



Sudden Valley Community Association

360-734-6430

4 Clubhouse Circle Bellingham, WA 98229

www.suddenvalley.com

Board of Directors Regular Meeting

April 11th, 2024, 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

Minutes -- Amended March 14, 2024

Minutes – March 28, 2024

Item 3) Announcements

Item 4) Property Owner Comments – 15 Minutes Total

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

Item 5) Long Range Planning Committee – Strategic Planning Update

Item 6) General Manager's Report -- March

Item 7) Continuing Business

7a. Code of Conduct – Final, approved document distributed for signature

7b. Grievance Procedure -- Final

7c. Resolution for Creation of Safety Committee

Item 8) New Business

8a. 2024 Budget Calendar

8b. SVCA Bylaw Leasing Policies

8c. Short-term Rentals in SVCA

8d. Free Community Events Discussion

8e. Request for Approval – 2024 ACC Fines & Fees

8f. Request for Approval – Golf Course Cart Paths Contract Award

Adjournment



REGULAR SESSION OF THE BOARD OF DIRECTORS

Thursday, March 14, 2024

Minutes

DATE AND LOCATION: Dance Barn
CALLED TO ORDER AT: 7.02PM
AUDIENCE MEMBERS: Not Recorded

BOARD MEMBERS PRESENT:

1. Keith McLean	4. Laurie Robinson	7. Rick Asai	10. Robb Gibbs
2. Taimi Van de Polder-	5. Sonia Voldt	8. Stu Mitchell- Excused	11. Daniel Rodriguez- Excused
3. Linda Bradley	6. AJ Tischleder	9.	

ATTENDING:

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

Call to Order

President McLean called the meeting to order at 7:02PM.
 Land Acknowledgement and Anti-Racism Statement.

- Director Van De Polder made a motion to amend the agenda by reversing the order of items 8a and 8b in Closed session.**

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

President Moved to Adopt the Amended Agenda.

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

- Consent Agenda**

Director Voldt made a request to discuss item 2b. for content. Discussed revising the President’s response and amend before publication.

Motion: Move to approve the February 8, 2024, minutes with corrections as agreed.

Motion By: Director Van de Polder		Seconded By: Director Bradley	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: 6	Against:	Abstained	1

Director Asai noted error in date on the 2/28/204 minutes. Noted to make correction before minutes published.

3. Announcements

3a. The new Director of Golf, Kevin LeDuc, was announced.

3b. Candidates for the Board vacancy have received two applications, closing date is 3/18/2024 so still time to apply. Interviews and appointment will take place at the regular Board meeting on 3/28/2024. Check needed early start time. Other Committee vacancies: ACC-needs five members, LRPC-needs 2-3 members.

4. Property owner comments.

Members made comments.

Questions regarding unused space in Community Center.

Boy Scout presentation of proposed project at AM PM Park.

5. GM Report

6. Continuing Business

6a. Code of Conduct/Grievance Procedure—Reviewed suggested revisions and additional language to further clarify the actual grievance procedure. Both documents will be brought back to the next meeting for approval. The Code had previously been finalized, but not voted on until both procedures could be approved.

The motion on the table is to bring back the code of conduct and the grievance procedures for our next meeting.

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

6b. Date for the facilities tour set for March 22nd 1:00-4:00 for those wishing to tour and the Strategic Planning Retreat will be March 23, 2024. It will start at 10:00 o'clock and go to 3:00pm.

6c. Marina Wet Slip Update

Per the Board’s request, additional information was provided by the GM that the marina slips could cost more than anticipated after information from other marina engineering experts. The current price in the engineer’s estimate is valid. The direction to the GM is that further engineering estimates will not be pursued at this time. Modifications could be made to the project to reduce the cost. It is premature at this time to try and get hard dollar amounts for a project scheduled to be six years out in 2029. We know this will be an expensive project and need to be certain how it will be funded.

7. New Business

7a. 2024 Events List and Calendar Discussion

Motion: We select the events and the dates for these events that Joanne has for Sudden Valley: presented to us in this memo for the 2024 event dates

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

7b. LRPC Board Appointments

Motion: Nominate Sonia Voldt as second Board Director to the committee.

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

Motion: Appoint Kyle Kaltenbach as staff member for LRPC.

Motion By: Director McLean		Seconded: N/A	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: 5	Against: 1	Abstained: 1	

7c. Appeals Committee Alternate Member

Motion: Move to nominate Rob Gibbs as alternate Appeals Committee Member for the upcoming appeal.

Motion By: Director Van De Polder		Seconded: N/A	
Approved:	Not Approved:	Tabled:	Died:
In Favor:	Against:	Abstained:	

7d. Approval Requests

i. Lien Fees

Motion: Move that the SVCA Board of Directors approve the increase of lien fees from \$475 to \$675 to reflect the increase in fees assessed by Whatcom County.

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

ii. Pool Services Agreement

Motion: Move that the SVCA Board of Directors approve the 2024 pool services agreement with Cesco Solutions and authorize the General Manager to execute the agreement.

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

7e. Capital Requests

i. Tennis Court Contract Award

Motion 1: Move that the SVCA Board of Directors approve the allocation of \$302,615.38 from CRRRF as change order funding to capital code 9723.05 for construction of the Core Area: Tennis Court Resurfacing & Fencing project.

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

Motion 2:

Motion: Move that the SVCA Board of Directors approve contract award to Stremler Gravel, Inc. per their proposal dated February 9h, 2024, and authorize the General Manager to execute SVCA's standard construction contract.

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

8. Closed Session

Motion: Move to closed session at 9:09PM.

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

Motion: Move to open session at 10:54PM.

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

President McLean: Coming back from closed session. There was some action taken on the appeal and that will be in our minutes.

Motion: Move to adjourn.

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

Adjourned: 10:55PM

Approved by: _____
Linda Bradley, Board of Directors Secretary



REGULAR SESSION OF THE BOARD OF DIRECTORS

Thursday, March 28, 2024

Minutes

DATE AND LOCATION: Dance Barn
CALLED TO ORDER AT: 6:02 PM
AUDIENCE MEMBERS: Not Recorded

BOARD MEMBERS PRESENT:

1. Keith McLean	4. Laurie Robinson	7. AJ Tischleder-excused	10. Robb Gibbs-excused
2. Taimi Van de Polder	5. Sonia Voldt	8. Rick Asai	11. Daniel Rodriguez
3. Linda Bradley	6. Sam Shahan	9. Stu Mitchell	

ATTENDING:

Staff Members: Jo Anne Jensen, General Manager, Joel Heverling, Finance Manager.

Call to Order

President McLean called the meeting to order at 6:02PM. Land Acknowledgement and Anti-Racism Statement.

- President Moved to Amend the Agenda to** I'd like to remove item 9 B resolution and charter for the Communications Committee. Add Item 9D, funding for Hazard Tree request and amendment to approve a new member of the Long-Range Planning committee.

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

- Candidate Interviews.**

- Barbara Wahli
- Ray Meador

- Candidate Selection**

Ray Meador Received 5 Votes and is appointed to the open seat on the Board of Directors.
Barbara Wahli Received 2 Votes

- Consent Agenda:**

Pull Sudden Valley Item number 4, the consent agenda meeting minutes from March 14, 2024 for further review

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

- Announcements**

- Homeowners Comments.**

7. Financial Report

8. Continuing Business

Code of Conduct and Grievance Procedure

Move that we modify the SVCA Board and Committee code of conduct policy to list a blank line for a director's name and signature and date to be filed in as well as adopting our SVCA Resolution of Grievances policy.

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

9. New Business

9a) Safety Committee:

The Board approves the concept of an ad hoc safety Committee. The first order of business shall be to write and submit to the Board for approval, the charter for the committee.

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

9b) Approval Request-Reserve Study Contract

Move that the Board of Directors of Sudden Valley accepts the 2024, Consolidated Level 3 Reserve study. Update proposal, invoice from smart property for \$5,104 and 68 cents to be paid for from out of operations to immediately begin the level 3 reserve study.

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

9c) Hazardous Trees

Move that additional funding of \$55,000 from UDR be provided for the continued removal of hazardous trees.

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

9d) Committee Appointment









Move that the Board to approve Joshua Bowens as the newest member of the Long-Range Planning Committee.

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

Adjourned:8:40PM

2024 Strategic Priorities - GOALS

Planning Retreat Follow-up Questionnaire Results

 Sustainability 19	 Infrastructure 9	 Gather Data 8	 Community Engagement 25	 Natural Beauty 19	 16	 Collaboration 9	 Policies / Plans 6
Sustainability	Prioritize and move forward with maintenance and repair of Rec facilities Appropriately investment in infrastructure Maintain existing assets Continue to focus on Roads and stormwater. Continue CleanGreen, Firewise as routine maintenance	Acknowledge the range of activities favored by residents	Survey(s) provide opportunity for Community Input	Preserve natural landscape	Build positive sense of community	Collaborate w/ outside agencies on disaster mgmt	Develop communication plan
Stable, predictable dues		Gather facilities use data	Continue to use thoughtful, unbiased community surveys to gather input	Acknowledge our impact on Lake Whatcom and other natural elements	Be respectful and accepting	Increase collaboration both inside and outside of the Sudden Valley community	Educate community on safety, natural disaster planning
Achieve an accurate Reserve Study		Assess all facilities to determine condition	Determine need / desire for a Senior/adult center	Address membership's desire for a connected trail system	Trust, Respect, Passion	Collaborate with other entities that organize recreational activities	Safety - review evacuation route and plans with County
1 lot = 1 vote. Ensure all Gates and socio-economic statuses are considered when developing budget and annual dues assessments			Advisory votes are a documented way to gather community feedback on decisions which can significantly impact the SVCA and members	Encourage volunteer work groups for parks & trails	Reduce online defamation, politics, misinformation		Finalize comprehensive board policies handbook
No gate left behind			Monthly "Fireside Chats"	Address delivery truck traffic pulling off on shoulders, creating damage			Review the County's Growth Management planning policies
			Hold earlier or additional Town Hall Meeting to encourage member participation	Enforce ACC Policies relating to development			
			Listen to feedback - Engage members early on in their residency	Develop a plan for Architectural cohesiveness that applies to all of the SVCA. (colors, signage, branding)			
			Host more community events / get togethers at the Rec Corridor facilities				
			Sponsor activities to foster bonding				
			Encourage and celebrate volunteers				

RESOLUTION

SVCA Code of Conduct and Resolution of Grievances Policies

WHEREAS, the Sudden Valley Community Association (SVCA) wishes to encourage civil participation by members in governance;

WHEREAS, disagreements between volunteer members of the Board of Directors and Committees have led to conflict within the extended Sudden Valley community;

WHEREAS, the threat of legal action discourages members from volunteering to serve as members of the Board of Directors or Committees;

NOW THEREFORE, be it resolved by the Board of Directors that the following Code of Conduct and Resolution of Grievances Policies are hereby adopted, with copies to be provided for each member when they join the Board or a Committee.

ADOPTED this 11th day of April, 2024, at a regularly scheduled meeting of the Board of Directors at which a quorum was present.

Policy: Code of Conduct

Policy#: 2024.1

Date: April 11, 2024

SVCA Board and Committee Code of Conduct Policy

BOARD/COMMITTEE MEMBER STATEMENT

As a member of the Board or Committee, I agree to uphold this Code of Conduct for Board and Committee Members, as adopted by the Association. I will conduct myself according to the following model of excellence:

- Recognize the worth of all individuals and appreciate their individual talents, perspectives, and contributions.
- Help create an atmosphere of respect and civility, where other Board and Committee Members, other Association members, and staff are free to express their ideas and work to their full potential.
- Conduct my personal and public affairs with honesty, integrity, fairness, and respect for others.
- Respect the dignity and privacy of all Association members and partners.
- Keep the common good as my highest purpose and focusing on achieving constructive solutions for the benefit of the entire membership.
- Avoid and discourage conduct which is harmful to the best interests of the Association or its members.
- Disputes between the association, board directors, or committee members must be submitted to non-binding alternative dispute resolution as a pre-requisite to commencement of a judicial proceeding.

I affirm that I have read, understand, and agree to the Sudden Valley Community Association Code of Conduct.

Signature

Printed Name

Date

History: Rescinded _____

Superseded/Replaced by Policy # _____

Policy: SVCA Resolution of Grievances Policy

Policy#: 2024.2

Date: April 11, 2024

SVCA Resolution of Grievances Policy

Purpose

The Sudden Valley Community Association recognizes that there are times when the need arises for volunteers to express concerns in a formal manner. The following procedures are intended to provide a fair and unbiased review of such concerns and a defined path for possible resolution. This policy is independent of, and is not intended to supersede or affect, SVCA policies and reporting procedures for harassment and/or discrimination complaints.

This policy is not intended to create specific promises to any individual volunteer and shall not give rise to any liability on behalf of SVCA. Any volunteer making use of this policy hereby agrees to release all claims against SVCA, its employees and other directors arising out of use of the procedures specified herein.

Procedures

Step 1: Informal discussion with SVCA leadership (Confidential)

A volunteer's concerns should first be discussed with either the Chair of their committee, the President of the Board of Directors, or the General Manager. Many concerns can be resolved informally when a volunteer and leadership take time to review the concern and discuss options to address the issue.

If the volunteer's concern is with the actions or general behavior of another volunteer or volunteers, the Committee Chair, President, or General Manager will ask for permission before sharing the concern with the individual or individuals involved.

Step 2: Written complaint to SVCA leadership

If the volunteer is not satisfied with the results of the informal discussion described in Step 1, the volunteer may submit a written complaint within two weeks to either the Committee Chair, the President of the Board of Directors or the General Manager to include:

- The nature of the concern;
- Detailed information including evidence of the issue, witnesses, related policies, etc;
- The remedy or outcome desired.

A written complaint submitted by a committee member to their Committee Chair will automatically be shared with the President of the Board of Directors and the General Manager. A written complaint submitted by a Board Director will automatically be shared with all members of the Board of Directors. A report of the outcome/resolution of each complaint will also be shared with all members of the Board of Directors.

SVCA leadership will usually respond to the complainant in writing within two weeks or, alternately, schedule a discussion between the complainant and other volunteer(s) that were named in the complaint. If a written complaint names a fellow volunteer(s) as the source of the concern, leadership will invite the complainant and the other named individual(s) meet to discuss the concern with both the President of the Board of Directors and the General Manager present. The President's role will be to facilitate the meeting; the General Manager will take notes detailing any agreement or follow-up actions.

History: Rescinded _____

Superseded/Replaced by Policy # _____

Policy: SVCA Resolution of Grievances Policy

Policy#: 2024.2

Date: April 11, 2024

If the complainant feels that the facilitated discussion has not adequately resolved their issues, they have the option of progressing to mediation as described in Step 3.

Step 3: Mediation by a third party

If the complainant feels that the facilitated discussion has not adequately resolved their issues, they have the option of progressing to mediation. The request for mediation should include:

- An explanation of the concern and details of all previous efforts to resolve the issue;
- A copy of the written complaint submitted to SVCA leadership;
- A copy of SVCA leadership's written response to the volunteer's complaint;
- Detailed information regarding the complainant's dissatisfaction with SVCA leadership's response.

Requests for mediation will automatically be shared with all members of the Board of Directors. A report of the outcome/resolution of mediation, provided by the third-party mediation organization selected to facilitate the resolution of the identified issue, will also be shared with all members of the Board of Directors.

The President of the Board of Directors or the General Manager will, upon the request of the complainant and all other involved parties, facilitate the selection of a third-party mediator such as the Whatcom County Dispute Resolution Center. Once the mediation organization has been selected, that organization will manage the selection of a mediator and schedule discussions between the complainant and other individuals that were named in the complaint. SVCA will cover the cost of the third-party mediation organization. The outcome of mediation will be final unless new evidence or other circumstances warrant additional review of the concern.

Recordkeeping

The General Manager will maintain records of this process confidentially and securely.

The minutes of the Board will include notice of complaints upon resolution.

**RESOLUTION TO ESTABLISH THE
SUDDEN VALLEY COMMUNITY ASSOCIATION
SAFETY COMMITTEE**

WHEREAS Article V, Section 1 of the Sudden Valley Community Association (SVCA) Bylaws required committees established by the SVCA Board of Directors (Board) to be created utilizing a resolution, and

WHEREAS the resolution is required to identify and describe the specific duties of the ad-hoc committee being established,

THEREFORE, be it resolved that the Board hereby establishes the Safety Committee. This charter will expire immediately following the 2024 Annual General Meeting.

- I. **Purpose:** The purpose of the Safety Committee, as adopted by the SVCA Board, is to educate community members regarding various aspects of community and personal safety.
- II. The Committee will consist of a diverse group of community members to initiate, advise, organize, recommend and propose events, activities and literature educating the membership of safety practices of the community, within the parameters approved by the SVCA Board.
- III. **Membership:** The members of the committee shall be members of SVCA in good standing throughout their term and agree to follow SVCA Bylaws, Resolutions, Policies, Rules and Regulations and Code of Conduct. The committee may recommend prospective members to the Board; however, committee members shall be appointed by the board. The committee shall be made up of a minimum of three members (two of which must be directors, with one appointed as committee Chair) and not more than seven voting members. (Three of which must be non-directors).
- IV. **Meetings and Procedures:** The Safety Committee shall meet a minimum of four times during the year. The Safety Committee will adhere to all SVCA Resolutions, Bylaws, Policies, Washington State Proclamations and State and Federal laws regarding remote meetings, following the hierarchy of governing documents. Meetings shall be conducted in accordance with Robert's Rules of Order. A quorum is defined as 50% of the committee. ~~members, one of which is a Board member.~~ No business shall be conducted with less than a quorum present. Notice of the meeting and an agenda shall be posted on the SVCA website a minimum of 48 hours in advance. Notice shall state date, time, and place of the meeting. Written minutes shall be posted on the website and filed with the Board Secretary. The committee shall deliver a report, written or oral, as requested by the SVCA Board.

V. **Authority:** The committee is given the limited authority necessary for the reasonable execution of the stated purpose and responsibilities of the charter. The committee Chair shall keep the Board and the GM informed of any discussions with outside organizations, agencies, or vendors. No Safety Committee member has authority to sign or otherwise enter into any contract or other agreement binding or committing the Association to obligation, acquisition, service, purchase, lease, or other agreement.

VI. **Deliverables:** The specific duties and responsibilities of the Safety Committee shall consist of the following:

1. Arrange events and programs such as Wildfire Preparedness Presentation by local experts. (Firewise)
2. Facilitate the involvement of and encourage the participation of all local community groups and members.
3. Recruit and coordinate volunteers interested in participating and supporting ongoing safety activities in the community.
4. Promote and advertise committee events and activities on the various SVCA information platforms; Views, Eblast and the SVCA website announcements.
5. Develop monthly Views “safety-wise” articles for the Views.
6. Educate residents on various aspects of emergency preparedness and offer recommendations.
7. Form a volunteer traffic/safety group for school bus stops and SVCA events.
8. The committee Chair will report regularly to the Board, suggesting methods for support and approval of the activities of the committee.

Adopted by the Board of Directors:

President _____

Date _____

Secretary _____

Date _____

This charter was approved by the Board on _____.

2024 Budget Calendar

2024

2024

Budgeting Timeline

January						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

May						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

September						
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22	23	24	25	26	27	28
29	30					

February						
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18	19	20	21	22	23	24
25	26	27	28	29		

June						
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9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

October						
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6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

March						
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17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

July						
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28	29	30	31			

November						
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17	18	19	20	21	22	23
24	25	26	27	28	29	30

April						
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21	22	23	24	25	26	27
28	29	30				

August						
S	M	T	W	T	F	S
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4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

December						
S	M	T	W	T	F	S
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8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

x	SVCA Holiday
x	Town Hall/AGM
x	AGM Planning
x	Budget Planning
x	Board Meeting
x	N&E
x	SVCA Event

RCW 64.90.525
 (1)(a) Within thirty days after adoption of any proposed budget for the common interest community, the board must provide a copy of the budget to all the unit owners and set a date for a meeting of the unit owners to consider ratification of the budget not less than fourteen nor more than fifty days after providing the budget.

MAY	
5/1/24	Annual Financial Audit Begins
5/9/24	BOD Meeting - Regular
5/15/24	Finance Committee Meeting -- Operational Budget Input
5/23/24	BOD Meeting - Regular
JUNE	
6/7/24	Level III Reserve Study Draft Due
6/13/24	BOD Meeting - Regular
6/19/24	Finance Committee Meeting -- Capital Budget Input
6/27/24	BOD Meeting - Regular
JULY	
7/4/24	July 4th Holiday - Observed
7/5/24	N&E Opening of Candidate Application Period
7/11/24	BOD Meeting - AGM Agenda, measures, ballot and explanations outlined
7/13/24	Valley Fair
7/24/24	Presentation of Operational budget to BOD & Finance Committee with Q&A, Discussion
7/25/24	Presentation of Capital budget to BOD & Finance Committee with Q&A, Discussion
AUG	
8/8/24	BOD Meeting - Regular - Approve Envelopes and Voter Instructions; Finalize budget changes
8/9/24	GM / N&E send final Envelope and Voter Instructions layouts to UniLect
8/9/24	N&E - Begin work on draft Election Booklet
8/17/24	Town Hall Meeting - Presentation of 2025 Budget
8/22/24	BOD Meeting - Finalize AGM Agenda, measures, ballot and explanations
8/23/24	N&E announce dates for candidate forums
8/26/24	Send SVCA Mailing List to UniLect
TBD	Attorney Review of AGM materials
SEPT	
9/2/24	Labor Day Holiday
9/3/24	N&E Candidate Application Deadline/Ballot Lottery
9/4/24	Last day for BOD Candidates to submit photos, biographies, and vision statements
9/5/24	SVCA Sends candidate info to UniLect -- not layout, just info
9/5/24	BOD Special Meeting - Voting to adopt the 2025 Budget
9/6/24	SVCA sends draft Voter Guide to UniLect
9/12/24	BOD Regular Meeting - Vote to approve proof of Election Booklet/Ballot
9/13/24	SVCA sends final approved voter packet materials to UniLect
9/23/24	UniLect mails Election Materials to foreign-based SVCA members
9/25/24	UniLect mails Election Materials to US-based SVCA members
9/26/24	BOD Meeting - Regular
OCT	
10/10/24	BOD Meeting - Regular
TBD	Review AGM Agenda with Parliamentarian
TBD	Candidate Forum(s)
10/24/24	BOD Meeting - Regular
10/26/24	Trunk or Treat
10/31/24	N&E/GM send list of members NOT in good standing to UniLect (Accounting pulls list, GM sends)
NOV	
11/1/24	Last Day for Mailed Ballots to be received/ Last day to vote using SVCA ballot box
11/2/24	AGM
11/2/24	SVCA BOD Organizational Meeting - Follows AGM



Sudden Valley Community Association
360-734-6430
4 Clubhouse Circle Bellingham, WA 98229
www.suddenvalley.com

APPROVAL REQUEST MEMO

To: Sudden Valley Community Association Board of Directors
From: Jo Anne Jensen, General Manager
Date: April 11, 2024
Subject: Rules Governing Rentals

Purpose

The purpose of this memo is to inform Directors of the rules governing property rentals in the Association and get their input on how best to address the growing issues arising from non-compliance with these rules.

Background

A growing area of concern for the Association is that neither members who rent their properties nor the tenants who reside there are aware of the rules that govern rental properties. Members whose homes are near rental properties have reported a growing number of situations in which members fail to ensure that their tenants are compliant with SVCA's governing documents. Further, SVCA is aware that many homeowners use Airbnb to manage their properties as short-term rentals, which makes it difficult, if not impossible, for members to comply with SVCA tenant regulations.

Following are the basic requirements with references to the applicable sections of the governing documents.

What are the Rules?

- **Members may lease their properties.**

SVCA Bylaws, Article IV, Section 7. Leasing. A member or owner may lease or otherwise transfer use or occupancy of any lot for residential purposes only.

- **A formal lease document for all rentals must be given to the Association.**

SVCA Bylaws, Article IV, Section 7 (cont'd). The term "tenant" as used herein is defined as a person(s) to whom a member(s) has extended use of his/her lot as evidenced by a written lease or rental agreement, a copy of which shall be filed with the Association.

- **Only single-family homes are allowed in Sudden Valley.**

SVCA Restrictive Covenants, Section 3. No lot shall be used except for residential purposes. No building shall be erected, altered, placed or permitted to remain on any lot other than one detached single-family dwelling. No structure of a temporary character, trailer, mobile home, basement, tent, shack, garage, barn or any other out-buildings shall be used on any lot at any time as a residence, either temporarily or permanently.

- **The number of tenants that can occupy a rental is limited.**

SVCA Bylaws, Article IV, Section 7 (cont'd). Only one (1) couple with their dependents, or not more than three (3) unrelated adults, are permitted in a one (1) single family dwelling unit and are considered tenants for amenity use purposes.

- **A member can retain their membership rights or assign them to the tenants.**

A member in good standing who leases his/her residential unit may assign membership privileges to the tenant; provided, however, that the tenant shall have no right to vote or right to notice of any regular or special meetings of the Association.

- **Members are responsible for the behavior of their tenants.**

Rules & Regulations, Section 1.1 Property owners of SVCA are responsible for the actions and compliance with these Rules and Regulations by their families, guests, tenants, and agents.

- **Tenants must agree to abide by, and be subject to, the governing documents of the Association. This should be included in the lease because if tenants break a rule, the applicable fine is charged to the member's account.**

Any failure of tenants to comply with the rules and regulations are subject to fines charged to the owner. Notice of the fine will be sent to the owner to the address on record.

- **Members who do not live at their SVCA property must provide contact information to the Association.**

Rules & Regulations, Section 2.6. It shall be the responsibility of each property owner to ensure that the Association records reflect their current mailing address, telephone number and emergency contact information.

- **Members are required to give information about tenants to the Association.**

Rules & Regulations, Section 2.7. Members of SVCA who rent or lease their property must provide or cause to be provided to the Association information on their tenants pertaining to the total number of occupants, their names, mailing address and emergency contact number.

- **Members are required to give information about any property management agent to the Association, if they use one.**

Rules & Regulations, Section 2.7. If the property is managed by a licensed agent, the name, address, and phone number of the agent must also be provided.



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APPROVAL REQUEST MEMO

To: Sudden Valley Community Association Board of Directors
From: Jo Anne Jensen, General Manager
Date: April 11, 2024
Subject: Approval of ACC Fines & Fees for 2024

Purpose

To receive approval for the proposed 2024 Fines & Fees related to Architectural Control guidelines.

Background

The purpose of the Architectural Control Committee is *“To protect individual property owners from the results of indiscriminate construction by others that would adversely affect surrounding property values and the general aesthetic quality of Sudden Valley.”* To do this, the committee reviews each proposed project to determine whether it complies with ACC Policies. Committee members spend many hours reviewing each application, visiting each site, and meeting to discuss and then vote on each proposed project. Each homeowner and/or builder that participates in this process also spends time and money preparing the application, providing additional copies of plans and county permits, and meeting with the committee, often several times, before approval for their project is granted.

The only means available to SVCA to enforce compliance with the ACC process and guidelines is through the charging of fines. If no fines were assessed, what motivation would homeowners have to add additional time and cost to their projects? At the current amounts, the ACC fines do not offer a meaningful deterrent to potential rule-breakers. In the words of one resident who was told that going ahead with a project without ACC approval was against the rules, *“That’s okay. If I get caught, I’ll just pay the \$100.”*

Builders have even less incentive than homeowners to follow the rules. Building homes is big business. In 2016, the median price of a single-family home in Washington State was \$315,900. In 2022, the last year for which data are available, the price for that same single-family home had risen to \$647,900. That is more than two times the price in 2016. The Association of Professional Builders estimates that, in 2022, the average builder’s margin was 24.8% which led to a net margin of 12.73%. That means when a builder sells an “average” single-family home, they net \$82,478. It is reasonable that if blocking a road without notice or cutting down an extra tree makes their job easier, the potential fine will not be a deterrent.

The previous examples demonstrate why I believe fines should be increased. I also believe that it is necessary for SVCA to significantly increase the fees associated with new construction and exterior alteration requests. In the past, application fees were determined based on the cost of required inspections. I do not feel that is adequate. The costs of managing a new construction or major remodeling project for the Association go far beyond the simple cost of the inspections. Security

drives by each project every day and fields multiple complaints from residents. Builders call the front office to ask questions, give notice for road closures, etc. And the cost of building activity on the Association's roads and other infrastructure is significant as well.

The fees and fines assessed by SVCA for new construction, exterior remodeling projects, and violations have not been increased since 2016. I believe it is important for SVCA to make the significant increases that are recommended in the attached table. Approving the proposed increases will reinforce to the community that compliance is important and will allow the Association to recoup some of the costs created by active construction projects.

Proposal

I recommend that the SVCA Board of Directors approve the proposed increases to the ACC Fines & Fees Schedule.

Motion

Move that the SVCA Board of Directors approve the proposed increases to the ACC Fines & Fees Schedule.

Approvals

Approved: _____ Not Approved: _____ SVCA Board of Directors

Signed: _____ Date: _____

Keith McLean, SVCA Board President

Description	Current Amount	Proposed Amount
Architectural Control New Construction Fee	\$3,500	\$7,000
Refundable Completion Deposit - New Construction	\$5,000 - \$10,000	\$20,000
Exterior Remodel or Addition Fees Tier 1	\$360	\$750
Exterior Remodel or Addition Fees Tier 2	\$620	\$1,200
Exterior Remodel or Addition Fees Tier 3	\$880	\$1,700
Setback Inspection	\$120	\$250
Driveway Inspection	\$100	\$200
Refundable Completion Deposit - Exterior Remodel or Addition	\$750 and/or variable deposit based on project	\$2,500
First Extension of Construction Permit	Free	\$5,000
Second Extension of Construction Permit	\$100	\$10,000
Final Extension of Construction Permit	50% of Construction Deposit	\$20,000
FINES for ARCHITECTURAL CONTROL VIOLATIONS		
ACC Tree/Vegetation Violations		
Cutting/limbing trees on owner's property without prior ACC approval	Up to \$2,000 per tree	Up to \$5,000 per tree
Topping, windowing, or excessive limbing on trees	Up to \$2,000 per tree	Up to \$5,000 per tree
Cutting/limbing trees on another owner's property without prior ACC approval AND owner's approval	Up to \$5,000 per tree	Up to \$10,000 per tree
Cutting/limbing trees after a request for such has been denied by the ACC	Up to \$7,500 per tree	Up to \$10,000 per tree
Damage to trees and/or vegetation during approved construction or other projects of additional conifers	Up to \$1,000 per tree + replanting	Up to \$2,000 per tree + replanting
Subsequent violations	Double the fine amount	Double the fine amount
Stop work order		
Disregard of SVCA staff stop work order	\$200 per day	\$500 per day
Failure to notify staff for required inspections	\$200	\$400

Subsequent violations	\$500	\$1,000
Inspections		
Occupancy prior to final inspection	\$300+possible forfeiture of the completion deposit	\$1,000+possible forfeiture of the completion deposit
Starting New Construction without obtaining authorization to proceed & tree removal permit	\$1,000	\$2,500
Exceeding the nine-month construction time limit	\$500	\$1,000
Failure to obtain ACC approval for a New Construction time limit extension	\$500+\$50 per day, 6 days a week (excluding holidays and weekends)	\$1,000+\$100 per day, 6 days a week (excluding holidays and weekends)
Hours of operations violation		
First violation	\$100	\$250
Second violation	\$200	\$500
Subsequent violations	\$500	\$1,000
Violation of Covenants, Bylaws, Rules & Regulations or ACC Guidelines not specified		
First violation	\$100 + restoration of the affected area	\$250 + restoration of the affected area
Second violation	\$200 + restoration of the affected area	\$500 + restoration of the affected area
Subsequent violations	\$500 + restoration of the affected area	\$1,000 + restoration of the affected area
Erosion Control: Failure to implement proper Best Management Practices (BMPs)		
First violation	\$200 + restoration of the affected area	\$500 + restoration of the affected area
Second violation	\$500 + restoration of the affected area	\$1,000 + restoration of the affected area
Subsequent violations	\$1,000 + restoration of the affected area	\$2,500 + restoration of the affected area
Cleaning/Emptying of concrete trucks on SVCA property		
First violation	\$1,000 + restoration of the affected area	\$2,500 + restoration of the affected area
Second violation	\$2,000 + restoration of the affected area	\$5,000 + restoration of the affected area
Subsequent violations	\$2,000 + restoration of the affected area	\$5,000 + restoration of the affected area
Accidental concrete spill	\$200 + restoration of the affected area	\$1,000 + restoration of the affected area

Miscellaneous Violations		
Implementing unapproved changes that affect the exterior appearance of a house or lot	\$100	\$500
Performing work or providing services without a current contractor's license and bond	\$100	\$1,000
Blocking road without notification	\$500	\$1,000
Failure to provide flaggers	\$400	\$800
Paint, petroleum, or sludge spill -- accidental	\$1,000 + cleanup	\$2,500 + cleanup
Paint, petroleum, or sludge spill -- intentional	\$3,000 + cleanup	\$5,000 + cleanup
Trespass on adjacent lots while performing new construction activities	\$500	\$1,000
Unapproved fences, trailers, tents, or other structures on vacant or developed lots	\$100	\$500
Violation of Open Burning Regulations		
Commercial/Contractor land clearing -- first offense	\$250 + referral to NWCAA & County Fire Marshall	\$1,000 + referral to NWCAA & County Fire Marshall
Commercial/Contractor land clearing -- second offense	\$1,000 + referral to NWCAA & County Fire Marshall	\$5,000 + referral to NWCAA & County Fire Marshall

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CAPITAL REQUEST MEMO

To: Sudden Valley Community Association (SVCA) Board of Directors (BOD)
From: Greg Wadden, Turf Care Superintendent
Date: April 17, 2024
Subject: SVCA Capital Code CRRRF 9724.02
Contract Award – Asphalt Cart Path Repairs

Purpose

To request contract award for asphalt repairs to the cart paths under SVCA Capital Code 9724.02.

Background

On January 25, 2024, SVCA's BOD approved Capital Code 9724.02 to repair asphalt defects along the cart paths. Attached for reference is the approved capital request.

Analysis

I requested quotes from 3 contractors to complete asphalt repairs to the cart paths as identified in the Capital Request. This contract will be a unit price contract, and the contractor will be paid per square foot (SF) for asphalt repairs. I will be overseeing the project and ensure the amount of repairs completed stays within SVCA's budget. Attached are the 3 quotes received:

- Asphalt Northwest, LLC – Quoted \$5.64 per SF
- Western Refinery Services, Inc. (WRS) – Quoted \$7.23 per SF
- Lakeside Industries – Quoted \$16.75 per SF

Per the original capital request, the project approved total funding in the amount of \$54,080.00 with a construction estimate of \$50,460.00. Using the construction budget of \$50,460.00 divided by \$5.64 per SF a total surface area of approximately 8,946 SF is anticipated to be repaired.

Proposal

Approve contract award to Asphalt Northwest, LLC using SVCA's standard construction contract, see attached. The contract shall be written for 8,946 SF at \$5.64 per SF for a total contract value of \$50,455.44.

It is anticipated the allocation of \$3,620.00 (\$54,080.00 less \$50,460.00) for design, permitting, and bidding will not fully be used. The invoices for this work haven't been received by SVCA yet so the available amount is unknown. I request any unused balance of these funds also be available for construction.



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Request 1

Authorize the General Manager to execute SVCA’s standard construction contract with Asphalt Northwest, LLC with an estimated contract value of \$50,455.44.

Request 2

Authorize change order approval to Asphalt Northwest, LLC utilizing unused funds from design, permitting, and bidding. Greg Wadden, Turf Care Superintendent, will be responsible for administering these funds, and ensure the total project expenses do not exceed the total project amount of \$54,080.00.

Motion 1

Move that the SVCA Board of Directors authorize the General Manager to execute SVCA’s standard construction contract with Asphalt Northwest, LLC per their proposal dated March 29, 2024, to complete asphalt repairs to the cart paths. Contract value is estimated at \$50,455.44 with a unit price of \$5.64 per SF.

Motion 2

Move that the SVCA Board of Directors authorize the Turf Care Superintendent to issue a change order to Asphalt Northwest, LLC utilizing any unused design, permitting, and bidding funds available with total project expenditures to not exceed \$54,080.00.

Approval Motion 1

Recommended: _____ Not Recommended: _____ SVCA Finance Committee

Approved: _____ Not Approved: _____ SVCA Board of Directors

Signed: _____ Date: _____
Keith McLean, SVCA Board President

Approval Motion 2

Recommended: _____ Not Recommended: _____ SVCA Finance Committee

Approved: _____ Not Approved: _____ SVCA Board of Directors

Signed: _____ Date: _____
Keith McLean, SVCA Board President

GENERAL PROVISIONS

1. **DEFINITIONS.** As used herein, (i) "Contractor" shall mean Asphalt Northwest, LLC., or any division thereof, (ii) "Contracting Party" shall mean the person or entity purchasing materials and/or services as set forth on the front page hereof and pursuant to these General Provisions; and (iii) "Agreement" shall mean the contract formed between Contractor and Contracting Party by Contracting Party's acceptance of those terms and conditions set forth on the front page hereof and these General Provisions.
2. **ACCEPTANCE.** Unless Contracting Party has signed and returned this Agreement to Contractor within thirty (30) days of the date first stated on the front page hereof, Contractor's proposal shall be null and void. Any revisions, changes, or modifications made or suggested to the proposal, or in other writing issued by Contracting Party for purposes of accepting the proposal set forth herein, shall be null and void and shall not become a part of the Agreement unless agreed upon in writing by Contractor and Contracting Party.
3. **COST ESCALATION FOR ASPHALT.** Contractor's proposal herein is based upon local vendor posted prices for liquid asphalt as of the date of Contractor's proposal. In the event the actual prices at time the work is performed exceed such posted prices, the Contracted Price shall be equitably adjusted by a change order to reflect such increase. Contractor reserves the right to terminate this Agreement if an equitable adjustment cannot be agreed upon Contracting Party and Contractor. Payment for any such adjustment shall be made in accordance with the terms and conditions of this Agreement.
4. **CREDIT VERIFICATION.** This Agreement is subject to Contractor's verification of Contracting Party's credit and Contractor's determination that such credit is adequate or satisfactory to Contractor. Contractor reserves the right to withdraw its proposal should Contractor reasonably determine that such credit verification is unsatisfactory or inadequate.
5. **TERMS OF PAYMENT.** Unless otherwise provided for herein, payment shall be due to Contractor within ten (10) days of the date of any invoice issued by Contractor to Contracting Party. Interest shall accrue on all overdue invoices at the rate of one and a half percent (1.5%) per month (eighteen percent (18.00%) per annum) or the highest rate allowed by law, whichever is lower.
6. **SCHEDULE.** This Agreement is subject to Contractor's review and approval of the Contracting Party's schedule. Contracting Party shall coordinate with any other contractors and subcontractors work to prevent any delay or interference with Contractor's work.
7. **CHANGES.** Contracting Party may, without invalidating this Contract, order extra work, orally or in writing, or make changes by altering, adding to, or deducting from the work, and the Contract Price and Contract Time shall be adjusted Accordingly. All such work shall be executed under the conditions hereof. Contractor may require a written change order prior to proceeding with the work, or may proceed with the work and thereafter prepare a change order documenting the change in the Contract Price or Contract Time. If additional work has been accepted by Contracting Party; payment shall be made to Contractor with the next regular payment as provided herein. In case of any dispute over the adjustment of the Contract Price or Contract Time. Contractor shall proceed with the Work so long as the Contracting Party timely pays Contractor all undisputed amounts, plus fifty (50%) of the disputed amount, and provides a detailed written explanation of the reason for the dispute, and as such, the dispute shall be resolved in accordance with the procedures set forth herein.
8. **PROPERTY LINES.** Contracting Party warrants that Contracting Party knows the actual location of all legal property lines and that, prior to commencement of work hereunder. Contracting Party shall place stakes clearly indicating such property lines.
9. **PERMITS.** Any permit that must be secured prior to commencement of the work here under shall be secured and paid for by Contracting Party.
10. **DELAYS.** If Contractor is delayed at any time in the commencement or progress of the work by: Contracting Party, any employees or agent of Contracting Party, any separate contractor employed by Contracting Party, changes ordered in the work by Contracting Party, labor disputes, fire abnormal adverse weather conditions, force majeure, unusual delay in transportation of materials, labor shortages or unavailability, action or inaction of public authorities not arising out of fault of Contractor, casualties, or any other caused beyond Contractor's reasonable control, then the Contract Time shall be extended and the Contract Price shall be increased by change order for a period of time and in an amount reasonably necessary to alleviate the effect of such events on Contractor. Contractor reserves the right to terminate this Agreement if an equitable adjustment cannot be agreed upon Contracting Party and Contractor. Payment for any such adjustment shall be made in accordance with the terms and conditions of this Agreement.
11. **HAZARDOUS SUBSTANCES.** Contracting Party agrees to indemnify, defend and hold harmless Contractor and its employees and subcontractors from liability related to the existence of hazardous substances at the project site, unless such liability results directly from hazardous substances brought on to the project site by Contractor or its subcontractors, or arises from hazardous substances brought on to the project site by Contractor or its subcontractors, or arises out of the negligence or wrongful act of Contractor or its subcontractors. If Contractor encounters a substance on the project site which Contractor believes is a hazardous substance, Contractor shall immediately notify Contracting Party and shall cease work, in whole or in part, and any delays (and costs arising therefrom) shall be Contracting Party's responsibility.
12. **TERMINATION FOR CAUSE.** In the event that Contracting Party fails to timely pay for the work, Contractor shall be entitled to exercise any remedy provided by law or this Agreement, including, without limitation (i) cessation of further work until payment has been made and Contractor Party provides adequate assurances of future performance; (ii) termination of this Agreement; (iii) a lawsuit for monies owed; and (iv) foreclosure of a lien against the property on which the work was performed. All of these remedies shall be cumulative and in addition to any other remedies provided by law or equity. If the Contractor defaults, or neglects to carry out the work in accordance with this Agreement, Contracting Party shall provide thirty (30) working days' written notice of the default with an opportunity to cure. If Contractor fails to timely correct said default, or fails to commence and continue correction of such default with diligence and promptness, Contracting Party may terminate this Agreement in writing.
13. **INDEMNITY.** Contractor shall indemnify and hold harmless Contracting Party from and against claims, damages, losses, and expenses, including, but not limited to, attorneys' fees, arising out of or resulting from the performance of the work hereunder; provided, however, that such claim, damage, loss, or expense is attributable to bodily injury; sickness, disease, or death, or to injury to or destruction of tangible property; but only to the extent caused by negligent acts or omissions of Contractor, a subcontractor, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable. Contracting Party shall indemnify and hold harmless Contractor from and against claims, damages, losses, and expenses, including but not limited to attorneys' fees, to the extent caused by negligent acts of omissions of Contracting Party or anyone directly or indirectly employed by it, or anyone for whose acts it may be liable.
14. **WARRANTIES.** The Contractor warrants to the Contracting Party that materials furnished under the Agreement will be of good quality and new (unless otherwise required or permitted by the Agreement), that the work will be free from defects not inherent in the quality required or

permitted, and that the work will conform to the requirements of the Agreement. This warranty shall extend for a period of one (1) year from the date of substantial completion of the work or the use of the project by the Contracting Party; whichever occurs first. Except as otherwise provided herein, Contractor makes no warranties or representations of any kind, express or implied (including no warranty of merchantability or fitness for a particular purpose), and none shall be implied by law. The warranty shall not apply to any damage or loss to the work occasioned by Contracting Party's failure to perform ordinary and reasonable maintenance during the warranty period and/or any written notice of defects received after the one (1)-year period. Contracting Party agrees that oral agreements, statements, and representations made by Contractor and its employees or agents shall not constitute a warranty of any kind.

15. **TIME LIMITATIONS ON CLAIMS.** Any actions arising out of or related to Contractor's performance of the work, including any action arising under the Agreement, must be commenced with one (1) year after substantial completion of Contractor's work hereunder, and no such action may be maintained which is not commenced within such one (1)-year period.
16. **LIMITATION OF LIABILITY.** Contractor's sole liability and Contracting Party's sole and exclusive remedy for any and all damages (whether special, direct, incidental, consequential, or other) sustained by Contracting Party or others arising from Contractor's performance of the Agreement shall be limited to correcting defective work. In no event shall Contractor be liable to Contracting Party or any third party for more than the amount of Contractor's proposal, or for any delay damages or other consequential damages of any kind or nature. Under no circumstances shall Contractor be liable for (i) damage to or breakage of underground pipes, conduits, or utilities; (ii) damage to the completed pavement surface due to the action of petroleum-product spillage; (iv) subgrade failure or utility ditch failure; or (v) growth of horsetail weeds, morning glories, deep-rooted ferns, or perennials subsequent to the application of soil sterilization (weed killer) that have not reached maturity prior to such application. Any soil sterilization provided for in the Agreement shall be applied at the rate specified by the manufacturer thereof. Notwithstanding any other provision of this Agreement, Contractor shall not be liable to Contracting Party for any consequential damages incurred due to the fault of Contractor, its agents, employees, or subcontractors. Consequential damages include, but are not limited to, loss of use and loss of profit.
17. **ARBITRATION/ATTORNEYS' FEES.** At the Contractor's sole option, all claims, disputes, and other matters in question between Contractor and Contracting Party arising out of or relating to this Agreement shall be decided by arbitration before a single arbitrator in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then in effect, or by an arbitrator mutually agreed upon by the parties. If Contractor elects to arbitrate any such dispute, Contractor and Contracting Party 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 Contractor does not select Arbitration as the means of dispute resolution, all claims, disputes, and other matters in question between Contractor and Contracting Party arising out of, or relating to, this Agreement shall be decided by an action filed exclusively in the Superior Court of Whatcom County, Washington, regardless of where the Project was located. The substantially prevailing party in any arbitration or litigation shall be entitled to an award of its attorneys' fees, costs, and expert fees incurred. The parties expressly waive their rights to a jury trial.
18. **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.
19. **SEVERABILITY.** In the event that any paragraph, part, term, or condition of this Agreement is construed or held to be void, invalid, or unenforceable by an arbitrator or court of competent jurisdiction, the remaining paragraphs, parts, terms and conditions of the Agreement shall not be affected and shall remain in full force and effect.
20. **VOLUNTARY CONTRACT.** Each of the parties to this Agreement has carefully and fully read and understands the terms and conditions hereof, has had full opportunity to consult with legal counsel regarding its meaning and effect, and is entering into this Agreement freely and voluntarily through a representative who is fully authorized and empowered to sign on its behalf.
21. **ENTIRE AGREEMENT.** Contracting Party and Contractor intend that the proposal, those terms and conditions on the front of the page hereof, these General Provisions shall constitute the final, complete, and exclusive Agreement between the parties. This Agreement supersedes all other prior or contemporaneous agreements, representations, understandings, and promises, oral and/or written, by or between the parties, with respect to the subject matter hereof. Contracting Party further acknowledges and agrees that in entering into this Agreement, Contracting Party has not and is not relying upon any contemporaneous agreements, representations, understandings, and promises, oral and/or written made by Contractor. No course of dealings between the parties shall be relevant or admissible to explain, supplement, or vary the terms of this Agreement. No amendment or modification of this Agreement shall be effective or binding upon the parties unless made in writing and executed by Contracting Party and Contractor.

State of Washington
NOTICE TO CUSTOMER

This contractor is registered with the State of Washington, Registration No. ASPHANL773JP Asphalt Northwest, LLC has posted with the state a bond or deposit of \$12,000.00 for the purpose of satisfying claims against the contractor for breach of contract including negligent or improper work in the conduct of the contractor's business. The expiration date of this contractor's registration is 04/17/2025.

THIS BOND OR DEPOSIT MIGHT NOT BE SUFFICIENT TO COVER A CLAIM THAT MIGHT ARISE FROM THE WORK DONE UNDER YOUR CONTRACT.

This bond or deposit is not for your exclusive use because it covers all work performed by this contractor. The bond or deposit is intended to pay valid claims up to \$12,000.00 that you and other customers, suppliers, subcontractors, or taxing authorities may have.

FOR GREATER PROTECTION YOU MAY WITHHOLD A PERCENTAGE OF YOUR CONTRACT.

You may withhold a contractually defined percentage of your construction contract as retainage for a stated period of time to provide protection to you and help insure that your project will be completed as required by your contract.

YOUR PROPERTY MAY BE LIENED.

If a supplier of materials used in your construction project or an employee or subcontractor of your contractor or subcontractors is not paid, your property may be liened to force payment and you could pay twice for the same work.

FOR ADDITIONAL PROTECTION, YOU MAY REQUEST THE CONTRACTOR TO PROVIDE YOU WITH ORIGINAL "LIEN RELEASE" DOCUMENTS FROM EACH SUPPLIER OR SUBCONTRACTOR ON YOUR PROJECT.

The contractor is required to provide you with further information about lien release documents if you request it. General information is also available from the state Department of Labor and Industries.

I have received a copy of this disclosure statement.

Signature of Customer _____



Bellingham Division
 lakesideindustries.com
 703 East Laurel Rd / Bellingham, WA 98226
 ph: 360.398.1427 / fax: 360.398.8361
 Washington Contractor License No. LAKESI*274JD
 Oregon Contactor License No. CCB 108542
 Equal Opportunity Employer

PROPOSAL CONTRACT AGREEMENT

To: Sudden Valley Golf Course	Contact: Greg Wadden
Address: Bellingham	Phone:
	Fax:
Project Name: Sudden Valley Golf Course Repairs	Bid Number: 0524KMA029
Project Location: 4 Clubhouse Circle, Bellingham, WA	Bid Date: 3/27/2024
Attachments: Lakeside Contract Provisions revised 09.02.2020.pdf	

Pricing includes removal of asphalt, re-grading surface with RAP as needed, and paving 2" depth of Asphalt. 75 Ton of RAP (asphalt grindings will be brought in - any left over RAP will be left for maintenance crews. Each location to be roped off between removal/grading and paving. Assumed free access to all locations during play.

Item #	Item Description	Estimated Quantity	Unit	Unit Price	Total Price
01	Asphalt Removal, Grade Touchup, 2" Asphalt Paving	8,750.00	SF	\$16.75	\$146,562.50

Total Bid Price: \$146,562.50

Notes:

- Force Majeure. In the event Lakeside Industries is unable to perform its obligations under the terms of this agreement due to acts of God, strikes, or any other causes reasonably beyond its control, Lakeside Industries shall not be liable for any damages resulting from such failure to perform or otherwise from such causes.
- Price Based on 1 Mobilization. Additional Mobilizations are \$5500.00 Each.
- Price includes placement of asphalt only, all other items of work not specifically included are excluded.
- Price Excludes: Layout, Survey, or Engineering; Utility Location and/or Adjustment; Utility Patching; Traffic Control; Premium Pay for Night or Weekend Work; Herbicide; Prime Coat; ; Insurance Premium over Standard Insurance; Base Repair; Grinding; MTV/MTD; Cleaning Between Lifts; Tax; Permits; Bond; Testing; Sawcutting; Curbing; Concrete Protection; Crack Sealing; Seal Coat; Striping.
- Subgrades must be firm and unyielding.
- Total price to be based on actual quantity or measurement unless otherwise specified.
- Temperatures and weather on the scheduled paving day must be sufficient to allow for a minimum of 8 hours of in spec paving
- Prices are based on all paving to be completed prior to the installation of an obstructions in paving areas (overhead canopies, covers, gates, gate accessories, fences, bollards).
- Per WSDOT Standard Spec 5-04.3(13): Asphalt to be installed prior to utilities adjusted to final grade. For asphalt patching of utilities after adjustment by others, pricing will be \$300/each. Minimum Callout for Patching Utilities will be \$2,000.
- Bid based on approved contract; This proposal to be a part of all contract documents.
- Price based on current petroleum cost. Price escalation to be linked to the WSDOT asphalt binder index.
- Lakeside Industries Inc. proposed prices herein assume that Lakeside Industries Inc's work hereunder will be substantially complete on or before: October 1, 2024.
- Unless Contracting Party has signed and returned this Agreement with in thirty (30) days of the date first stated above, Lakeside Industries, Inc. proposal shall be null and void
- Performance Bond not included in bid price. If required please add 1% to total cost of bid.
- Credit card payments will be subject to an additional 2% fee.
- Credit card payments will be subject to an additional 2% fee.
- CONTRACTING PARTY'S SIGNATURE ON ONE COPY RETURNED TO LAKESIDE INDUSTRIES INC. WILL RENDER THIS A LEGAL CONTRACT FOR THE PERFORMANCE OF THE ABOVE WORK. CONTRACTING PARTY'S SIGNATURE ALSO ACKNOWLEDGES RECEIPT OF LAKESIDE INDUSTRIES INC. NOTICE TO CUSTOMER' STATEMENT ATTACHED HERETO.
- Any third party billing software required will be fully reimbursed.



Bellingham Division
 lakesideindustries.com
 703 East Laurel Rd / Bellingham, WA 98226
 ph: 360.398.1427 / fax: 360.398.8361
 Washington Contractor License No. LAKESI*274JD
 Oregon Contactor License No. CCB 108542
 Equal Opportunity Employer

PROPOSAL CONTRACT AGREEMENT

To: Sudden Valley Golf Course	Contact: Greg Wadden
Address: Bellingham	Phone:
	Fax:
Project Name: Sudden Valley Golf Course Repairs	Bid Number: 0524KMA029
Project Location: 4 Clubhouse Circle, Bellingham, WA	Bid Date: 3/27/2024
Attachments: Lakeside Contract Provisions revised 09.02.2020.pdf	

<p>ACCEPTED: The above prices, specifications and conditions are satisfactory and are hereby accepted.</p> <p>Buyer: _____</p> <p>Signature: _____</p> <p>Date of Acceptance: _____</p>	<p>CONFIRMED: Lakeside Industries - Bellingham</p> <p>Authorized Signature: _____</p> <p>Estimator: Kyle Aamot (360) 325-3273 Kyle.Aamot@LakesideIndustries.com</p>
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2380 Grandview Rd. | Ferndale, WA 98248
 Office: (360)366-3303 | Cell: (360)220-5164 | Fax: (360)366-3304
 LICENSE #WESTERS101JS

**PROPOSAL/CONTRACT AGREEMENT
 WASHINGTON**


March 25, 2024

Contracting Party:

Location & Project Name:

Sudden Valley Golf Course	Asphalt cart path repairs
4 Clubhouse circle	4 Clubhouse circle
Bellingham , WA	Bellingham , WA
Phone: 360-296-6497	Email: greg.wadden@suddenvalley.com

APPROXIMATE QUANTITY	UNIT OF MEASURE	DESCRIPTION	UNIT PRICE	TOTAL PRICE
		Asphalt Paving – Multiple Locations (3 staging areas)		
9,442	Sq ft	1) Grind / pulverize down tree roots on areas painted out		
		2) Clean debris and prep for Asphalt		
		3) Pave Asphalt @ 2 '' inches compacted		
		4) Seal Joints		
		Total:		\$68,210.00
		• WRS will provide traffic control to help with pedestrians		

 <p>A 2.5% convenience fee will apply on all credit card payments</p>	<p>APPROXIMATE TOTAL:</p> <p>(Plus sales tax where applicable)</p> <p>Total price to be based on actual quantity or measurement unless otherwise specified.</p>
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Exclusions Include: Curbing, utility patching, utility adjustments, testing, saw cutting, striping, and engineering.

Notes:	
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WRS' proposed prices herein assume that WRS' work hereunder will be complete on or before:
 Unless Contracting Party has signed and returned this agreement within thirty (30) calendar days of the date first stated above, WRS' proposal shall be null and void. This proposal is subject to the General Conditions on Page 3.

Contracting Party's signature on one copy returned to WRS will render this a legal contract for the performance of the above work. Contracting Party's signature also acknowledges receipt of WRS' Notice to Customer statement attached as Page 3.

Approved by Contracting Party:

Western Refinery Services, Inc.

By:

By: *Trevor Gardisky*

Date:

Estimator | Trevor Gardisky

GENERAL PROVISIONS

1. **DEFINITIONS.** As used herein, (i) "Contractor" shall mean Western Refinery Services, Inc., or any division thereof; (ii) "Contracting Party" shall mean the person or entity purchasing materials and/or services as set forth on the front page hereof and pursuant to these General Provisions; and (iii) "Agreement" shall mean the contract formed between Contractor and Contracting Party by Contracting Party's acceptance of those terms and conditions set forth on the front page hereof and these General Provisions.
2. **ACCEPTANCE.** Unless Contracting Party has signed and returned this Agreement to Contractor within thirty (30) calendar days of the date first stated on the front page hereof, Contractor's proposal shall be null and void. Any revisions, changes, or modifications made or suggested to the proposal, or in other writing issued by Contracting Party for purposes of accepting the proposal set forth herein, shall be null and void and shall not become a part of the Agreement unless agreed upon in writing by Contractor and Contracting Party.
3. **COST ESCALATION FOR ASPHALT.** Contractor's proposal herein is based upon local vendor posted prices for liquid asphalt as of the date of Contractor's proposal. In the event the actual prices at time the work is performed exceed such posted prices, the Contract Price shall be equitably adjusted by a change order to reflect such increase. Contractor reserves the right to terminate this Agreement if an equitable adjustment cannot be agreed upon by Contracting Party and Contractor. Payment for any such adjustment shall be made in accordance with the terms and conditions of this Agreement.
4. **CREDIT VERIFICATION.** This Agreement is subject to Contractor's verification of Contracting Party's credit and Contractor's determination that such credit is adequate or satisfactory to Contractor. Contractor reserves the right to withdraw its proposal should Contractor reasonably determine that such credit verification is unsatisfactory or inadequate.
5. **TERMS OF PAYMENT.** Unless otherwise provided for herein, payment shall be due to Contractor within ten (10) days of the date of any invoice issued by Contractor to Contracting Party. Interest shall accrue on all overdue invoices at the rate of one and a half percent (1.5%) per month (eighteen percent (18.00%) per annum) or the highest rate allowed by law, whichever is lower.
6. **SCHEDULE.** This Agreement is subject to Contractor's review and approval of the Contracting Party's schedule. Contracting Party shall coordinate with any other contractors and subcontractors' work to prevent any delay or interference with Contractor's work.
7. **CHANGES.** Contracting Party may, without invalidating this Contract, order extra work, orally or in writing, or make changes by altering, adding to, or deducting from the work, and the Contract Price and Contract Time shall be adjusted accordingly. All such work shall be executed under the conditions hereof. Contractor may require a written change order prior to proceeding with the work, or may proceed with the work and thereafter prepare a change order documenting the change in the Contract Price or Contract Time. If additional work has been accepted by Contracting Party, payment shall be made to Contractor with the next regular payment as provided herein. In case of any dispute over the adjustment of the Contract Price or Contract Time, Contractor shall proceed with the Work so long as the Contracting Party timely pays Contractor all undisputed amounts, plus fifty percent (50%) of the disputed amount, and provides a detailed written explanation of the reason for the dispute, and as such, the dispute shall be resolved in accordance with the procedures set forth herein.
8. **PROPERTY LINES.** Contracting Party warrants that Contracting Party knows the actual location of all legal property lines and that, prior to commencement of work hereunder, Contracting Party shall place stakes clearly indicating such property lines.
9. **PERMITS.** Any permits that must be secured prior to commencement of the work hereunder shall be secured and paid for by Contracting Party.
10. **DELAYS.** If Contractor is delayed at any time in the commencement or progress of the work by: Contracting Party, any employee or agent of Contracting Party, any separate contractor employed by Contracting Party, changes ordered in the work by Contracting Party, labor disputes, fire, abnormal adverse weather conditions, force majeure, unusual delay in transportation or materials, labor shortages or unavailability, action or inaction of public authorities not arising out of fault of Contractor, casualties, or any other causes beyond Contractor's reasonable control, then the Contract Time shall be extended and the Contract Price shall be increased by change order for a period of time and in an amount reasonably necessary to alleviate the effect of such events on Contractor. Contractor reserves the right to terminate this Agreement if an equitable adjustment cannot be agreed upon by Contracting Party and Contractor. Payment for any such adjustment shall be made in accordance with the terms and conditions of this Agreement.
11. **HAZARDOUS SUBSTANCES.** Contracting Party agrees to indemnify, defend, and hold harmless Contractor and its employees and subcontractors from liability related to the existence of hazardous substances at the project site, unless such liability results directly from hazardous substances brought on to the project site by Contractor or its subcontractors, or arises out of the negligence or wrongful act of Contractor or its subcontractors. If Contractor encounters a substance

on the project site which Contractor believes is a hazardous substance, Contractor shall immediately notify Contracting Party and shall cease work, in whole or in part, and any delays (and costs arising therefrom) shall be Contracting Party's responsibility.

12. **TERMINATION FOR CAUSE.** In the event that Contracting Party fails to timely pay for the work, Contractor shall be entitled to exercise any remedy provided by law or this Agreement, including, without limitation (i) cessation of further work until payment has been made and Contractor Party provides adequate assurances of future performance; (ii) termination of this Agreement; (iii) a lawsuit for monies owed; and (iv) foreclosure of a lien against the property on which the work was performed. All of these remedies shall be cumulative and in addition to any other remedies provided by law or equity. If the Contractor defaults, or neglects to carry out the work in accordance with this Agreement, Contracting Party shall provide thirty (30) working days' written notice of the default with an opportunity to cure. If Contractor fails to timely correct said default, or fails to commence and continue correction of such default with diligence and promptness, Contracting Party may terminate this Agreement in writing.

13. **INDEMNITY.** Contractor shall indemnify and hold harmless Contracting Party from and against claims, damages, losses, and expenses, including, but not limited to, attorneys' fees, arising out of or resulting from the performance of the work hereunder; provided, however, that such claim, damage, loss, or expense is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property, but only to the extent caused by negligent acts or omissions of Contractor, a subcontractor, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable. Contracting Party shall indemnify and hold harmless Contractor from and against claims, damages, losses, and expenses, including, but not limited to attorneys' fees, to the extent caused by negligent acts or omissions of Contracting Party or anyone directly or indirectly employed by it, or anyone for whose acts it may be liable.

14. **WARRANTIES.** The Contractor warrants to the Contracting Party that materials furnished under the Agreement will be of good quality and new (unless otherwise required or permitted by the Agreement), that the work will be free from defects not inherent in the quality required or permitted, and that the work will conform to the requirements of the Agreement. This warranty shall extend for a period of one (1) year from the date of substantial completion of the work or the use of the project by the Contracting Party, whichever occurs first. Except as otherwise provided herein, Contractor makes no warranties or representations of any kind, express or implied (including no warranty of merchantability or fitness for a particular purpose), and none shall be implied by law. The warranty shall not apply to any damage or loss to the work occasioned by Contracting Party's failure to perform ordinary and reasonable maintenance during the warranty period and/or any written notice of defects received after the one (1)-year period. Contracting Party agrees that oral agreements, statements, and representations made by Contractor and its employees or agents shall not constitute a warranty of any kind.

15. **TIME LIMITATIONS ON CLAIMS.** Any actions arising out of or related to Contractor's performance of the work, including any action arising under the Agreement, must be commenced with one (1) year after substantial completion of Contractor's work hereunder, and no such action may be maintained which is not commenced within such one (1)-year period.

16. **LIMITATION OF LIABILITY.** Contractor's sole liability and Contracting Party's sole and exclusive remedy for any and all damages (whether special, direct, incidental, consequential, or other) sustained by Contracting Party or others arising from Contractor's performance of the Agreement shall be limited to correcting defective work. In no event shall Contractor be liable to Contracting Party or any third party for more than the amount of Contractor's proposal, or for any delay damages or other consequential damages of any kind or nature. Under no circumstances shall Contractor be liable for (i) damage to or breakage of underground pipes, conduits, or utilities; (ii) damage to approaches (including sidewalks) from the street to the property line; (iii) damage to the completed pavement surface due to the action of petroleum-product spillage; (iv) subgrade failure or utility ditch failure; or (v) growth of horsetail weeds, morning glories, deep-rooted ferns, or perennials subsequent to the application of soil sterilization (weed killer) that have not reached maturity prior to such application. Any soil sterilization provided for in the Agreement shall be applied at the rate specified by the manufacturer thereof. Notwithstanding any other provision of this Agreement, Contractor shall not be liable to Contracting Party for any consequential damages incurred due to the fault of Contractor, its agents, employees, or subcontractors. Consequential damages include, but are not limited to, loss of use and loss of profit.

17. **ARBITRATION/ATTORNEYS' FEES.** At the Contractor's sole option, all claims, disputes, and other matters in question between Contractor and Contracting Party arising out of or relating to this Agreement shall be decided by arbitration before a single arbitrator in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then in effect, or by an arbitrator mutually agreed upon by the parties. If Contractor elects to arbitrate any such dispute, Contractor and Contracting Party 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 Contractor does not select Arbitration as the means of dispute resolution, all claims, disputes, and other matters in question between Contractor and Contracting Party arising out of, or relating to, this Agreement shall be decided by an action filed exclusively in the Superior Court of Whatcom County, Washington, regardless of where the Project was located. The substantially prevailing party in any arbitration or litigation shall be entitled to an award of its attorneys' fees, costs, and expert fees incurred. The parties expressly waive their rights to a jury trial.

18. **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.
19. **SEVERABILITY.** In the event that any paragraph, part, term, or condition of this Agreement is construed or held to be void, invalid, or unenforceable by an arbitrator or court of competent jurisdiction, the remaining paragraphs, parts, terms and conditions of the Agreement shall not be affected and shall remain in full force and effect.
20. **VOLUNTARY CONTRACT.** Each of the parties to this Agreement has carefully and fully read and understands the terms and conditions hereof, has had full opportunity to consult with legal counsel regarding its meaning and effect, and is entering into this Agreement freely and voluntarily through a representative who is fully authorized and empowered to sign on its behalf.
21. **ENTIRE AGREEMENT.** Contracting Party and Contractor intend that the proposal, those terms and conditions on the front of the page hereof, these General Provisions shall constitute the

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State of Washington
NOTICE TO CUSTOMER

This Contractor is registered with the State of Washington, Registration No. WESTERS101JS, and has posted with the state a bond or deposit of Twelve Thousand Dollars (\$12,000.00) for the purpose of satisfying claims against the Contractor for breach of Contract, including negligent or improper work in the conduct of the contractor's business. The expiration date of this Contractor's Registration is 01/25/2025.

THIS BOND OR DEPOSIT MIGHT NOT BE SUFFICIENT TO COVER A CLAIM THAT MIGHT ARISE FROM THE WORK DONE UNDER YOUR CONTRACT.

This bond or deposit is not for your exclusive use because it covers all work performed by this Contractor. The bond or deposit is intended to pay valid claims up to Twelve Thousand Dollars (\$12,000.00) that you and other customers, suppliers, subcontractors, or taxing authorities may have.

FOR GREATER PROTECTION, YOU MAY WITHHOLD A PERCENTAGE OF YOUR CONTRACT.

You may withhold a contractually defined percentage of your construction Contract as retainage for a stated period of time to provide protection to you and help insure that your project will be completed as required by your Contract.

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The Contractor is required to provide you with further information about lien release documents if you request it. General information is also available from the Washington State's Department of Labor and Industries. I have received a copy of this disclosure statement.

(Signature of Customer)



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: Jo Anne Jensen, General Manager
Date: January 25, 2024
Subject: Capital Request –Asphalt Cart Path Repairs

Purpose

To request funding for asphalt repairs to the golf cart paths.

Background

The asphalt cart paths throughout the golf course have many defects, primarily areas where the asphalt has been raised by tree roots. This project will repair those isolated locations as identified in PNW's summary dated January 9th, 2024.

Analysis

Most of the repairs can be made by grinding the existing asphalt and overlaying. This approach does not disturb the soil and can be conducted outside of the watershed window for digging. Where full depth asphalt removal is needed, the area disturbed will be kept under 500 SF. By taking this approach, work can be conducted in the spring before the busy summer golf season.

Golf staff have identified a list of cart path sections that need repair. The total area identified is about 10,344 SF. Using an estimated cost per square foot of \$7.06, completing all repairs would cost \$73,029. The 2025 budget includes \$54,080 for the repair of cart paths. We propose to begin repairs in 2024 (one year ahead of the budgeted funding) because the Turf Care Building project (which is budgeted in 2024) will not be completed until 2025. Swapping the funding for these two projects makes best use of the capital funds available in 2024. If funding is approved, we propose to fix as many of the damaged areas as is possible with \$54,080. The remaining areas would then be addressed in following years (additional funding for cart path repair is available in the 2026 and 2027 budgets).

PNW's scope of work includes:

- Prepare Notice of Activity permit application to Whatcom County.
- Issue the project for bid to contractors, and then contract award.
- Repairing the identified asphalt locations. (Repairs are proposed to be completed this spring prior to the busy summer season).



Sudden Valley Community Association

360-734-6430

4 Clubhouse Circle Bellingham, WA 98229

www.suddenvalley.com

Request

Request \$54,080.00 to complete repairs to asphalt cart paths per PNW's summary dated January 9th, 2024.

Motion

Move that the SVCA Board of Directors approve the allocation of \$54,080.00 from CRRRF to complete asphalt repairs to the cart paths.

Board of Directors Approval

Approved: Not Approved: SVCA Board of Directors

The SVCA Board of directors approved the motion shown above on January 25th, 2024.

Jaune Jensen



January 9, 2024

Sudden Valley Community Association
Attn: Jo Anne Jensen
4 Clubhouse Circle
Bellingham, WA 98229

RE: Project Scope Letter
Asphalt Cart Path Repairs

PNW is providing this overall project scope letter to SVCA for the proposed Asphalt Cart Path Repairs Project. Summary of the project:

- The existing asphalt cart paths need repairs. Locations spread throughout the golf course have potholes, and tree root damage. This project is aimed to fix these spot locations by grinding the existing asphalt, and overlaying. Where full depth asphalt repairs are needed, the quantity will be kept to less than 500 SF as that is the maximum disturbance allowed during the winter in the Lake Whatcom watershed.
- The project will require a Notice of Activity permit application to be filed with Whatcom County, and that is included as part of this scope.
- The project is assumed to take place this spring before the busy summer season.
- Turf Care has met with WRS to preliminarily review the project, and WRS has given a budget of \$7.06/SF (\$6.50/SF plus WSST) to repair these areas.
- Upon project approval, bids will be issued to contractors for completing the repairs. Once bids are received it will be brought back for contract award.
- SVCA’s 2024 budget doesn’t include a line item for these repairs. However, the 2024 budget projects \$54,080.00 in 2025 to be available for repairs to the asphalt cart paths. The Turf Care Maintenance Shop Remodel (separate capital request) is proposed to have construction delayed until winter of 2025. Per the Turf Care Maintenance Shop Remodel capital request, there is \$98,412.54 proposed to be deferred in spending until 2025. Turf Care is requesting to borrow \$54,080.00 from these funds to complete asphalt repairs in 2024. Then in 2025 when these funds become available, they will reimburse the remodel funds.
- Attached is a list of locations identified for repair that totals 10,344 SF. Based on WRS’s preliminary budget, $\$7.06/\text{SF} \times 10,344\text{SF} = \$73,028.64$, all of the locations will likely not be repaired unless construction bids come in lower than the preliminary budget. Repair locations will be prioritized by Turf Care to fix the worst locations first with the \$54,080.00 budget available.

Summary of anticipated costs:

Asphalt Cart Path Repairs – Design & Permitting	
- Design – Completed by Turf Care	\$0.00
- Permitting – Notice of Activity permit application to Whatcom County – Allowance for Impact Design	\$2,000.00



- Permitting – PNW Services, Inc. – Per Attached	\$540.00
- Permit Fees – None anticipated.	\$0.00
Total Design & Permitting	\$2,540.00
Asphalt Cart Path Repairs – Construction	
- Prepare bid package and contract oversight – PNW Services, Inc. – Per Attached	\$1,080.00
- Construction Oversight – Assumed by Turf Care	\$0.00
- Construction Budget - \$54,080.00 less design, permitting, and contract oversight.	\$50,460.00
Total Construction	\$51,540.00
Asphalt Cart Path Repairs Total – Design, Permitting, Construction	\$54,080.00

Please let me know if you have any questions, or if you would like any further information.

Sincerely,

Tyler Andrews
President

Asphalt Repairs – Holes 1-6	UNIT PRICE	TOTAL PRICE
Hole # 1 – 272 SF		
4 x 50		
2 x 8		
2 x 8		
3 x 2		
4 x 4		
3 x 3		
3 x 3		
Hole # 2 – 2,377 SF		
8 x 20		
8 x 22		
8 x 40		
8 x 54		
8 x 120		
8 x 40		
3 x 3		
Hole # 3 – 379 SF		
3 x 3		
3 x 3		
8 x 12		
5 x 5		
8 x 30		
Hole # 4 – 41 SF		
3 x 3		
4 x 8		
Hole # 5 – 80 SF		
8 x 10		
Hole # 6 – 181 SF		
2 x 6		
8 x 20		
3 x 3		

Asphalt Repairs - Holes 7-12	UNIT PRICE	TOTAL PRICE
Hole # 7 – 761 SF		
3 x 3		
8 x 40		
2 x 8		
8 x 30		
8 x 22		
Hole # 8 – 16 SF		
2 x 8		
Hole # 9 – 184 SF		
3 x 8		
8 x 20		
Hole # 10 – no repairs needed		
Hole # 11 – 1128 SF		
8 x 40		
8 x 60		
8 x 15		
8 x 8		
8 x 8		
8 x 10		
Hole # 12 – 808 SF		
8 x 22		
8 x 30		
8 x 8		
2 x 4		
8 x 40		

Asphalt Repairs – Holes 13-18	UNIT PRICE	TOTAL PRICE
Hole # 13 – 868 SF		
3 x 8		
8 x 3		
8 x 10		
8 x 8		
8 x 4		
2 x 2		
8 x 80		
Hole # 14 – 56 SF		
8 x 4		
3 x 8		
Hole # 15– 1,645 SF		
8 x 40		
3 x 4		
3 x 3		
8 x 50		
8 x 40		
8 x 52		
8 x 21		
Hole # 16 – no repairs needed		
Hole # 17 – 808 SF		
8 x 10		
8 x 10		
2 x 2		
8 x 80		
2 x 2		
Hole # 18– 740 SF		
2 x 2		
2 x 2		
8 x 61		
2 x 2		
8 x 10		
8 x 10		
8 x 10		

Sudden Valley Community Association

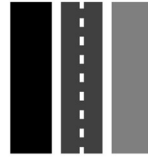
Asphalt Cart Path Repairs

PNW Estimate - Bid Package, Permitting, and Construction Management

Task	Description	Hours	Estimated Cost
Design Oversight	By Turf Care staff.	0	
	Total Estimated Design Oversight Hours	0	\$ -
Permitting	Oversight of NOA permit application to Whatcom County.	4	
	Total Estimated Permitting Cost	4	\$ 540.00
Contractor Bids	Prepare bid package, and issue to contractors.	4	
	Review bids, prepare recommendation to SVCA, and issue contract.	4	
	Total Estimated Bid Package Hours	8	\$ 1,080.00
Construction Management	Assumed by Turf Care staff.	0	
	Total Estimated Construction Management Hours	0	\$ -
	Total Estimated		\$ 1,620.00

Asphalt NW

Paving & Grading



PROPOSAL / CONTRACT AGREEMENT

CONTRACTING PARTY:

Sudden Valley Golf Course
 4 Clubhouse Circle
 Bellingham, WA 98229
 360-746-8400/greg.wadden@suddenvalley.com

3/29/2024

PROJECT NAME & LOCATION			SALESPERSON	PAYMENT TERMS
Cart Paths			Loren Vander Yacht	Net 10
APPROXIMATE QUANTITY	UNIT OF MEASURE	DESCRIPTION	UNIT PRICE	TOTAL PRICE
9,494	Sq Ft	27 areas marked in white paint-		
		Grind or saw cut & excavate existing failing asphalt.		
		Pave areas with 2" asphalt and seal joints.	\$5.64	\$53,546.16
			SUBTOTAL	
			APPROXIMATE TOTAL	
			PLUS SALES TAX WHERE APPLICABLE	
			Total price to be based on actual quantity or measurement unless otherwise specified	

Exclusions include: curbing, utility patching, utility adjustments, testing, striping, engineering

Notes:	
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Asphalt Northwest, LLC proposed prices herein assume that Asphalt Northwest, LLC work hereunder will be completed on a mutually agreed date. Unless contracting party has signed and returned this agreement within thirty (30) calendar days of the date first stated above, this proposal shall be null and void. This proposal is subject to the attached General Conditions. Contracting party's signature on one copy returned to Asphalt Northwest, LLC will render this a legal contract for the performance of the above work. Contracting party's signature also acknowledges receipt of Asphalt Northwest, LLC's Notice to Customer statement attached hereto.

Approved by Contracting Party

Asphalt Northwest, LLC

Signature: _____ Date : _____ | Signature: *Loren Vander Yacht*

GENERAL PROVISIONS

1. **DEFINITIONS.** As used herein, (i) "Contractor" shall mean Asphalt Northwest, LLC., or any division thereof, (ii) "Contracting Party" shall mean the person or entity purchasing materials and/or services as set forth on the front page hereof and pursuant to these General Provisions; and (iii) "Agreement" shall mean the contract formed between Contractor and Contracting Party by Contracting Party's acceptance of those terms and conditions set forth on the front page hereof and these General Provisions.
2. **ACCEPTANCE.** Unless Contracting Party has signed and returned this Agreement to Contractor within thirty (30) days of the date first stated on the front page hereof, Contractor's proposal shall be null and void. Any revisions, changes, or modifications made or suggested to the proposal, or in other writing issued by Contracting Party for purposes of accepting the proposal set forth herein, shall be null and void and shall not become a part of the Agreement unless agreed upon in writing by Contractor and Contracting Party.
3. **COST ESCALATION FOR ASPHALT.** Contractor's proposal herein is based upon local vendor posted prices for liquid asphalt as of the date of Contractor's proposal. In the event the actual prices at time the work is performed exceed such posted prices, the Contracted Price shall be equitably adjusted by a change order to reflect such increase. Contractor reserves the right to terminate this Agreement if an equitable adjustment cannot be agreed upon Contracting Party and Contractor. Payment for any such adjustment shall be made in accordance with the terms and conditions of this Agreement.
4. **CREDIT VERIFICATION.** This Agreement is subject to Contractor's verification of Contracting Party's credit and Contractor's determination that such credit is adequate or satisfactory to Contractor. Contractor reserves the right to withdraw its proposal should Contractor reasonably determine that such credit verification is unsatisfactory or inadequate.
5. **TERMS OF PAYMENT.** Unless otherwise provided for herein, payment shall be due to Contractor within ten (10) days of the date of any invoice issued by Contractor to Contracting Party. Interest shall accrue on all overdue invoices at the rate of one and a half percent (1.5%) per month (eighteen percent (18.00%) per annum) or the highest rate allowed by law, whichever is lower.
6. **SCHEDULE.** This Agreement is subject to Contractor's review and approval of the Contracting Party's schedule. Contracting Party shall coordinate with any other contractors and subcontractors work to prevent any delay or interference with Contractor's work.
7. **CHANGES.** Contracting Party may, without invalidating this Contract, order extra work, orally or in writing, or make changes by altering, adding to, or deducting from the work, and the Contract Price and Contract Time shall be adjusted Accordingly. All such work shall be executed under the conditions hereof. Contractor may require a written change order prior to proceeding with the work, or may proceed with the work and thereafter prepare a change order documenting the change in the Contract Price or Contract Time. If additional work has been accepted by Contracting Party; payment shall be made to Contractor with the next regular payment as provided herein. In case of any dispute over the adjustment of the Contract Price or Contract Time. Contractor shall proceed with the Work so long as the Contracting Party timely pays Contractor all undisputed amounts, plus fifty (50%) of the disputed amount, and provides a detailed written explanation of the reason for the dispute, and as such, the dispute shall be resolved in accordance with the procedures set forth herein.
8. **PROPERTY LINES.** Contracting Party warrants that Contracting Party knows the actual location of all legal property lines and that, prior to commencement of work hereunder. Contracting Party shall place stakes clearly indicating such property lines.
9. **PERMITS.** Any permit that must be secured prior to commencement of the work here under shall be secured and paid for by Contracting Party.
10. **DELAYS.** If Contractor is delayed at any time in the commencement or progress of the work by: Contracting Party, any employees or agent of Contracting Party, any separate contractor employed by Contracting Party, changes ordered in the work by Contracting Party, labor disputes, fire abnormal adverse weather conditions, force majeure, unusual delay in transportation of materials, labor shortages or unavailability, action or inaction of public authorities not arising out of fault of Contractor, casualties, or any other caused beyond Contractor's reasonable control, then the Contract Time shall be extended and the Contract Price shall be increased by change order for a period of time and in an amount reasonably necessary to alleviate the effect of such events on Contractor. Contractor reserves the right to terminate this Agreement if an equitable adjustment cannot be agreed upon Contracting Party and Contractor. Payment for any such adjustment shall be made in accordance with the terms and conditions of this Agreement.
11. **HAZARDOUS SUBSTANCES.** Contracting Party agrees to indemnify, defend and hold harmless Contractor and its employees and subcontractors from liability related to the existence of hazardous substances at the project site, unless such liability results directly from hazardous substances brought on to the project site by Contractor or its subcontractors, or arises from hazardous substances brought on to the project site by Contractor or its subcontractors, or arises out of the negligence or wrongful act of Contractor or its subcontractors. If Contractor encounters a substance on the project site which Contractor believes is a hazardous substance, Contractor shall immediately notify Contracting Party and shall cease work, in whole or in part, and any delays (and costs arising therefrom) shall be Contracting Party's responsibility.
12. **TERMINATION FOR CAUSE.** In the event that Contracting Party fails to timely pay for the work, Contractor shall be entitled to exercise any remedy provided by law or this Agreement, including, without limitation (i) cessation of further work until payment has been made and Contractor Party provides adequate assurances of future performance; (ii) termination of this Agreement; (iii) a lawsuit for monies owed; and (iv) foreclosure of a lien against the property on which the work was performed. All of these remedies shall be cumulative and in addition to any other remedies provided by law or equity. If the Contractor defaults, or neglects to carry out the work in accordance with this Agreement, Contracting Party shall provide thirty (30) working days' written notice of the default with an opportunity to cure. If Contractor fails to timely correct said default, or fails to commence and continue correction of such default with diligence and promptness, Contracting Party may terminate this Agreement in writing.
13. **INDEMNITY.** Contractor shall indemnify and hold harmless Contracting Party from and against claims, damages, losses, and expenses, including, but not limited to, attorneys' fees, arising out of or resulting from the performance of the work hereunder; provided, however, that such claim, damage, loss, or expense is attributable to bodily injury; sickness, disease, or death, or to injury to or destruction of tangible property; but only to the extent caused by negligent acts or omissions of Contractor, a subcontractor, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable. Contracting Party shall indemnify and hold harmless Contractor from and against claims, damages, losses, and expenses, including but not limited to attorneys' fees, to the extent caused by negligent acts of omissions of Contracting Party or anyone directly or indirectly employed by it, or anyone for whose acts it may be liable.
14. **WARRANTIES.** The Contractor warrants to the Contracting Party that materials furnished under the Agreement will be of good quality and new (unless otherwise required or permitted by the Agreement), that the work will be free from defects not inherent in the quality required or

permitted, and that the work will conform to the requirements of the Agreement. This warranty shall extend for a period of one (1) year from the date of substantial completion of the work or the use of the project by the Contracting Party; whichever occurs first. Except as otherwise provided herein, Contractor makes no warranties or representations of any kind, express or implied (including no warranty of merchantability or fitness for a particular purpose), and none shall be implied by law. The warranty shall not apply to any damage or loss to the work occasioned by Contracting Party's failure to perform ordinary and reasonable maintenance during the warranty period and/or any written notice of defects received after the one (1)-year period. Contracting Party agrees that oral agreements, statements, and representations made by Contractor and its employees or agents shall not constitute a warranty of any kind.

15. **TIME LIMITATIONS ON CLAIMS.** Any actions arising out of or related to Contractor's performance of the work, including any action arising under the Agreement, must be commenced with one (1) year after substantial completion of Contractor's work hereunder, and no such action may be maintained which is not commenced within such one (1)-year period.
16. **LIMITATION OF LIABILITY.** Contractor's sole liability and Contracting Party's sole and exclusive remedy for any and all damages (whether special, direct, incidental, consequential, or other) sustained by Contracting Party or others arising from Contractor's performance of the Agreement shall be limited to correcting defective work. In no event shall Contractor be liable to Contracting Party or any third party for more than the amount of Contractor's proposal, or for any delay damages or other consequential damages of any kind or nature. Under no circumstances shall Contractor be liable for (i) damage to or breakage of underground pipes, conduits, or utilities; (ii) damage to the completed pavement surface due to the action of petroleum-product spillage; (iv) subgrade failure or utility ditch failure; or (v) growth of horsetail weeds, morning glories, deep-rooted ferns, or perennials subsequent to the application of soil sterilization (weed killer) that have not reached maturity prior to such application. Any soil sterilization provided for in the Agreement shall be applied at the rate specified by the manufacturer thereof. Notwithstanding any other provision of this Agreement, Contractor shall not be liable to Contracting Party for any consequential damages incurred due to the fault of Contractor, its agents, employees, or subcontractors. Consequential damages include, but are not limited to, loss of use and loss of profit.
17. **ARBITRATION/ATTORNEYS' FEES.** At the Contractor's sole option, all claims, disputes, and other matters in question between Contractor and Contracting Party arising out of or relating to this Agreement shall be decided by arbitration before a single arbitrator in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then in effect, or by an arbitrator mutually agreed upon by the parties. If Contractor elects to arbitrate any such dispute, Contractor and Contracting Party 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 Contractor does not select Arbitration as the means of dispute resolution, all claims, disputes, and other matters in question between Contractor and Contracting Party arising out of, or relating to, this Agreement shall be decided by an action filed exclusively in the Superior Court of Whatcom County, Washington, regardless of where the Project was located. The substantially prevailing party in any arbitration or litigation shall be entitled to an award of its attorneys' fees, costs, and expert fees incurred. The parties expressly waive their rights to a jury trial.
18. **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.
19. **SEVERABILITY.** In the event that any paragraph, part, term, or condition of this Agreement is construed or held to be void, invalid, or unenforceable by an arbitrator or court of competent jurisdiction, the remaining paragraphs, parts, terms and conditions of the Agreement shall not be affected and shall remain in full force and effect.
20. **VOLUNTARY CONTRACT.** Each of the parties to this Agreement has carefully and fully read and understands the terms and conditions hereof, has had full opportunity to consult with legal counsel regarding its meaning and effect, and is entering into this Agreement freely and voluntarily through a representative who is fully authorized and empowered to sign on its behalf.
21. **ENTIRE AGREEMENT.** Contracting Party and Contractor intend that the proposal, those terms and conditions on the front of the page hereof, these General Provisions shall constitute the final, complete, and exclusive Agreement between the parties. This Agreement supersedes all other prior or contemporaneous agreements, representations, understandings, and promises, oral and/or written, by or between the parties, with respect to the subject matter hereof. Contracting Party further acknowledges and agrees that in entering into this Agreement, Contracting Party has not and is not relying upon any contemporaneous agreements, representations, understandings, and promises, oral and/or written made by Contractor. No course of dealings between the parties shall be relevant or admissible to explain, supplement, or vary the terms of this Agreement. No amendment or modification of this Agreement shall be effective or binding upon the parties unless made in writing and executed by Contracting Party and Contractor.

State of Washington
NOTICE TO CUSTOMER

This contractor is registered with the State of Washington, Registration No. ASPHANL773JP Asphalt Northwest, LLC has posted with the state a bond or deposit of \$12,000.00 for the purpose of satisfying claims against the contractor for breach of contract including negligent or improper work in the conduct of the contractor's business. The expiration date of this contractor's registration is 04/17/2025.

THIS BOND OR DEPOSIT MIGHT NOT BE SUFFICIENT TO COVER A CLAIM THAT MIGHT ARISE FROM THE WORK DONE UNDER YOUR CONTRACT.

This bond or deposit is not for your exclusive use because it covers all work performed by this contractor. The bond or deposit is intended to pay valid claims up to \$12,000.00 that you and other customers, suppliers, subcontractors, or taxing authorities may have.

FOR GREATER PROTECTION YOU MAY WITHHOLD A PERCENTAGE OF YOUR CONTRACT.

You may withhold a contractually defined percentage of your construction contract as retainage for a stated period of time to provide protection to you and help insure that your project will be completed as required by your contract.

YOUR PROPERTY MAY BE LIENED.

If a supplier of materials used in your construction project or an employee or subcontractor of your contractor or subcontractors is not paid, your property may be liened to force payment and you could pay twice for the same work.

FOR ADDITIONAL PROTECTION, YOU MAY REQUEST THE CONTRACTOR TO PROVIDE YOU WITH ORIGINAL "LIEN RELEASE" DOCUMENTS FROM EACH SUPPLIER OR SUBCONTRACTOR ON YOUR PROJECT.

The contractor is required to provide you with further information about lien release documents if you request it. General information is also available from the state Department of Labor and Industries.

I have received a copy of this disclosure statement.

Signature of Customer _____



2380 Grandview Rd. | Ferndale, WA 98248
 Office: (360)366-3303 | Cell: (360)220-5164 | Fax: (360)366-3304
 LICENSE #WESTERS101JS

**PROPOSAL/CONTRACT AGREEMENT
 WASHINGTON**


March 25, 2024

Contracting Party:

Location & Project Name:

Sudden Valley Golf Course	Asphalt cart path repairs
4 Clubhouse circle	4 Clubhouse circle
Bellingham , WA	Bellingham , WA
Phone: 360-296-6497	Email: greg.wadden@suddenvalley.com

APPROXIMATE QUANTITY	UNIT OF MEASURE	DESCRIPTION	UNIT PRICE	TOTAL PRICE
		Asphalt Paving – Multiple Locations (3 staging areas)		
9,442	Sq ft	1) Grind / pulverize down tree roots on areas painted out		
		2) Clean debris and prep for Asphalt		
		3) Pave Asphalt @ 2 '' inches compacted		
		4) Seal Joints		
		Total:	\$7.23/SF	\$68,210.00
		• WRS will provide traffic control to help with pedestrians		

APPROXIMATE TOTAL:	
	
A 2.5% convenience fee will apply on all credit card payments	(Plus sales tax where applicable)
Total price to be based on actual quantity or measurement unless otherwise specified.	
Exclusions Include: Curbing, utility patching, utility adjustments, testing, saw cutting, striping, and engineering.	

Notes:	
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WRS' proposed prices herein assume that WRS' work hereunder will be complete on or before:
 Unless Contracting Party has signed and returned this agreement within thirty (30) calendar days of the date first stated above, WRS' proposal shall be null and void. This proposal is subject to the General Conditions on Page 3.

Contracting Party's signature on one copy returned to WRS will render this a legal contract for the performance of the above work. Contracting Party's signature also acknowledges receipt of WRS' Notice to Customer statement attached as Page 3.

Approved by Contracting Party:

Western Refinery Services, Inc.

By:

By: *Trevor Gardisky*

Date:

Estimator | Trevor Gardisky

GENERAL PROVISIONS

1. **DEFINITIONS.** As used herein, (i) "Contractor" shall mean Western Refinery Services, Inc., or any division thereof; (ii) "Contracting Party" shall mean the person or entity purchasing materials and/or services as set forth on the front page hereof and pursuant to these General Provisions; and (iii) "Agreement" shall mean the contract formed between Contractor and Contracting Party by Contracting Party's acceptance of those terms and conditions set forth on the front page hereof and these General Provisions.
2. **ACCEPTANCE.** Unless Contracting Party has signed and returned this Agreement to Contractor within thirty (30) calendar days of the date first stated on the front page hereof, Contractor's proposal shall be null and void. Any revisions, changes, or modifications made or suggested to the proposal, or in other writing issued by Contracting Party for purposes of accepting the proposal set forth herein, shall be null and void and shall not become a part of the Agreement unless agreed upon in writing by Contractor and Contracting Party.
3. **COST ESCALATION FOR ASPHALT.** Contractor's proposal herein is based upon local vendor posted prices for liquid asphalt as of the date of Contractor's proposal. In the event the actual prices at time the work is performed exceed such posted prices, the Contract Price shall be equitably adjusted by a change order to reflect such increase. Contractor reserves the right to terminate this Agreement if an equitable adjustment cannot be agreed upon by Contracting Party and Contractor. Payment for any such adjustment shall be made in accordance with the terms and conditions of this Agreement.
4. **CREDIT VERIFICATION.** This Agreement is subject to Contractor's verification of Contracting Party's credit and Contractor's determination that such credit is adequate or satisfactory to Contractor. Contractor reserves the right to withdraw its proposal should Contractor reasonably determine that such credit verification is unsatisfactory or inadequate.
5. **TERMS OF PAYMENT.** Unless otherwise provided for herein, payment shall be due to Contractor within ten (10) days of the date of any invoice issued by Contractor to Contracting Party. Interest shall accrue on all overdue invoices at the rate of one and a half percent (1.5%) per month (eighteen percent (18.00%) per annum) or the highest rate allowed by law, whichever is lower.
6. **SCHEDULE.** This Agreement is subject to Contractor's review and approval of the Contracting Party's schedule. Contracting Party shall coordinate with any other contractors and subcontractors' work to prevent any delay or interference with Contractor's work.
7. **CHANGES.** Contracting Party may, without invalidating this Contract, order extra work, orally or in writing, or make changes by altering, adding to, or deducting from the work, and the Contract Price and Contract Time shall be adjusted accordingly. All such work shall be executed under the conditions hereof. Contractor may require a written change order prior to proceeding with the work, or may proceed with the work and thereafter prepare a change order documenting the change in the Contract Price or Contract Time. If additional work has been accepted by Contracting Party, payment shall be made to Contractor with the next regular payment as provided herein. In case of any dispute over the adjustment of the Contract Price or Contract Time, Contractor shall proceed with the Work so long as the Contracting Party timely pays Contractor all undisputed amounts, plus fifty percent (50%) of the disputed amount, and provides a detailed written explanation of the reason for the dispute, and as such, the dispute shall be resolved in accordance with the procedures set forth herein.
8. **PROPERTY LINES.** Contracting Party warrants that Contracting Party knows the actual location of all legal property lines and that, prior to commencement of work hereunder, Contracting Party shall place stakes clearly indicating such property lines.
9. **PERMITS.** Any permits that must be secured prior to commencement of the work hereunder shall be secured and paid for by Contracting Party.
10. **DELAYS.** If Contractor is delayed at any time in the commencement or progress of the work by: Contracting Party, any employee or agent of Contracting Party, any separate contractor employed by Contracting Party, changes ordered in the work by Contracting Party, labor disputes, fire, abnormal adverse weather conditions, force majeure, unusual delay in transportation or materials, labor shortages or unavailability, action or inaction of public authorities not arising out of fault of Contractor, casualties, or any other causes beyond Contractor's reasonable control, then the Contract Time shall be extended and the Contract Price shall be increased by change order for a period of time and in an amount reasonably necessary to alleviate the effect of such events on Contractor. Contractor reserves the right to terminate this Agreement if an equitable adjustment cannot be agreed upon by Contracting Party and Contractor. Payment for any such adjustment shall be made in accordance with the terms and conditions of this Agreement.
11. **HAZARDOUS SUBSTANCES.** Contracting Party agrees to indemnify, defend, and hold harmless Contractor and its employees and subcontractors from liability related to the existence of hazardous substances at the project site, unless such liability results directly from hazardous substances brought on to the project site by Contractor or its subcontractors, or arises out of the negligence or wrongful act of Contractor or its subcontractors. If Contractor encounters a substance

on the project site which Contractor believes is a hazardous substance, Contractor shall immediately notify Contracting Party and shall cease work, in whole or in part, and any delays (and costs arising therefrom) shall be Contracting Party's responsibility.

12. **TERMINATION FOR CAUSE.** In the event that Contracting Party fails to timely pay for the work, Contractor shall be entitled to exercise any remedy provided by law or this Agreement, including, without limitation (i) cessation of further work until payment has been made and Contractor Party provides adequate assurances of future performance; (ii) termination of this Agreement; (iii) a lawsuit for monies owed; and (iv) foreclosure of a lien against the property on which the work was performed. All of these remedies shall be cumulative and in addition to any other remedies provided by law or equity. If the Contractor defaults, or neglects to carry out the work in accordance with this Agreement, Contracting Party shall provide thirty (30) working days' written notice of the default with an opportunity to cure. If Contractor fails to timely correct said default, or fails to commence and continue correction of such default with diligence and promptness, Contracting Party may terminate this Agreement in writing.

13. **INDEMNITY.** Contractor shall indemnify and hold harmless Contracting Party from and against claims, damages, losses, and expenses, including, but not limited to, attorneys' fees, arising out of or resulting from the performance of the work hereunder; provided, however, that such claim, damage, loss, or expense is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property, but only to the extent caused by negligent acts or omissions of Contractor, a subcontractor, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable. Contracting Party shall indemnify and hold harmless Contractor from and against claims, damages, losses, and expenses, including, but not limited to attorneys' fees, to the extent caused by negligent acts or omissions of Contracting Party or anyone directly or indirectly employed by it, or anyone for whose acts it may be liable.

14. **WARRANTIES.** The Contractor warrants to the Contracting Party that materials furnished under the Agreement will be of good quality and new (unless otherwise required or permitted by the Agreement), that the work will be free from defects not inherent in the quality required or permitted, and that the work will conform to the requirements of the Agreement. This warranty shall extend for a period of one (1) year from the date of substantial completion of the work or the use of the project by the Contracting Party, whichever occurs first. Except as otherwise provided herein, Contractor makes no warranties or representations of any kind, express or implied (including no warranty of merchantability or fitness for a particular purpose), and none shall be implied by law. The warranty shall not apply to any damage or loss to the work occasioned by Contracting Party's failure to perform ordinary and reasonable maintenance during the warranty period and/or any written notice of defects received after the one (1)-year period. Contracting Party agrees that oral agreements, statements, and representations made by Contractor and its employees or agents shall not constitute a warranty of any kind.

15. **TIME LIMITATIONS ON CLAIMS.** Any actions arising out of or related to Contractor's performance of the work, including any action arising under the Agreement, must be commenced within one (1) year after substantial completion of Contractor's work hereunder, and no such action may be maintained which is not commenced within such one (1)-year period.

16. **LIMITATION OF LIABILITY.** Contractor's sole liability and Contracting Party's sole and exclusive remedy for any and all damages (whether special, direct, incidental, consequential, or other) sustained by Contracting Party or others arising from Contractor's performance of the Agreement shall be limited to correcting defective work. In no event shall Contractor be liable to Contracting Party or any third party for more than the amount of Contractor's proposal, or for any delay damages or other consequential damages of any kind or nature. Under no circumstances shall Contractor be liable for (i) damage to or breakage of underground pipes, conduits, or utilities; (ii) damage to approaches (including sidewalks) from the street to the property line; (iii) damage to the completed pavement surface due to the action of petroleum-product spillage; (iv) subgrade failure or utility ditch failure; or (v) growth of horsetail weeds, morning glories, deep-rooted ferns, or perennials subsequent to the application of soil sterilization (weed killer) that have not reached maturity prior to such application. Any soil sterilization provided for in the Agreement shall be applied at the rate specified by the manufacturer thereof. Notwithstanding any other provision of this Agreement, Contractor shall not be liable to Contracting Party for any consequential damages incurred due to the fault of Contractor, its agents, employees, or subcontractors. Consequential damages include, but are not limited to, loss of use and loss of profit.

17. **ARBITRATION/ATTORNEYS' FEES.** At the Contractor's sole option, all claims, disputes, and other matters in question between Contractor and Contracting Party arising out of or relating to this Agreement shall be decided by arbitration before a single arbitrator in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then in effect, or by an arbitrator mutually agreed upon by the parties. If Contractor elects to arbitrate any such dispute, Contractor and Contracting Party 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 Contractor does not select Arbitration as the means of dispute resolution, all claims, disputes, and other matters in question between Contractor and Contracting Party arising out of, or relating to, this Agreement shall be decided by an action filed exclusively in the Superior Court of Whatcom County, Washington, regardless of where the Project was located. The substantially prevailing party in any arbitration or litigation shall be entitled to an award of its attorneys' fees, costs, and expert fees incurred. The parties expressly waive their rights to a jury trial.

18. **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.
19. **SEVERABILITY.** In the event that any paragraph, part, term, or condition of this Agreement is construed or held to be void, invalid, or unenforceable by an arbitrator or court of competent jurisdiction, the remaining paragraphs, parts, terms and conditions of the Agreement shall not be affected and shall remain in full force and effect.
20. **VOLUNTARY CONTRACT.** Each of the parties to this Agreement has carefully and fully read and understands the terms and conditions hereof, has had full opportunity to consult with legal counsel regarding its meaning and effect, and is entering into this Agreement freely and voluntarily through a representative who is fully authorized and empowered to sign on its behalf.
21. **ENTIRE AGREEMENT.** Contracting Party and Contractor intend that the proposal, those terms and conditions on the front of the page hereof, these General Provisions shall constitute the

final, complete, and exclusive Agreement between the parties. This Agreement supersedes all other prior or contemporaneous agreements, representations, understandings, and promises, oral and/or written, by or between the parties, with respect to the subject matter hereof. Contracting Party further acknowledges and agrees that in entering into this Agreement, Contracting Party has not and is not relying upon any contemporaneous agreements, representations, understandings, and promises, oral and/or written, made by Contractor. No course of dealings between the parties shall be relevant or admissible to explain, supplement, or vary the terms of this Agreement. No amendment or modification of this Agreement shall be effective or binding upon the parties unless made in writing and executed by Contracting Party and Contractor.

State of Washington
NOTICE TO CUSTOMER

This Contractor is registered with the State of Washington, Registration No. WESTERS101JS, and has posted with the state a bond or deposit of Twelve Thousand Dollars (\$12,000.00) for the purpose of satisfying claims against the Contractor for breach of Contract, including negligent or improper work in the conduct of the contractor's business. The expiration date of this Contractor's Registration is 01/25/2025.

THIS BOND OR DEPOSIT MIGHT NOT BE SUFFICIENT TO COVER A CLAIM THAT MIGHT ARISE FROM THE WORK DONE UNDER YOUR CONTRACT.

This bond or deposit is not for your exclusive use because it covers all work performed by this Contractor. The bond or deposit is intended to pay valid claims up to Twelve Thousand Dollars (\$12,000.00) that you and other customers, suppliers, subcontractors, or taxing authorities may have.

FOR GREATER PROTECTION, YOU MAY WITHHOLD A PERCENTAGE OF YOUR CONTRACT.

You may withhold a contractually defined percentage of your construction Contract as retainage for a stated period of time to provide protection to you and help insure that your project will be completed as required by your Contract.

YOUR PROPERTY MAY BE LIENED.

If a supplier of materials used in your construction project, or an employee or subcontractor of your Contractor or subcontractors, is not paid, your property may be liened to force payment and you could pay twice for the same work.

FOR ADDITIONAL PROTECTION, YOU MAY REQUEST THE CONTRACTOR TO PROVIDE YOU WITH ORIGINAL "LIEN RELEASE" DOCUMENTS FROM EACH SUPPLIER OR SUBCONTRACTOR ON YOUR PROJECT.

The Contractor is required to provide you with further information about lien release documents if you request it. General information is also available from the Washington State's Department of Labor and Industries. I have received a copy of this disclosure statement.

(Signature of Customer)



Bellingham Division
 lakesideindustries.com
 703 East Laurel Rd / Bellingham, WA 98226
 ph: 360.398.1427 / fax: 360.398.8361
 Washington Contractor License No. LAKESI*274JD
 Oregon Contactor License No. CCB 108542
 Equal Opportunity Employer

PROPOSAL CONTRACT AGREEMENT

To: Sudden Valley Golf Course	Contact: Greg Wadden
Address: Bellingham	Phone:
	Fax:
Project Name: Sudden Valley Golf Course Repairs	Bid Number: 0524KMA029
Project Location: 4 Clubhouse Circle, Bellingham, WA	Bid Date: 3/27/2024
Attachments: Lakeside Contract Provisions revised 09.02.2020.pdf	

Pricing includes removal of asphalt, re-grading surface with RAP as needed, and paving 2" depth of Asphalt. 75 Ton of RAP (asphalt grindings will be brought in - any left over RAP will be left for maintenance crews. Each location to be roped off between removal/grading and paving. Assumed free access to all locations during play.

Item #	Item Description	Estimated Quantity	Unit	Unit Price	Total Price
01	Asphalt Removal, Grade Touchup, 2" Asphalt Paving	8,750.00	SF	\$16.75	\$146,562.50

Total Bid Price: \$146,562.50

Notes:

- Force Majeure. In the event Lakeside Industries is unable to perform its obligations under the terms of this agreement due to acts of God, strikes, or any other causes reasonably beyond its control, Lakeside Industries shall not be liable for any damages resulting from such failure to perform or otherwise from such causes.
- Price Based on 1 Mobilization. Additional Mobilizations are \$5500.00 Each.
- Price includes placement of asphalt only, all other items of work not specifically included are excluded.
- Price Excludes: Layout, Survey, or Engineering; Utility Location and/or Adjustment; Utility Patching; Traffic Control; Premium Pay for Night or Weekend Work; Herbicide; Prime Coat; ; Insurance Premium over Standard Insurance; Base Repair; Grinding; MTV/MTD; Cleaning Between Lifts; Tax; Permits; Bond; Testing; Sawcutting; Curbing; Concrete Protection; Crack Sealing; Seal Coat; Striping.
- Subgrades must be firm and unyielding.
- Total price to be based on actual quantity or measurement unless otherwise specified.
- Temperatures and weather on the scheduled paving day must be sufficient to allow for a minimum of 8 hours of in spec paving
- Prices are based on all paving to be completed prior to the installation of an obstructions in paving areas (overhead canopies, covers, gates, gate accessories, fences, bollards).
- Per WSDOT Standard Spec 5-04.3(13): Asphalt to be installed prior to utilities adjusted to final grade. For asphalt patching of utilities after adjustment by others, pricing will be \$300/each. Minimum Callout for Patching Utilities will be \$2,000.
- Bid based on approved contract; This proposal to be a part of all contract documents.
- Price based on current petroleum cost. Price escalation to be linked to the WSDOT asphalt binder index.
- Lakeside Industries Inc. proposed prices herein assume that Lakeside Industries Inc's work hereunder will be substantially complete on or before: October 1, 2024.
- Unless Contracting Party has signed and returned this Agreement with in thirty (30) days of the date first stated above, Lakeside Industries, Inc. proposal shall be null and void
- Performance Bond not included in bid price. If required please add 1% to total cost of bid.
- Credit card payments will be subject to an additional 2% fee.
- Credit card payments will be subject to an additional 2% fee.
- CONTRACTING PARTY'S SIGNATURE ON ONE COPY RETURNED TO LAKESIDE INDUSTRIES INC. WILL RENDER THIS A LEGAL CONTRACT FOR THE PERFORMANCE OF THE ABOVE WORK. CONTRACTING PARTY'S SIGNATURE ALSO ACKNOWLEDGES RECEIPT OF LAKESIDE INDUSTRIES INC. NOTICE TO CUSTOMER' STATEMENT ATTACHED HERETO.
- Any third party billing software required will be fully reimbursed.



Bellingham Division
 lakesideindustries.com
 703 East Laurel Rd / Bellingham, WA 98226
 ph: 360.398.1427 / fax: 360.398.8361
 Washington Contractor License No. LAKESI*274JD
 Oregon Contractor License No. CCB 108542
 Equal Opportunity Employer

PROPOSAL CONTRACT AGREEMENT

To: Sudden Valley Golf Course	Contact: Greg Wadden
Address: Bellingham	Phone:
	Fax:
Project Name: Sudden Valley Golf Course Repairs	Bid Number: 0524KMA029
Project Location: 4 Clubhouse Circle, Bellingham, WA	Bid Date: 3/27/2024
Attachments: Lakeside Contract Provisions revised 09.02.2020.pdf	

<p>ACCEPTED: The above prices, specifications and conditions are satisfactory and are hereby accepted.</p> <p>Buyer: _____</p> <p>Signature: _____</p> <p>Date of Acceptance: _____</p>	<p>CONFIRMED: Lakeside Industries - Bellingham</p> <p>Authorized Signature: _____</p> <p>Estimator: Kyle Aamot (360) 325-3273 Kyle.Aamot@LakesideIndustries.com</p>
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General Provisions

1. DEFINITIONS. As used herein, (i) "Contractor" shall mean Lakeside Industries, Inc. or any division thereof; (ii) "Contracting Party" shall mean the person or entity purchasing materials and/or services as set forth on the front page hereof and pursuant to these General Provisions; and (iii) "Agreement" shall mean the contract formed between Contractor and Contracting Party by Contracting Party's acceptance of those terms and conditions set forth on the front page hereof and these General Provisions and/or materials and/or services provided to Contracting Party by Contractor.

2. ACCEPTANCE. Unless Contracting Party has signed and returned this Agreement to Contractor within thirty (30) calendar days of the date first stated on the front page hereof, Contractor's proposal shall be null and void. Contractor hereby objects to any conflicting, additional and/or different terms contained in any proposal or other writing issued by Contracting Party for purposes of accepting the proposal set forth herein and the same shall not become a part of this Agreement unless agreed upon in writing by Contractor and Contracting Party.

3. COST ESCALATION FOR ASPHALT. Contractor's proposal herein is based upon local vendor posted prices for liquid asphalt as of the date of Contractor's proposal. In the event the actual prices exceed such posted prices, the Contract Price shall be equitably adjusted by change order to reflect such increase. Contractor reserves the right to terminate this Agreement if an equitable adjustment cannot be agreed upon by Contracting Party and Contractor. Payment for any such adjustment shall be made in accordance with the terms and conditions of this Agreement.

4. CREDIT VERIFICATION. This Agreement is subject to Contractor's verification of Contracting Party's credit and Contractor's determination that such credit is adequate or satisfactory to Contractor. Contractor reserves the right to withdraw its proposal (without any legal recourse by Contracting Party) should Contractor reasonably determine that such credit verification is unsatisfactory or inadequate. Contractor shall have the continuing right to approve of Contracting Party's credit and may at any time demand advance payment, satisfactory security or a guarantee of prompt payment. If Contracting Party is either unable or unwilling to give the payment, security or guarantee demanded, Contractor may terminate this Agreement, refuse to deliver any goods and/or perform work and Contracting Party shall become liable to Contractor for all unpaid costs.

5. TERMS OF PAYMENT. Unless otherwise provided for herein, payment shall be due to Contractor within ten (10) days of the date of any invoice issued by Contractor to Contracting Party. Interest shall accrue on all overdue invoices at the rate of 1-1/2% per month (18.00% per annum) or the highest rate allowed by law, with such changes occurring from the first date the invoice became due until the date payment is ultimately received by Contractor.

6. ELECTRONIC PAYMENTS. Upon execution of the Agreement, Contractor may elect to be paid by electronic payment methods and shall provide Owner with written payment instructions and all necessary forms required by Owner to make payments to Contractor by electronic payment transfer (the "Payment Information"). Contractor shall submit the initial Payment Information to Owner by certified mail or by hand delivery **only** and Owner will provide written acknowledgement of the receipt of the same. Thereafter, If Owner receives any request to change such Payment Information (regardless of whether the request is made in person, telephonically, or in writing of any kind), Owner agrees that it will not modify or make a change to this Payment Information without oral confirmation by a telephone call initiated by the Owner to Contractor, followed by written confirmation, from Contractor's Chief Financial Officer or Controller (one or both shall be designated by the original payment instructions). Owner shall make no changes to the Payment Information if it does not receive the oral **and** written confirmations as stated herein. If Owner makes any change to the Payment Information without first receiving the confirmations stated herein, it shall be solely responsible for any monies lost or stolen and not paid to Contractor as required under the terms of this Agreement, and any payment amounts that are misdirected by Owner continue to be due to Contractor in accordance with the terms of this Agreement and without delay. Owner shall be solely responsible for pursuing any insurance recovery or other legal remedy for the loss; however, Contractor shall cooperate to the extent necessary to provide relevant information regarding the loss to Owner or insurers or legal authorities.

7. SCHEDULE. This Agreement is subject to Contractor's review and approval of Contracting Party's schedule. Contracting Party shall coordinate other contractors' and subcontractors' work to prevent any delay or interference with Contractor's work.

8. CHANGES. Contracting Party, without invalidating the Agreement, may order changes in the scope of the work provided for by this Agreement, with the cost of the work and the time to complete such work being adjusted accordingly. Such changes in the work shall be authorized only by written change order and mutually agreed to and signed by Contracting Party and Contractor.

9. PROPERTY LINES. Contracting Party warrants that Contracting Party knows the actual location of all legal property lines and that Contracting Party, prior to commencement of work hereunder, shall place stakes clearly identifying such property lines.

10. PERMITS. Any permits that must be secured prior to commencement of the work hereunder shall be secured and paid for by Contracting Party.

11. DELAYS. (a) Events beyond the Control of the Contractor / Force Majeure: For delays not caused by any fault of the Contractor, its Subcontractors, their agents and assigns, the Contract Time to achieve Substantial Completion may be extended by a change order issued within twenty-one (21) days of the event in causing delay and accordance with the notice requirements for claims. In such event, the Contract Time may be extended for reasonable time, but in no case less than a day for a day extension of the Critical Path at the time of the event, as well as additional reasonable time due to remobilization, documented inefficiency, supply chain and materials delays, or other time related impacts. Events beyond the reasonable control of Contractor that adversely affects Contractor's obligations include but are not limited to, labor disputes, fire, abnormal adverse weather conditions, force majeure, unusual delay in transportation, fuel, material, or labor shortages or unavailability, action or inaction of public authorities not arising out of the fault of Contractor, casualties or any other causes beyond Contractor's reasonable control, acts of God, weather, natural disasters, epidemics, quarantine restrictions, acts of state or federal government that result in actual limitations to the progress of the Work, also including but not limited to incidence of disease or other illness that reaches outbreak, epidemic, endemic, and/or pandemic proportions or otherwise affects the area in which the project is located and/or the Contractor's labor and/or supply chain, unusual delay in deliveries or other causes which may cause or justify delay. In the event of such delay or delays, the Contractor is entitled to compensation for all actual, direct costs incurred, demonstrable inefficiency or other realized impacts, plus reasonable overhead and fee on the direct costs that arise from or are relate to such delays.

(b) Contracting Party Caused Delays: If Contractor is delayed at any time in the commencement or progress of the Work by any act or neglect of Contracting Party, or by any employee or agent of Contracting Party, or by any separate contractor or supplier employed by Contracting Party, or by changes ordered in the Work by Contracting Party, then the Contract Time shall be extended by change order for a period of time reasonably necessary to alleviate the effect of such events on Contractor. Such Delays shall be compensable to Contractor and such equitable adjustment of the Contract Price and Fee and shall be made by change order. Contractor reserves the right to terminate this Agreement in accordance with termination for convenience principals if an equitable adjustment cannot be agreed upon by Contracting Party and Contractor. Payment for any such adjustment shall be made in accordance with the terms and conditions of this Agreement.

(c) Suspension: Contractor may, at Contractor's election, terminate the Contract, subject to the notice below, if the Work is stopped or suspended for a period of thirty (30) consecutive calendar days, if such suspension is imposed through no act or fault of the Contractor, a Subcontractor, a Sub-subcontractor, their agents or employees, or any other persons or entities performing portions of the Work for the Contractor. The Contractor may also terminate the Contract if, through no act or fault of the Contractor, a Subcontractor, a Sub-subcontractor, their agents or employees, or any other persons or entities performing portions of the Work, repeated suspensions, delays, or interruptions of the entire Work by the Owner, constitute in the aggregate more than 100 percent of the total number of days scheduled for completion, or 120 days in any 365-day period, whichever is less. If the conditions for suspension, delays, or interruptions of the Work pursuant to this section occur, the Contractor may, upon seven (7) days' notice to the Owner and Architect, and provided such reason continues to exist at the close of business at the end of such seven (7) day period, terminate the Contract and recover from the Owner payment for Work executed, as well as reasonable overhead and profit on Work not executed, and costs incurred by reason of such termination.

12. HAZARDOUS SUBSTANCES. Contracting Party agrees to indemnify, defend and hold harmless Contractor and its employees and subcontractors from liability related to the existence of hazardous substances at the project site, unless such liability results directly from hazardous substances brought on to the project site by Contractor or its subcontractors or arises out of the negligence or wrongful act of Contractor or its subcontractors. If Contractor encounters a substance on the project site which Contractor believes is a hazardous substance, Contractor shall immediately notify Contracting Party and shall cease work in whole or in part and any delays (and costs arising therefrom) shall be Contracting Party's responsibility.

13. TERMINATION FOR CAUSE. Contractor has the right to terminate this Agreement if Contracting Party fails to comply with any of the other provisions herein; provided, further, Contractor may terminate this Agreement in the event of the happening of any of the following: (a) Contracting Party fails to timely pay

Contractor pursuant to the terms herein; (b) insolvency of Contracting Party or Contractor; (c) any act of bankruptcy by Contracting Party under any provision of the Federal Bankruptcy Act or filing by Contracting Party of a voluntary petition under any law providing for relief from the claims of creditors; (d) the filing of an involuntary petition to have Contracting Party adjudicated as bankrupt under the Federal Bankruptcy Act or for reorganization of Contracting Party under that Act or under any law providing for relief from the claims of creditors which is not vacated within thirty (30) days from the date of such filing; (e) the appointment of a receiver or trustee for Contracting Party or Contractor which is not vacated within thirty (30) days from the date of such appointment; (f) the execution by Contracting Party or Contractor of an assignment for the benefit of creditors; or (g) any other event occurring which under the applicable law would entitle Contractor to cancel and terminate this Agreement. Such termination shall not prejudice any claims that either party may have against the other.

14. INDEMNITY. To the fullest extent permitted by law, Contractor shall indemnify and hold harmless Contracting Party from and against claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of the work hereunder, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property, including loss of use resulting therefrom, but only to the extent caused by negligent acts or omissions of Contractor, a subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable. Contracting Party shall indemnify, defend, and hold harmless Contractor from and against claims, damages, losses and expenses, including but not limited to attorneys' fees, to the extent caused by negligent acts or omissions of Contracting Party, or anyone directly or indirectly employed by it or anyone for whose acts it may be liable.

15. WARRANTIES. Contractor warrants and guarantees all work and/or materials provided under this Agreement shall be of good quality and workmanship, free from faults and defects and in conformance with this Agreement. Contractor further agrees, at Contractor's sole option, to make good, at its own expense, any defect in materials or workmanship which may appear within one (1) year of Contractor's substantial completion of its work hereunder. EXCEPT AS OTHERWISE PROVIDED HEREIN, CONTRACTOR MAKES NO WARRANTIES OR REPRESENTATIONS OF ANY KIND, EXPRESS OR IMPLIED (INCLUDING NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE) AND NONE SHALL BE IMPLIED BY LAW. Contractor's warranty excludes remedy for damage or defect caused by abuse, modifications not executed by the Contractor, improper or insufficient maintenance, vandalism or normal wear and tear under normal usage. Contracting Party agrees that oral agreements, statements and representations made by Contractor, its employees or its agents shall not constitute a warranty of any kind.

16. TIME LIMITATION ON CLAIMS. Any action arising out of Contracting Party's purchase of materials or Contractor's provision of services to Contracting Party, including any action arising under this Agreement, must be commenced within one (1) year after substantial completion of Contractor's work hereunder, and no such action may be maintained, and shall be barred, which is not commenced within such one-year period.

17. LIMITATION OF LIABILITY. Contractor's sole liability and Contracting Party's sole and exclusive remedy for any and all damages, special, direct, incidental or consequential, sustained by Contracting Party or others arising of Contractor's performance of this Agreement shall be limited to correcting defective work. In no event shall Contractor be liable to Contracting Party or any third party for more than the amount of Contractor's proposal. Contractor shall not have any liability to Contracting Party for lost profits, consequential, special, indirect or incidental damages based upon a claim of any type or nature.

Under no circumstances shall Contractor be liable for (i) damage to or breakage of underground pipes and/or conduits and cables not visible from the surface of the ground nor for any damage to approaches (including sidewalks) from the street to the property line; (ii) damage to the completed pavement surface due to the action of petroleum product spillage; (iii) subgrade failure or utility ditch failure; or (iv) growth of horsetail weed, morning glory, deep-rooted ferns or perennials subsequent to the application of soil sterilization (weed killer) that have not reached maturity prior to such application. Any soil sterilization provided for in this Agreement shall be applied at the rate specified by the manufacturer thereof.

18. DISPUTE RESOLUTION/ATTORNEYS' FEES. Contracting Party and Contractor agree that all claims, collections, disputes, or other controversies arising under this Agreement or related hereto, shall be settled by and subject to litigation, or at the sole choice of the Contractor, binding arbitration with a single arbitrator pursuant to the Construction Industry Arbitration Rules of the American Arbitration Association ("AAA"). Any such arbitration shall be commenced by the Contractor delivering a written demand for arbitration to the AAA, and a copy of such demand shall be delivered to the Contracting Party. Contracting Party and Contractor agree that the location of any such arbitration proceeding shall be at the Seattle, Washington AAA office. Any arbitration award by the arbitrator who shall be an attorney with significant construction law experience, shall be final and binding on the parties and subject to confirmation and reduction to judgment pursuant to RCW 7.04 in the King County Superior Court. In any such litigation, the proper venue and jurisdiction shall be the Superior Court of King County located in Seattle, Washington. In any litigation or arbitration, the prevailing party shall be entitled to its reasonable attorneys' fees, costs and consultant costs, including on appeal.

19. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

20. SEVERABILITY. In the event that any paragraph, part, term, or condition of this Agreement is construed or held to be void, invalid or unenforceable by an arbitrator or court of competent jurisdiction, the remaining paragraphs, parts, terms and conditions of this Agreement shall not be affected and shall remain in full force and effect.

21. VOLUNTARY CONTRACT. Each of the parties to this Agreement has carefully read and fully understands the terms and conditions hereof, has had full opportunity to consult with legal counsel regarding its meaning and effect, and is entering into this Agreement freely and voluntarily, through a representative who is fully authorized and empowered to sign on its behalf.

22. INSURANCE. Contractor shall maintain at all times during the course of this agreement, insurance covering claims from third parties due to bodily injury including death, and property damage resulting from Contractor's performance of operations under this agreement. The minimum amount of insurance to be maintained shall be \$1,000,000 each occurrence and aggregate (including completed operations) of general liability coverage.

Contractor reserves the right to review and approve the Insurance Programs, insurance coverages, and insuring agreements prior to contract acceptance.

23. DIFFERING SITE CONDITION. To the extent the Contractor encounters subsurface or concealed conditions which differ materially from that actually known by Contractor or from those ordinarily found to exist and generally recognized as inherent in the activities of the character provided in the Agreement, then the Contractor shall, within a reasonable time, give notice thereof to the Contracting Party. The Contracting Party shall promptly investigate such conditions. If the Contracting Party agrees that such conditions differ materially and cause an increase in cost or time, Contracting Party shall adjust the Contract time accordingly and compensate Contractor for the increase in the Cost of the Work.

24. FORCE MAJEURE. In addition to the terms set out in Paragraph 11, above, Contractor shall not be liable for any damages resulting from any delays or failure to perform arising from any cause not reasonably within Contractor's control; strikes; shortage of labor, transportation, raw materials or energy sources; fire; earthquake; flood; war; terrorist attack; or acts of God or any other cause referenced in Paragraph 11(b) of this Contract.

25. ENTIRE AGREEMENT. Contracting Party and Contractor intend that the proposal and those terms and conditions on the front page hereof and these General Provisions shall constitute the final, complete and exclusive Agreement between the parties. This Agreement supersedes all other prior or contemporaneous agreements, investigations, representations, understandings and promises, oral and/or written, by or between the parties with respect to the subject matter hereof. Contracting Party further acknowledges and agrees that in entering into this Agreement, Contracting Party has not and is not relying upon any contemporaneous agreements, representations, understandings and promises, oral and/or written, made by Contractor. No course of dealings between the parties shall be relevant or admissible to explain, supplement or vary the terms of this Agreement. No amendment or modification of this Agreement shall be effective or binding upon the parties unless made in writing and executed by Contracting Party and Contractor.

State of Washington

NOTICE TO CUSTOMER(RCW 18.27.114)

Lakeside Industries, Inc. is registered with the State of Washington, Registration No. LAKESI*274JD, and has posted with the state a bond or deposit of \$12,000 for the purpose of satisfying claims against Lakeside Industries for breach of contract including negligent or improper work in the conduct of Lakeside Industries' business. The expiration date of Lakeside Industries' registration is July 31st.

THIS BOND OR DEPOSIT MIGHT NOT BE SUFFICIENT TO COVER A CLAIM THAT MIGHT ARISE FROM THE WORK DONE UNDER YOUR CONTRACT.

This bond or deposit is not for your exclusive use because it covers all work performed by Lakeside Industries. The bond or deposit is intended to pay valid claims up to \$12,000 that you and other customers, suppliers, subcontractors, or taxing authorities may have.

FOR GREATER PROTECTION YOU MAY WITHHOLD A PERCENTAGE OF YOUR CONTRACT.

You may withhold a contractually defined percentage of your construction contract as retainage for a stated period of time to provide protection to you and help insure that your project will be completed as required by your contract.

YOUR PROPERTY MAY BE LIENED.

If a supplier of materials used in your construction project or an employee or subcontractor of Lakeside Industries, Inc. or its subcontractors is not paid, your property may be liened to force payment and you could pay twice for the same work.

FOR ADDITIONAL PROTECTION, YOU MAY REQUEST LAKESIDE INDUSTRIES, INC. TO PROVIDE YOU WITH ORIGINAL "LIEN RELEASE" DOCUMENTS FROM EACH SUPPLIER OR SUBCONTRACTOR ON YOUR PROJECT.

Lakeside Industries, Inc. is required to provide you with further information about lien release documents if you request it. General information is also available from the state Department of Labor and Industries.

I have received a copy of this disclosure statement.

Contracting Party Name:

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.