Revenue B / (W)	Actual Salary Benefits	Salary & Benefits B / (W)	Actual Other Expense *	Other Exp B / (W)*	Net Income / (Loss) *	Net B / (W)*
Department								
ACC / Security	3	(165)	-	10,078	45,247	(18,830)	(45,244)	(8,917)
Accounting	2,692	(908)	38,635	(915)	18,623	(8,029)	(54,566)	(9,852)
Administration	51	(91)	46,310	7,764	29,274	(13,349)	(75,533)	(5,676)
Common Costs	12,434	9,513	-	-	66,566	(13,819)	(54,132)	(4,306)
Facilities	2,912	(1,840)	-	5,286	14,372	(4,984)	(11,460)	(1,538)
Maintenance	-	(83)	42,446	(14,078)	9,851	(3,317)	(52,297)	(17,478)
Subtotal	18,092	6,426	127,391	8,135	183,933	(62,328)	(293,232)	(47,767)
Golf	174,640	33,605	96,686	(19,495)	26,646	(4,364)	51,308	9,746
Marina	100	100	-	-	493	687	(393)	787
Subtotal	192,832	40,131	224,077	(11,360)	211,072	(66,005)	(242,317)	(37,234)
Rec/ Pools/ Parks								
Special Assmt Earned	-						-	
Curr Yr Bad Debts Activity	40						40	
Net Special Assmt Dues	40	40					40	40
Rec/ Pools/ Parks	3,919	(3,078)	29,071	2,579	9,975	1,862	(35,127)	1,363
Subtotal Rec/ Pools/ Parks	3,959	(3,038)	29,071	2,579	9,975	1,862	(35,087)	1,403
Subtotal Operations before Ops Dues	196,791	37,093	253,148	(8,781)	221,047	(64,143)	(277,404)	(35,831)
Ops Dues Earned	209,347						209,347	
Curr Yr Bad Debts Activity	(6,263)						(6,263)	
Net Ops Dues	203,084	4,566					203,084	4,566
Net Operations	399,875	41,659	253,148	(8,781)	221,047	(64,143)	(74,320)	(31,265)
Net BOD Approved UDR Activity for Operations								
Firewise	-		-		-		-	
Hazardous Tree Removal	-		-		-		-	
Net Operations with Board Approved UDR	399,875	41,659	253,148	(8,781)	221,047	(64,143)	(74,320)	(31,265)
Other Operating Activity								
UDR Activity	3,788				252		3,536	
AR Accrual - Prior Year Reversal	-				-		-	
AR Accrual - Current Year	-				-		-	
Vacation Liability Accrual	-				(6,467)		6,467	
Total Other Operating Activity	3,788				(6,215)		10,003	
Grand Total Operations Activity	403,663	41,659	253,148	(8,781)	214,832	(64,143)	(64,317)	(31,265)

* Excludes Depreciation
 B / (W) = Better / (Worse) Than Budget

Sudden Valley Community Association

Sudden Valley Community Association
 Operations - By Department
 January 1, 2023 to September 30, 2023
 YEAR TO DATE

Whole \$

<u>UNAUDITED</u>								
<u>Department</u>	<u>Actual Revenue</u>	<u>Revenue B / (W)</u>	<u>Actual Salary Benefits</u>	<u>Salary & Benefits B / (W)</u>	<u>Actual Other Expense *</u>	<u>Other Exp B / (W)*</u>	<u>Net Income / (Loss) *</u>	<u>Net B / (W)*</u>
ACC / Security	60,577	(16,673)	-	68,890	339,555	(102,114)	(278,978)	(49,897)
Accounting	21,834	(10,566)	249,845	318	69,130	(21,775)	(297,141)	(32,023)
Administration	7,435	6,160	233,496	123,770	147,662	(64,451)	(373,723)	65,479
Common Costs	72,987	46,699	-	-	319,315	(50,398)	(246,328)	(3,699)
Facilities	43,257	489	7,364	27,710	142,864	(16,936)	(106,971)	11,263
Maintenance	-	(750)	214,733	(14,418)	67,949	26,956	(282,682)	11,788
Subtotal	206,090	25,359	705,438	206,270	1,086,475	(228,718)	(1,585,823)	2,911
Golf	1,334,265	301,146	587,975	10,620	319,584	(57,856)	426,706	253,910
Marina	188,675	21,791	(1)	1	9,520	7,189	179,156	28,981
Subtotal	1,729,030	348,296	1,293,412	216,891	1,415,579	(279,385)	(979,961)	285,802
Rec/ Pools/ Parks								
Special Assmt Earned	182,163						182,163	
Curr Yr Bad Debts Activity	1,494						1,494	
Net Special Assmt Dues	183,657	11,287					183,657	11,287
Rec/ Pools/ Parks	44,454	7,131	224,219	17,065	126,653	(22,098)	(306,418)	2,098
Subtotal Rec/ Pools/ Parks	228,111	18,418	224,219	17,065	126,653	(22,098)	(122,761)	13,385
Subtotal Operations before Ops Dues	1,957,141	366,714	1,517,631	233,956	1,542,232	(301,483)	(1,102,722)	299,187
Ops Dues Earned	1,736,536						1,736,536	
Curr Yr Bad Debts Activity	(42,850)						(42,850)	
Net Ops Dues	1,693,686	47,596					1,693,686	47,596
Net Operations	3,650,827	414,310	1,517,631	233,956	1,542,232	(301,483)	590,964	346,783
Net BOD Approved UDR Activity for Operations								
Firewise	-		-		23,677		(23,677)	
Hazardous Tree Removal	-		-		-		-	
Net Operations with Board Approved UDR	3,650,827	414,310	1,517,631	233,956	1,565,909	(301,483)	567,287	346,783
Other Operating Activity								
UDR Activity	76,528				7,882		68,646	
AR Accrual - Prior Year Reversal	(46,750)				-		(46,750)	
AR Accrual - Current Year	-				-		-	
Vacation Liability Accrual	-				14,953		(14,953)	
Total Other Operating Activity	29,778				22,835		6,943	
Grand Total Operations Activity	3,680,605	414,310	1,517,631	233,956	1,588,744	(301,483)	574,230	346,783

* Excludes Depreciation
 B / (W) = Better / (Worse) Than Budget

Sudden Valley Community Association

SUDDEN VALLEY COMMUNITY ASSOCIATION - LOTS & DUES ANALYSIS 2023

	SVCA Owned Lots																											LLE & CTB	Dues Exempt	Total Non-Billable Lots	Total All Lots			
	Actual Year Prepaid			Actual Current			Actual 1 Mth Due		Actual 2 Mth Due		Actual 3 Mth Due		Actual 4+ Mth Due		Pmt Plans		Total Prepaid & Current			Total Not Current			Total Billable Lots			Restricted								
	Vac	Dev	Total	Vac	Dev	Total	Vac	Dev	Vac	Dev	Vac	Dev	Vac	Dev	Vac	Dev	Total	Vac	Dev	Total	Vac	Dev	Total	Vac	Dev	Total	Perm					WD10	Avail.	Total
Jan	18	37	55	322	2,520	2,842	20	96	6	23	3	9	16	29	3	20	340	2,557	2,897	48	177	225	388	2,734	3,122	774	3	0	777	734	8	1,519	4,641	
Feb	22	38	60	310	2,483	2,793	27	130	7	24	3	10	17	30	2	19	332	2,521	2,853	56	213	269	388	2,734	3,122	774	3	0	777	734	8	1,519	4,641	
Mar	25	68	93	308	2,513	2,821	22	77	10	19	6	9	16	28	1	20	333	2,581	2,914	55	153	208	388	2,734	3,122	774	3	0	777	734	8	1,519	4,641	
Apr	26	72	98	312	2,484	2,796	24	105	3	16	2	8	19	34	1	16	338	2,556	2,894	49	179	228	387	2,735	3,122	774	3	0	777	734	8	1,519	4,641	
May	28	110	138	309	2,485	2,794	16	71	10	16	2	6	17	34	1	17	337	2,595	2,932	46	144	190	383	2,739	3,122	774	3	0	777	734	8	1,519	4,641	
Jun	32	138	170	309	2,477	2,786	18	60	3	8	1	6	18	35	1	15	341	2,615	2,956	41	124	165	382	2,739	3,121	774	3	0	777	735	8	1,520	4,641	
Jul	32	149	181	309	2,450	2,759	13	70	7	19	2	5	18	31	1	15	341	2,599	2,940	41	140	181	382	2,739	3,121	774	3	0	777	735	8	1,520	4,641	
Aug	34	165	199	303	2,446	2,749	14	61	8	18	7	7	15	30	1	12	337	2,611	2,948	45	128	173	382	2,739	3,121	774	3	0	777	735	8	1,520	4,641	
Sep	38	202	240	299	2,389	2,688	18	76	2	17	1	7	23	36	1	12	337	2,591	2,928	45	148	193	382	2,739	3,121	774	3	0	777	735	8	1,520	4,641	
Oct	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nov	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dec	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

LLE = Lot Line Eraser
 CTB = Covenant to Bind

RESOLUTION TO RESCIND POLICY NO. 2017-08

The existing policy No. 2017-08 needs to be rescinded as it does not meet the newly adopted state requirements.

At the September 14, 2023 Board meeting the Board approved a new Records & Procedure Policy that conforms to newly amended state law. On July 23rd, 2023, RCW 64.38.045 and RCW 24.03.215A were amended. This new legislation specifically defines what records the Association must retain, how long those records should be retained, and how the Association must make records available to Members who wish to view them. The legislation also defines the responsibilities of the Association regarding when and where the records should be made available for members to view and which data elements must be redacted before records are made available to members, as well as allowing the Association to charge a reasonable fee for producing and providing copies of records and supervising the member’s inspection of those records.

The new policy needs to be added to the Policy List as No. 2023-01 and the list reflects the earlier policy is rescinded.

Motion

Move that the Board of Directors rescind Policy No. 2017-08 the Records & Procedure Policy and update the Policy List with the new policy.

Board of Directors Approval

Approved: _____ Not Approved: _____ SVCA Board of Directors



Sudden Valley Community Association

360-734-6430

4 Clubhouse Circle Bellingham, WA 98229

www.suddenvalley.com

CAPITAL REQUEST MEMO

To: Sudden Valley Community Association Board of Directors
From: Mike Brock, Maintenance & Facilities Manager
Date: December 14, 2023
Subject: Capital Request/Change Order – SVCA Facilities Rekey Project 9722.05

Purpose

To request a change order to capital project 9722.05 to rekey door locks on all SVCA facilities.

Background

On June 7th, 2022, a capital request was approved to allocate up to \$25,000 for A-1 Mobile Lock & Key to replace door locks on SVCA facilities. Due to staff turnover and other priorities, this project was delayed and remains incomplete.

Analysis

The scope of the original project proposed in 2022 remains the same; rekey all SVCA locks. Attached is the 2022 capital request for reference. The project will consist of replacing 130 key cylinders, providing 11 new keyed doorknobs, and other needed components. A recent survey has been completed, and a vendor has been identified (Accurate Lock & Security) that can complete the project for approximately the same dollar amount that was quoted in 2022. However, the original request did not account for sales tax, and it is anticipated that an additional 10 padlocks, plus spares, will be needed that were not identified in the survey.

Proposal

Attached is Accurate Lock & Security's quote. Based on this proposal, we are requesting the following funds:

- \$25,000.00 – Replacement of locks identified per quote.
- \$1,500.00 – Allowance for SVCA to purchase additional padlocks.
- \$2,500.00 – 10% contingency to cover damage to existing hardware not known until locks are taken apart to replace cores.
- \$2,494.00 – WSST @ 8.6%.
- \$31,494.00 – Total

The original project request authorized \$25,000.00 for this project. Based on the breakdown above to account for WSST not included in 2022, damaged hardware allowance, and padlock purchases, a change order funding increase of \$6,494.00 is requested.

Request 1

Request additional funding from CRRRF for SVCA Capital Code 9722.05 in the amount of \$6,494.00.



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Request 2

Authorize the General Manager to execute a contract with Accurate Lock & Security using SVCA's standard construction contract that is attached. The contract will be issued for \$25,000.00 per the budgetary estimate provided in the quote, plus WSST at 8.6% for a total of \$27,150.00. The Maintenance & Facilities Manager will be responsible for any change orders with Accurate Lock & Security up to the balance of additional funds requested, \$4,344.00 (\$31,494.00 - \$27,150.00).

Motion 1

Move that the SVCA Board of Directors approves the allocation of an additional \$6,494.00 from CRRRF to Capital Code 9722.05 for rekeying SVCA's facilities.

Motion 2

Move that the SVCA Board of Directors authorize the General Manager to execute a contract with Accurate Lock & Security in the amount of \$27,150.00 using SVCA's standard construction contract, and that the Maintenance & Facilities Manager be approved to administer change order funds up to \$4,344.00.

Board of Directors Approval 1

Approved: _____ Not Approved: _____

Board of Directors Approval 2

Approved: _____ Not Approved: _____



(360) 733-2020

200 Prospect Street
Bellingham WA 98225

www accuratelock.net

Fax (360) 734-8765

November 3, 2023
Sudden Valley Community Association
Project: Rekey and upgrade the locks on all association buildings
Attn. Mike Brock

PROPOSAL:

SCOPE OF WORK SUMMARY:

- 1) Use Medeco's Keymark system to replace the existing key cylinders and some locks. Keymark provides key control with only 1 authorized person able to pick up keys with a patented key system and assigned keyways from the factory. I've included 75 keys cut as to be directed.
- 2) I've included key cylinders for the following lock types, 44 key in knob type, 28 key in lever type, 49 mortise cylinders, 9 Exit device cylinders, 5 Large interchangeable cores, 3 deadbolt conversion cylinders, 4 padlocks, 1 Schlage heavy deadbolt and 11 keyed knobs for the Welcome Center.
- 3) I'm anticipating additional locks or work required so an budgetary estimate range is provided.

Budgetary Estimate: \$24,000 to \$25,000 plus sales tax

NOTE: Deposit required on approval is \$6,000.00

After order, changes will only be made by signed change order and may change total price. Cancellation of order subject to re-stocking fees and charges for work in progress.

Terms to be net 30 days from invoice. Work to be invoiced the day it is performed and product not installed to be billed monthly. Finance charges on unpaid balances are 1.5% per month with a minimum of \$35.00 per month. **Payment by credit card subject to processing fees of 2.0%.**

All material is guaranteed to be as specified. Any alteration or deviation from the specifications involving extra costs will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents, or delays beyond our control.

This proposal is good until December 20, 2023.

Authorized

Signature: Larry A. Nicholas, CPL.

Acceptance of Proposal: The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to proceed with the work as specified. Payment will be made as outlined above.

Authorized

Signature: _____ Date: _____



Sudden Valley Community Association

360-734-6430

4 Clubhouse Circle Bellingham, WA 98229

www.suddenvalley.com

BOARD OF DIRECTORS MEMO

To: Sudden Valley Community Association Board of Directors

From: Rich Johnson, Operations Manager

Date: June 7, 2022

Subject: A-1 Mobile Lock & Key Rekey Campus contract.

Background/Analysis

No Formal Key custody control program exists at SVCA, and numerous entryways need service. Additionally, intrusions have been made on the clubhouse premises, one of which warranting a call to local authorities to escort the individual off SVCA grounds. No key hierarchy is established between giving employees limited access or full access.

Recommendation

It is recommended that the board approve \$25, 000.00 dollars to cover the A-1 Mobile Lock & Key Rekey Campus contract as written with an additional funding for areas not identified in initial survey.

Timeline and Funding

If approved A-1 Mobile Lock & Key will schedule work upon formal approval of contract. Total Funding requested is \$25,000.00 dollars to cover the contract \$22,492.75 plus and additional \$2,507.25 to potentially cover any non-surveyed areas.

Staff Contact

Should you have any questions or comments please contact Rich Johnson at the earliest opportunity: via email at rich.johnson@suddenvalley.com

Motion

Move that the Board of Directors approve the A-1 Mobile Lock & Key Rekey Campus as proposed.

Board of Directors Approval: Approved: _____ Not Approved: _____ SVCA Board of Directors

CONSTRUCTION CONTRACT

This Construction Contract, including all appendices, (the "Contract") is made and entered into by and between Owner and Contractor on the date of the last signature below for the construction of the project described below.

OWNER

Owner's Name	Sudden Valley Community Association
Address	ATTN: General Manager 4 Clubhouse Circle Bellingham, WA 98229
Telephone Number	(360) 734-6490

CONTRACTOR

Contractor's Name	
Address	
Telephone Number	
Contractor's Authorized Representative	
Federal Identification Number	
Registration Number	
Washington UBI Number	

For and in consideration of the Contract Price noted below, subject to the terms and conditions contained herein, Contractor agrees to perform the following work (the "Work") in a timely and workmanlike manner, including supplying all necessary supervision, materials, equipment, supplies, and skilled and sufficient workforce to fully, completely, and faithfully comply with all the terms and conditions of this Contract.

1. **PROJECT.** The Project is described as follows:

Project Name: _____

Project Location: _____

2. WORK. The Contractor agrees to perform the following Work in accordance with all applicable laws, codes, and industry standards to construct the Project as follows:

(Insert and list above a precise description of the Work covered by this Subcontract, referring to the numbers of drawings and pages and/or sections of specifications including any applicable addenda and/or alternates, etc.)

3. CONTRACT DOCUMENTS. In addition to this Contract and the enclosed Standard Contract General Conditions, the Contract Documents for this Contract consist of:

Description of Document	Date

Any conflicting provisions in the Construction Documents shall be interpreted harmoniously if possible or, in the event they cannot be reconciled, then they shall be interpreted in the manner most favorable to the Owner, and the interpretation shall be governed in the following priority:

- i. This Contract;
- ii. Any drawings and/or specifications provided by the Owner;
- iii. Any Change Orders executed by and between the Owner and Contractor after execution of this Contract; and
- iv. The Contractor's Proposal.

4. CONTRACT PRICE. The Owner shall pay the Contractor \$_____, plus Washington State sales tax, for all Work completed in conformance with this Contract and the Construction Documents.

5. TIME OF PERFORMANCE. The Contractor shall commence construction no later than _____ (the "Commencement Date"), and Contractor shall complete all Work within ____ days of the Commencement Date (the "Contract Time"). The parties agree that time is of the essence of this Contract and the Owner will suffer damage and be put to additional expenses in the event that the Contractor does not have the Work substantially complete by the end of the Contract Time.

(CHECK IF APPLICABLE) Because it is difficult to accurately compute the amount of such costs and damages, the Contractor hereby covenants and agrees to pay to the Owner liquidated damages of \$____ per day for each day that expires after the time set forth above, which the Contractor and Owner agree reasonably approximates Owner's actual damages.

6. INSURANCE. Contractor shall purchase and maintain insurance in the following amounts on a per occurrence and aggregate basis naming the Owner as an additional insured by endorsement. All such insurance shall be primary to any coverage carried by Owner. Contractor shall provide Owner evidence of such coverage prior to commencing the Work.

	Per Occurrence Coverage	Aggregate Coverage
General Commercial Liability	\$1,000,000	\$2,000,000
Automobile Liability	\$250,000 or such higher amount as Contractor currently carries	NA

7. **GENERAL CONDITIONS.** The Standard Contract General Conditions (the "General Conditions") are attached hereto are incorporated herein by this reference.

8. **REPRESENTATIONS.** The Owner and the Contractor represent and warrant that the following statements are true and accurate:

THIS CONTRACT CONTAINS AN INDEMNIFICATION OF CERTAIN LIABILITIES AND A WAIVER OF CONTRACTOR'S TITLE 51 RCW IMMUNITY.

IN WITNESS WHEREOF, Owner and Contractor have executed this Contract, effective the date of the last authorized signature below.

OWNER:

CONTRACTOR:

SUDDEN VALLEY COMMUNITY
ASSOCIATION

Date: _____

By: _____

Its: _____

Date: _____

STANDARD CONTRACT GENERAL CONDITIONS

- A. Subcontractors and Lien Releases.** Contractor shall, upon request of Owner, provide a list of all subcontractors and suppliers of Contractor. Owner may request partial lien releases for all partial payments and a final lien release for the final payment to each subcontractor.
- B. Scheduling.** Owner shall give Contractor advance notice of anticipated starting date for Contract Work. Contractor shall start Work on the date agreed to by Owner and Contractor and shall complete the several portions and the whole of the Work herein described at such times as reasonably specified by the Owner in order to allow Owner to timely complete the Project. Contractor shall cooperate with Owner and other contractors hired by Owner to coordinate Work with other Contractors.
- C. Payment.** Contractor shall receive progress payments on a monthly basis for Work approved by Owner and all materials to be used on the Project which have been stored on site by Contractor. Contractor shall make applications for payment on a monthly basis by submitting a bill by the _____ day of the month (the fifth (5th) day of the month if not so stated). Applications for payment submitted by the Contractor shall indicate the percentage of completion of each portion of the Contractor's Work as of the end of the period covered by the application for payment. Contractor shall be paid for Work completed to date from Owner's last progress billing date. Owner shall withhold 5% retention from each progress payment. Retainage shall be paid within ___ days after the latest of the following: (i) Owner's approval of completion of the Work, (ii) close out of all paperwork required herein and (iii) receipt of required lien releases.

The Owner shall pay the approved amounts within _____ days (thirty (30) days if not so stated) of the date on which the application for payment is received.

Final payment for Work under this Contract shall be made within _____ days (thirty (30) days if not so stated) after Owner has approved the completion of the Work and Contractor has fulfilled each of its obligations under this Contract. As a prerequisite for any payment, Contractor shall provide, in a form satisfactory to Owner, partial lien releases, claim waivers and affidavits of payment from Contractor and its lower-tier subcontractors and suppliers of any tier, for the completed portions of Contractor's Work. Before issuance of the final payment, the Contractor shall submit evidence satisfactory to Owner that all payrolls, bills for materials and equipment, and all known indebtedness connected with the Contractor's Work have been satisfied. Contractor shall provide Owner with a signed lien release before receiving final payment.

Contractor shall be entitled to payment by Owner of all undisputed amounts. In the event that the Owner disputes an amount, the Owner may withhold fifty percent (50%) of the disputed amount. Owner shall provide a written explanation of the reason for the dispute with the payment.

Owner shall be entitled, but not required, to issue two-party checks in the name of the Contractor and any of Contractor's subcontractors or suppliers, union(s) for which Contractor's employees are members, any union trust fund, medical fund or pension fund for which Contractor's employees are members.

Contractor may invoice for materials delivered to the jobsite and receive payment as outlined above. Materials delivered to the site, and not installed, shall be paid at invoice cost. Contractor shall pay its own subcontractors and suppliers all sums owed them within ten (10)

days of receipt of payment from or on behalf of Owner. Contractor agrees that no assignment of any payment otherwise due under this Contract shall be effective without first securing the express approval of any assignee to the limitations contained in this subsection.

D. Change Orders. Owner may, without invalidating this Contract, order in writing extra Work or make changes by altering, adding to, or deducting from the Work and the Contract price and time shall be adjusted accordingly. All such Work shall be executed under the conditions hereof. All Change Orders shall be in writing and signed by the Owner and Contractor. The Owner shall not be liable for any additional Work performed by Contractor unless such additional Work has been incorporated into a Change Order. **NO ORAL INSTRUCTIONS AUTHORIZING A CHANGE IN THE WORK, ADJUSTMENT IN THE CONTRACT SUM, MAXIMUM CONTRACT SUM, OR ADJUSTMENT IN THE CONTRACT TIME SHALL BE VALID OR BINDING ON THE OWNER.**

If additional Work has been fully accepted by Owner, payment shall be made to Contractor with the next regular payment as provided herein. Contractor acknowledges that, unless expressly stated otherwise within a written Change Order, any change in the Contract Price and Time effected through a written Change Order shall constitute full and final payment and accord and satisfaction for any and all cost incurred (including, but not limited to, home office and field overhead and profit), labor performed, material and equipment furnished, and any delay, acceleration, or loss of efficiency associated with or arising out of the change in the Work.

E. Nature of Work. Contractor has conducted a full examination of all relevant plans and specifications and is not aware of any defects or mistakes in the applicable plans and specifications that would make the Work not buildable according to the applicable plans and specifications, for the Contract Price provided herein and in the time provided for herein. Contractor has satisfied itself as to the nature and location of the Work, the character, kind and quantity of material to be encountered, the character, kind and quantity of equipment needed, the location, conditions and other matters which can in any matter affect the Work under this Contract agreement and acknowledges that Contractor has had a reasonable opportunity to examine the site.

F. Contractor Employer. Contractor has the status of "employer" as defined by the Industrial Insurance, Workers' Compensation, Unemployment Compensation, Social Security, and other similar acts of the federal, state, and local government. Contractor shall withhold from its payroll applicable Social Security taxes, Workers' Compensation and Unemployment Compensation contributions and any other lawfully required withholding and pay the same; Owner shall be in no way liable as an employer of, or on account of, any employees of Contractor.

G. Permits & Taxes. Contractor shall obtain and pay for all permits, fees, and licenses necessary for the performance of this Contract and shall pay any and all federal, state, and local taxes, applicable to the Work to be performed under this Contract. Contractor shall also be responsible for payment of state sales/use taxes applicable to the Work of Contractor.

H. Contractor Property. Materials delivered by or for Contractor and intended to be incorporated into the construction hereunder shall remain on the jobsite and shall become property of Owner upon incorporation into the Work. Contractor may repossess any surplus materials remaining at the completion of the Contract; provided, Contractor shall not charge Owner for any repossessed materials. All scaffolding, apparatus, ways, works, tools, equipment, machinery, and plans brought upon the premises by Contractor shall remain

Contractor's property. It shall be Contractor's responsibility to unload, store, and protect its property to bear the risk of loss thereof.

Materials delivered by or for Contractor and intended to be incorporated into the construction hereunder shall remain on the site and shall become property of Owner upon incorporation into the Work, but Contractor may repossess any surplus materials remaining at the completion of the contract; provided, however, Contractor shall not charge Owner for any repossessed materials. All scaffolding, apparatus, ways, works, machinery, and plants brought upon the premises by Contractor shall remain Contractor's property. It shall be Contractor's responsibility to unload, store, and protect its materials, to bear the risk of loss thereof and to protect such material against loss until actually incorporated into the Work and until the Work is accepted.

I. Default and Takeover. Upon three (3) calendar days' written notice to Contractor, Owner may terminate this Contract in whole or in part for Owner's convenience and/or at its option. Contractor's remedy for such convenience or optional termination is limited to the following: (1) payment pursuant to the terms of this Contract for all Work properly performed prior to termination; (2) partial payment for lump sum items of Work on the basis of the percent complete of such items at the time of termination; and (3) Contractor's reasonable close-out costs. In no event shall Contractor be entitled to any compensation for loss of anticipated profits or unallocated overhead on Work not performed.

Contractor shall be in default of this Contract if it refuses or fails to supply enough properly-skilled workers or materials, refuses or fails to make prompt payment to subcontractors or suppliers of labor, materials or services, fails to correct, replace, or re-execute faulty or defective Work done or materials furnished, disregards the law, ordinances, rules, regulations or orders of any public authority having jurisdiction, files for bankruptcy, or materially breaches this Contract. If Contractor fails to correct the default and maintain the corrected condition within not less than three (3) working days of receipt of written notice of the default, then Owner, without prejudice to any rights or remedies otherwise available to it, shall have the right to terminate this Contract in writing and thereafter either perform the Work itself or obtain another Contractor to perform the Work. All of the costs incurred by Owner shall be charged to Contractor and Owner shall have the right to deduct such expenses from monies due or to become due Contractor. Contractor shall be liable for the payment of any expenses incurred by Owner in excess of the unpaid balance of the Contract Price.

In the event of an emergency including, but not limited to, the imminent potential damage to persons or property requires immediate repair Owner shall be entitled to conduct such repairs without providing advance written notice of the same to Contractor. Owner shall issue written notification to Contractor of such emergency repairs within five (5) days after making such repairs. Contractor shall be solely responsible for the cost of all such emergency repairs.

If Owner's termination for default is later deemed to be wrongful, without cause, or otherwise unjustified, the parties agree that the termination automatically converts to a termination for convenience and Contractor agrees that its remedies for such wrongful termination shall be limited to those provided in the termination for convenience.

If Contractor files or otherwise becomes subject to bankruptcy proceedings, Owner and Contractor agree that any delay attendant to the assumption or rejection of the Contract by the bankruptcy Trustee or a debtor-in-possession will be prejudicial to Owner. Consequently, Contractor, to minimize delay and to mitigate damages and/or other prejudice suffered by

Owner, hereby stipulates to a notice period of ten (10) calendar days for Owner's motion to require Trustee or debtor-in-possession to assume or reject the Contract.

J. Unit Price. In the event this Contract contains unit price items, it is understood and agreed that any quantities mentioned are approximations only and subject to change as required by the Contract or as ordered and directed by Owner.

K. Material Quality. Materials condemned by Owner as failing to conform to the Contract shall, upon notice from Owner, be immediately removed by Contractor. Failure of Owner to immediately condemn any Work or materials as installed shall not in any way waive Owner's right to object thereto to any subsequent time.

L. Job Damage. Damage caused by Contractor, its subcontractors or suppliers, or any subcontractor or supplier of any tier, to Work other than its own shall be reported immediately to Owner and Contractor shall be responsible for its repair. Damage caused by Owner to Work of Contractor shall be reported immediately to Contractor and Owner shall be responsible for its repair.

M. Safety. Contractor and its subcontractors shall take all reasonably necessary safety precautions pertaining to its Work and its Work performance, including compliance with applicable laws, ordinances, regulations and orders issued by a public authority, whether federal, state, local or other, OSHA (Federal Occupational Safety and Health Administration) / DOSH (Washington State Division of Occupational Safety and Health) / WISHA (Washington Industrial Safety and Health Act), and any safety measures requested by Contractor. Contractor shall at all times be responsible for providing a safe jobsite and be responsible for the Work performance and safety of all employees, personnel, equipment and materials within Contractor's or its subcontractors' care, custody or control. Contractor and its subcontractors shall furnish all required safety equipment for its Work and ensure all of their employees and subcontractors' employees have and wear personal protective equipment in compliance with applicable OSHA/DOSH/WISHA requirements.

Contractor certifies that it and its subcontractors are registered contractors. Contractor certifies that it and its subcontractors maintain a written Accident Prevention Plan and a Project-specific safety plan in compliance with applicable OSHA/DOSH/WISHA regulations. Contractor's Accident Prevention Plan should address subcontractor's role and responsibilities pertaining to safety on the Project, training and corrective action and be tailored to safety and health requirements for the Work involved. Contractor shall have and enforce a disciplinary action schedule in the event safety violations are discovered. When and as requested by Owner, Contractor shall provide information regarding safety matters.

Contractor shall promptly provide Owner with written notice of safety hazard(s) or violation(s) found on the Project or of any injury to its or its subcontractors' workers incurred on the Project.

Contractor agrees to defend, indemnify and hold Owner harmless from all OSHA/DOSH/WISHA claims, demands, proceedings, violations, penalties, assessments or fines that arise out of or relate to Contractor's failure to comply with any safety-related laws, ordinances, rules, regulations, orders or its obligations hereunder. Owner may charge against the sums otherwise owing to Contractor the Amount of the fine and the fees, costs and expenses incurred by Owner in the defense of the claims, citation and/or fine arising from or relating to the Contractor's above-referenced failure.

N. Housekeeping and Cleanup. Contractor shall regularly remove all refuse, waste and debris produced by its operation. Refuse shall not be permitted to accumulate to the extent that it interferes with free access to the Project or creates a safety hazard. Avoidance of safety hazards through good housekeeping is an important part of Contractor's obligations. In the event Contractor or its subcontractor fails or refuses to meet these requirements, Owner may remove refuse and charge all costs to the Subcontract, provided that Contractor has received twenty-four (24) hours or one (1) full working day, whichever is greater, prior written notice. In the event Owner determines emergency conditions exist, Owner may proceed as above without prior notice.

Contractor shall comply with all applicable hazardous waste regulations under federal, state or local laws. Contractor shall provide Owner with all Safety Data Sheets ("SDS") for any and all hazardous substances covered under all applicable laws before commencing Work, and all SDS shall comply with OSHA's Hazard Communication Standard. Contractor shall, prior to commencing Work, inform Owner of its intent to use any hazardous substances at the Project and shall continuously update Owner of any new hazardous substance brought to the Project during performance of the Work. Failure to comply with this paragraph may result in fines and damages being assessed to Contractor. Contractor shall defend, indemnify and hold Owner harmless from any and all costs and expenses, including attorneys' fees, arising from the use or discharge of any hazardous substance by Contractor at or off the Project site.

O. Release and Hold Harmless – Damage to Equipment. Contractor hereby releases, discharges and agrees to hold Owner harmless from any damage either to the Contractor's property or rented equipment which is caused in whole or in part by the negligence of Contractor, its agents, employees or subcontractors.

P. Insurance. Contractor shall obtain and keep in force during the term of this Contract and the applicable Statutes of Repose and Limitations period, commercial general liability insurance with dollar limits and coverage equal to, or greater than the types and amounts of coverage noted at the front of this Contract. Such insurance shall be "occurrence-based" and shall include contractual liability coverage applicable to the indemnity provisions of this Contract and "completed operations" coverage. Contractor shall furnish to Owner evidence of this insurance including the provision regarding notice of cancellation or reduction in coverage. Such evidence of insurance shall be in the form of an Insurance Certificate issued by an insurer satisfactory to Owner and shall provide for not less than thirty (30) days prior written notice to Owner of cancellation or reduction in coverage. In the event Contractor fails to maintain any and all insurance required by this Contract during the entire life of this Contract, Owner may at its option, and without waiver of other available remedies, purchase such insurance in the name of Contractor and deduct the cost of same from payments due Contractor.

Contractor shall provide insurance that: (1) names Owner as an additional insured for liability arising out of the Contractor's Work, including completed operations losses, without qualification, limitation or reservation; (2) is endorsed to be primary and noncontributory with any insurance maintained by Owner; (3) does not contain a "cross liability" or similar exclusion that would bar coverage for claims between or among insureds; (4) contains a severability of interest provision in favor of Owner; and (5) contains a waiver of subrogation against Owner. Before commencing work, Contractor shall provide a copy of the additional insured endorsement to Owner as evidence of additional insured status.

Owner makes no representations that the required minimum amount of insurance is adequate to protect Contractor. The procuring and/or carrying of insurance shall not limit Contractor's obligation or liability pursuant to this Contract or as a matter of law.

Q. Workers' Compensation. Contractor shall furnish to Owner evidence that its workers are covered by applicable workers' compensation coverage.

R. Subcontractors. Contractor shall, upon request of Owner, provide a list of all subcontractors and suppliers of Contractor. With regard to all subcontractors retained by the Contractor, the Contractor agrees (i) to be primarily responsible for any Work performed by such subcontractor and to ensure that such Work is timely completed in the manner required herein; (ii) to ensure that invoices submitted by subcontractor comply with the requirements for invoices submitted by Contractor to Owner; (iii) that Contractor shall be solely responsible to make any necessary repairs or to perform punch-list items caused by subcontractor's Work; and (iv) to ensure that subcontractor complies with all the obligations of Contractor set forth herein and to be primarily responsible for any non-compliance. Contractor shall be solely responsible for paying subcontractor any amounts due to it. Owner may request partial lien releases for all partial payments and a final lien release for the final payment to each subcontractor. Contractor agrees to release Owner and to hold Owner harmless from any and all claims by subcontractor for payment.

S. Disputes and Back Charges. In the event of a dispute between Owner and Contractor, Contractor agrees to proceed with the Work in accordance with the requirements of this Contract, pending settlement of the dispute.

T. Indemnification. To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the Owner and its agents and employees from and against claims, damages, losses and expenses, including, but not limited to attorneys' and expert's fees, (collectively a "claim") arising out of or resulting from performance of the Contractor's Work under this Contract. Such obligation shall not be construed to negate, abridge, or otherwise reduce other rights or obligations of indemnity which would otherwise exist as to a party or person described in this paragraph.

Contractor's duty to indemnify Owner shall not apply to liability for damages arising out of claims caused by or resulting in whole from the negligence of Owner or its agents or employees. Contractor's duty to indemnify Owner for liability for damages arising out of claims caused by or resulting from the concurrent negligence of: (a) Owner, its agents or employees, and (b) Contractor, its agents, employees and lower-tier subcontractors or suppliers of any tier shall apply only to the extent of negligence of Contractor, its agents, employees and lower-tier subcontractors or supplier of any tier.

CONTRACTOR SPECIFICALLY AND EXPRESSLY WAIVES ANY IMMUNITY THAT MAY BE GRANTED IT UNDER THE WASHINGTON STATE INDUSTRIAL INSURANCE ACT, TITLE 51 RCW. FURTHER, THE INDEMNIFICATION OBLIGATION UNDER THIS CONTRACT SHALL NOT BE LIMITED IN ANY WAY BY ANY LIMITATION ON THE AMOUNT OR TYPE OF DAMAGES, COMPENSATION OR BENEFITS PAYABLE TO OR FOR ANY THIRD PARTY UNDER WORKERS' COMPENSATION ACTS, DISABILITY BENEFITS ACTS, OR OTHER EMPLOYEE BENEFITS ACTS PROVIDED CONTRACTOR'S WAIVER OF IMMUNITY BY THE PROVISIONS OF THIS PARAGRAPH EXTENDS ONLY TO CLAIMS AGAINST CONTRACTOR BY OWNER, AND DOES NOT INCLUDE, OR EXTEND TO, ANY CLAIMS BY CONTRACTOR'S EMPLOYEES DIRECTLY AGAINST CONTRACTOR.

Contractor's Initials _____

Contractor agrees that its defense and indemnity obligations to Owner under this Contract survive any limitation imposed by any statute of repose or limitation including but not limited to RCW 4.16.300, 4.16.310, or 4.16.326, and Contractor hereby waives any and all defenses under any statute of repose or limitations. Contractor further agrees that any statute of limitation on a claim by Owner pursuant to this provision shall not begin to run until Owner discovers that Contract has breached either its duty to defend or its duty to indemnify, whichever occurs first.

U. Warranty. The Contractor warrants to the Owner that materials and equipment furnished under the Contract will be of good quality and new, unless otherwise required or permitted by the Contract, that the Work of this Contract will be performed in a workmanlike manner and free from defects not inherent in the quality required or permitted, will comply with all applicable codes and regulations, will be consistent with industry standards, and that the Work will conform to the requirements of the Contract. This warranty shall be in addition to and not in limitation of any other warranty or remedy required by law or the Contract. This warranty shall extend for the longer of the period of (i) the warranty normally given by Contractor for the Work in its ordinary course of business, (ii) the warranty period set forth in the Quote or other documents sent to Owner, or (iii) one (1) year from the date of substantial completion of the Work or occupancy of the Project by Owner, whichever occurs first. The warranty shall not apply to any damage or loss to the Work occasioned by Owner's failure to perform ordinary and reasonable maintenance during the warranty period or any written notice of defects received after the one (1) year period. Owner shall promptly notify Contractor in writing of all warranty claims and allow Contractor reasonable access to the Project to correct or repair the Work.

V. Contract Controls. Except for the Scope of Work and Warranty provisions specifically incorporated herein by the Contract, any terms or conditions attached to or incorporated into Contractor's proposal, quote, or other document shall not apply to the Contract. The Contract shall be solely and exclusively governed by the terms and conditions set forth in the Contract and these Standard Contract General Conditions.

W. Wage and Other Payments. Contractor shall comply with all state and federal wage laws and, upon request, provide proof of the same to Owner. In addition, if Contractor's employees are members of a union, then Contractor shall pay when due all obligations due under the collective bargaining agreement or other agreement, including but not limited to, medical benefits, dental benefits, pension benefits and the like.

X. Notices. All notices, demands, requests, consents and approvals which may or are required to be given by any party to any other party hereunder shall be in writing and shall be deemed to have been duly given if delivered personally, sent by facsimile, emailed, sent by a nationally recognized overnight delivery service, or if mailed or deposited in the United States mail and sent by registered or certified mail, return receipt requested, postage prepaid to the address provided in this Contract or to such other address as either party hereto may from time-to-time designate in writing and deliver in a like manner. All notices shall be deemed complete upon actual receipt or refusal to accept delivery. Electronic transmission of any signed original document and retransmission of any signed electronic transmission shall be the same as delivery of an original document.

Y. Claims. As a condition precedent to any right to recover for any instances of interruption, disruption, extra work, additional work, changed work, delay, hindrance and/or

efficiency loss of any nature whatsoever in Contractor's Work (collectively "Impact"), believed by Contractor to be caused by the acts or omissions of Owner, Architect/Engineer or the employees or agents of any of them, Contractor must provide written notice to Owner in the manner required by this Contract within five (5) days after occurrence of the Impact. Such written notice shall identify the cause of the Impact, the party Contractor believes is responsible for the Impact, and a rough order of magnitude as to the extra cost and/or time resulting from the Impact. FAILURE OF CONTRACTOR TO PROVIDE TIMELY WRITTEN NOTICE, AS PROVIDED IN THIS PARAGRAPH, SHALL RESULT IN AN ABSOLUTE WAIVER AND FORFEITURE OF CONTRACTOR'S RIGHT TO RECOVER ANY ADDITIONAL COST OR TIME RESULTING FROM THE IMPACT.

In the event Contractor believes it is entitled to receive compensation and/or time due to damages from Impact(s), Contractor's Statement of Claim (setting forth in detail the entitlement and quantum basis for Contractor's claim with supporting data and/or the entitlement basis to support an extension of time) shall be delivered to Owner within fifteen (15) days of its Written Notice of Impact, or within sufficient time to allow Owner to comply with the notice and claim requirements of the Main Contract (whichever is sooner). FAILURE OF CONTRACTOR TO TIMELY PROVIDE ITS STATEMENT OF CLAIM FOR AN INCREASE IN THE CONTRACT AMOUNT OR FOR AN EXTENSION OF TIME SHALL RESULT IN AN ABSOLUTE WAIVER OF CONTRACTOR'S CLAIM AND ANY RIGHT TO RECOVER ADDITIONAL COST OR TIME RESULTING FROM THE IMPACT.

Owner does not waive the requirement for timely written notice and/or timely written submission of the Statement of Claim unless Owner's waiver is unequivocal, explicit, and in writing.

Z. Mediation. Claims, disputes, or other matters in controversy arising out of or related to this Contract, except those waived, shall be subject to mediation as a condition precedent to the institution of legal or equitable proceedings by either party. This requirement may be waived by Owner.

AA. Arbitration / Litigation. At Owner's sole option, all claims, disputes, and other matters in question between Contractor and Owner arising out of, or relating to, this Agreement shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then obtaining or by an arbitrator mutually agreed upon by the parties. In the event of arbitration, Contractor and Owner agree to be bound by the findings and award of such arbitration finally and without recourse to any court of law other than for the enforcement of the arbitrator's decision. If the Owner does not select Arbitration as the means of dispute resolution, all claims, disputes and other matters in question between Contractor and Owner arising out of, or relating to, this Agreement shall be decided by an action filed exclusively in the Superior Court of Whatcom County, Washington. The substantially prevailing party in any arbitration or litigation shall be entitled to an award of its attorneys' fees, costs and expert fees.

BB. Governing Law. This Agreement and the right of the parties hereto shall be governed by and construed in accordance with the laws of the State of Washington and the parties agree that in any such action venue shall lie exclusively in Whatcom County, Washington, regardless of where the Project is located. Both parties expressly waive their right to a jury trial.

CC. Amendment. No modification, termination or amendment of this Contract may be made except by written Contract signed by all parties.

DD. Waiver. Failure by Owner or Contractor to insist upon the strict performance of any covenant, duty agreement, or condition of this Contract or to exercise any right or remedy consequent upon a breach thereof shall not constitute a waiver of any such breach or any other covenant, agreement, term or condition. Any waiver must be expressly made in writing and signed by the waiving party.

EE. Severability. In case any one or more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

FF. Neutral Authorship. Each of the provisions of this Agreement has been reviewed and negotiated, and represents the combined work product of both parties hereto. No presumption which would interpret the provisions of this Agreement in favor of or against the party preparing the same shall be applicable in connection with the construction or interpretation of any of the provisions of this Agreement.

GG. Captions. The captions of this Contract are for convenience and reference only and in no way define, limit, or describe the scope or intent of this Contract.

HH. Entire Agreement. The entire agreement between the parties hereto is contained in this Agreement; and this Agreement supersedes all of their previous understandings and agreements, written and oral, with respect to this transaction, including any proposal for services. Owner shall not be liable to Contractor or to any third party for any representations, made by any person, concerning the Work or the terms of this Agreement, except to the extent that the same are expressed in this Agreement. No modification, termination or amendment of this Agreement may be made except by written agreement signed by both parties.



Sudden Valley Community Association

360-734-6430

4 Clubhouse Circle Bellingham, WA 98229

www.suddenvalley.com

CAPITAL REQUEST MEMO

To: Sudden Valley Community Association Board of Directors
From: Brian Kruhlak – Director of Golf
Date: November 8, 2023
Subject: **Capital Request – 10 Golf Carts**

Purpose – Request for capital funding for the lease of 10 additional golf carts.

Background – In 2021 SVCA replaced its fleet of 50 carts with 50 new Club Car Tempo gas golf carts. Demand for golf in general and cart golf in particular has risen dramatically over the past 3 golf seasons. There are many days in the summer months when we run out of carts as early as 10:30 am. This has occurred over the past two golf seasons and there is no indication that this higher demand for golf cart usage will subside.

When we run out of carts, we end up providing very poor service as our customers end up waiting around the golf shop area for a cart to come in off of the course. Often times, customers are unable to take their cart down to the parking lot to load up their clubs and/or end up not using the driving range to warm up before their round. There are times when a customer has to start their round without a cart, and we run one out to them on the first or second hole. At times, we are unable to properly clean the cart, so we end up renting out a dirty cart which is also disappointing to our customers and embarrassing to our staff.

The cart shortage also affects our ability to properly marshal the golf course as we inevitably pull our course marshal off of the course so that their cart can be used by a customer. This results in additional poor service levels being provided.

Fortunately, helping to justify this expenditure is the fact that golf cart revenue has risen dramatically over the same time period as shown below:

2021	\$163,101
2022	\$191,182
2023	\$229,619 projected

Analysis – There are three major domestic golf cart manufacturers. Our current fleet of Club Car Tempo golf carts has performed very well as did our prior fleet of Club Car carts. I have received and included quotes from Club Car, EZGO and Yamaha. Club Car and EZGO make superior quality carts. Yamaha's durability is inferior to Club Car and EZGO. Yamaha has also been unable to meet their quoted delivery dates for the past three years, leaving many courses undersupplied as they await delayed deliveries.



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Due to the fact that we have had so much success with Club Car, and I believe that they make the best golf cart in the industry, I recommend staying with them as our provider. Having the same brand and model of carts in our entire fleet also makes maintenance and repair simpler. These factors coupled with the fact that they are priced below EZGO and Yamaha makes the decision to augment our fleet with Club Car Tempo golf carts clear cut.

If we are able to place this order prior to year-end, we will receive the carts well prior to May 1st which is when we will begin to need a larger fleet.

Pricing below is based on a 60-month capital lease with a \$1 buyout at lease end.

Club Car –	10 @ Tempo EFI Gas Golf Carts	\$1360.00/month
EZGO –	10 @ RXV Gas Golf Carts	\$1460.00/month
Yamaha –	10 @ Drive 2 Gas Golf Carts	\$1404.53/month

Request – Request **\$1360.00/month for 60 months** for the lease of 10 Club Car Tempo gas golf carts from the CRRRF fund. (This totals to \$81,600 over five (5) years, or \$16,230 annually)

Motion – Move that the SVCA Board of Directors authorize the General Manager to sign a five (5) year lease with Peak Golf & UTV for 10 new Club Car, gas powered golf carts, for \$16,320 annually, or \$81,600 over the course of five years.

Approval:

Approved: _____ Not Approved: _____ SVCA Board of Directors



SALES ORDER

MARYSVILLE
 114109 Smokey Point blvd
 Marysville, WA 98271
 360-454-1880

OLYMPIA
 3121 Pacific Ave. SE
 Olympia, WA 98501
 253-850-1476

PASCO
 11115 North Oregon Ave
 Pasco, WA 99301
 509-416-4005

Account # _____
Customer Sudden Valley Golf Club
Address 4-Clubhouse Circle
City Bellingham
State WA **ZIP** 98229
Phone 360-734-6435
Email / Fax _____
Contact Brian Kruhlak

Date 8/4/2023 **PO#** _____
Ship To SAME
Address _____
City _____
State WA **ZIP** _____
Phone _____
Email / Fax _____
Contact Name _____

Quantity	Model # / Part #	Item / Serial #	Description	Total Price
10	2024 Club Car	Tempo EFI Gas	Golf Cars	\$ 66,352.00
		Equipped With:	Sapphire Blue in Color	
		Club Car Hub Caps	Monsoon Canopy Top: Black	
		Club Car Nameplate: Silver	Fold Down Windshield: Clear	
		# Decal Domed Silver/Black	Seat: Gray	
		# Sequence: TBD Loc: 3&6	14.0 Hp Fuel Injected Gas Kohler Engine	
		Custom Club Logo: Frt. Ctr.	Rear Mount Magnetic Bag Cover: Black	
			Sand & Seed Kit: x2 SAM Loc:	
			Deluxe Information Holder	
			Comfort Grip Steering Wheel	
			USB Port Duel: Dash Mount	
			Hi-Frequency Battery Charger	
SUB TOTAL				\$ 66,352.00

NOTES:

Lease Information: Captial Lease (\$1.00 Buyout) - 60M: \$136.00 per cart per month

Please Note: The above quoted Cash/Payments are valid for 30-Days for acceptance for 30-days of proposal date. Cash/Payments do not include applicable taxes or documentation fees. Cash/payments are based on current interest rates and are subject to change at any time before product is delivered.

TRADE IN CREDIT

Make _____ **Model** _____ **Lien Holder** none
Serial # _____ **Year** _____ **Hours** _____ **Payoff** \$ _____

BILL OF SALE: FOR TRADE IN DESCRIBED HEREIN. WE CERTIFY THAT THERE IS NO LIEN, CLAIM, DEBT, MORTGAGE OR ENCUMBRANCE OF ANY KIND, NATURE OR DESCRIPTION AGAINST THIS PROPERTY NOW EXISTING, OF RECORD OR OTHERWISE AND THAT SAME IS FREE AND CLEAR AND IS MY/OUR SOLE AND ABSOLUTE PROPERTY EXCEPT AS NOTED ABOVE.

BUYER'S SIGNATURE

X _____

Document Fee _____
Delivery Fee \$ 250.00

Taxable Amount \$ 66,602.00

Sales Tax @ 0.00% \$ _____
 (Code FAC658E0C4 3400)

Factory Rebates	Amount
TOTAL DISCOUNTS	\$ -

Financing **Rental Purchase Option (RPO)**
Rate _____ **Rent/Month** _____
Term (mo) _____ **Months** _____
Payment _____ **-- then --** _____

Bobcat Lease
Rate _____ **Term (mo)** _____
Term (mo) _____ **Payment** _____ **#NUM!**
Payment _____

Plus Trade-in Payoff \$ _____

TOTAL PRICE \$ 66,602.00

This Sales Order is subject to the terms and conditions below. The undersigned Purchaser agrees that it has read and understands the terms and conditions, warranty disclaimers, and limitations of liability set out in the additional terms and conditions below and that the same are included and are part of this Sales Order as if set forth on the face hereof. Payment information is estimated. Actual payment is determined by lender. Quotation is valid until the end of the current month unless specified in the Notes section of the Sales Order.

Down Payment _____

BALANCE DUE \$ 66,602.00

Purchaser _____
Print Name _____
Title _____ **Date** _____

Sales Rep Robert Engle
Branch Olympia
Date 8/4/2023

Terms And Conditions

- Sales/Rental of Equipment: Agreement to Terms of this Sales/Rental Order: Peak Industrial, Inc. hereby sells/rents to the Customer, and Customer hereby purchases/rents from Peak Industrial, Inc. subject to the terms and provisions of this Sales/Rental Order; the equipment or other personal property as described above, together with all accessories, replacement parts, repairs, attachments and subject to the to the property (the "Equipment"). Customer acknowledges and agrees by accepting delivery of the Equipment and a copy of this Sales/Rental Order that the Equipment purchased/rented under this Sales/Rental Order is of the size, design, capacity and manufacture selected by the Customer, and that the Customer has relied solely on its own judgment in selecting the Equipment.
- Terms of Payment: Unless the Customer has an approved open account with Peak Industrial, Inc. terms are prepayment (if the "Terms" box reads "COD") or if terms box is empty (no terms indicated); if the customer has an approved open account with Peak Industrial, Inc. and the "Terms" box reads "Net 10" the Customer shall make payment of the balance due under the Sales/Rental Order, including applicable taxes, by the 10th day of the month following the date of invoice; provided, however that if this purchase/rental would cause the account balance to exceed the Customer's approved credit limit, the Customer must prepay the excess or obtain "over credit limit" approval from the Credit Department. If the balance due is not paid according to these terms, Customer agrees to pay Peak Industrial, Inc. without limitation, (a) as liquidated damages for late payment, 1-1/2% per month on all past due invoices, which amount is equal to 18% annum, and (b) Peak Industrial, Inc.'s reasonable collection costs, including but not limited to costs described below in paragraph 14(A).
- Additional Terms and Conditions: Customer acknowledges and agrees by signing this Sales/Rental Order, or by accepting delivery of the Equipment and a copy of this Sales/Rental Order, that Customer has read all terms and conditions appearing on this form, and that Customer is bound by all such terms and conditions, including but not limited to the EXCLUSIVE WARRANTY and LIMITATION OF LIABILITY provision, all of which the Customer has read and understands and agrees to. The terms and conditions on this Sales/Rental Order, together with any agreements entered into pursuant to paragraph 5, constitute the entire agreement of Peak Industrial, Inc. and Customer with respect to the Equipment; The Customer acknowledges that all of such terms and conditions, including but not limited to EXCLUSIVE WARRANTY and LIMITATION OF LIABILITY provisions were freely negotiated and bargained for with Peak Industrial, Inc. and that the Customer has agreed to purchase/rent the Equipment subject to these terms and conditions; Peak Industrial's ACCEPTANCE OF THIS SALES/RENTAL ORDER IS EXPRESSLY CONDITIONED ON CUSTOMER'S ASSENT TO ALL OF SUCH TERMS AND CONDITIONS.
- Security Interest: For any purchased Equipment, to secure payment, the Customer grants Peak Industrial, Inc. a purchase money security interest in the Equipment; risk of loss of the Equipment shall transfer to Customer upon delivery of the Equipment. If any portion of the balance due is to be paid following delivery of the Equipment, Customer agrees to execute and deliver to Peak Industrial, Inc. such security agreements/financing statements.

including but not limited to a UCC-1 form and such other documents as Peak Industrial, Inc. may request from time to time in order to permit Peak Industrial, Inc. to obtain and maintain a perfected security interest in the Equipment on terms and conditions acceptable to Peak Industrial, Inc.; in the alternative, Customer grants to Peak Industrial, Inc. a power of attorney to execute and file on customer's behalf all financing statements and other documents necessary to perfect this security interest. All its election, Peak Industrial, Inc. may file for recordation this Sales/Rental Order or a resulting invoice, bearing Customer's signature, or a photocopy of this Sales/Rental Order, in lieu of a UCC-1 form; provided, however, that such filing by Peak Industrial, Inc. shall not constitute an admission by Peak Industrial, Inc. of the applicability or non-applicability of the Uniform Commercial Code, or any statutory enactment thereof, to the purchase by the Customer, nor shall the failure to file this form, or the UCC-1 Form, in any way affect, alter or invalidate any term, provision, obligation or liability under this Sales/Rental Order. This security interest shall be superseded if Customer and Peak Industrial, Inc. enter into a separate security agreement covering the Equipment.

5. Condition of Equipment and exclusive Limited Warranty, Limitation of Liability. Customer acknowledges and agrees by signing this Sales/Rental Order, or by accepting delivery of the Equipment and a copy of this Sales/Rental Order, that the Customer has fully inspected the Equipment; and has received the Equipment from Peak Industrial, Inc. in a satisfactory, safe and serviceable condition. For refrigeration Equipment, Peak Industrial, Inc. is not responsible for the value or condition of the load stored within the vehicle container, nor for any expenses related to any load loss occurrence. Such losses can be prevented or minimized through prudent monitoring by the refrigeration Equipment operator. Customers are encouraged to train and utilize drivers; security personnel or others to diligently monitor the refrigeration Equipment performance. The more thorough and frequently the refrigeration is monitored, the less likely as severe a loss would occur in the event of a refrigeration Equipment failure of any kind. CUSTOMER PURCHASES/RENTS THE EQUIPMENT "AS IS" FROM TERMO KING NORTHWEST AND Peak Industrial.

6. MAKES NO REPRESENTATION OR WARRANTY AS TO THE FITNESS OF THE EQUIPMENT FOR ANY PARTICULAR USE OR PURPOSE, AS TO THE CONDITION, QUALITY OR MERCHANTABILITY OF THE EQUIPMENT, OR ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AND MAKES NO WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, EXCEPT THAT THE EQUIPMENT SHALL BE FREE FROM DEFECTS AND WORKMANSHIP AND MATERIAL UNDER NORMAL USE AND SERVICE AND EXCEPT AS PROVIDED IN WARRANTY MATERIALS ALREADY DELIVERED TO THE CUSTOMER, WHICH ARE DESCRIBED ON THE FACE OF THIS SALES/RENTAL ORDER AND THE RECEIPT OF WHICH CUSTOMER ACKNOWLEDGES BY SIGNING THIS SALES/RENTAL ORDER, OR BY ACCEPTING DELIVERY OF THE EQUIPMENT AND A COPY OF THIS SALES/RENTAL ORDER. THE SOLE RESPONSIBILITY OF Peak Industrial under this Sales/Rental Order IS TO REPAIR OR REPLACE THE EQUIPMENT, IN THE MANNER DESCRIBED IN SUCH WARRANTY MATERIALS; AND IT SHALL NOT BE LIABLE UNDER ANY EXPRESS OR IMPLIED WARRANTY OR NON-CONTRACTUAL THEORY OF LIABILITY FOR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF TIME, INCONVENIENCE, LOSS OF USE OF THE EQUIPMENT, LIABILITY FOR PERSONAL INJURY OR PROPERTY DAMAGE, IN ANY WAY ARISING OUT OF CUSTOMER'S PURCHASE/RENTAL OF THE EQUIPMENT, OR COMMERCIAL LOSSES.

6. Loss or Destruction of Equipment; Customer Insurance. Customer shall bear the risk of loss of, damage to, or destruction of the Equipment from the date of its delivery to the Customer through the date of rental return or full payment of the balance due if a sale. If for any reason the Equipment is lost, stolen, destroyed or damaged beyond repair prior to rental return or full payment of the balance due if a sale, the Customer shall immediately notify Thermo King Northwest, Inc. The total or partial loss of the Equipment by the Customer shall not release or relieve the Customer from its obligations and liabilities under this Sales/Rental Order. The Customer shall maintain in full force and effect until the rental return or full payment of the balance due if a sale, insurance covering the Equipment of such type and shall pay to Peak Industrial, Inc. the EQUIPMENT REPLACEMENT VALUE on any rental equipment plus any unpaid rental payment or full payment of the balance due if a sale then due and any other sum then due to Peak Industrial, Inc. The total or partial loss of possession of the Equipment by the Customer shall not release or relieve the customer from its obligations and liabilities under this Sales/Rental Order. Written evidence satisfactory to Peak Industrial, Inc. that such insurance is in full force and effect shall be provided to Peak Industrial, Inc. upon its request at any time prior to rental return or full payment of the balance due if a sale. NOTWITHSTANDING ANY OTHER PROVISION OF THIS SALES/RENTAL ORDER OR OF ANY OTHER WRITING, Peak Industrial WAIVES ANY RIGHT OF SUBROGATION WHICH MIGHT IN ANY WAY APPLY TO THE EQUIPMENT, TO ITS LOSS OR DESTRUCTIONS, TO BODILY OR PERSONAL INJURY TO, OR DEATH OF, ANY PERSON, OR TO THE LOSS OF OR DAMAGE TO ANY PROPERTY OF THE CUSTOMER OR ANY THIRD PARTY.

7. Location of Equipment. Peak Industrial, Inc. shall have the right to inspect the Equipment at all reasonable times.

8. Default; Remedies. Customer shall be in breach and default under this Sales/Rental Order if (a) any payment or any other amount due under this Sales/Rental Order to Peak Industrial, Inc. is not paid promptly when due; (b) the Customer fails to comply or perform, or makes any misrepresentation relating to, any of the Customer's obligations or covenants under this Sales/Rental Order; or (c) prior to rental return and full payment of the balance due if a sale, the Customer ceases to do business, becomes insolvent, makes an assignment for the benefit of its creditors, appoints a receiver, commences an action for dissolution or liquidation, or becomes subject to bankruptcy proceedings, or the Equipment is attached, levied upon, seized under legal process, is subjected to a lien or encumbrance, or transferred by operation of law or otherwise, to anyone other than Peak Industrial, Inc. Upon the occurrence of any event of Customer's default as set forth in the preceding paragraph, Peak Industrial, Inc., as its sole option and without notice to the Customer, shall have the right to exercise concurrently or separately any one or all of the following remedies, which shall be cumulative and not alternative: (a) to declare all sums due, and to become due, under this Sales/Rental Order immediately due and payable; (b) to commence legal proceedings, including collection actions and specific performance proceedings, to enforce performance by the Customer of any and all provisions of this Sales/Rental Order, and to be awarded damages or injunctive relief for the Customer's breach; (c) prior to rental return or full payment of the balance due if a sale to require the Customer to deliver the Equipment to Peak Industrial, Inc. branch specified on the face of this Sales/Rental Order; (d) to exercise one or more of the rights and remedies available to a secured party under the Uniform Commercial Code, whether or not this Sales/Rental Order is subject thereto; and (e) to enter, without notice or liability or legal process, onto any premises where the Equipment may be located, using force permitted by law, and there to disconnect, remove and repossess the Equipment, the Customer having waived further right to possession after default. A waiver of any event of default by Peak Industrial, Inc. shall not be a waiver as to any other or subsequent default.

9. Notices. All notices to be provided, or instruments required or permitted to be served upon, or sent to, either of the parties shall be in writing, and shall be deemed served or sent: (a) when personally delivered to the other party, (b) when sent by facsimile with receipt acknowledged, (c) one business day after being deposited with any nationally recognized overnight carrier which routinely issues receipts, addressed to the party at the address stated above, or (d) three (3) business days after being placed in the United States mails by certified mail, return receipt requested, postage prepaid, addressed to the party at the address stated above.

10. Each of the parties may modify its notice address by communication sent to the other party in the manner described above.

10. Reciprocal Indemnification.

A. Peak Industrial indemnification. Peak Industrial, Inc. specifically and expressly agrees to indemnify, defend and hold harmless, in whole or in part, the Customer, its agents and affiliates against and from any and all claims, demands, suits, losses, costs and damages of every kind and description, brought or made against or incurred by the Customer or any of its agents or affiliates resulting from, arising out of or in any way connected with the (i) willful act or omission or (ii) negligent act or omission of Peak Industrial, Inc. or its employees, agents or affiliates, in performance, or nonperformance, of its obligations under this Sales/Rental Order. Except as provided in paragraph 5, this indemnity obligation shall include, but not be limited to, the following:

a. Loss of or damage to any property of the Customer, or any third party; and

b. Bodily or personal injury to, or death of, any person, including without limitation employees of the Customer or of Peak Industrial, Inc.

B. Customer indemnification. The Customer specifically and expressly agrees to indemnify, defend and hold harmless, in whole or in part, Peak Industrial, Inc., its agents and affiliates, against and from any and all claims, demands, suits, losses, costs and damages of every kind and description, brought or made against or incurred by Peak Industrial, Inc. or any of its agents or affiliates resulting from, arising out of or in any way connected with the (i) willful act or omission or (ii) negligent act or omission of the Customer or its employees, agents or affiliates, in performance, or nonperformance, of its obligations under this Sales/Rental Order. This indemnity obligation shall include, but not be limited to, the following:

a. Loss of or damage to any property of the Peak Industrial, Inc., or any third party; and

b. Bodily or personal injury to, or death of, any person, including without limitation employees of the Customer or of Peak Industrial, Inc.

11. Delivery, Delay in Delivery, Inspection and Acceptance. The Equipment as sold or rented F.O.B. origination, unless otherwise stated in this Sales/Rental Order. Any delivery, shipping, installation or performance dates indicated on the reverse side are estimated, and although Peak Industrial, Inc. shall use best efforts to meet such dates, Peak Industrial, Inc. shall not be liable for any delay in delivery, shipping, installation, or performance, however occasional. Peak Industrial, Inc. may deliver the Equipment in installments as the Equipment becomes available. Delivery of the Equipment to the Customer shall take place when physical possession of the Equipment is given to the Customer or to a carrier, or when Peak Industrial, Inc. receives directions from Customer to place the Equipment in storage, whichever first occurs. The securing of the Equipment on board a carrier shall be deemed to occur subsequent to delivery. If the Equipment is to be shipped, Peak Industrial, Inc. is authorized to execute in Customer's name any carrier's standard bill of lading for the Equipment. Without being required to do so, Thermo King Northwest, Inc. may, on behalf of Customer, advance the costs of shipping or insurance for the Equipment. To the extent not separately included in calculating the balance due under this Sales/Rental Order, Customer agrees to immediately reimburse Peak Industrial, Inc. on demand for such costs. Customer agrees to inspect each item of Equipment, at its sole expense, promptly following receipt and will be deemed to have accepted the item unless it notifies Peak Industrial, Inc. within 10 days following receipt, of any claimed discrepancy between the item as described on the reverse side and the item as received by Customer. Any claim for shortages, delays or damages occurring after Peak Industrial, Inc. has delivered the Equipment to a carrier shall be made directly to the carrier; and Peak Industrial, Inc. shall have no liability with respect to such shortages, delays or damages.

12. Customer's Responsibility. The Customer represents that it is fully familiar with the Equipment subject to this Sales/Rental Order and understands the operating instructions for the Equipment. Customer acknowledges and agrees by signing this Order that the Equipment rented or leased under this order is of the size, design, capacity and manufacture selected by the Customer, and that the Customer has relied solely on its own judgment in selecting the Equipment and the Customer has fully inspected the Equipment and has received the Equipment from Peak Industrial, Inc. in a satisfactory, safe and serviceable condition. Customer shall use the Equipment safely, within its rated capacity only, and only for the purposes for which it was designed. The Customer is aware of the limitations of the Equipment and shall not exceed them; and the Customer shall not alter or modify the Equipment. Except to the extent provided in the express warranties under paragraph 5, Customer agrees that, even though it may receive technical information, drawings or advice from Peak Industrial, Inc., the Customer will have sole responsibility for the Equipment's suitability for Customer's intended use. THE PROVISIONS OF THIS SALES/RENTAL ORDER, INCLUDING LIMITATIONS OF WARRANTIES, REMEDIES AND DISCLAIMERS, SHALL APPLY EQUALLY TO ALL SUCH TECHNICAL INFORMATION, DRAWINGS OR ADVICE.

13. No Assignment of Rights and Obligations under this Sales/Rental Order. This Sales/Rental Order and the rights, obligations, covenants and agreements contained in this Sales/Rental Order, shall inure to the benefit of and be binding upon the parties to this Sales/Rental Order and their respective successors and assigns. The Customer shall not assign, by operation of law or otherwise, this Sales/Rental Order or any rights under this Sales/Rental Order without first obtaining the prior written consent of Peak Industrial, Inc., which consent may not be unreasonably withheld; any attempt to assign by Customer without Peak Industrial, Inc. prior written consent shall be void and of no effect. Peak Industrial, Inc. may assign this Sales/Rental Order and all rights under this Sales/Rental Order, but the Customer will not be obligated to any assignee of Peak Industrial, Inc., except after receipt of written notice of such assignment by Peak Industrial, Inc. CUSTOMER HEREBY WAIVES, RELINQUISHES AND DISCLAIMS AS TO ANY ASSIGNEE OF Peak Industrial ALL CLAIMS, RIGHTS OF SET-OFF AND DEFENSES WHICH CUSTOMER MAY HAVE AGAINST Peak Industrial INCLUDING THE RIGHT TO WITHHOLD PAYMENT OF ANY MONIES WHICH MIGHT BE DUE UNDER THIS SALES/RENTAL ORDER. CUSTOMER FURTHER AGREES THAT Peak Industrial MAY, WITHOUT NOTICE TO OR CONSENT OF CUSTOMER, SELL/RENT OR GRANT A SECURITY INTEREST IN THE EQUIPMENT AND ITS RIGHTS TO PAYMENT OF THE BALANCE DUE AND OR RETURN OF RENTAL EQUIPMENT, AND IN SUCH EVENT, CUSTOMER'S RIGHTS IN AND TO THE EQUIPMENT SHALL BE SUBJECT AND SUBORDINATE TO THE INTERESTS AND RIGHTS, INCLUDING THE RIGHT OF POSSESSION, OF ANY SUCH PURCHASER OR RENTER OR HOLDER OF A SECURITY INTEREST IN THE EQUIPMENT.

14. Miscellaneous Provisions.

A. In the event either party to this Sales/Rental Order commences legal action in connection with the provisions of this Sales/Rental Order, including any action to obtain damages from an alleged breach of a provision of this Sales/Rental Order, any such action shall, at the election of Peak Industrial, Inc., be commenced in a court of competent jurisdiction in, and venue for any such legal action shall continue to be King County, Washington or Multnomah County, Oregon; and the prevailing party shall be entitled to recover, in addition to amount otherwise recovered, its reasonable costs incurred in connection with the legal action, including but not limited to reasonable attorney's fees.

B. The covenants, agreements, indemnities, and warranties made by the parties under this Sales/Rental Order shall survive its termination.

C. In addition to other covenants above, each party agrees to indemnify, hold harmless and defend the other party with respect to any suit, claim or demand alleging infringement of any patent or copyright, or misappropriation of any confidential information or trade secrets, in connection with the Equipment sold/rented under this Sales/Rental Order. Each party agrees to keep confidential and not to disclose to other person, or to use in any way, confidential business or technical information which the party may receive in connection with this Sales/Rental Order.

D. In the performance of this Sales/Rental Order, the parties shall comply with all federal, state or local laws or regulations, including but not limited to those laws or regulations (i) relating to nondiscrimination against any employee or applicant for employment because of race, religion, color, national origin, sex or age with respect to terms and conditions of employment and (ii) relating to storage, use or disposal of hazardous wastes, substances or materials. These parties acknowledge that Peak Industrial, Inc. is not a contractor within the meaning of any federal, state or local law or regulation; that it therefore has not posed a bond and will post no bond; and that it has no duties or obligations of a contractor or sub contractor with respect to the Equipment; Peak Industrial, Inc. duties and obligations being limited to those describe in this Sales Order.

E. Any previous oral or written agreements relating to the subject matter of the Sales/Rental Order are hereby superseded; the parties expressly agreeing that the terms and provisions of this Sales/Rental Order shall constitute the full and complete agreement between Peak Industrial, Inc. and the Customer. All terms and condition of any other purchase order, rental order, sales order, or other writing of Peak Industrial, Inc. or of Customer, unless specifically described above and attached to this Sales/Rental Order, which are inconsistent with or different from the terms and conditions of this Sales/Rental Order shall be null and void. If any term or provision of this Sales/Rental Order shall be held to be invalid or unenforceable, the remaining terms and provisions of this Sales/Rental Order shall be valid and enforceable to the fullest extent permitted by law.

F. Peak Industrial, Inc. shall not be liable for its inability to perform any or all of its obligations under this Sales/Rental Order due to any cause beyond Peak Industrial, Inc. control, including but not limited to acts of God, acts or omissions of the Customer, acts of civil or military authorities, fire, weather, strikes or other laborer disturbances, civil commotion, war, terrorism, late delivery by Peak Industrial's suppliers, fuel or other energy shortages, or an inability to obtain necessary labor, materials, supplies, equipment or malfunctioning facilities. If any such cause results in a delay in performance by Peak Industrial, Inc., the date of performance shall be extended for a period equal to the time lost by reason of such delay and such extension shall be Customer's exclusive remedy.

G. This Sales/Rental Order and its interpretation shall be governed by the laws of the State where original sales or rental location takes place.

Partner with the Industry Leader



ELITE
LITHIUM

EX1

ADVANCED
INTELLIBRAKE™
TECHNOLOGY

October 24, 2023

Brian Kruhlak, PGA
Sudden Valley GC
2145 LAKE WHATCOM BLVD
BELLINGHAM, 98226

Dear Brian,

Pacific Golf & Turf is honored to prepare this exclusive proposal for Sudden Valley GC and its members. Since 1954, E-Z-GO has been at the forefront of innovation, reliability and service for the last 70 years. We are committed to providing our customers with vehicle solutions that exceed expectations and perform to the demands of your facilities.

E-Z-GO and Cushman® vehicles are manufactured with purpose in mind. We have taken the golf car industry by storm with technologies such as the Samsung Powered ELITE Lithium batteries, a first-of-its-kind EX1 gas engine, and Pace Technology. These technologies, paired with our reliable fleet and utility vehicle options, provide an experience refined to elevate and improve any course to a premium caliber.

The E-Z-GO and Cushman advantage goes far beyond our products. You'll gain access to a level of service and support unsurpassed in the industry, through the largest fleet of factory direct service technicians, our strong network of factory-owned branch locations and authorized distributors.

Through highly reputable regional sponsorships, professional golfers and industry partners, we are dedicated to advancing the game of golf and the industry that fuels it.

Our constant pursuit for innovation, performance and customer service elevated our name to the premium provider in the industry. We're committed to the game and will never stop looking for what's next. Never settling has put our products on the most prestigious courses and facilities in the world so if you're looking for the best, E-Z-GO, Cushman and Pacific Golf & Turf have you covered.

As you review the enclosed materials, please do not hesitate to contact me with additional questions. I look forward to hearing from you soon, and to serving you at Sudden Valley GC.

With sincere appreciation,

Eric Bowen, PGA
(253)508-9192
ebowen@pacificgolfturf.com

PACIFIC
GOLF & TURF

EZGO®

CUSHMAN®

Proposal

Sudden Valley GC

October 24, 2023

RXV GAS

STANDARD FEATURES

BEST-IN-CLASS-FUEL ECONOMY

A SMOOTH, QUIET REFINED RIDE

INTEGRATED STARTER/GENERATOR

2-YEAR OIL CHANGE INTERVALS

LOWEST COST OF OPERATION

GREENEST GAS ENGINE

ACCESSORIES

2024 Model Year	10
Body Color Ivory	10
Standard Seat Stone Beige	10
Hole-in-One 18 x 8.50 - 8 (4 Ply Rated) - (Set of 4)	10
Spoke, Metallic Gold (Set of 4)	10
High Capacity 12V Battery	10
Premium Steering Wheel	10
USB Port	10
Sand Bottle (Single) (Both)	20
Bag Cover Kit (Stone Beige)	10
NEW Canopy Top, 2 Passenger Modular, Stone Beige	10
Miscellaneous Accessory (Set up & Delivery)	10
Freight	10

Proposal

Sudden Valley GC

October 24, 2023

Cash Purchase

✓	YEAR	MODEL	PAYMENT TERM	QTY	UNIT PRICE	UNIT TOTAL
	2024	RXV Gas	Due on receipt	10	\$7,200.00	\$72,000.00
TOTAL UNIT AMOUNT						\$72,000.00

CAPITAL LEASE

✓	YEAR	MODEL	QTY	TERM + Balloon	CAR/MONTH	TOTAL MONTHLY PRICE
	2024	RXV Gas	10	60 Month + \$0.00	\$146.00	\$1,460.00
MONTHLY AMOUNT						\$1,460.00

PROGRAM DETAILS

NUMBER OF PAYMENTS PER YEAR	PAYMENT MONTHS	DELIVERY	FIRST PAYMENT
12	January-December	March 2024	April 2024

SPECIAL CONSIDERATIONS

While it's our intent to hold this pricing, this pricing is subject to change due to factors that are beyond the control of E-Z-GO. Final interest rates, trade values, and pricing will be determined 90 days prior to delivery.

Based on the structure of the above proposed deal, the following documentation will be required for all deals, to establish creditworthiness:

LEASED NEEDS

- Signed Credit Application
- Last Two Full years of Audited Financial Statements (Income Statement, Balance Sheet)
- YTD Financial Statements (Income Statement, Balance Sheet)

CASH PURCHASE NEEDS:

- Bank Letter (Proof of Funds at 90 days prior to delivery) OR Financials (Income Statement, Balance Sheet) to establish a Credit Limit with E-Z-GO.

Pacific Golf & Turf at its discretion reserves the right to offer an early fleet roll option. To receive an early roll, Sudden Valley GC must enter into a new lease or purchase agreement with Pacific Golf & Turf and the existing lease must be current and in good standing. Pacific Golf & Turf and the existing lease must be current and in good standing



Proposal

Sudden Valley GC

October 24, 2023

NOTE: All goods ordered in error by the Customer or goods the Customer wishes to return are subject to a restock fee. The restock fee is 3% of the original invoice value of the goods. Prices quoted above are those currently in effect and are guaranteed subject to acceptance within 30 days of the date of this proposal. Applicable state taxes, local taxes, and insurance are not included. Lease rates may change if alternate financing is required. Payment schedule(s) does not include any finance, documentation, or initiation fees that may be included with the first payment. All lease cars and trades must be in running condition and a fleet inspection will be performed prior to pick up. It is the club's responsibility to either repair damages noted or pay for the repairs to be completed. All electric cars must have a working charger. All pricing and trade values are contingent upon management approval. Any change to the accessory list must be obtained in writing at least 30 days prior to production date.

Sudden Valley GC

Accepted by: _____

Title: _____

Date: _____

PACIFIC GOLF & TURF LLC

Accepted by: _____

Title: _____

Date: _____



Northwest Yamaha Golf Cars

1106 Center Street
 Tacoma, Washington 98409
 (253) 445-1069

Estimate

Date	Estimate #
11/02/2023	5659

Name / Address
Sudden Valley Golf Course Attn: Brian Kruhlak PGA 4 Club House Circle Bellingham, WA 98224

Project

Description	Qty	Cost	Total
Yamaha 2024 EFI Quitech Gas Golf Car, Color: Bluestone 2024 FLEET EFI DOMESTIC GOLF CAR SUNTOP DUAL NO HANDLE SAND BOTTLE KIT CLEAR ONE-PIECE POLYCARBONATE CLUB COVER Black or Beige Cash Price: \$69,800.00 Conditional Sales Contract 60 Months: You own the cars at the end of the terms: \$140.45 per car, monthly: \$1,404.53 or 8 months on 4 payments off \$207.96 per car; Monthly \$2,079.62	10	6,989.00	69,890.00
		Total	\$69,890.00