



CITY COUNCIL 345 6th Street, Suite 100, Bremerton, WA 98337 - Phone (360) 473-5280

WEDNESDAY, MARCH 20, 2024
CITY COUNCIL HYBRID MEETING AGENDA

Most Council Members and staff will be participating in the meeting in-person, and the public is invited to attend. Or beginning at 5:30 PM, the public may participate remotely through one of the following options:

- To stream online only (via BKAT Feed, with no interaction possible):
<https://bremerton.vod.castus.tv/vod/?live=ch1&nav=live>
 - **Members of the public** are invited to join the Zoom Meeting by clicking on the link below:
<https://bremertonwa-gov.zoom.us/j/89694813320?pwd=Z0JvSXNhSFp1c0xhL1NxUjRhN20xUT09>
 - Or One tap mobile:
US: +12532050468,,89694813320#,,, *173061# or +12532158782,,89694813320#,,, *173061#
 - Or Telephone: Dial (for higher quality, dial a number based on your current location):
US: +1 253 205 0468 or +1 253 215 8782 or +1 669 444 9171 or +1 669 900 6833
- Webinar ID: 896 9481 3320
Passcode: 173061

Public questions or comments may be submitted ahead of time to City.Council@ci.bremerton.wa.us

1. **BRIEFING**: 5:00 – 5:30 P.M. in **COUNCIL CONFERENCE ROOM 603**
 - A. Review of Agenda
 - B. General Council Business (*Only as necessary...*)
2. **CALL TO ORDER**: 5:30 P.M. in **FIRST FLOOR CHAMBERS**
3. **MAYOR'S REPORT**
4. **CONSENT AGENDA**
 - A. Claims and Check Register
 - [B.](#) Minutes of Meeting – March 6, 2024
 - [C.](#) Minutes of Study Session – March 13, 2024
 - [D.](#) Acceptance of the Missing Middle Housing Grant; and Approval of the Interagency Agreement with the WA State Department of Commerce
5. **PUBLIC RECOGNITION** – *To address the Council on any issues not already on the agenda. Please state your name for the record in person, and limit your comments to under 3-minutes...*
6. **GENERAL BUSINESS** – *There are no General Business items tonight...*
7. **COUNCIL MEMBER REPORTS**
8. **EXECUTIVE SESSION**
 - A. 15-Minutes to discuss “Pending & Potential Litigation” as allowed under RCW 42.30.110 (1) (i);
With action anticipated...
9. **ADJOURNMENT OF CITY COUNCIL BUSINESS MEETING**



Americans with Disabilities Act (ADA) accommodations provided upon request. Those requiring special accommodations please contact the City Clerk at (360) 473-5323 at least 24 hours prior to the meeting.

AGENDA BILL
CITY OF BREMERTON
CITY COUNCIL

4B

SUBJECT: Minutes of Meeting – March 6, 2024

Study Session Date:	N/A
COUNCIL MEETING Date:	March 20, 2024
Department:	City Council
Presenter:	Council President
Phone:	(360) 473-5280

SUMMARY: The Minutes of Meeting held on March 6, 2024 are attached.

ATTACHMENTS: Meeting Minutes

FISCAL IMPACTS (Include Budgeted Amount): None

STUDY SESSION AGENDA: ☒ N/A

STUDY SESSION ACTION: ☒ Consent Agenda ☐ General Business ☐ Public Hearing

RECOMMENDED MOTION:

Move to approve the March 6, 2024 Meeting Minutes as presented.

COUNCIL ACTION: ☐ Approve ☐ Deny ☐ Table ☐ Continue ☐ No Action

CITY COUNCIL HYBRID MEETING MINUTES

Wednesday, March 6, 2024

The weekly meeting of the City Council of the City of Bremerton was called to order Wednesday, March 6, 2024, at 5:00 PM in Council Conference Room 603 of the NORM DICKS GOVERNMENT CENTER, 345 6th Street, Bremerton, Washington, with Council President Jennifer Chamberlin presiding. Council Members present were Eric Younger, Anna Mockler, Michael Goodnow, Jane Rebelowski, Jeff Coughlin, and Denise Frey. At 5:30 PM, the meeting moved to the First Floor Meeting Chambers. Also present were Assistant City Attorney Brett Jette, City Clerk Angela Hoover, Legislative Assistant Christine Grenier, and IT Manager Dave Sorensen.

President Chamberlin announced the City Council is conducting the Council Meeting in-person with an option for the public to join in person, participate remotely via Zoom (except Public Recognition until hate speech can be addressed), or view on BKAT, because community involvement is encouraged. Anyone may request special accommodation to participate in Public Recognition remotely via Zoom up to 24 hours before every Council Meeting, through the City Clerk, by contacting (360) 473-5323.

MAYOR'S REPORT – *Mayor Wheeler highlighted:*

- Funding Updates for Kitsap Transit, Salvation Army, Mason County Sewer Extension, Warren Avenue Bridge Multimodal Project, and Safe Routes to Schools Improvements for View Ridge Elementary School
- Capital, Transportation, and Operating Budgets have been approved for this Legislative Session
- Biosolids Application
- Bremerton High School Knights (Basketball, Wrestling, and Cheer Teams) were successful at State Championships

CONSENT AGENDA

- 4A –** Check Numbers 406121 through 406269 and Electronic Fund Transfers V40430 through V40507 in the grand total amount of \$2,544,693.12; Regular Payroll for pay period ending February 15, 2024 in the amount of \$1,104,961.49; Regular Payroll Payout for the pay period ending February 15, 2024 in the amount of \$17,404.26; and Retiree Payroll for pay period ending February 29, 2024 in the amount of \$34,708.81
- 4B –** Minutes of Meeting – February 21, 2024
- 4C –** Minutes of Joint Planning Session – February 24, 2024
- 4D –** Minutes of Study Session – February 28, 2024
- 4E –** Confirm Reappointment of Vanessa Acierto to the Bremerton-Kitsap Access Television Citizens Advisory Committee
- 4F –** Resolution No. 3378 to approve the Capital Agreement with WA State Department of Commerce for the Connecting Housing to Infrastructure Program Grant for the Kitsap Community Resources Manette Housing Project
- 4G –** Contract Modification Agreement No. 4 with Kellermeyer Bergensons Services, LLC for Janitorial Services
- 4H –** Contract with Redside Construction, LLC for the Pine Road Basin Stormwater Improvements Marine Impact Basin Project
- 4I –** Stormwater Financial Assistance Program Grant Agreement with WA State Department of Ecology for Kitsap Lake Stormwater Retrofit Construction Project

Questions or comments from the public were provided by **Mike Simpson**...

5:45 PM M/S/C/U (Coughlin/Rebelowski) Move to approve the CONSENT AGENDA as presented.

Motion carried unanimously.

President Chamberlin provided a reminder that no public comment is allowed via Zoom, unless prior arrangements have been made. And again, to request special accommodations through the City Clerk at least 24-hours before the meeting. Lastly, since it's election season, to avoid comments on any ballot measures or candidates.

PUBLIC RECOGNITION – Questions and comments from the public were provided by **Mary Lou Long**, **Cori Kauk**, and **Mike Simpson**.

GENERAL BUSINESS – There were no General Business items...

COUNCIL MEMBER REPORTS

Denise Frey was happy with plans to improve safety around View Ridge Elementary School; was pleased with progress on construction at Bremerton Station; was encouraged by the passage of the school bond which opens up opportunities to rebuild View Ridge Elementary School and potential projects on the old East High property; announced that demolition of the former Harrison Hospital will be completed by the end of the year; and was excited about funding for the Warren Avenue Bridge.

Jeff Coughlin announced the "Fix Our Ferries" Townhall on Saturday, March 9 from 10:00 AM to 12:00 PM in the Meeting Chambers, which will feature guest Representative Greg Nance; enjoyed the Creative District Unveiling at the recent First Friday Artwalk; looked forward to the St. Patrick's Day Parade and Puppy Parade on Saturday, March 16 starting at 2:00 PM; encouraged residents to apply for the City's boards and commissions; and was pleased with news on the Warren Avenue Bridge.

Jane Rebelowski looked forward to improvements on Warren Avenue Bridge, especially for those who have limited mobility; announced the next District 4 Town Hall Meeting on Thursday, March 7 from 5:00 to 6:30 PM at the Bremerton High School Career Center Building, with featured guest Police Chief Tom Wolfe; and mentioned a blackberry pulling event on Saturday, March 9 at Matan Park will be postponed due to weather; and congratulated Bremerton High School sports teams.

Michael Goodnow announced the Charleston Business District Monthly Meeting on Tuesday, March 19 from 6:00 to 7:30 PM at "Typewriter Fever" located at 620 Callow Avenue, with a Zoom option; and volunteers are welcome for monthly Forest Ridge Park Stewardship Work Parties on 3rd Saturdays from 9:00 AM to 12:00 PM.

Anna Mockler announced the next District 6 Town Hall Meeting on Monday, March 11, 2024 from 4:00 PM to 6:00 PM in the Conference Room at the Bremerton Public Works Facility located at 100 Oyster Bay Avenue North; announced a Girls Exploring Math & Science Career Conference (for 5th to 8th grades) on Saturday, March 16 from 9:00 AM to 12:30 PM at Olympic College; acknowledged that Friday, March 8 is International Women's Day; responded to concerns discussed earlier by Mr. Simpson; and acknowledged the numerous community events in District 6 and was grateful to her constituents for making this a better place to live.

Eric Younger was excited to see additional funding allocated for the homeless shelter and grateful for the legislators for their hard work; and congratulated Bremerton School athletes, specifically the Wrestling team.

Jennifer Chamberlin emphasized that while approximately \$40 million has been allocated to Bremerton, there is still a challenge to find \$5 million for the Warren Avenue Bridge Project; and also complimented Bremerton High School's athletics director and program.

President Chamberlin announced the next Study Session will be on Wednesday, March 13 beginning at 5:00 PM in the 6th Floor Council Conference Room of the Norm Dicks Government Center, and the public is welcome and encouraged to attend in-person or remotely via Zoom, but there will be no opportunity to comment. Written comments are welcome anytime.

With no further business, **President Chamberlin** adjourned the Council Meeting at 6:20 PM.

Prepared and Submitted by:

Christine Grenier

CHRISTINE GRENIER
Legislative Assistant

APPROVED by the City Council on the 20th day of March, 2024.

JENNIFER CHAMBERLIN, City Council President

Attest:

ANGELA HOOVER, City Clerk

JC:AH:ls:cg

AGENDA BILL
CITY OF BREMERTON
CITY COUNCIL

4C

SUBJECT: Minutes of Study Session –
March 13, 2024

Study Session Date:	N/A
COUNCIL MEETING Date:	March 20, 2024
Department:	City Council
Presenter:	Council President
Phone:	(360) 473-5280

SUMMARY: The Minutes of Study Session held on March 13, 2024 are attached.

ATTACHMENTS: Meeting Minutes

FISCAL IMPACTS (Include Budgeted Amount): None

STUDY SESSION AGENDA: ☒ N/A

STUDY SESSION ACTION: ☒ Consent Agenda ☐ General Business ☐ Public Hearing

RECOMMENDED MOTION:

Move to approve the March 13, 2024 Meeting Minutes as presented.

COUNCIL ACTION: ☐ Approve ☐ Deny ☐ Table ☐ Continue ☐ No Action

CITY COUNCIL STUDY SESSION MINUTES

Wednesday, March 13, 2024

A Study Session of the City Council of the City of Bremerton was called to order on Wednesday, March 13, 2024 at 5:00 PM in Council Conference Room 603 located in the Norm Dicks Government Center at 345 6th Street, with Council President Jennifer Chamberlin presiding. Other Council Members present were Anna Mockler, Michael Goodnow (arrived 5:17 PM), Jane Rebelowski, Jeff Coughlin, and Denise Frey. Council Member Eric Younger was absent. Legislative Assistant Christine Grenier provided staff support.

President Chamberlin established that the Study Session is open for the public to attend in person or view remotely, but there will be no opportunities for input; the content of these items is subject to change, no action is anticipated.

Any of the items approved for action by the Council tonight, will be placed on the **March 20, 2024** City Council Meeting Agenda or as otherwise determined. She further established that a recording will be available online within a few days following the meeting.

A. **BRIEFINGS ON AGENDA BILL ITEMS**

1. Acceptance of the Missing Middle Housing Grant; and Approval of the Interagency Agreement with the WA State Department of Commerce **Consent Agenda**
2. 2024 – 2025 Council Goals & Priorities **Continued to a future Study Session, with date to be determined...**

B. **INFORMATION ONLY**

1. Diversity, Equity, and Inclusion Program Update and Discussion on Position Recommendations **Continued to a future Study Session, with date to be determined...**

President Chamberlin called brief breaks from 5:49 to 5:56 PM; and 6:04 to 6:09 PM...

C. **GENERAL COUNCIL BUSINESS**

1. Warren Avenue Bridge Multimodal Project Funding Discussion – Council President Jennifer Chamberlin **Continued to March 27 Study Session...**
2. Public Safety Committee Briefing (*Last Meeting 3/7/2024*) – Chair Denise Frey
3. Regional and Other Committee/Board Briefings
4. Other General Council Business was discussed.

President Chamberlin established that the next Council Meeting would be on Wednesday, March 20, 2024 beginning at 5:30 PM in the First Floor Meeting Chambers of the Norm Dicks Government Center; and announced that the public is invited to attend in person or remotely, with any special accommodations to speak via Zoom during Public Recognition may be requested through the City Clerk by calling (360) 473-5323 at least 24-hours prior to the meeting.

With no further business, the Study Session was adjourned at 7:49 PM.

Prepared and Submitted by:

Christine Grenier

CHRISTINE GRENIER, Legislative Assistant

APPROVED by the City Council on the 20th day of March, 2024.

JENNIFER CHAMBERLIN, Council President

ATTEST:

ANGELA HOOVER, City Clerk

JC:AH:ls:cg

AGENDA BILL
CITY OF BREMERTON
CITY COUNCIL

4D

SUBJECT:

Acceptance of the Missing Middle Housing Grant; and Approval of the Interagency Agreement with the WA State Department of Commerce

Study Session Date: March 13, 2024

COUNCIL MEETING Date: March 20, 2024

Department: DCD

Presenter: G. Jackson

Phone: (360) 473-5289

SUMMARY:

The City of Bremerton requested, and was selected to receive, a \$75,000 no-match grant from the Washington State Department of Commerce.

The grant will help fund two items:

- 1) Consultant costs for graphic design of the Comprehensive Plan District Digest documents to increase communication and ease of reading,
- 2) Assist funding for existing DCD staff to develop regulation updates that would allow for "unit lot subdivision" (something that is required by State law, it is a subdivision type that is more conducive to creating Missing Middle Housing than traditional subdivisions). Staff will develop proposed regulation updates, which will include drafting new code language, conducting public outreach, and future presentations to the Planning Commission and City Council. These grant funds will offset General Funding that has already been allocated for DCD staff.

ATTACHMENTS:

\$75,000 Grant Agreement with Washington State Department of Commerce

FISCAL IMPACTS (Include Budgeted Amount):

This is a no-match grant that will be used to offset the General Fund DCD staff expense to prepare a Comprehensive Plan District Digests and Unit Lot Subdivision code update.

STUDY SESSION AGENDA:

☒ Limited Presentation

☐ Full Presentation

STUDY SESSION ACTION:

☒ Consent Agenda

☐ General Business

☐ Public Hearing

RECOMMENDED MOTION:

Move to accept the no-match grant with the Washington State Department of Commerce in the amount of \$75,000, and authorize the Mayor to finalize and execute the agreement with substantially the same terms and conditions as presented.

COUNCIL ACTION:

☐ Approve

☐ Deny

☐ Table

☐ Continue

☐ No Action

ATTACHMENT: DRAFT CONTRACT



Interagency Agreement with

Bremerton

through

Growth Management Services

Contract Number:

24-63336-156

For

Middle Housing Grant

Dated:

Date of Execution

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ATTACHMENT: DRAFT CONTRACT

Face Sheet

Contract Number: 24-63336-156

**Local Government Division Growth Management Services
Middle Housing Grants**

1. Contractor City of Bremerton 345 6th Street, Suite 100 Bremerton, WA-98337		2. Regional Planner Benjamin Serr Benjamin.Serr@commerce.wa.gov	
3. Contractor Representative Andrea Spencer Community Development Director 360-473-5283 Andrea.Spencer@ci.bremerton.wa.us		4. COMMERCE Representative Anne Aurelia Fritzel Housing Planning Manager 360-259-5216 Anne.Fritzel@commerce.wa.gov	
5. Contract Amount \$75,000	6. Funding Source Federal: <input type="checkbox"/> State: <input checked="" type="checkbox"/> Other: <input type="checkbox"/> N/A: <input type="checkbox"/>	7. Start Date Date of Execution	8. End Date June 30, 2025
9. Federal Funds (as applicable) N/A		Federal Agency: N/A	
10. Tax ID # N/A		11. SWV # 0000221-00	12. UBI # 81 007 710
13. UEI # N/A			
14. Contract Purpose For activities that support the preparation and adoption of policies and/or codes and other measures specific to implement middle housing (RCW 36.70A.030(26)) by applicable statutory deadlines.			
COMMERCE, defined as the Department of Commerce, and the Contractor, as defined above, acknowledge and accept the terms of this Contract and Attachments and have executed this Contract on the date below and warrant they are authorized to bind their respective agencies. The rights and obligations of both parties to this Contract are governed by this Contract and the following documents incorporated by reference: Contractor Terms and Conditions including Attachment "A" – Scope of Work, and Attachment "B" – Budget.			
FOR CONTRACTOR _____ Greg Wheeler, Mayor _____ Date		FOR COMMERCE _____ Mark K. Barkley, Assistant Director Local Government Division _____ Date APPROVED AS TO FORM ONLY BY ASSISTANT ATTORNEY GENERAL APPROVAL ON FILE	

Special Terms and Conditions

1. AUTHORITY

COMMERCE and Contractor enter into this Contract pursuant to the authority granted by Chapter 39.34 RCW.

2. CONTRACT MANAGEMENT

The Representative for each of the parties shall be responsible for and shall be the contact person for all communications and billings regarding the performance of this Contract.

The Representative for COMMERCE and their contact information are identified on the Face Sheet of this Contract.

The Representative for the Contractor and their contact information are identified on the Face Sheet of this Contract.

3. COMPENSATION

COMMERCE shall pay an amount not to exceed \$75,000 (seventy five thousand dollars), for the performance of all things necessary for or incidental to the performance of work under this Contract as set forth in the Scope of Work.

4. BILLING PROCEDURES AND PAYMENT

COMMERCE will pay Contractor upon acceptance of deliverables provided and receipt of properly completed invoices, which shall be submitted to the Representative for COMMERCE not more often than monthly nor less than quarterly.

The invoices shall describe and document, to COMMERCE's satisfaction, a description of the work performed, the progress of the project, and fees. The invoice shall include the Contract Number 24-63336-156.

Payment shall be considered timely if made by COMMERCE within thirty (30) calendar days after receipt of properly completed invoices. Payment shall be sent to the address designated by the Contractor.

COMMERCE may, in its sole discretion, terminate the Contract or withhold payments claimed by the Contractor for services rendered if the Contractor fails to satisfactorily comply with any term or condition of this Contract.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by COMMERCE.

Invoices and End of Fiscal Year

Invoices are due on the 20th of the month following the provision of services.

Final invoices for a state fiscal year may be due sooner than the 20th and Commerce will provide notification of the end of fiscal year due date.

The Contractor must invoice for all expenses from the beginning of the contract through June 30, regardless of the contract start and end date.

Duplication of Billed Costs

The Contractor shall not bill COMMERCE for services performed under this Agreement, and COMMERCE shall not pay the Contractor, if the Contractor is entitled to payment or has been or will

be paid by any other source, including grants, for that service. Any payment made by COMMERCE for costs that are determined to be duplicate, in Commerce's sole determination, shall be subject to recapture and may result in suspension or termination of this Contract.

Disallowed Costs

The Contractor is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

COMMERCE may, in its sole discretion, withhold ten percent (10%) from each payment until acceptance by COMMERCE of the final report (or completion of the project, etc.).

5. SUBCONTRACTOR DATA COLLECTION

Contractor will submit reports, in a form and format to be provided by Commerce and at intervals as agreed by the parties, regarding work under this Contract performed by subcontractors and the portion of Contract funds expended for work performed by subcontractors, including but not necessarily limited to minority-owned, woman-owned, and veteran-owned business subcontractors. "Subcontractors" shall mean subcontractors of any tier.

6. INSURANCE

Each party certifies that it is self-insured under the State's or local government self-insurance liability program, and shall be responsible for losses for which it is found liable.

7. FRAUD AND OTHER LOSS REPORTING

Contractor shall report in writing all known or suspected fraud or other loss of any funds or other property furnished under this Contract immediately or as soon as practicable to the Commerce Representative identified on the Face Sheet.

8. ORDER OF PRECEDENCE

In the event of an inconsistency in this Contract, the inconsistency shall be resolved by giving precedence in the following order:

- Applicable federal and state of Washington statutes and regulations
- Special Terms and Conditions
- General Terms and Conditions
- Attachment A – Scope of Work
- Attachment B – Budget

General Terms and Conditions

1. DEFINITIONS

As used throughout this Contract, the following terms shall have the meaning set forth below:

- A.** "Authorized Representative" shall mean the Director and/or the designee authorized in writing to act on the Director's behalf.
- B.** "COMMERCE" shall mean the Washington Department of Commerce.
- C.** "Contract" or "Agreement" or "Grant" means the entire written agreement between COMMERCE and the Contractor, including any Attachments, documents, or materials incorporated by reference. E-mail or Facsimile transmission of a signed copy of this contract shall be the same as delivery of an original.
- D.** "Contractor" or "Grantee" shall mean the entity identified on the face sheet performing service(s) under this Contract, and shall include all employees and agents of the Contractor.
- E.** "Personal Information" shall mean information identifiable to any person, including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver license numbers, other identifying numbers, and any financial identifiers, and "Protected Health Information" under the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA).
- F.** "State" shall mean the state of Washington.
- G.** "Subcontractor" shall mean one not in the employment of the Contractor, who is performing all or part of those services under this Contract under a separate contract with the Contractor. The terms "subcontractor" and "subcontractors" mean subcontractor(s) in any tier.

2. ALL WRITINGS CONTAINED HEREIN

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

3. AMENDMENTS

This Contract may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

4. ASSIGNMENT

Neither this Contract, work thereunder, nor any claim arising under this Contract, shall be transferred or assigned by the Contractor without prior written consent of COMMERCE.

5. CONFIDENTIALITY AND SAFEGUARDING OF INFORMATION

- A.** "Confidential Information" as used in this section includes:
 - i.** All material provided to the Contractor by COMMERCE that is designated as "confidential" by COMMERCE;

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

6. COPYRIGHT

Unless otherwise provided, all Materials produced under this Contract shall be considered "works for hire" as defined by the U.S. Copyright Act and shall be owned by COMMERCE. COMMERCE shall be considered the author of such Materials. In the event the Materials are not considered "works for hire" under the U.S. Copyright laws, the Contractor hereby irrevocably assigns all right, title, and interest in all Materials, including all intellectual property rights, moral rights, and rights of publicity to COMMERCE effective from the moment of creation of such Materials.

"Materials" means all items in any format and includes, but is not limited to, data, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. "Ownership" includes the right to copyright, patent, register and the ability to transfer these rights.

For Materials that are delivered under the Contract, but that incorporate pre-existing materials not produced under the Contract, the Contractor hereby grants to COMMERCE a nonexclusive, royalty-free, irrevocable license (with rights to sublicense to others) in such Materials to translate, reproduce, distribute, prepare derivative works, publicly perform, and publicly display. The Contractor warrants and represents that the Contractor has all rights and permissions, including intellectual property rights, moral rights and rights of publicity, necessary to grant such a license to COMMERCE.

The Contractor shall exert all reasonable effort to advise COMMERCE, at the time of delivery of Materials furnished under this Contract, of all known or potential invasions of privacy contained therein and of any portion of such document which was not produced in the performance of this Contract. The Contractor shall provide COMMERCE with prompt written notice of each notice or claim of infringement received by the Contractor with respect to any Materials delivered under this Contract. COMMERCE shall have the right to modify or remove any restrictive markings placed upon the Materials by the Contractor.

7. DISPUTES

In the event that a dispute arises under this Agreement, it shall be determined by a Dispute Board in the following manner: Each party to this Agreement shall appoint one member to the Dispute Board. The members so appointed shall jointly appoint an additional member to the Dispute Board. The Dispute Board shall review the facts, Agreement terms and applicable statutes and rules and make a determination of the dispute. The Dispute Board shall thereafter decide the dispute with the majority prevailing. The determination of the Dispute Board shall be final and binding on the parties hereto. As an alternative to this process, either of the parties may request intervention by the Governor, as provided by RCW 43.17.330, in which event the Governor's process will control.

8. GOVERNING LAW AND VENUE

This Contract shall be construed and interpreted in accordance with the laws of the state of Washington, and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.

9. INDEMNIFICATION

Each party shall be solely responsible for the acts of its employees, officers, and agents.

10. LICENSING, ACCREDITATION AND REGISTRATION

The Contractor shall comply with all applicable local, state, and federal licensing, accreditation and registration requirements or standards necessary for the performance of this Contract.

11. RECAPTURE

In the event that the Contractor fails to perform this Contract in accordance with state laws, federal laws, and/or the provisions of this Contract, COMMERCE reserves the right to recapture funds in an amount to compensate COMMERCE for the noncompliance in addition to any other remedies available at law or in equity.

Repayment by the Contractor of funds under this recapture provision shall occur within the time period specified by COMMERCE. In the alternative, COMMERCE may recapture such funds from payments due under this Contract.

12. RECORDS MAINTENANCE

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

The Contractor shall retain such records for a period of six years following the date of final payment. At no additional cost, these records, including materials generated under the contract, shall be subject at all reasonable times to inspection, review or audit by COMMERCE, personnel duly authorized by COMMERCE, the Office of the State Auditor, and federal and state officials so authorized by law, regulation or agreement.

If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

13. SAVINGS

In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Contract and prior to normal completion, COMMERCE may suspend or terminate the Contract under the "Termination for Convenience" clause, without the ten

calendar day notice requirement. In lieu of termination, the Contract may be amended to reflect the new funding limitations and conditions.

14. SEVERABILITY

The provisions of this contract are intended to be severable. If any term or provision is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the contract.

15. SUBCONTRACTING

The Contractor may only subcontract work contemplated under this Contract if it obtains the prior written approval of COMMERCE.

If COMMERCE approves subcontracting, the Contractor shall maintain written procedures related to subcontracting, as well as copies of all subcontracts and records related to subcontracts. For cause, COMMERCE in writing may: (a) require the Contractor to amend its subcontracting procedures as they relate to this Contract; (b) prohibit the Contractor from subcontracting with a particular person or entity; or (c) require the Contractor to rescind or amend a subcontract.

Every subcontract shall bind the Subcontractor to follow all applicable terms of this Contract. The Contractor is responsible to COMMERCE if the Subcontractor fails to comply with any applicable term or condition of this Contract. The Contractor shall appropriately monitor the activities of the Subcontractor to assure fiscal conditions of this Contract. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to COMMERCE for any breach in the performance of the Contractor's duties.

Every subcontract shall include a term that COMMERCE and the State of Washington are not liable for claims or damages arising from a Subcontractor's performance of the subcontract.

16. SURVIVAL

The terms, conditions, and warranties contained in this Contract that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Contract shall so survive.

17. TERMINATION FOR CAUSE

In the event COMMERCE determines the Contractor has failed to comply with the conditions of this contract in a timely manner, COMMERCE has the right to suspend or terminate this contract. Before suspending or terminating the contract, COMMERCE shall notify the Contractor in writing of the need to take corrective action. If corrective action is not taken within 30 calendar days, the contract may be terminated or suspended.

In the event of termination or suspension, the Contractor shall be liable for damages as authorized by law including, but not limited to, any cost difference between the original contract and the replacement or cover contract and all administrative costs directly related to the replacement contract, e.g., cost of the competitive bidding, mailing, advertising and staff time.

COMMERCE reserves the right to suspend all or part of the contract, withhold further payments, or prohibit the Contractor from incurring additional obligations of funds during investigation of the alleged compliance breach and pending corrective action by the Contractor or a decision by COMMERCE to terminate the contract. A termination shall be deemed a "Termination for Convenience" if it is determined that the Contractor: (1) was not in default; or (2) failure to perform was outside of his or her control, fault or negligence.

The rights and remedies of COMMERCE provided in this contract are not exclusive and are, in addition to any other rights and remedies, provided by law.

18. TERMINATION FOR CONVENIENCE

Except as otherwise provided in this Contract, COMMERCE may, by ten (10) business days' written notice, beginning on the second day after the mailing, terminate this Contract, in whole or in part. If this Contract is so terminated, COMMERCE shall be liable only for payment required under the terms of this Contract for services rendered or goods delivered prior to the effective date of termination.

19. TERMINATION PROCEDURES

Upon termination of this contract, COMMERCE, in addition to any other rights provided in this contract, may require the Contractor to deliver to COMMERCE any property specifically produced or acquired for the performance of such part of this contract as has been terminated. The provisions of the "Treatment of Assets" clause shall apply in such property transfer.

COMMERCE shall pay to the Contractor the agreed upon price, if separately stated, for completed work and services accepted by COMMERCE, and the amount agreed upon by the Contractor and COMMERCE for (i) completed work and services for which no separate price is stated, (ii) partially completed work and services, (iii) other property or services that are accepted by COMMERCE, and (iv) the protection and preservation of property, unless the termination is for default, in which case the Authorized Representative shall determine the extent of the liability of COMMERCE. Failure to agree with such determination shall be a dispute within the meaning of the "Disputes" clause of this contract. COMMERCE may withhold from any amounts due the Contractor such sum as the Authorized Representative determines to be necessary to protect COMMERCE against potential loss or liability.

The rights and remedies of COMMERCE provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

After receipt of a notice of termination, and except as otherwise directed by the Authorized Representative, the Contractor shall:

- A. Stop work under the contract on the date, and to the extent specified, in the notice;
- B. Place no further orders or subcontracts for materials, services, or facilities except as may be necessary for completion of such portion of the work under the contract that is not terminated;
- C. Assign to COMMERCE, in the manner, at the times, and to the extent directed by the Authorized Representative, all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case COMMERCE has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
- D. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the Authorized Representative to the extent the Authorized Representative may require, which approval or ratification shall be final for all the purposes of this clause;
- E. Transfer title to COMMERCE and deliver in the manner, at the times, and to the extent directed by the Authorized Representative any property which, if the contract had been completed, would have been required to be furnished to COMMERCE;
- F. Complete performance of such part of the work as shall not have been terminated by the Authorized Representative; and
- G. Take such action as may be necessary, or as the Authorized Representative may direct, for the protection and preservation of the property related to this contract, which is in the possession of the Contractor and in which COMMERCE has or may acquire an interest.

20. TREATMENT OF ASSETS

Title to all property furnished by COMMERCE shall remain in COMMERCE. Title to all property furnished by the Contractor, for the cost of which the Contractor is entitled to be reimbursed as a direct item of cost under this contract, shall pass to and vest in COMMERCE upon delivery of such property by the Contractor. Title to other property, the cost of which is reimbursable to the Contractor under this contract, shall pass to and vest in COMMERCE upon (i) issuance for use of such property in the performance of this contract, or (ii) commencement of use of such property in the performance of this contract, or (iii) reimbursement of the cost thereof by COMMERCE in whole or in part, whichever first occurs.

- A. Any property of COMMERCE furnished to the Contractor shall, unless otherwise provided herein or approved by COMMERCE, be used only for the performance of this contract.
- B. The Contractor shall be responsible for any loss or damage to property of COMMERCE that results from the negligence of the Contractor or which results from the failure on the part of the Contractor to maintain and administer that property in accordance with sound management practices.
- C. If any COMMERCE property is lost, destroyed or damaged, the Contractor shall immediately notify COMMERCE and shall take all reasonable steps to protect the property from further damage.
- D. The Contractor shall surrender to COMMERCE all property of COMMERCE prior to settlement upon completion, termination or cancellation of this contract.
- E. All reference to the Contractor under this clause shall also include Contractor's employees, agents or Subcontractors.

21. WAIVER

Waiver of any default or breach shall not be deemed to be a waiver of any subsequent default or breach. Any waiver shall not be construed to be a modification of the terms of this Contract unless stated to be such in writing and signed by Authorized Representative of COMMERCE.

Attachment A: Scope of Work

Grant Objective:			
1. Prepare informational “City Council District Digest” documents concerning of HB 1110 and Middle Housing. 2. Amend subdivision regulations to provide for unit lot subdivision and other subdivision code amendments necessary to implement HB 1110. 3. Draft middle housing ordinance and development and design regulations for HB 1110.			
Actions/Steps/ Deliverables	Description	Start Date	End Date
Action 1	Create City Council District Digests, describing how each Council District may be impacted by Comprehensive Plan update land use modifications, including implementation of Middle Housing requirements per HB 1110. Digests include GIS mapping, demographic data, development data, and other information.	8/2023	2/7/2024
Step 1.1	Meet with Individual City Council members to discuss District Digests, HB 1110 implementation, and any requested alterations to District Digest prior to public release.	11/2023	1/2024
Step 1.2	Tour individual City Council Districts with individual Council members to discuss built environment, land use proposal, and HB 1110 implementation.	11/2023	1/2024
Step 1.3	Revise City Council District Digests based on City Council member feedback. This includes potential mapping, text, and data alterations.	11/2023	1/2024
Step 1.4	Draft public notification materials advertising City Council District Digests for upcoming City Council meetings, including posting flyers at City Parks, publication on Bremerton School District parent notification system <i>Peachjar</i> , advertising on City webpage, notifying interested parties, and more.	11/2023	1/2024
Step 1.5	Present District Digests at City Council Study Session, discuss HB 1110 implementation.	1/2024	1/2024
Step 1.6	Present District Digests at City Council Regular Meeting, discuss HB 1110 implementation, and overall housing strategy for Comprehensive Plan update.	2/2024	2/2024

ATTACHMENT: DRAFT CONTRACT

Deliverable 1	City Council Packet & Final District Digests as they relate to Middle Housing.		6/15/2024
Action 2	Create Draft zoning code amendments in legislative markup regarding Unit lot subdivision, and other subdivision zoning code amendments necessary to implement HB 1110.	6/2024	1/31/2025
Step 2.1	Review Commerce middle housing model ordinance anticipated January 23, 2024	1/23/2024	3/31/2024
Step 2.2	Participate in Commerce lead educational opportunities regarding model ordinance.	1/23/2024	6/15/2024
Deliverable 2	Draft Middle Housing ordinance (zoning code amendments) in legislative mark up.		1/31/2025
Action 3	Public process for review of Middle Housing Ordinance (zoning code amendments).		
Step 3.1	Develop report, analysis for start of public process. Planning Commission or Public Open House meeting(s) early for preliminary discussions.	6/2024	10/2024
Step 3.2	Prepare notices, distribute information, and public outreach.	6/2024	10/2024
Step 3.3	Perform Planning Commission Workshop(s) on specific topics, incorporate and gather the Commission and public comment(s).	6/2024	11/2024
Step 3.4	Conduct Agency/Tribal review and outreach.	2/2025	2/2025
Step 3.5	Present recommended amendments to Planning Commission and public hearing.	3/2025	3/2025
Step 3.6	Prepare draft ordinance and City Council Packet, prepare notices, and distribute information.	3/2025	4/2025
Step 3.7	Present to City Council Study Session and Public Hearing.	5/2025	5/2025
Step 3.8	Prepare for Council adoption and implementation.	5/2025	5/2025
Deliverable 3	Draft Middle Housing Ordinance and Summary Report on Public Outreach		6/15/2025

Attachment B: Budget

<p>Grant Objective:</p> <ol style="list-style-type: none"> 1. Prepare informational "City Council District Digest" documents concerning of HB 1110 and Middle Housing. 2. Amend subdivision regulations to provide for unit lot subdivision and other subdivision code amendments necessary to implement HB 1110. 3. Draft middle housing ordinance and development and design regulations for HB 1110. 		
<p>Deliverable 1. City Council Packet & Final District Digests as they relate to Middle Housing</p>	<p>Fiscal Year FY1- June 15, 2024</p>	<p>Commerce Funds \$37,500</p>
<p>Deliverable 2. Draft Middle Housing ordinance (zoning code amendments) in legislative mark up.</p>	<p>FY2 – January 31, 2025</p>	<p>\$18,750</p>
<p>Deliverable 3. Draft Middle Housing Ordinance and Summary Report on Public Outreach</p>	<p>FY2 – June 15, 2025</p>	<p>\$18,750</p>
<p>Total:</p>		<p>\$75,000</p>

Funds must be invoiced in the appropriate fiscal year (FY1 or FY 2), or they may not be able to be paid. Please be sure to invoice for all FY 1 by June 30, 2024 and FY 2 by June 30, 2025.